REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF COUNTY EXECUTIVE OF KWALE

FOR THE YEAR ENDED 30 JUNE 2018

OFFICE OF THE AUDITOR GENERAL - COAST HUB
17 DEC 2018
P.O. Box 95202-80104, MOMBASA

COUNTY GOVERNMENT OF KWALE - EXECUTIVE

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30TH, 2018

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

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1. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

Kwale County is constituted as per the Constitution of Kenya, 2010. It is charged with the responsibility of providing a variety of services to residents within its area of jurisdiction. These include the services that were hitherto provided by the defunct Municipal Council and the ones that have been transferred from the national government. The county is headed by the County Governor, who is responsible for the general policy and strategic direction of the County. The Governor is supported by an Executive Committee in carrying out the mandate as stipulated in the Constitution. The County Executive Committee Member for Finance and Economic Planning is in charge of the County Treasury. One of the functions of the CEC – Finance is financial reporting at the County level.

Vision

"A competitive industrialized and socio-economically self sustaining and secure county."

Mission

"To provide quality and efficient services through innovation and sustainable utilization of resources for better quality of life of all citizens of Kwale County."

Core Values

Kwale County upholds the values of Transparency and accountability/integrity, inclusiveness and equity, Empowerment, Quality/ result oriented and innovation.

b) Key Management

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

	Name	Designation	Date of holding office
1.	H.E. Salim Mvurya,	Governor	18th March 2013
2.	H.E Fatuma Achani	Deputy Governor/ In charge of the Executive and Public Service and Administration	18th March 2013
3.	HON. Bakari Sebe	CECM Finance and Economic Planning	6th May 2013
4.	HON. Joanne Nyamasyo	CECM Agriculture, Livestock and Fisheries	6th May 2013
5.	HON. Sumu Beja Mahaja	CECM Environment And Natural Resources	November, 2017
6.	HON. Francis Gwama Mwatsahu	CECM Health Services	November, 2017
7.	HON. Ramadhan Bungale	Ag. CECM Industry, Trade and Investments	November, 2017
8.	HON. Ramadhan Bungale	CECM-Community Development,Youth and Women Empowerment and Social Services	November, 2017
9.	HON. Mangale Ndegwa	CECM Education and Human Resource	6th May 2013
10.	HON. Hemed Mwabudzo	CECM Water and Infrastructure	6th May 2013
11.	HON. Ramadhan Bungale	Ag. CECM Tourism and Information Technology	November, 2017
12.	Mr. Martin Mwaro	County Secretary	6th May 2013

The County Executive team during the financial year consisted of:

H.E. SALIM MVURYA – GOVERNOR

Salim Mvurya Mgala aged 43 is the Governor of Kwale County. He was born at Kadzandani Village, Mwatate Location, Kasemeni Division, Kinango District of Kwale County. He went to Mavirivirini Primary School in 1979 then Mpeketoni Secondary School from 1987 to 1990. He then proceeded to Egerton University for his first degree and graduated with Bachelors in Agri-Business Management in 1996.

He has a Masters Degree in Participation, Power and Social Change from the Institute Of Development Studies, University of Sussex in England, UK. He also has further certificates in NGO management from MSTDC- Arusha, Tanzania. Mvurya possesses strong leadership and management skills. Salim Mvurya has over 20 years of social Development and leadership experience. He is the current Governor of Kwale County and previously served as the Deputy Chair, Council of Governors for two consecutive terms. During his tenure as Governor he also served as the Chair of Resource Mobilization Committee of the Council of Governors for two terms. In the year 2008, he had an opportunity to be the Acting Country Director for Plan Kenya. Other organizations he has worked for include Aga Khan Foundation and Tegemeo Institute of Agricultural Policy and Development (an institute of Egerton University).

His working experience has enabled him to gain experiences in staff management, program management, resource mobilization and fundraising, operational management, financial management as well as influencing policy at local, national and international level. Over the years he has designed and implemented development programs in Education, Health, Livelihoods, Child Protection and Democratic Governance centred on citizens participation in decision making processes and policy advocacy. Governor Mvurya emphasizes that Kwale has enormous resources and he is already applying his Development and Management experience and is leading a change process that will give the citizens of Kwale County an opportunity to benefit from socio-economic development.

H.E FATUMA ACHANI - DEPUTY GOVERNOR

Fatuma Mohamed Achani aged 36 years is the Deputy Governor of Kwale County. She was born at Kingwede Village, Ramisi Ward, Msambweni Division of Kwale County. She went to Kingwede Primary School then joined Mama Ngina Girls Secondary School in Mombasa. She served as an associate advocate with the firm of Maina Njanga & Company Advocates from 2008 to 2009. She also served as a Legal Counsel and Programme Officer for the Federation of Women Lawyers (FIDA Kenya) from 2009 to 2012. She is also the County Executive Committee Member for Public Service and Administration. She holds a Law Degree from Moi University and Diploma from Kenya School of Law.

She is a human rights advocate and devotes considerable time and energy to support the Girl Child education. She fights

	against early marriages and gender based violence and also a member of various community groups working towards empowering women in leadership. She is a member of the Federation of Women Lawyers in Kenya and a member of the Law Society of Kenya.
	HON. BAKARI HASSAN SEBE: CECM FINANCE AND ECONOMIC PLANNING **PAST WORK EXPERIENCE** **Finance & Administration Manager** Bluebird Aviation-Wilson Airport, Nairobi, Kenya **Finance & Administrative Officer** Kenya Alliance for Advancement of Children Rights (KAACR) **Accountant** National Fund for the Disabled of Kenya (NFDK) **Education** Eastern & Southern Africa Management Institute (ESAMI) and Maastricht School of Management (MsM), The Netherlands **Master's in Business Administration (MBA)** 2005 – 2007 Kenyatta University Bachelor of Commerce (Accounting) 1993 - 1997

MR ALEX ONDUKO : CHIEF OFFICER

FINANCE AND ECONOMIC PLANNING.

Date of birth: 22nd December 1969

Qualification: Certified Public Accountant of Kenya.

Education: He holds a Masters of Business Administration (finance); He holds a Kenya advance certificate of education and also a Kenya certificate of education.

Experience: 2013 to-date chief officer finance and economic planning.

Senior Management course KSG Mombasa

Strategic Leadership Development Programme KSG Nairobi

2011-2013: Town treasurer
Town council of Kajiado.

2010-2011: Town treasurer
Municipal council of Migori

2005-2010: Town treasurer
Municipal council of Busia.

1990-2005: Accountant
county council of Nakuru

HON. JOANNE NYAMASYO: CECM AGRICULTURE AND FISHERIES

Joanne Nduku Nyamasyo- County Executive Committee Member in charge of Agriculture, Livestock and Fisheries. She was born in Kwale, Matuga constituency, Kubo South Ward in 1962.
She holders a Master's Degree in Animal Science and Management from the University of Queensland - Australia and a Bsc in Animal Science from Egerton University as well as a Diploma in Animal Health from the same university. Joanne has also undertaken other professional courses which include a post diploma in Dairy Technology from the Netherlands and advance milk production systems from Israel. To add into her management skills, Joanne has taken several management courses which include Senior Management course, Conflict Management course and Public Procurement among others. Professionally, she is Animal Scientist and before joining the County Government of Kwale, was working with the National Government in the Ministry of Agriculture and Livestock Development under different capacities charged with administrative responsibilities as well as extension services. The latest post held before joining the County Government being County Director of Livestock Production in Kwale County which involved planning and implementing projects/programs under the Ministry.

	Her professionalism and work experience with the government and involvement in community development projects/programs were key contributors to her performance as County Executive Committee Member.
	DR. DZILA BWENI: CHIEF OFFICER AGRICULTURE AND FISHERIES **Education back ground** He holds Master's degree in Business Administration from Moi university. He also holds BSc. Veterinary medicine from the university of Nairobi besides a diploma in project management from KIM. In addition, Dr. Dzila undertook his O level education from Kwale high before proceeding to Alliance High school for his advanced level. **Work experience** He has been the chief officer for agriculture and fisheries since 2013. Prior to his appointment Dr. Dzila worked for the ministry of Agriculture and fisheries in the national government in various capacities

HON. SUMU BEJA MAHAJA CECM – ENVIRONMENT AND NATURAL RESOURCES

Personal Details:

- Date of Birth: 16th April 1989
- Marital Status: Married

Education and Professional Qualification:

- Master's degree in Environmental Studies Community Development, 2014- Date
- Bachelor of Environmental Science, Kenyatta University, 2008 – 2012
- Kenya Certificate of Secondary Education, (KCSE), Mwasere Girls High School, 2004 – 2007

Professional Trainings and Certification:

- Project Planning and Management Training by East African Institute of Certified Studies
- Geo-Spatial Database Development and Management Training at the Regional Centre for Mapping and Resource Development Nairobi
- Monitoring and Evaluation Training by East African Institute of Certified Studies

PROFFESSIONAL EXPERIENCE

County Executive Committee Member
Environment and Natural Resources
Kwale County, November 2017 to Date

Research Associate;

Kenya Marine and Fisheries Research Institute (KMFRI) – Kenya Coastal Development Project; May 2013 to October 2017;

Project Management Assistant;

Kenya Wildlife Service-Kenya Coastal Development Project; May 2012 -May 2013;

Other roles performed

Consultancy –Aga Khan Community Health Department; October 2015 to April 2016
Community health assessments on neonatal kit project.

DR. MOHAMMED PAKIA: CHIEF OFFICER LANDS,ENVIRINMENT, MINING AND NATURAL RESOURCES

Education: Holds PhD in Natural Sciences from the University of Bayreuth (Germany) ,
MSc Env. Sci from University of Natal (South Africa; -) BEd Sci. (Honours degree) Egerton University

WORK EXPERIENCE
April 2013- to date: Chief Officer – Department of Lands, Physical Planning & NRs, CGK.
August 2010 – February 2013: Lecturer at Pwani University.
January 2012 – December 2015 - Chairman, Forest Conservation Committee (FCC), Coast Region.
August 2007 to July 2010: Lecturer at Masinde Muliro University of Science and Technology.
March 2006 to August 2007: Lecturer at University College of Education in Zanzibar,
October 2005 – to March 2006: Research Associate- Southern Environmental and Agricultural Policy Research Institute (SEAPRI) in a project: 'The protection of community rights over their Bio-cultural Heritage (BCH) and their Traditional Knowledge (TK)".
2001 to 2004 – Research Associate with the Sonderforschungesbereich 560' (SFB) under the University of Bayreuth, Germany.

HON. FRANCIS GWAMA MWATSAHU:CECM HEALTH SERVICES
Health Systems Management Specialist with 18 years' experience. Holder of master degree in Master of Science in Health Systems Management from Kenya Methodist University and PhD (Candidate) in Public Health, Jomo Kenyatta University of Agriculture and Technology, Mombasa, Kenya. On 23rd October, 2017 was appointed as County Executive Committee Member (CECM) –Health Services, County Government of Kwale. In addition to the functions provided under Article 183 of the Constitution, as a county executive committee member, he supervises and co-ordinate the administration and delivery of healthcare services in the county and all decentralized units and agencies. The CECM-Health Services; actively participates in the inter-governmental collaborations in Health Systems Management.
Achievements
Operationalization of Healthcare Service delivery Units: Intensive Care Unit (ICU), CT-Scan in Msambweni County Referral Hospital by April, 2018
Increased the number of health workforce from 485 in 2013 to 1129 by August, 2018, including the increase of nurses from 210 to 440 in the same period. Health facilities increased from 69 in 2013 to 109 in August. 2018. Constructed, equipped and operationalized 26 new Maternity Units, thus increase access to Maternal/Child healthcare services. Outpatient services access and utilization by children <5yrs increased from 581,492 in 2013 to 962.406 in August. 2018 children under 5 increased from 581,492 in 2013 to 771,949 in 2016.

DR. MWALESO KISHINDO: CHIEF OFFICER HEALTH SERVICES

He is a medical doctor and health economist with a Msc. in Health Economics from the University of Heidelberg and MBChB from the University of Nairobi.

He has previously served as a medical superintendent at Weso Hospital in Taita Taveta and deputy medical superintendent in Kwale. He is also a Certified Public Accountant of Kenya CPA (K).

MR. RAMADHAN BUNGALE: CECM COMMUNITY DEVELOPMENT,YOUTH AND WOMEN EMPOWERMENT AND SOCIAL SERVICES, AG CECM TRADE, TOURISM AND ICT

He is a graduate from the university of Nairobi with a Master's in Business Administration and a Bachelor's Degree in Education Arts, Accounting and Economics. He has wealth of experience in Public Policy and Administration, Monitoring and Evaluation and Project Management. He is currently perusing a course leading to a Certified Secretary through KASNEB
Prior to becoming a CECM, He served as Chief officer Trade and cooperative development , Regional Coordinator Coast and a Fund Manager under the now called National Government Constituency Development Fund Board.

MD: SLYVIA CHIDODO: CHIEF OFFICER COMMUNITY DEVELOPMENT, YOUTH AND WOMEN EMPOWERMENT

Education background

Sylvia Chidodo Leli aged 40 is the Chief Officer, in the Department of Community Development, Culture and Talent management. She was born on the 20th February 1977 in Mombasa County. Her home County is Kwale, Kinango sub-county, Puma ward, Nyalani village. Miss Leli went to Bomu primary school and sat for her K.C.P.E exams in 1990 and proceeded to St Teresa's girls' high school where she did her K.C.S.E exams in 1994. Between 1995 and 1996 she engaged in computer studies at the Bits and bits Computer college. Later between 1997 – 2000 she successfully completed her Bachelor's degree in International Relations at the United States International University (USIU). She has a Master's degree in International Relations accorded to her in 2005 in USIU. Sylvia also has certificates in performance contracting and management course and strategic leadership Development program both from the Kenya school of Government. In addition to that she also has a certificate on Mwongozo training from the state cooperation advisory committee.

Experience

She has over 10 years' experience in the public service in different capacities in Government institutions. - The Truth Justice and Reconciliation Commission as the Regional Coordinator Coast and also at the Constitution of Kenya Revenue Commission as District Coordinator Mombasa. Sylvia currently is also the acting livelihoods Co-coordinator for a World Bank funded project for the Kenya Water, Security, Climate and Resilience Project (KWSCRP) under the Mwache Dam. Sylvia Chidodo also sits in various School boards in the County of Kwale and is also a board member of the Water Resources Authority. Within the board of management of WRA she chairs the Resource Mobilization Committee and is a member of the Finance and Administration Committee.
Sylvia prides as being part of the formation of the new Constitution at the grassroots involvement and at the Bomas Conferences which eventually gave our County the new Constitution 2010.

H.E FATUMA ACHANI – DEPUTY

GOVERNOR: CECM COUNTY

EXECUTIVE SERVICES

Fatuma Mohamed Achani aged 36 years is the Deputy Governor of Kwale County. She was born at Kingwede Village, Ramisi Ward, Msambweni Division of Kwale County. She went to Kingwede Primary School then joined Mama Ngina Girls Secondary School in Mombasa. She served as an associate advocate with the firm of Maina Njanga & Company Advocates from 2008 to 2009. She also served as a Legal Counsel and Programme Officer for the Federation of Women Lawyers (FIDA Kenya) from 2009 to 2012. She is also the County Executive Committee Member for Public Service and Administration. She holds a Law Degree from Moi University and Diploma from Kenya School of Law.

She is a human rights advocate and devotes considerable time and energy to support the girl child education. She fights against early marriages and gender based violence and also a member of various community groups working towards empowering women in leadership. She is a member of the Federation of Women Lawyers in Kenya and a member of the Law Society of Kenya.

NURREIN MWWATSAHU: CHIEF OFFICER EXECUTIVE SERVICES AND, PUBLIC SERVICE AND ADMINISTRATION

Nurrein Mwatsahu was born in Mariakani , Kalalani sub-location in Mwavumbo ward, Kwale County in 1965.
He went to Roman Catholic Primary School and later Kilimangodo Primary School respectively before joining Kinango Secondary School in 1980 completing his "O" level education in 1983
After passing his O level exams, he was admitted to Malindi High School in Kilifi County in 1984 where he took his Advanced (A) level exams in 1985.
He joined The University of Nairobi in October 1987 and graduated with a BA Second Class Honours Upper Division degree in October 1990.
In January 2004, he did a Higher Diploma in Human Resource Management course in 2004 completing in November the same year.

Mr Mwatsahu gained invaluable work experience in his work career spanning years of fulfilment at the National Social Security Fund (NSSF) where he rose through the ranks to become a Branch Manager.
While he served as Branch Manager of the giant NSSF from July 1996 through to 30th April 2013, Mr Mwatsahu gained vast exposure and experience.
Some of the responsibilities he performed included building and managing the Human Resource entity to include HR Strategies that support overall business strategies and annual operating plan.

He successfully established programmes, policies and processes

	for regulatory compliance and enhancement as well as created and directed the performance management ownership/employee development programs and facilitated management training through supporting competency and development of the said programs. He was involved in Planning and conducting new employee orientation as well as coordinating management training in interviewing, hiring, terminations, promotions, personnel review, safety organizational procedures and sexual harassment.
	MR. MANGALE MUNGA NDEGWA - CEC, EDUCATION, RESEARCH AND HUMAN RESOURCE DEVELOPMENT. He is a holder of bachelor's degree in Education from Kenyatta University. He attended teachers training college before joining the university and he has attended series of management courses all through his career. Before appointment as the C.E.C in charge of Education in Kwale County Government he was the chairman Kenya National Union of Teachers (KNUT) coast region and executive secretary Kenya National Union of Teachers (KNUT) Kwale County. Initially he was the executive Secretary Kenya National Union of Teachers (KNUT) Msambweni branch. He has been in the education sector for seventeen years before the appointment and served as an administrator in education for more than five years. He grew through the education system and promoted learning of Mathematics and Kiswahili in Msambweni Sub County. Have also been promoting sports especially volleyball in Kwale County.

MISHI KAOLE-CHIEF OFFICER EDUCATION, RESEARCH AND HUMAN RESOURCE DEVELOPMENT.

Ms.Mishi Salim Mwakaole was appointed as a Chief Officer Education and Human Resource Development on 5th August 2014.
Ms. Mishi Salim Graduated from the University of Nairobi in 1995 with a bachelor's degree in Education.She has a 13 years' experience in the teaching profession, she served in different capacities including being a school Principal in Mtongwe Girls and Ng'ombeni Secondary Schools from 2003-2008.
Until her appointment as chief Officer Education and Human Resource in Kwale County Government, she served as District Staffing Officer in charge of all Teachers Management functions Teachers Service Commission (T.S.C) in Msambweni District,Kwale County from 2008-2014.

HON. HEMED MWABUDZO: CECM WATER AND INFRASTRUCTURE

Hemed Mwabudzo holds a bachelor's degree in arts and has had extensive experience in managing projects and programmes over the last twenty years. He worked in administrative positions with the Ministry of Labour and Coast Development Authority for 8 years and as business facilitator/coordinator with Coast Development Authority and Aga Khan Foundation for over ten years. He has had extensive business development training in Israel and Kenya besides exposure in several other countries of the world.
He has expertise and extensive experience in organizational and business development. For 15 years he has been a program officer and programme coordinator in 2 different organizations supervising sub-sector/value chain analysis and implementation of market development interventions in the cashew nuts, marine fisheries, coconut, indigenous chicken, meat goat and honey value chains/sub-sectors. He has worked with consultancy firms to undertake in-depth market studies for some of the commodities and organized market linkages which resulted into business transactions worth millions of shilling to date.
At the same time, Hemed has been responsible for general projects and programmes coordination for long, he has managed and coordinated development funding from USAID, DANIDA, and CIDA among other donors in different capacities. He is experienced in project design, monitoring and evaluation and has served as progragramme Coordinator of Coastal Rural Support Programme (a project of Aga Khan Foundation) and had successful experience in managing a multi-input and multi donor development programme.

MR. MUSYOKI:CHIEF OFFICER WATER AND INFRASTRUCTURE

Munyao Musyoki Muthuka holds a Master degree in Science & degree in Geology and has had extensive experience in managing projects and programmes over the last twenty years.

He worked in administrative positions with Aga Khan Foundation-Coastal Rural Support Programme, Mariakani and Coast Development Authority as the head of Water Department. He developed Planning and design facilitation, coordination and implementation of water resources development and management programmes and projects in 8 districts, Kwale, Taita Taveta, Mombasa, Kilifi, Malindi, Tana River, Lamu and Ijara (in North Eastern Province). He oversaw day to day duties involve provision of technical and advisory support to communities, local CBOs and NGOs in the Region on issues regarding water development and capacity building

He was also the WASH manager consultant at Kwale School Wash Project. He has been responsible for Implement and evaluate the performance of the program, specifically developing, implementing and monitoring field-based WASH work plans; overseeing administrative and logistical support functions and ensuring that appropriate supervision systems and protocols are in place and adhered to; compilation of Project Performance Reports, monthly and annual for both Aga Khan Foundation and the Donor/Funding Agency.

MR. ANTHONY MWAMUNGA: CHIEF OFFICER TOURISM AND INTORMATION TE

Education and professional profile

Graduated in 1999 with bachelor's degree in Information & Media Technology Moi University
Attained ITIL (Information Technology Infrastructure Library)
Attained CCNA 2001

Work Experience

Deemberc 2014 to Present: Kwale County Government
Position: Chief Officer – Tourism, Investment & ICT
March 2008 to November 2014: Mombasa Water & Sewerage Company Limited
Position: Head of ICT
March 2006 to February 2008: Ansellia Holdings Limited /Playwin
Position: Head – Network Operations Center.
March 2004 to Feb 2006: Constitution of Kenya Review Commission – CKRC
Position: Programme Officer - ICT
January 2001 to February 2004: Pwani Telecomms Limited
Position: Head of Customer Support
May 1999 to December 2000: Swift Global Kenya Limited – Premier Internet Service Provider
Position: Customer Support Engineer.CHNOLOGY

KASSIM RIGGA MAMBO – CHAIRMAN,

KWALE

COUNTY PUBLIC SERVICE BOARD

Mr Kassim Rigga Mambo is the inaugural Chairman of the Kwale County Public Service Board appointed in August 2013 by H.E the Governor for a period of six years. He is a former Commissioner of the Public Service Commission where he served for a period of six years. (2003-2009)

Prior to joining the Board, Mr Rigga had worked in several public service organizations including Kenyatta University (1993-2000) as Assistant Registrar. Others are National Aids Control Council (2001-2003) as Public Relations Manager; Kenya Industrial Research and Development Institute (1987-1993) as Public Relations Officer and the Ministry of Commerce and Industry (1985-1987) as Information Officer.

Mr Rigga received a Title of Honour Order of the Grand Warrior (OGW) by H.E President Mwai Kibaki on 12th December 2006 for exemplary service in the public sector. He is a Master's degree holder (USSR) and a PhD (PR) from Kenyatta University.

ALI MABRUKI MWAGUTA – ASSUMING DUTIES OF THE BOARD SECRETARY.

Mr. Ali M. Mwaguta is a Kwale County Government employee attached to the County Public Service Board as an Office Administrator with effect from 1st October, 2014. He was however deployed to perform the duties of the Board Secretary following the resignation of the substantive secretary Miss Victoria Tumaini from service with effect from 8th May, 2017.

Prior to his deployment at the Board, Mr. Ali Mwaguta worked as an Administrative Officer in the defunct Town council of Kwale between 15th October, 1997 to March, 2013.
During the new County Government dispensation, he was deployed as an Interim Sub-County Administrative Officer for Matuga, then as County Transport Manager and finally to the Human Resource department as a Human Resource officer before joining the Board.

He is a Bachelor of Science degree holder in Human Resource Management from Moi University.

MR.MARTIN MWARO MANGI BAYA

KULUWA: COUNTY SECRETARY

Professional information.

- He holds a master's of Science in Human Resource Management from Jomo Kenyatta University of Science and Technology.
- Bachelor of Arts in Sociology from Kenyatta University.
- Higher National Diploma in Human Resource Management from Kenya Institute of Management.

Work Experience.

- He served as an information researcher with A.C.K.
- In administration, he has served as a District Officer and District Commissioner for 15 years.
- He was appointed the County secretary in February, 2014 after serving at an Interim position for one year (From February, 2013 to February, 2014).

c) Fiduciary Management

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

No.	Designation	Name
1.	CEC, Finance and Economic Planning	Hon. Bakari Sebe
2.	Chief Officer Finance	Mr. Alex Onduko
3.	Head of Treasury	Mr. Vincent Mbito
4.	Head of Supply Chain Management	Mr. Abdalla Maningi
5.	County Receiver of Revenue	Ms. Samira Swaleh
6.	Head of Budget	Mr. Athman Mwatunza

d) Fiduciary Oversight Arrangements

The key fiduciary oversight bodies at the County for the year ended 30th June 2017 were:

1. County Assembly of Kwale;

A. Public Accounts & Investment Committee

B. Budget and Appropriations Committee.

2. Audit Committee;

e) County Headquarters

P.O. Box 4 – 80403
Kwale County Headquarters
Off Kwale – Kinango Road
Kwale

f) County Contacts

Telephone: (254)
E-mail: info@kwale.go.ke
Website: www.kwale.go.ke

g) County Bankers

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

2. Kenya Commercial Bank
   P.O Box 43 – 80403
   Kwale, Kenya

3. Equity Bank
   P.O Box 167 -80403
   Kwale-Kwale

4. National Bank
   P.O Box 457-80400
   Ukunda.

5. Cooperative Bank
   P.O Box 568-80400
   Ukunda.

6. Family Bank
   P.O Box 81630-80100
   Mombasa.

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 County Legal Officer
Office of the Governor
P.O. Box 4 - 80403
Kwale.

2. FORWARD BY THE CEC

COMMENTARY BY THE CEC, FINANCE AND ECONOMIC PLANNING

It is my pleasure to present the County Government of Kwale financial statements for the year ended 30th June 2018. The financial statements present the financial performance of the County Government over the past year.

The promulgation of the Constitution of Kenya, 2010 under Chapter 11 ushered Kenya into a new system of governance, replacing the centralised system with a devolved system of governance. The devolved system of governance consists of the National Government and 47 County Governments.

Financing of the County Governments

Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Each County Government's equitable share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation and approved by Parliament in accordance with Article 217 of the Constitution.

The County also finances its operations through own generated revenues. These are revenues collected within the County. They key local revenue sources for Kwale County included business permits, land rates, business plan approval, advertising fees, cesses and various other administrative charges.

The County continues to explore new and innovative ways of increasing its local revenue collections. Some of the steps that the County has taken towards improving its revenue collections include:

1) Automation of revenue collection system – the County is currently testing the revenue automation system it's at 90% completion.

2) The County is in the process of revaluing its valuation role which it hopes to increase the tax payers base and overall revenue from land rates.

Financial Performance

a) Revenue

In the year ended 30th June 2018, the County had projected revenues of KShs **8,217,690,009** Consisting of KShs **275,000,000** from own sources and KShs **7,942,690,009** from other sources.

A graphical representation of the revenue budget is as shown below:

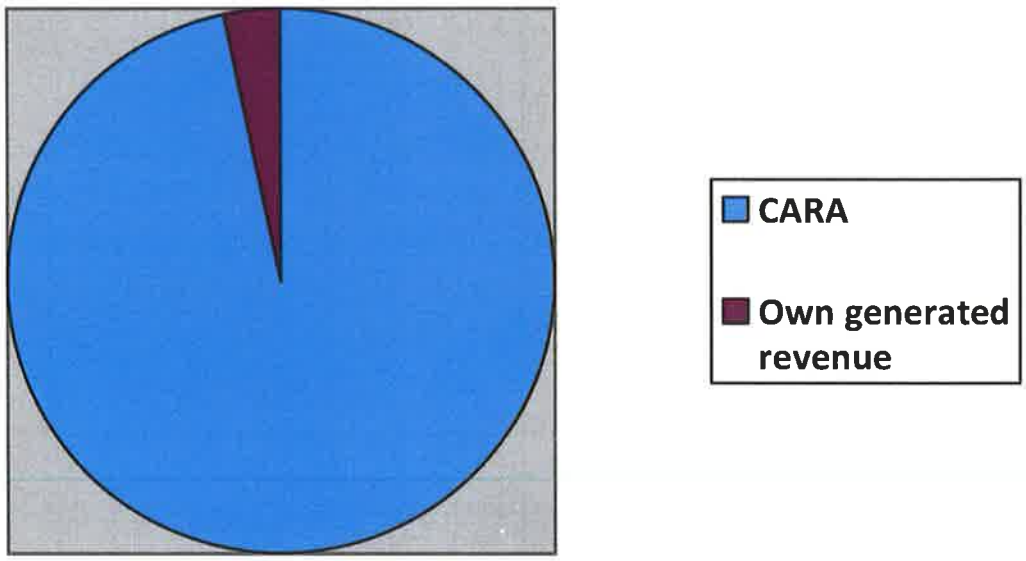
Figure 1: KWALE County revenue sources in FY 2017/2018

CARA revenues continue to form the largest part of our revenue budget, contributing approximately 96% towards our budget. Our own generated revenues formed 4% of our budget. The budget deficit was financed through unutilized fund balances from previous financial year.

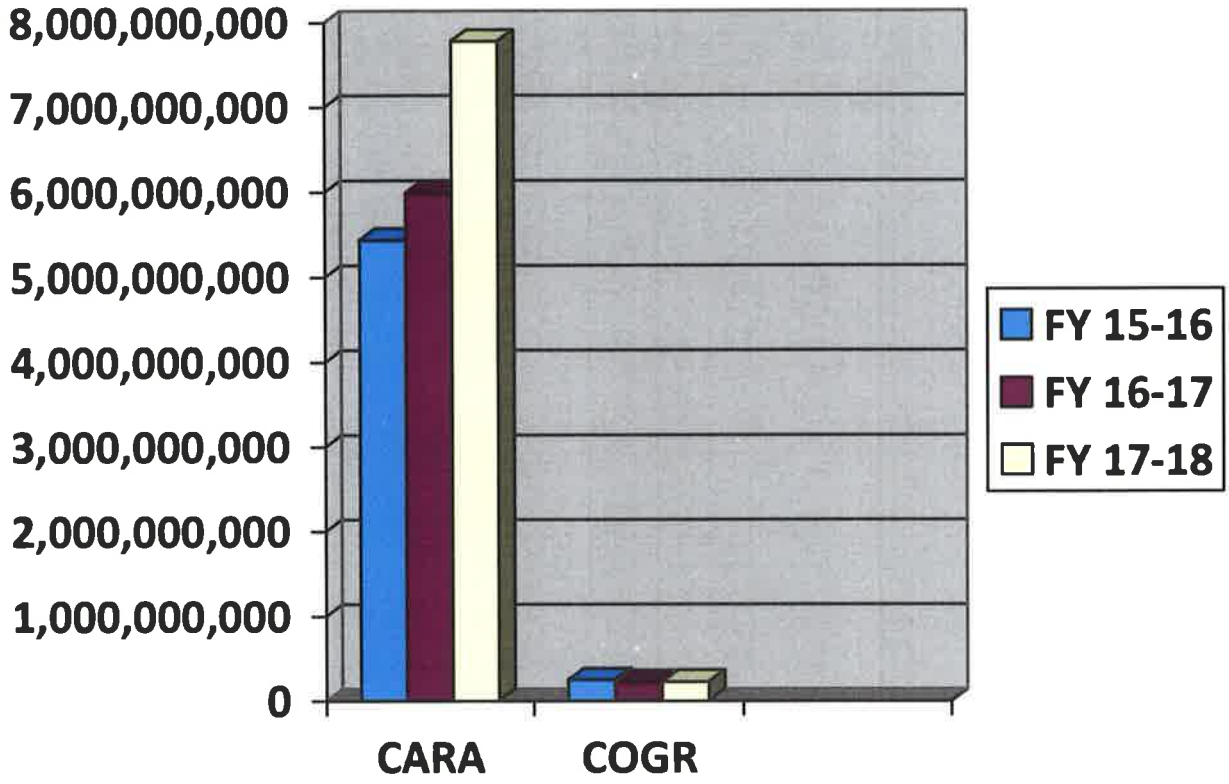
Out of the projected revenue, the County was able to realise KShs 8,002,707,847 in actual revenues, representing 97% performance. Own generated revenue was kshs. 226,210,459 representing 82% of the budgeted amount. In the table below, we present an analysis of revenue performance during the year.

Revenue classification	Revenue budget (KShs)	Actual (KShs)	Realisation (%)
CARA	7,942,690,009	7,776,497,388	98%
Borrowings	-	-	-
Own generated revenues	275,000,000	226,210,459	82%
Total	8,217,690,009	8,002,707,847	97%

Table 1: Revenue performance in FY 2017/2018



Revenue performance in FY 2017/2018



KEY

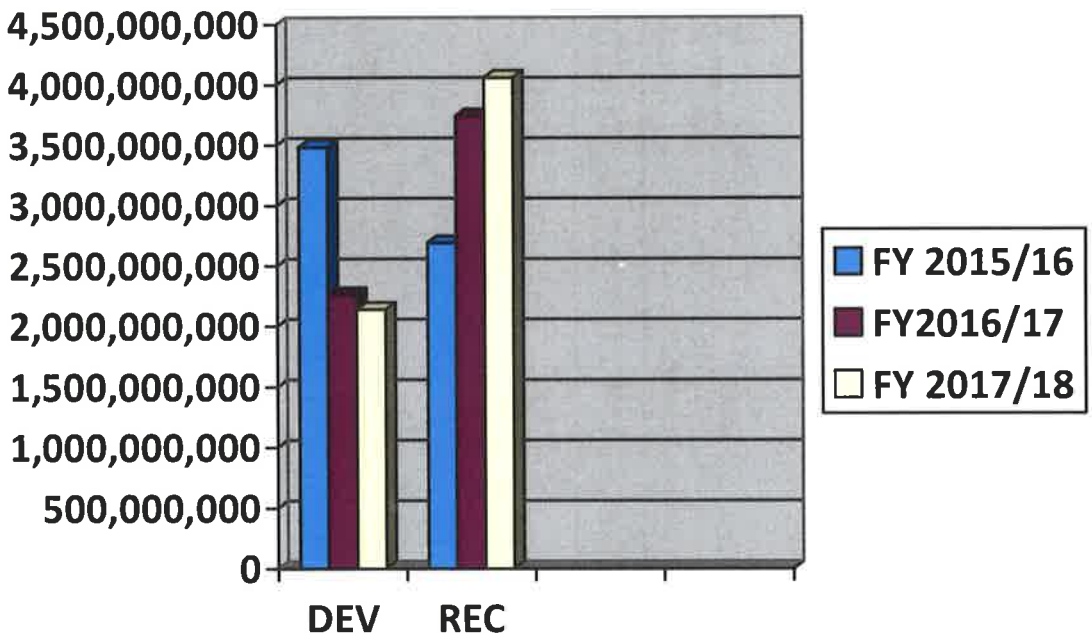
CARA-	**County allocation of revenue act**
COGR-	**County own generated revenue**
FY-	**Financial year**

b) Payments

The total expenditure for the year amounted to KShs 6,780,030,143. KShs 2,193,565,034 was spent on development expenditure while KShs 4,586,465,109 was spent on recurrent expenditure representing a ratio of 13:34 respectively.

	2017-2018	2016-2017	2015-2016
Development Expenditure	2,193,565,034	2,259,477,859.40	3,483,464,329.70
Recurrent Expenditure	4,586,465,109	3,745,250,953.65	2,689,102,195.70
Total Expenditure	**6,780,030,143**	**6,004,728,813.05**	**6,172,566,525.40**

Expenditure Analysis graph



KEY

FY- Financial year

DEV- Development expenditure

REC- Recurrent expenditure

In the financial year 2017/2018, the county did a number of development projects in various sectors. Below is a sample of the projects;

PLANNING OF KANANA LOCAL CENTE – RECCONAISSANCE SURVEY MAP

TREES IN KANANA

BILASHAKA PR. SCHOOL

KWALE COUNTY HEADQUARTER

MSAMBWENI HOSPITAL MARTERNIT COMPLEX UNDER CONSTRUCTION

NEWLY ACQUIRED KWALE HOSPITAL X-RAY MACHINE

KWALE HOSPITAL ACCIDENT & EMERGENCY BLOCK UNDER CONSTRUCTION

KWALE COUNTY COMMUNITY DEV. AMPTHEATRE

KINANGO PUBLIC LIBRARY

SAMBURU SOCIAL HALL

MABESHENIi GIRLS' Hostel – Kasemeni Ward

WAMASA E.C.D.E Centre

BUMBUNI ECDE – Dzombo Ward

KINANGO MAZOLA CHIRIMA CHA UHA

KUMBULU PIPELINE WATER PROJECT

WATER PIPELINE

MBUGUNI WATER SUPPLY PROJECT

KOMBANI WATER PROJECT

PROPOSED CABRO LAYING AT PUNGU SLAUGHTER ROAD PHASE 1

PROPOSED REHABILITATION OF MAGOMBANI - MTSUNGA (19.2 KM

Other Project completed FY-2017-2018

i. Completion of Accident and emergency wards in Kwale and Kinango.

ii. Construction of Theatre in Samburu Chengoni Ward and Lungalunga Ward.

iii. Completion of 4 Polytechnics Twin workshops/ Hostels in Gombato, Dzombo, Mwereni and Vanga.

iv. Construction of Samburu, maji ya chumvi, Mwangoloto pipeline in Samburu Chengoni Ward.

v. Completion of 69 E.C.D.E in; Kinango, Gombato, Mwavumbo, Waa/ng'ombeni, Macknon Road, Kinondo, Vanga, Dzombo, Ramisi and Ukunda among others

vi. Completion of Kombani wholesale section market

vii. Construction of Paedriatric unit and opening of the Afya house in Kwale Hospital

viii. Completion of Marere Ndavaya pipeline (kirewe mwachanda) in Ndavaya.

ix. Completion of Installation of backborne fibre optic network infrastrracture

x. Construction of Dudu Dam in Ndavaya ward

xi. Food security programmes by providing certified seeds and fertilizers to farmers

Figure 2: County Government Flagship projects completed in FY 2017/2018

i. Commissioning of ICU and renal unit at Msambweni hospital to upgrade it to a Referral hospital.

ii. Completion of Cabro work at ukunda Airstrip Road.

xii. Construction of final phase of the County Head Quarters.

xiii. The County Government has Built 69 ECDEs Centers in this financial year adding to 200 ECDEs. Additionally, the County hired more ECD teachers which has improved the enrolment of pupils and creation of employment in the county.

xiv. Provision of bursaries to needy students in secondary schools, technical institutions and Universities.

Much of the recurrent budget was spent on compensation for employees. This was as a result of salary increments awarded to Doctors and Nurses over the past year. However, we appreciate that a well remunerated workforce is necessary for service delivery. As such, we are committed to improving the welfare of our staff.

c) Cash flows

In the FY 2017/2018, we have had many liquidity disruptions. This was as a result of late disbursements by the National Treasury. The cash and cash equivalents increased from KShs 1,080,952,419 as at 30th June 2017 to KShs 2,291,430,522 as at 30th June 2018.

d) Accounts receivables

Imprest management is a critical area of focus in Kwale County. Our aim is to adhere to the PFM regulations on imprest management. We appreciate that there is still room for improvement in this area. The main challenge has been to get staff and the Honourable Members of County Assembly to account for their imprests on time. Going into FY 2018/2019, we will place more emphasis on complying with the PFM regulations with regards to imprests.

e) Pending bills

Pending bills have increased from KShs 1,506,308,814.49 to KShs 2,303,830,381.53
The raise has largely been as a result of late disbursement of funds from National Treasury hence delays in settling suppliers. Our focus as a County is to settle the bills as soon as possible. In every budget cycle, we ensure that part of the allocations is towards settlement of old outstanding pending bills.

f) Fixed assets

Kwale County has made significant investments in fixed assets since coming into office in 2013. Additionally, we inherited some assets from the defunct municipal council. We are in the process of developing a comprehensive asset management policy, which we hope to finalize in FY 2018/2019. The policy will among other things incorporate physical verification of all assets, valuation of assets, tagging of assets and maintenance of an asset register.

Despite the notable achievements, we have experienced some challenges during the year. These include:

i. IFMIS system errors – some expenditure were reported with negative figures and some in the commitment column. Liaise with IFMIS technicians to assist in correction of the errors.

ii. The delay in IFMIS system {i-sourcing} delayed the procurement procedures subsequently affected the County`s expenditure absorption rate. It was recommended to continue using Auto- creation in the system.

iii. Late disbursement of funds by National Treasury.

Conclusion

FY 2017/2018 was a good year in general. Good progress was made and the momentum has been created to enable Kwale County continue on a trajectory into prosperity. We have identified gaps and areas to improve on in the subsequent years.

I take this opportunity to thank H.E. the Governor and the Deputy Governor for their support. I would also want to thank my colleagues, the County Executive Committee Members in charge of other departments who we have worked hand in hand to ensure that Kwale County achieves its mission.

I thank all staff in the entire County for their continued commitment and dedication through hard work in delivering services to the people of Kwale County.

HON. BAKARI SEBE
County Executive Committee Member for Finance and Economic Planning
County Government of Kwale

3. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The County Executive Committee (CEC) member for finance of the County Government is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the financial year ended on June 30th, 2018. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of 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 30th, 2018, and of its financial position as at that date. The CEC member for finance further confirms the completeness of the accounting records maintained for the County Government which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

The CEC member for finance confirms that 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 14/12/2018.

County Executive Committee Member – Finance

4. REPORT OF THE INDEPENDENT AUDITORS ON THE COUNTY GOVERNMENT OF KWALE

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NAIROBI

OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Executive of Kwale set out on pages 31 to 91, which comprise the statement of assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and summary statement of Appropriation; recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of County Executive of Kwale as at 30 June 2018, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the County Government Act, 2012.

Basis for Qualified Opinion

1.0 Variance between Financial Statements and Integrated Financial Management Information System (IFMIS) Balances

The financial statements for the year ended 30 June 2018 availed for audit review have variances amounting to Kshs.40,801,421 between the financial statements and Integrated Financial Management Information System balances as detailed below;

Component	Financial Statement Kshs.	IFMIS Balance Kshs.	Variance Kshs.
Use of Goods:	1,200,435,220	1,146,342,29	54,092,930
Acquisition of Assets:	2,238,261,562	2,251,553,071	(13,291,509)
Total	3,438,696,782	3,397,895,361	40,801,421

Consequently, the accuracy and completeness of the expenditure totaling Kshs.3,438,696,782 included in the statement of receipts and payments for the year ended 30 June 2018 could not be confirmed.

2.0 Use of Goods and Services

The statement of receipts and payments for the year ended 30 June 2018 reflects use of goods and services expenditure amounting to Kshs.1,200,435,220 as detailed in Note 12 to the financial statements. However, the following observations were made;

2.1 Other Operating Expenses

Included in the use of goods and services expenditure of Kshs.1,200,435,220 is Kshs.201,089,904 in respect of other operating expenses out of which Kshs.18,336,000 relates to legal expenses. However, no audit evidence was availed to confirm how the legal firms were evaluated and identified. Further, court reports, proceedings and rulings were not availed for audit verification.

Consequently, the propriety and accuracy of Kshs.18,336,000 on legal expenses for the year ending 30 June 2018 could not be confirmed.

2.2 Unsupported Expenditure

Included in the use of goods and services expenditure of Kshs.1,200,435,220 are expenditures totaling Kshs.8,950,438 which were not supported as detailed below;

No	Item/Component	Amount (Kshs)	Observations
1	Printing and advertising	6,753,613	Advertising awareness and publicity documents availed for audit review indicated that all advertisements were done through various local Newspapers contrary to Circular 09/2015 of 10th July 2015 addressed to all Accounting Officers, which gave guidelines on centralization of public advertisements through Government Appointed Agencies
2	Training	2,196,825	• Invitation letters to the specific training/seminars not availed • Motor vehicle work tickets, air tickets boarding passes not attached as evidence of travel • Schedule of payment of allowances not signed by the recipients to acknowledge receipt of the funds

No	Item/Component	Amount (Kshs)	Observations
			• Venue of the training /workshop not disclosed to confirm applicability of the rate used • Letter of admission into training school/colleges were not attached
	Total	**8,950,438**	

Consequently, the propriety and accuracy of Kshs.8,950,438 included in the use of goods and services for the year ended 30 June 2018 could not be confirmed.

3.0 Acquisition of Assets

The statement of receipts and payments for the year ended 30 June 2018 reflects Kshs.2,238,261,562 on acquisition of assets as detailed in Note 17 to the financial statements. However, the following observations were made:

3.1 Acquisition of Land

Note 17 to the financial statements reflects Kshs.3,625,000 incurred for acquisition of land. Records availed for audit review indicated that two parcels of land were acquired at a cost of Kshs.1,250,000 and Kshs.2,375,000 measuring 2.5 acres 5 acres respectively for construction of Kinango livestock market and a slaughter house. However, title deeds for the two parcels of land were not availed for audit review. Further, construction works for Kinango livestock market was ongoing on the parcel but there was no signboard detailing the ownership, financiers and the nature of project undertaken.

Under the circumstances, it has not been possible to confirm the propriety of Kshs.3,625,000 expenditure on acquisition of land for the year ending 30 June 2018.

3.2 Construction of Roads

Included in the construction of roads expenditure of Kshs.83,488,684 is Kshs.4,772,646 paid to a local contractor for upgrading 10 Kilometers Kabenderani – Mwangea – Mwandoni Road. Physical verification carried out on 20 November 2018 revealed that the actual payment was for 10 Kilometers while the actual work done was 9.1Kilometers resulting to an overpayment for 0.9Kilometers length of the road. The full payment for the 10 Kilometers was made instead of 9.1Kilometers.

Under the circumstances, it has not been possible to confirm the propriety of Kshs.4,772,646 spent on upgrading Kabenderani – Mwangea – Mwandoni Road for the year ended 30 June 2018.

3.3 Rehabilitation of civil works

Note 17 to the financial statements reflects Kshs.266,412,352 spent on rehabilitation of civil works. Included in the rehabilitation of civil works is Kshs.36,162,130 paid to a local contractor for construction of Mwakalanga Dam. However, physical verification of the project on 19 November 2018 revealed that excavation work had just started whereas the supervising Engineer's report had indicated that the excavation was complete.

Under the circumstances, it has not been possible to confirm the propriety of Kshs.36,162,130 spent on construction of Mwakalanga Dam for the year ended 30 June 2018.

3.4 Domestic Payables

Note 17 to the financial statements for the year ended 30 June 2018 reflects a figure Kshs.1,123,557,991 in respect of domestic payables (pending Bills). The following observations were made.

3.4.1 Jasini Cause way

Included in domestic payables balance of Kshs.1,123,557,991 is an amount of Kshs.22,721,800 paid to a local contractor for Tender No. CGK/081/2016-2017 to construct a causeway in Vanga, Kwale County. Site verification carried out revealed that out of total works certified and paid, an amount of Kshs.13,418,800 could not be matched to any certificate of measured works as analyzed below;

BQ	Certified Works	Physical Verification	Variance Kshs.
Provide, place & compact rockfill to form causeway base as directed by engineer (Handpicked stone)	9000M³ @ 2275/- = Kshs.20,475,000	290x8x1.5m (3480M³) @ 2275/- = Kshs.7,917,000	12,558,000
Provide gravel weary course – excavation free haul, spread, water & compact gravel to specification on top of handpicked rockfill	900M³ @ 1540/- = Kshs.1,386,000	900M³ @ 1540/- = Kshs.1,386,000	None

BQ	Certified Works	Physical Verification	Variance Kshs.
Provide & install coated gabions as retaining walls & anti-erosion structures as directed by engineer	40 No. @ 13650/- = Kshs.546,000	Not done	546,000
Provide & place concrete class 20/25	20M³ @ 12740/- = Kshs.254,800	Not done	254,800
Erect sign board as per specifications	2No. @ 30,000 = Kshs.60,000	Not done	60,000
Total			**13,418,800**

Under the circumstances, it has not been possible to confirm the propriety of Kshs.13,418,800 paid for the construction of the causeway for the year ended 30 June 2018.

3.4.2 Purchase of Drilling Materials, Chemicals, Tools and Accessories

Note 17 to the financial statements for the year ended 30 June 2018 reflects a figure Kshs.1,123,557,991 in respect of domestic payables (pending Bills). Included in this amount is Kshs.30,163,182 spent for supply and delivery of drilling equipment, chemicals, tools and accessories.

The following observations were made;

	Payment Voucher	Amount Kshs.	Particulars	Observation
1	005 WA-18	4,726,000	Supply of drilling materials, chemicals, tools and accessories.	Requisition from the user department was not availed. No evidence was availed to confirm the goods were delivered to the point of use and utilized for the intended purposes

	Payment Voucher	Amount Kshs.	Particulars	Observation
2	035WA – 18	8,288,360	Supply and delivery of drilling materials, chemicals, tools and accessories.	No evidence of a competitive process was availed. No evidence was availed to confirm the goods were delivered to the point of use and utilized for the intended purposes
3	109WA-18	13,235,022	Supply of drilling equipment and chemicals	Requisition from the user department was not availed. No evidence was provided as to how the supplier was identified and selected for the supply of the equipment. No evidence was provided to confirm delivery to the point of use and utilization was for the intended purposes.
4	006WA-18	3,913,800	to supply of drilling equipment and chemical	Requisition from the user department was not availed. The actual bids or quotations were not availed. Minutes of evaluation committee were not availed to confirm how the winning bidder were selected. The Head of Procurement opinion was not availed for audit review. No evidence was provided to confirm the equipment were issued to the point of use and utilization was for the intended purposes.
	Total	**30,163,182**		

Consequently, the propriety and accuracy of Kshs.30,163,182 spent on domestic payable for the year ended 30 June 2018 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1.0 Budgetary Absorption

During the year under review, the approved final budget for Kwale County Executive was Kshs.8,598,537,209 with Kshs.4,710,335,983 allocated to recurrent expenditure and Kshs.3,888,201,226 to development. The actual expenditure was Kshs.6,780,030,143 resulting to under absorption of Kshs.1,818,507,046 or 21% as summarized below;

Expenditure Item	Budgeted Amount Kshs	Actual Expenditure Kshs	Under absorption Kshs	Over absorption Kshs	Under absorption %
Compensation of Employees	2,394,446,081	2,281,688,568	112,757,513		5
Use of goods and services	1,499,140,955	1,200,435,221	298,705,735		20
Transfers to Other Government Units	0	541,730,108	0	541,730,108	
Other grants and transfers	839,023,554	517,529,683	321,493,871		38

Expenditure Item	Budgeted Amount Kshs	Actual Expenditure Kshs	Under absorption Kshs	Over absorption Kshs	Under absorption %
Acquisition of Assets	3,837,643,143	2,238,261,563	1,599,381,580		42
Other Payments	28,283,456	385,000	27,898,456		99
TOTAL	**8,598,537,189**	**6,780,030,143**	**2,360,237,154**	**541,730,108**	

The under absorption of approved budget by Kshs.2,360,237,154 or 21% is an indication of activities and project in the annual work-plan not implemented by the County Executive and which is likely to have negative impact on delivery of goods and services to the residents of Kwale County. There is need therefore, for the County Executive to refocus on budget process mechanism with a view to giving priority to the areas where projects may be implemented efficiently and effectively within the timeliness of the budget for the benefit of citizens of Kwale County.

Further, County Assembly approval for the over expenditure of Kshs.541,730,108 was not availed for audit review.

Consequently, the County Assembly was in breach of the law.

2.0 Inconsistent Revenue Collection

The statement of receipts and payments for the year ended 30 June 2018 reflects County own generated receipts of Kshs.226,210,459 compared to Kshs.221,011,186 collected in 2016/2017 financial year. However, scrutiny of the past three (3) years collections revealed inconsistency in various revenue streams as summarized below;

Details	2017/2018	2016/2017	2015/2016
Rent	3,798,234	3,346,450	10,152,379
Other Property Income	0	0	39,534,783
Receipts from Administrative Fees & Charges	0	4,832,314	0
Fines Penalties and Forfeitures	0	0	11,255,058

Details	2017/2018	2016/2017	2015/2016
Business Permits	60,671,524	55,018,719	58,603,940
Cess	10,967,934	12,511,549	13,887,864
Poll Rates	40,176,080	53,682,884	0
Plot Rents	2,183,356	1,576,200	0
Other Local Levies	0	3,667,263	28,062,135
Administrative Service Fees	2,664,265	0	0
Various Fees	288,000	0	11,687,988
Council's Natural Resources Exploitations	15,578,472	18,562,866	21,195,193
Market/Trade Centre Fee	0	11,799,876	5,880,700
Vehicle Parking Fees	0	11,054,159	11,028,074
Public Health Services	7,300,290	2,233,200	0
Public Health Facilities Operations	35,672,090	23,964,870	32,621,588
Environment & Conservancy Administration	2,109,200	2,224,400	0
Slaughter House Administration	852,294	1,554,954	840,189
Other Health & Sanitation Revenues	0	0	3,867,695
Tender Document Sale	0	0	2,305,500
Technical Services Fees	16,567,776	14,981,482	0
TOTAL	**226,210,459**	**221,011,186**	**248,617,586**

Management has not explained the above inconsistencies in revenue collection from the various streams. Further, revenue collection dismally increased by Kshs.5,199,273 or 2% in the year 2017/2018. This is an indication of inefficient revenue collection systems contrary to Section (157) (2) of the Public Finance Management Act, 2012 which requires that the receiver of County Government revenue ensures that the revenue for which the receiver is responsible, is collected or recovered and is accounted for.

Consequently, the County Executive may not fully finance its budget activities which may negatively affect goods and service delivery to residents of Kwale County.

3.0 Land Rates Arrears

Audit review of the Local Authority Integrated Financial Operations Management systems (LAIFOM) ledger indicated land rates arrears amounting to Kshs.805,279,659 as at 30 June 2018.

Further, county revenue report for the financial year 2017/2018 indicated Land Rates Arrears as at 30th June 2018 was Kshs.883,548,584 while balance as per LAIFOM was Kshs.805,279,659 resulting in unreconciled variance of Kshs.78,268,925.

4.0 Project Verification

Audit inspection undertaken in the month of November, 2018 for forty-nine (49) of the sampled projects implemented during the period under audit revealed the following observations:

	Department	Project Name	Contract Sum Kshs	Status
1.	Finance and economic planning	Building construction management-upgrading of Pungu revenue office	5,417,325.52	Complete
2.	Finance and economic planning	Proposed construction of Pungu revenue office section phase ii	5,954,398.32	Complete awaiting electrical connection
3.	Finance and economic planning	Accounting software; revenue system	57,838,351.22	Piloting stage
4.	Health services	Renovation of Msambweni laboratory block	2,122,731.00	Complete
5.	Health services	Supply of incenerator in Msambweni hospital	2,540,000.00	Complete
6.	Health services	Construction of Samburu theatre	9,779,488.20	On going
7.	Health services	Construction of accident and emergency in Kinango hospital	31,992,628.00	On going
8.	Health services	Construction of paedriatric unit at Kwale hospital	5,454,119.20	Complete but not in use
9.	Health services	Construction of a toilet in Kwale hospital	1,399,900.00	Complete

	Department	Project Name	Contract Sum Kshs	Status
10.	Health services	Completion of paedriatic ward in Kwale hospital	10,818,879.20	Complete
11.	Health services	Renovation of maternity block in Kwale hospital	3,400,000.00	Complete
12.	Health services	Supply and installation of control panel in Kinango hospital	3,450,000.00	Complete
13.	Health services	Erection and completion of maternity complex at Msambweni	69,164,083.60	On going
14.	Health services	Supply of CT scan in Msambweni hospital	48,296,600.00	Delivered and in use
15.	Health services	Renovation of Kinango hospital	2,973,600.00	Complete and in use
16.	Infrastructure	Proposed Jasini bridge	17,302,315.00	Not started
17.	Infrastructure	Jasini cause way	22,721,800.00	Ongoing
18.	Infrastructure	Proposed road opening at std gauge railway – Mwabila pry & Kafuduni – Mavirivirini 8.0 km	5,000,000.00	Works completed as per the bills of quantities
19.	Infrastructure	Proposed rehabilitation of Kwale township roads (9.3) Kms Tsimba Golini ward	1,447,800.00	Works completed as per the bills of quantities
20.	Infrastructure	Proposed spot improvement of stage ya Muhogo- Maro kwa Njenga, Mwabovo-Majimoto & Vitsangaleweni kwa masai roads in Dzombo ward	5,122,000.00	Works completed as per the bills of quantities
21.	Infrastructure	Proposed spot improvement of Perani-Mwamose (9.0) km , L/lunga hospital - Botola road , Lungalunga-Kidomaya (8.0) km	4,818,750.00	Works completed as per the bills of quantities

	Department	Project Name	Contract Sum Kshs	Status
		and Mwalewa - Ngathini road in Vanga ward		
22.	Infrastructure	Proposed spot improvement at Magombani - Mtsunga in Mwereni ward	5,350,000.00	Works completed as per the bills of quantities
23.	Infrastructure	Proposed spot improvement of Samburu - Chanzou road in Samburu Chengoni ward	2,120,000.00	Works completed as per the bills of quantities
24.	Infrastructure	Proposed pothole patching and surface dressing of road from a14 junction to Msabweni hospital	19,898,800.00	Works completed as per the bills of quantities
25.	Infrastructure	Proposed culvert installation at Magwei-Ganda road in Kikoneni ward	3,062,440.00	Culverts construction completed
26.	Water services	Mazola-Chirima Cha Uha [2.6] at Puma Ward	8,007,590.00	Complete
27.	Water services	Construction of Sapo –Mbuluni pipeline[3] in Ndavaya	16,424,092.00	Complete
28.	Water services	Expansion of Kamale Chanzou water project-Samburu Chemgoni ward	26,155,129.00	Complete
29.	Water services	Construction of Taru Fuleye pipeline-Samburu Chemgoni ward	24,992,760.00	Complete
30.	Water services	Extension of Taru-fleye water pipeline	2,000,000.00	Complete
31.	Water services	Drilling materials-drilling, development and equipping of borehole water supply systems at Ng'ombeni dispensary - Waa Ng'ombeni ward-construction of borehole at Mtabwe - construction of borehole at Kinondo -drilling, development and equipping of two new boreholes at Kibarani and Fihoni - Kinondo ward-construction of borehole at Kijebe - Kinondo ward	13,349,786.00	Delivered

	Department	Project Name	Contract Sum Kshs	Status
32.	Water services	Proposed construction of Mwakalanga dam - phase i	10,000,000.00	On going
33.	Water services	Lot 3-hiring of plant machinery for rehabilitation and construction water pans and dams-rehabilitation/construction of water pans and dams : Maweu /Chidzugani; Mwangoni dam in Puma ward; Bendege dam in Kasemeni ward; Chidzaya dam in Puma ward and one dam in Samburu Chengoni ward	9,425,000.00	Complete
34.	Infrastructure	Propose rehabilitation of SGR bridge - Mavarata ECDE road (0.9 km)	3,935,140.00	Grading completed, pending 38mt of 900mm culverts , gravel works completed
35.	Infrastructure	Proposed cabro laying at Pungu slaughter road phase 1	5,043,817.00	Works completed as per the bills of quantities
36.	Infrastructure	Construction of Makwembe bridge	8,776,055.00	Not tendered
37.	Infrastructure	Proposed spot improvement of Vitsangalaweni - Kwa Masai road road (3.5 km)-krb (budget 4297000)	4,296,500.00	Culverts completed, grading done, gravel ongoing
38.	Infrastructure	Proposed rehabilitation of Samburu - Chanzou - ShauriMoyo (28 km) road in Samburu Chengoni ward- KRB (budget 4502200)	3,665,560.00	Burried drift construction completed, light grading completed, pending gravel 280cm
39.	Infrastructure	Proposed construction of 1 No. 15m high mast floodlights at Vanga cementary in Vanga ward.	1,397,000.00	Complete and in use

	Department	Project Name	Contract Sum Kshs	Status
40.	Infrastructure	Proposed renovations of the 2om high mast floodlights at Vanga centre in Vanga ward.	1,100,000.00	Not started
41.	Education	Vinyunduni ECDE	5,150,155.00	In progress
42.	Education	Gede ECDE	5,199,999.28	Complete
43.	Education	Wamasa	5,200,448.20	Complete
44.	Education	Jeza ECDE	5,142,251.10	Complete
45.	Education	Kipambani ECDE	5,150,423.20	Complete
46.	Education	Nyarini ECDE	5,194,474.20	Complete
47.	Education	Tsole ECDE	5,150,000.00	Complete
48.	Agriculture	Renovation of Majimboni cattle dip(Kubo south)	3,790,914.80	Done and in use.
49.	Health	Supply, delivery, installation and commissioning of a digital radiography diagnostic machine for Kwale hospital	16,600,000.00	Complete
50.	Health	Supply and delivery of standby generators for Msambweni and Kinango hospital	22,074,632.00	Complete
	Total		**564,667,736.04**	

The above observations are indications of weaknesses in project management which may affect service delivery to the residents of Kwale County. The County Executive should put in place proper project monitoring systems to ensure projects are implemented as per specifications and within the set timelines.

5.0 Construction of Buildings

As reported in the previous year, included in the construction of building balance of Kshs.328,280,456 for the year ended 30 June 2017 as detailed at Note 17 to the financial statement. Included in this is an amount of Kshs.129,000,000 paid to a local construction company towards the proposed construction of County Headquarters offices for the year ended 30 June 2017. Site visit during the audit revealed that work was going on. However, no evidence to indicate timelines or any agreement signed between the contractor and the County Government of Kwale on when the remaining work will be completed.

Under the circumstances, it has not been possible to confirm the value for money paid by the County for the construction of County Headquarters.

6.0 Pending Bills

Annex 2 to the financial statements for the year ended 30 June 2018 reflects pending bills balance of Kshs.2,303,830,381 which are mainly due to contractors. However, no evidence in form of contracts, invoices and Local purchase orders were availed for audit review. Further the pending bills of Kshs.2,303,830,381 compared to bank balances of Kshs.2,291,284,974 reflects an excess vote of Kshs.12,545,407. This is contrary to Section 51(1)(f) of the Public Finance Management (County Government) Regulations, 2015 which requires public officers not to exceed the limit authorized in the AIE.

Consequently, the accuracy and completeness of the pending bills of Kshs.2,303,830,381 sated as at 30 June 2018 could not be confirmed.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Ethnic Composition

Records availed for audit indicated that during the year the County Government of Kwale recruited four hundred and thirty-nine (439) new members of staff. A review of the composition of the new staff recruited indicated that 370 (84%) came from two dominant ethnic groups, this contravened the County Government Act 2012 Section 65(e) which requires that at least 30% of the vacant post at entry level be filled by candidates who are not from the dominant ethnic community of the County.

Consequently, the County was in breach of the law.

2.0 Payment to Council of Governors

Included in the use of goods and services expenditure of Kshs.1,200,435,220 is Kshs.153,976,954 in respect of hospitality, supplies and services out of which an amount of Kshs.8,839,845 was contributed to the council of Governors contrary to Section 37 of the Inter-Governmental Relations Act, 2012 which requires that the operational expenses of the Council of Governors be provided for in the annual estimates of the revenue and expenditure of the national Government.

Consequently, the county was in breach of the law.

3.0 Payment to Kwale Water and Sewerage Company

Included in the balance of acquisition of asset of Kshs.2,238,261,562 is an expenditure of Kshs.29,719,253.55 incurred by the County Government of Kwale on behalf of Kwale Water and Sewerage Company in respect of electricity bill and bulk water bill despite not having budgetary allocation contrary to Public Finance Management (County Government) Regulation, 2015 Section 43(2) which requires County Government entities to execute their approved budget based on annual appropriation legislation.

Consequently, the county was in breach of the law

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT SYSTEMS AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Audit committee

During the period under review, it was observed that County Executive of Kwale had not established an Audit Committee. This contravened Section 42 (1) part e of Public Finance Management (County Government) Regulations, 2015 which requires the Accounting Officers to ensure all county entities have an Audit Committee in place.

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

Responsibilities of Management and Those Charged with Governance

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities,

financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

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

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

- Conclude on the appropriateness of the management's use of the 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 ability to continue as a going concern or to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of

my audit report. However, future events or conditions may cause the County Executive of Kwale to cease to continue as a going concern or to sustain its services.

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

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the County Executive of Kwale to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

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

Nairobi

18 February 2019

5. FINANCIAL STATEMENTS

5.1. STATEMENT OF RECEIPTS AND PAYMENTS

	Notes	2017-2018 KShs	2016-2017 KShs
RECEIPTS			
Exchquer Releases	1	7,248,000,000	5,530,693,069
Proceeds From Domestic And Foreign Grants	2	524,917,388	372,910,143
Transfers From Other Government Entities	3	-	82,941,000
Proceeds From Domestic Borrowings	4	-	-
Proceeds From Foreign Borrowings	5	-	-
Proceeds From Sale Of Assets	6	3,580,000	-
Reimbursements And Refunds	7	-	-
Returns Of Equity Holdings	8	-	-
County Own Generated Receipts	9	226,210,459	221,011,186
Returned Crf Issues	10	-	-
TOTAL RECEIPTS		**8,002,707,847**	**6,207,555,398**
PAYMENTS			
Compensation of Employees	11	2,281,688,568	1,738,026,276
Use of goods and services	12	1,200,435,220	1,019,806,723
Subsidies	13	-	-
Transfers to Other Government Units	14	541,730,108	838,497,359
Other grants and transfers	15	517,529,683	527,791,959
Social Security Benefits	16	-	-
Acquisition of Assets	17	2,238,261,562	1,880,606,496
Finance Costs, including Loan Interest	18	-	-
Repayment of principal on Domestic and Foreign borrowing	19	-	-
Other Payments	20	385,000	-
TOTAL PAYMENTS		**6,780,030,141**	**6,004,728,813**
SURPLUS/DEFICIT		**1,222,677,705**	**202,826,584**

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 14th December, 2018 and signed by:

Chief Officer
Name: CPA Alex Onduko Thomas
ICPAK No. 4481

Head of Treasury
Name: CPAVincent Mbito
ICPAK No. 7692

5.2. STATEMENT OF ASSETS AND LIABILITIES

	Notes	2017-2018 KShs	2016-2017 KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	21A	2,291,284,974	1,080,701,658
Cash Balances	21B	145,548	250,761
Total Cash and cash equivalents		**2,291,430,522**	**1,080,952,419**
Accounts receivables – Outstanding Imprests	22	9,784,745	6,238,489
TOTAL FINANCIAL ASSETS		**2,301,215,267**	**1,087,190,908**
LESS: FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	23	57,583,078	66,236,424
NET FINANCIAL ASSETS		**2,243,632,188**	**1,020,954,483**
REPRESENTED BY			
Fund balance b/fwd	24	1,020,954,483	818,127,899
Prior year adjustments	25	-	-
Surplus/Defict for the year		1,222,677,705	202,826,584
NET FINANCIAL POSSITION		**2,243,632,189**	**1,020,954,484**

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 14th December, 2018 and signed by:

Chief Officer
Name: CPA Alex Onduko Thomas
ICPAK No. 4481

Head of Treasury
Name: CPAVincent Mbito
ICPAK No. 7692

5.3. STATEMENT OF CASH FLOWS

	Notes	2017-2018 KShs	2016 - 2017 KShs
Receipts for operating income			
Exchequer Releases	1	7,248,000,000	5,530,693,069
Proceeds From Domestic And Foreign Grants	2	524,917,388	372,910,143
Transfers From Other Government Entities	3	0	82,941,000
Reimbursements And Refunds	7	0	0
Returns Of Equity Holdings	8	0	0
County Own Generated Receipts	9	226,210,459	221,011,186
Returned Crf Issues	10	0	0
Payments for operating expenses			
Compensation of Employees	11	(2,281,688,568)	(1,738,026,276)
Use of goods and services	12	(1,200,435,220)	(1,019,806,723)
Subsidies	13	0	0
Transfers to Other Government Units	14	(541,730,108)	(838,497,359)
Other grants and transfers	15	(517,529,683)	(527,791,959)
Social Security Benefits	16	0	0
Finance Costs, including Loan Interest	18	0	0
Other Payments	20	(385,000)	0
Adjusted for:			
Decrease/(Increase) in Accounts receivable		(3,546,256)	(218,133)
Increase/(Decrease) in Accounts Payable		(8,653,346)	(80,261,761)
Net cash flow from operating activities		**3,445,159,665**	**2,002,953,187**
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	6	3,580,000	0
Acquisition of Assets	17	(2,238,261,562)	(1,880,606,496)
Net cash flows from Investing Activities		**(2,234,681,562)**	**(1,880,606,496)**
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds From Domestic Borrowings	4	-	-
Proceeds From Foreign Borrowings	5	-	-
Repayment of principal on Domestic and Foreign borrowing	19	-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH		**1,210,478,103**	**122,346,690**

EQUIVALENT			
Cash and cash equivalent at BEGINNING of the year	**21**	**1,080,952,419**	**958,605,729**
Cash and cash equivalent at END of the year	**24**	**2,291,430,522**	**1,080,952,419**

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 14th December, 2018 and signed by:

Chief Officer
Name: CPA Alex Onduko Thomas
ICPAK No. 4481

Head of Treasury
Name: CPAVincent Mbito
ICPAK No. 7692

5.4. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchquer Releases	7,248,000,000	0	7,248,000,000	7,248,000,000	0	100%
Proceeds From Domestic And Foreign Grants	694,690,009	0	694,690,009	524,917,388	169,772,621	76%
Transfers From Other Government Entities	0	0	0	0	0	
Proceeds From Domestic Borrowings	0	0	0	0	0	
Proceeds From Foreign Borrowings	0	0	0	0	0	
Proceeds From Sale Of Assets	0	0	0	3,580,000	(3,580,000)	
Reimbursements And Refunds	0	0	0	0	0	
Returns Of Equity Holdings	0	0	0	0	0	
County Own Generated Receipts	275,000,000	0	275,000,000	226,210,459	48,789,541	82%
Returned Crf Issues	0	0	0	0	0	
TOTAL RECEIPTS	**8,217,690,009**	**0**	**8,217,690,009**	**8,002,707,847**	**214,982,162**	**97%**
PAYMENTS						
Compensation of Employees	2,261,325,133	133,120,948	2,394,446,081	2,281,688,568	112,757,513	95%
Use of goods and services	1,325,203,358	173,937,597	1,499,140,955	1,200,435,221	298,705,735	80%
Subsidies	0	0	0	0	0	
Transfers to Other Government Units	0	0	0	541,730,108	(541,730,108)	
Other grants and transfers	684,280,349	154,743,205	839,023,554	517,529,683	321,493,871	62%
Social Security Benefits	0	0	0	0	0	
Acquisition of Assets	4,622,188,910	(784,545,767)	3,837,643,143	2,238,261,563	1,599,381,580	58%

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Finance Costs, including Loan Interest	0	0	0	0	0	
Repayment of principal on Domestic and Foreign borrowing	0	0	0	0	0	
Other Payments	57,065,115	(28,781,639)	28,283,476	385,000	27,898,476	1%
TOTAL PAYMENTS	**8,950,062,865**	**(351,525,656)**	**8,598,537,209**	**6,780,030,143**	**1,818,507,066**	**79%**
SURPLUS/(DEFICIT)	**(732,372,856)**	**351,525,656**	**(380,847,200)**	**1,222,677,704**	**(1,603,524,904)**	

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

(a) Xxxx
(b) Xxxx
(c) Xxxx
(d) Xxxx
(e) Xxxx

(Explain *whether the changes between the original and final are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23 The total of actual on comparable basis should tie with the totals under receipts and payments where this is not the case, a reconciliation should between the two statements should be prepared and disclosed.)*

The entity financial statements were approved on 14th December, 2018 and signed by:

Chief Officer
Name: CPA Alex Onduko Thomas
ICPAK No. 4481

Head of Treasury
Name: CPAVincent Mbito
ICPAK No. 7692

5.5. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases						
Proceeds from Domestic and Foreign Grants						
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						
County Own Generated receipts						
Return CRF issues						
TOTAL RECEIPTS						
PAYMENTS						
Compensation of Employees	2,261,325,133	133,120,948	2,394,446,081	2,281,688,568	112,757,513	95%
Use of goods and services	1,228,236,358	185,738,597	1,413,974,955	1,163,513,958	250,460,998	82%
Subsidies	0	0	0	0	0	
Transfers to Other Government Units	0	0	0	481,730,108	0	
Other grants and transfers	671,655,349	55,980,372	727,635,721	517,529,683	210,106,038	71%
Social Security Benefits	0	0	0	0	0	

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	127,295,558	33,704,063	160,999,621	141,617,792	16,596,961	88%
Finance Costs, including Loan Interest	0	0	0	0	0	
Repayment of principal on Domestic and Foreign borrowing	0	0	0	0	0	
Other Payments	34,621,100	(21,341,495)	13,279,605	385,000	12,894,605	3%
TOTAL PAYMENTS	**4,323,133,498**	**387,202,485**	**4,710,335,983**	**4,586,465,109**	**602,816,114**	**97%**
SURPLUS/(DEFICIT)	**(4,323,133,498)**	**(387,202,485)**	**(4,710,335,983)**	**(4,586,465,109)**	**(602,816,114)**	

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

(a) Xxxx
(b) Xxxx
(c) Xxxx
(d) Xxxx
(e) Xxxx

(Explain *whether the changes between the original and final are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23. The total figures on the recurrent budget execution statement and development budget execution should add up to the totals of the combined statement.*)

The entity financial statements were approved on 14th December, 2018 and signed by:

Chief Officer
Name: CPA Alex Onduko Thomas
ICPAK No. 4481

Head of Treasury
Name: CPAVincent Mbito
ICPAK No. 7692

5.6. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases						
Proceeds from Domestic and Foreign Grants						
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						
County Own Generated receipts						
TOTAL RECEIPTS						
PAYMENTS						
Compensation of Employees	0	0	0	0	0	
Use of goods and services	96,967,000	(11,801,000)	85,166,000	36,921,263	48,244,737	43%
Subsidies	0	0	0	0	0	
Transfers to Other Government Units	0	0	0	60,000,000	0	
Other grants and transfers	12,625,000	98,762,833	111,387,833	0	111,387,833	0%
Social Security Benefits	0	0	0	0	0	
Acquisition of Assets	4,494,893,352	(818,249,830)	3,676,643,522	2,096,643,771	1,582,330,368	57%

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Finance Costs, including Loan Interest	0	0	0	0	0	
Repayment of principal on Domestic and Foreign borrowing	0	0	0	0	0	
Other Payments	22,444,015	(7,440,144)	15,003,871	0	15,003,871	0%
TOTAL PAYMENTS	**4,626,929,367**	**(738,728,141)**	**3,888,201,226**	**2,193,565,034**	**1,756,966,809**	**56%**
SURPLUS/(DEFICIT)	**(4,412,317,897)**	**580,873,877**	**(3,883,847,820)**	**(2,137,765,988)**	**(1,746,081,832)**	

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

(a) Xxxx
(b) Xxxx
(c) Xxxx
(d) Xxxx
(e) Xxxx

(Explain *whether the changes between the original and final are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23. The total figures on the recurrent budget execution statement and development budget execution should add up to the totals of the combined statement.*)

The entity financial statements were approved on 14th December, 2018 and signed by:

Chief Officer
Name: CPA Alex Onduko Thomas
ICPAK No. 4481

Head of Treasury
Name: CPAVincent Mbito
ICPAK No. 7692

5.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2,018		2,018	Date, 2018	
	KShs	KShs	KShs	KShs	KShs
101000000	8,507,620.00		8,507,620.00	0	8,507,620.00
101010000	8,507,620.00		8,507,620.00	0	8,507,620.00
101020000	0		0	0	0
102000000	270,701,560.00		270,701,560.00	243,436,238.25	27,265,321.75
102010000	3,330,000.00		3,330,000.00	3,092,100.80	237,899.20
102020000	2,180,000.00		2,180,000.00	1,588,558.00	591,442.00
102030000	0		0	0	0
102050000	108,607,360.00		108,607,360.00	89,746,865.40	18,860,494.60
102060000	156,584,200.00		156,584,200.00	149,008,714.05	7,575,485.95
103000000	543,144,181.00		543,144,181.00	255,263,192.60	287,880,988.40
103010000	364,710,913.00		364,710,913.00	123,109,884.15	241,601,028.85
103030000	49,751,745.00		49,751,745.00	26,540,288.00	23,211,457.00
103040000	128,681,523.00		128,681,523.00	105,613,020.45	23,068,502.55
104000000	0		0	0	0
104010000	0		0	0	0
105000000	78,403,871.00		78,403,871.00	41,599,959.10	36,803,911.90
105010000	46,200,000.00		46,200,000.00	31,684,287.00	14,515,713.00
105020000	0		0	0	0
105030000	32,203,871.00		32,203,871.00	9,915,672.10	22,288,198.90
105040000	0		0	0	0
106000000	14,100,000.00		14,100,000.00	4,083,975.00	10,016,025.00
106010000	0		0	0	0
106020000	14,100,000.00		14,100,000.00	4,083,975.00	10,016,025.00

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2,018		2,018	Date, 2018	
107000000	87,715,000.00		87,715,000.00	54,638,545.85	33,076,454.15
107010000	52,500,000.00		52,500,000.00	27,692,772.60	24,807,227.40
107020000	4,815,000.00		4,815,000.00	820,896.50	3,994,103.50
107030000	30,400,000.00		30,400,000.00	26,124,876.75	4,275,123.25
108000000	71,307,810.00		71,307,810.00	63,423,599.00	7,884,211.00
108010000	0		0	0	0
108020000	34,250,000.00		34,250,000.00	33,061,012.00	1,188,988.00
108030000	37,057,810.00		37,057,810.00	30,362,587.00	6,695,223.00
109000000	15,585,000.00		15,585,000.00	3,310,707.80	12,274,292.20
109010000	3,085,000.00		3,085,000.00	2,355,707.80	729,292.20
109020000	12,500,000.00		12,500,000.00	955,000.00	11,545,000.00
110000000	0		0	0	0
110010000	0		0	0	0
201000000	0		0	0	0
201030000	0		0	0	0
202000000	59,328,300.00		59,328,300.00	47,235,103.00	12,093,197.00
202010000	59,328,300.00		59,328,300.00	47,235,103.00	12,093,197.00
202030000	0		0	0	0
203000000	22,000,000.00		22,000,000.00	10,792,490.55	11,207,509.45
203010000	22,000,000.00		22,000,000.00	10,792,490.55	11,207,509.45
301000000	18,196,133.00		18,196,133.00	7,975,689.00	10,220,444.00
301010000	2,985,000.00		2,985,000.00	0	2,985,000.00
301020000	0		0	0	0
301030000	0		0	0	0
301040000	4,340,000.00		4,340,000.00	2,991,705.00	1,348,295.00
301050000	10,871,133.00		10,871,133.00	4,983,984.00	5,887,149.00

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2,018		2,018	Date, 2018	
302000000	14,435,000.00		14,435,000.00	5,980,981.20	8,454,018.80
302010000	5,500,000.00		5,500,000.00	0	5,500,000.00
302020000	8,935,000.00		8,935,000.00	5,980,981.20	2,954,018.80
303000000	0		0	0	0
303010000	0		0	0	0
303020000	0		0	0	0
304000000	43,878,582.00		43,878,582.00	33,124,195.05	10,754,386.95
304010000	40,278,582.00		40,278,582.00	33,124,195.05	7,154,386.95
304020000	0		0	0	0
304030000	0		0	0	0
304040000	0		0	0	0
304060000	3,600,000.00		3,600,000.00	0	3,600,000.00
305000000	256,934,167.00		256,934,167.00	228,433,330.80	28,500,836.20
305010000	104,879,542.00		104,879,542.00	99,956,312.80	4,923,229.20
305020000	152,054,625.00		152,054,625.00	128,477,018.00	23,577,607.00
306000000	58,023,226.00		58,023,226.00	9,903,684.40	48,119,541.60
306010000	5,210,000.00		5,210,000.00	2,507,217.00	2,702,783.00
306020000	52,813,226.00		52,813,226.00	7,396,467.40	45,416,758.60
307000000	4,300,000.00		4,300,000.00	1,322,793.50	2,977,206.50
307010000	4,300,000.00		4,300,000.00	1,322,793.50	2,977,206.50
308000000	58,763,866.00		58,763,866.00	23,049,295.00	35,714,571.00
308010000	48,954,666.00		48,954,666.00	23,049,295.00	25,905,371.00
308020000	9,809,200.00		9,809,200.00	0	9,809,200.00
308030000	0		0	0	0
308040000	0		0	0	0
401000000	0		0	0	0

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2,018		2,018	Date, 2018	
401010000	0		0	0	0
401020000	0		0	0	0
401030000	0		0	0	0
401050000	0		0	0	0
402000000	0		0	0	0
402030000	0		0	0	0
402040000	0		0	0	0
402050000	0		0	0	0
402060000	0		0	0	0
402070000	0		0	0	0
403000000	1,834,042,869.00		1,834,042,869.00	1,813,355,845.10	20,687,023.90
403010000	570,433,846.00		570,433,846.00	553,290,129.45	17,143,716.55
403020000	4,900,000.00		4,900,000.00	2,871,619.20	2,028,380.80
403040000	1,091,200.00		1,091,200.00	303,280.00	787,920.00
403050000	1,257,617,823.00		1,257,617,823.00	1,256,890,816.45	727,006.55
404000000	0		0	0	0
404010000	0		0	0	0
405000000	80,684,083.00		80,684,083.00	37,922,597.20	42,761,485.80
405010000	80,684,083.00		80,684,083.00	37,922,597.20	42,761,485.80
406000000	56,192,245.00		56,192,245.00	26,290,540.90	29,901,704.10
406010000	56,192,245.00		56,192,245.00	26,290,540.90	29,901,704.10
407000000	51,896,900.00		51,896,900.00	31,828,445.65	20,068,454.35
407010000	51,896,900.00		51,896,900.00	31,828,445.65	20,068,454.35
408000000	4,621,845.00		4,621,845.00	2,479,616.00	2,142,229.00
408010000	4,621,845.00		4,621,845.00	2,479,616.00	2,142,229.00
409000000	17,872,897.00		17,872,897.00	3,185,630.35	14,687,266.65

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2,018		2,018	Date, 2018	
409010000	17,872,897.00		17,872,897.00	3,185,630.35	14,687,266.65
410000000	29,614,544.00		29,614,544.00	8,489,406.40	21,125,137.60
410010000	29,614,544.00		29,614,544.00	8,489,406.40	21,125,137.60
411000000	3,938,108.00		3,938,108.00	594,780.00	3,343,328.00
411010000	3,938,108.00		3,938,108.00	594,780.00	3,343,328.00
412000000	546,877,578.00		546,877,578.00	252,370,233.85	294,507,344.15
412010000	546,877,578.00		546,877,578.00	252,370,233.85	294,507,344.15
413000000	3,464,689.00		3,464,689.00	1,304,394.50	2,160,294.50
413010000	3,464,689.00		3,464,689.00	1,304,394.50	2,160,294.50
501000000	493,310,791.00		493,310,791.00	246,198,445.85	247,112,345.15
501010000	67,419,851.00		67,419,851.00	61,396,682.90	6,023,168.10
501020000	0		0	0	0
501030000	0		0	0	0
501040000	425,890,940.00		425,890,940.00	184,801,762.95	241,089,177.05
502000000	506,694,190.00		506,694,190.00	478,868,246.85	27,825,943.15
502010000	252,649,821.00		252,649,821.00	266,295,334.90	-13,645,513.90
502020000	254,044,369.00		254,044,369.00	212,572,911.95	41,471,457.05
503000000	201,130,466.00		201,130,466.00	48,579,461.65	152,551,004.35
503010000	17,830,000.00		17,830,000.00	14,361,097.45	3,468,902.55
503020000	183,300,466.00		183,300,466.00	34,218,364.20	149,082,101.80
504000000	419,000,000.00		419,000,000.00	370,500,000.00	48,500,000.00
504010000	419,000,000.00		419,000,000.00	370,500,000.00	48,500,000.00
701000000	0		0	0	0
701010000	0		0	0	0
701020000	0		0	0	0
701030000	0		0	0	0

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2,018		2,018	Date, 2018	
701040000	0		0	0	0
702000000	0		0	0	0
702010000	0		0	0	0
703000000	146,054,925.00		146,054,925.00	143,204,827.80	2,850,097.20
703010000	0		0	0	0
703020000	66,083,643.00		66,083,643.00	65,162,568.55	921,074.45
703030000	13,670,000.00		13,670,000.00	13,667,400.00	2,600.00
703050000	0		0	0	0
703060000	66,301,282.00		66,301,282.00	64,374,859.25	1,926,422.75
704000000	939,654,283.00		939,654,283.00	732,235,490.95	207,418,792.05
704010000	436,565,409.00		436,565,409.00	396,116,466.65	40,448,942.35
704020000	0		0	0	0
704030000	5,276,381.00		5,276,381.00	1,505,700.00	3,770,681.00
704040000	497,812,493.00		497,812,493.00	334,613,324.30	163,199,168.70
704060000	0		0	0	0
704070000	0		0	0	0
705000000	471,094,666.00		471,094,666.00	292,546,422.85	178,548,243.15
705010000	245,942,350.00		245,942,350.00	233,149,538.85	12,792,811.15
705020000	225,152,316.00		225,152,316.00	59,396,884.00	165,755,432.00
706000000	43,655,396.00		43,655,396.00	32,633,192.45	11,022,203.55
706010000	38,255,396.00		38,255,396.00	29,423,900.10	8,831,495.90
706020000	1,700,000.00		1,700,000.00	1,213,059.95	486,940.05
706030000	0		0	0	0
706050000	1,450,000.00		1,450,000.00	982,276.00	467,724.00
706060000	2,250,000.00		2,250,000.00	1,013,956.40	1,236,043.60
707000000	56,010,860.00		56,010,860.00	40,166,430.60	15,844,429.40

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2,018		2,018	Date, 2018	
707010000	52,852,260.00		52,852,260.00	37,573,230.00	15,279,030.00
707020000	0		0	0	0
707030000	3,158,600.00		3,158,600.00	2,593,200.60	565,399.40
710000000	133,874,824.00		133,874,824.00	97,625,689.90	36,249,134.10
710010000	28,216,600.00		28,216,600.00	27,304,334.00	912,266.00
710020000	105,658,224.00		105,658,224.00	70,321,355.90	35,336,868.10
711000000	37,013,436.00		37,013,436.00	33,523,524.00	3,489,912.00
711010000	14,981,800.00		14,981,800.00	14,139,853.00	841,947.00
711020000	7,964,450.00		7,964,450.00	6,833,508.00	1,130,942.00
711030000	14,067,186.00		14,067,186.00	12,550,163.00	1,517,023.00
901000000	0		0	0	0
901010000	0		0	0	0
901020000	0		0	0	0
902000000	0		0	0	0
902040000	0		0	0	0
903000000	49,966,683.00		49,966,683.00	13,543,408.00	36,423,275.00
903010000	14,690,496.00		14,690,496.00	0	14,690,496.00
903020000	21,120,187.00		21,120,187.00	13,543,408.00	7,576,779.00
903030000	14,156,000.00		14,156,000.00	0	14,156,000.00
904000000	93,791,709.00		93,791,709.00	15,351,071.70	78,440,637.30
904010000	46,315,191.00		46,315,191.00	11,721,249.25	34,593,941.75
904020000	0		0	-93,996.00	93,996.00
904030000	47,476,518.00		47,476,518.00	3,723,818.45	43,752,699.55
905000000	69,122,449.00		69,122,449.00	26,923,427.90	42,199,021.10
905010000	0		0	0	0
905020000	69,122,449.00		69,122,449.00	26,923,427.90	42,199,021.10

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2,018		2,018	Date, 2018	
906000000	190,582,827.00		190,582,827.00	118,386,801.40	72,196,025.60
906010000	33,257,610.00		33,257,610.00	28,259,000.85	4,998,609.15
906020000	157,325,217.00		157,325,217.00	90,127,800.55	67,197,416.45
1001000000	557,525,509.00		557,525,509.00	181,540,444.35	375,985,064.65
1001010000	61,127,625.00		61,127,625.00	55,024,990.15	6,102,634.85
1001020000	224,811,321.00		224,811,321.00	89,591,782.30	135,219,538.70
1001030000	131,937,439.00		131,937,439.00	31,938,921.15	99,998,517.85
1001040000	129,649,124.00		129,649,124.00	10	129,649,114.00
1001050000	10,000,000.00		10,000,000.00	4,984,740.75	5,015,259.25
1002000000	307,136,290.00		307,136,290.00	303,192,607.80	3,943,682.20
1002010000	27,452,987.00		27,452,987.00	18,810,211.60	8,642,775.40
1002020000	279,683,303.00		279,683,303.00	284,382,396.20	-4,699,093.20
TOTAL	**8,970,149,378.00**		**8,970,149,378.00**	**6,385,663,102.10**	**2,584,486,275.90**

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

5.8. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

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

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

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

2. Reporting entity

The financial statements are for the Kwale County Government. The financial statements encompass the reporting entity as specified under section 164 of the PFM Act 2012.

3. Recognition of receipts and payments

a) Recognition of receipts

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

Tax receipts

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

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

External Assistance

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

Donations and grants

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

Proceeds from borrowing

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

Undrawn external assistance

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

County Own Generated Receipts

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

Returns to CRF Issues

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

b) Recognition of payments

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensation of employees

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

Use of goods and services

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

Interest on borrowing

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

Repayment of borrowing (principal amount)

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

Acquisition of fixed assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

4. In-kind contributions

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Cash and cash equivalents

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

Restriction on cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2018, this amounted to KShs 57,583,078.15 compared to KShs 66,236,424 in prior period as indicated on note 23.

There were no other restrictions on cash during the year

6. Accounts Receivable

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

7. Accounts Payable

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

8. Non-current assets

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Pending bills

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

10. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The county's budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on 29th June, 2017 for the period 1st July 2017 to 30 June 2018 as required by law. There were two supplementary budgets passed in the year. A high-level assessment of the county's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

11. Comparative figures

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

12. Subsequent events

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

13. Errors

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

14. Related party transactions

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

5.9. NOTES TO THE FINANCIAL STATEMENTS

1. EXCHQUER RELEASES

	2017 - 2018	2016 - 2017
	KShs	KShs
Total Exchequer Releases for quarter 1	-	940,217,822
Total Exchequer Releases for quarter 2	1,667,040,000	1,410,326,733
Total Exchequer Releases for quarter 3	1,993,200,000	884,910,893
Total Exchequer Releases for quarter 4	3,587,760,000	2,295,237,621
Total	**7,248,000,000**	**5,530,693,069**

(State the amount received vis a vie amount included in the CARA)

2. PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	Date received	Amount in foreign currency	2017 - 2018	2016 – 2017
			KShs	KShs
Grants Received from Bilateral Donors (Foreign Governments)				
(Insert name of donor)				
(Insert name of donor)				
Grants Received from Multilateral Donors (International Organisations)				
DANIDA			22,938,413	6,810,000
WORLD BANK				
Grants Received from other levels of government				
Health Sector Support Project {HSSP}				82,166,289
Kenya Devolution Support Programme {KDSP} Level 1 grant			47,394,016	
Universal Health Care Project				
Transforming health systems for Universal Health Care Project			30,679,771	
National Agriculture and Rural Inclusive Growth Project { NARIGP}			50,609,855	
KENYA ROADS BOARD (road maintanance levy fund)			218,390,207	84,979,061

NATIONAL GOVERNMENT (user fees forgone)			15,397,612	15,397,612
NATIONAL GOVERNMENT (free maternal health care)				87,812,500
NATIONAL GOVERNMENT (medical equipments)			95,744,681	95,744,681
NATIONAL GOVERNMENT (Conditional Allocation For Development Of Youth Polytechnics)			43,762,833	
Total			**524,917,388**	**372,910,143**

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2017 - 2018	2016 - 2017
	KShs	KShs
Transfers from Central government entities		
Ministry of health- Doctors' and Nurses' Allowances as per return to work Agreenment		82,941,000
(insert name of budget agency)		
Transfers from Counties		
(insert name of budget agency)		
(insert name of budget agency)		
TOTAL	**-**	**82,941,000**

(Give a brief description of what the transfers relate to and from whom they were received)

4. PROCEEDS FROM DOMESTIC BORROWINGS

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

(Give a brief description of the nature and sources of borrowings including any assets pledged as security)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. PROCEEDS FROM FOREIGN BORROWINGS

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

(Give a brief explanation relating to sources of funds, interest charged and terms of repayment)

6. PROCEEDS FROM SALE OF ASSETS

	2017 – 2018	2016 – 2017
	KShs	KShs
Receipts from Insurance Compensation- Motor vehicles	3,580,000	
Receipts from the Sale of Buildings	-	
Receipts from Sale of Vehicles and Transport Equipment	-	-
Receipts from Sale of Plant Machinery and Equipment	-	-
Receipts from Sale of Certified Seeds and Breeding Stock	-	-
Receipts from Sale of Strategic Reserves Stocks	-	-
Receipts from Sale of Inventories, Stocks and Commodities	-	-
Disposal and Sales of Non-Produced Assets	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Total	**3,580,000**	-

7. REIMBURSEMENTS AND REFUNDS

	2017 - 2018	2016 – 2017
	KShs	KShs
Refund from World Food Programme (WFP)	-	-
Reimbursement of Audit Fees	-	-
Reimbursement on Messing Charges (UNICEF)	-	-
Reimbursement from World Bank – ECD	-	-
Reimbursement from Individuals& Private Organisations	-	-
Reimbursement from Local Government Authorities	-	-
Reimbursement from Statutory Organisations	-	-
Reimbursement within Central Government	-	-
Reimbursement Using Bonds	-	-

Total	-	-

(Give a brief description on what the refunds relate to)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. RETURNS OF EQUITY HOLDINGS

	2017 - 2018	2016 – 2017
	KShs	KShs
Returns of Equity Holdings in Domestic Organisations	-	-
Returns of Equity Holdings in International Organisations	-	-
Total	-	-

(State briefly from which entities dividends or interest is derived from)

9. COUNTY OWN GENERATED RECEIPTS

	2017 - 2018	2016 – 2017
	KShs	KShs
Interest Received		
Profits and Dividends		
Rents	-	3,346,450
Other Property Income		
Sales of Market Establishments		
Receipts from Administrative Fees and Charges	3,798,234	4,832,314
Receipts from Administrative Fees and Charges - Collected as AIA		
Receipts from Incidental Sales by Non-Market Establishments		
Receipts from Sales by Non-Market Establishments		
Receipts from Sale of Incidental Goods		
Fines Penalties and Forfeitures		
Receipts from Voluntary transfers other than grants		
Business permits	60,671,524	55,018,719
Cess	10,967,934	12,511,549
Poll rates	40,176,080	53,682,884
Plot rents	2,183,356	1,576,200
Other local levies	-	3,667,263
Administrative services fees	2,664,265	-
Various fees	288,000	-
Council's natural resources	15,578,472	18,562,866
Exploitation		
Sales of council assets		
Lease / rental of council's	980,000	-
Infrastructure assets		
Other miscellaneous receipts	2,075,731	-
Other miscellaneous receipts		

Insurance claims recovery		
Medium term loans (1-3 yr repayment)		
Long term loans (over 3 yr repayment)		
Transfers from reserve funds		
Donations		
Fund raising events		
Other receipts from financial assets loan		
Market/trade centre fee	11,630,781	11,799,876
Vehicle parking fees	10,383,549	11,054,159
Housing	2,310,883	-
Social premises use charges		
School fees		
Other education-related		
Other education receipts		
Public health services	7,300,290	2,233,200
Public health facilities operations	35,672,090	23,964,870
Environment & conservancy	2,109,200	2,224,400
Administration		
Slaughter houses administration	852,294	1,554,954
Water supply administration		
Sewerage administration		
Other health & sanitation		
Technical services fees	16,567,776	14,981,482
External services fees		
TOTAL	**226,210,459**	**221,011,186**

(Comment on the performance of the own generated funds between the two years)

10. RETURNED CRF ISSUES

	2017 - 2018 KShs	2016 – 2017 KShs
Recurrent account	-	-
Development account	-	-
Deposit account	-	-
Total	-	-

(State what the refunds relate to and when they were appropriated for use)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. COMPENSATION OF EMPLOYEES

	2017 - 2018	2016 – 2017
	KShs	KShs
Basic salaries of permanent employees	2,255,003,997	1,704,977,851
Basic wages of temporary employees	26,684,571	33,048,425
Personal allowances paid as part of salary	-	-
Personal allowances paid as reimbursements	-	-
Personal allowances provided in kind	-	-
Pension and other social security contributions	-	-
Compulsory national social security schemes	-	-
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	**2,281,688,568**	**1,738,026,276**

(Give brief explanation including the comparative number of employees)

12. USE OF GOODS AND SERVICES

	2017 - 2018	2016 – 2017
	KShs	KShs
Utilities, supplies and services	33,460,976	28,478,137
Communication, supplies and services	10,512,516	9,945,049
Domestic travel and subsistence	199,775,591	205,191,990
Foreign travel and subsistence	3,887,986	14,261,252
Printing, advertising and information supplies & services	42,968,682	42,330,535
Rentals of produced assets	6,876,407	19,961,130
Training expenses	36,685,680	24,264,021
Hospitality supplies and services	153,976,954	81,092,238
Insurance costs	44,164,657	92,293,861
Specialized materials and services	248,174,737	233,360,937
Office and general supplies and services	20,001,059	23,664,854
Other operating expenses	201,089,904	95,334,025
Routine maintenance – vehicles and other transport equipment	56,165,434	44,686,105
Routine maintenance – other assets	50,624,054	35,674,330
Fuel, oil and lubricants	92,070,583	69,268,259
Total	**1,200,435,220**	**1,019,806,723**

(Give a brief explanation of this category of expenses)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. SUBSIDIES

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

(Give explanation of the nature of subsidies and the kind of services that have been subsidised)

14. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017 - 2018	2016 – 2017
	KShs	KShs
Transfers to Central government entities	-	
Transfer to county assembly	541,730,108	762,918,438
Transfer to Emergency fund account.	-	75,578,921
Transfers to Other Counties	-	
(insert name of budget agency)	-	
(insert name of budget agency)	-	
TOTAL	**541,730,108**	**838,497,359**

(Provide the nature and purpose of transfers and are these transfers to be recovered)

15. OTHER GRANTS AND OTHER PAYMENTS

	2017 - 2018	2016 – 2017
	KShs	KShs
Scholarships and other educational benefits	371,955,531	432,145,460
Emergency relief and refugee assistance	20,083,102	
Subsidies to small businesses, cooperatives, and self employed	-	216,520
Other current transfers, grants	125,491,050	95,429,979
Total	**517,529,683**	**527,791,959**

(Provide explanation as to what other grants and payments relate to and who is the beneficiary)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. SOCIAL SECURITY BENEFITS

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

(Explain where the benefits are remitted and who the beneficiaries are)

17. ACQUISITION OF ASSETS

Non Financial Assets	2017 – 2018	2016 – 2017
	KShs	KShs
Purchase of Buildings	-	-
Construction of Buildings	256,318,923	328,280,456
Refurbishment of Buildings	6,065,734	903,929
Construction of Roads	83,488,684	86,529,852
Construction and Civil Works	154,336,623	55,484,391
Overhaul and Refurbishment of Construction and Civil Works	-	-
Purchase of Vehicles and Other Transport Equipment	78,987,314	8,365,175
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	28,015,929	315,580
Purchase of Office Furniture and General Equipment	31,014,858	20,610,692
Purchase of ICT Equipment	771,000	22,603,517
Purchase of Specialized Plant, Equipment and Machinery	144,751,521	145,323,085
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Purchase of Certified Seeds, Breeding Stock and Live Animals	60,915,633	23,160,100
Research, Studies, Project Preparation, Design & Supervision	-	2,055,100
Rehabilitation of Civil Works	266,412,352	238,634,155
Acquisition of Strategic Stocks and commodities	-	-
Acquisition of Land	3,625,000	6,927,440
Acquisition of Intangible Assets	-	-
Financial Assets	-	
Domestic Public Non-Financial Enterprises	-	
Domestic Public Financial Institutions	-	
Domestic Payable	1,123,557,991	941,413,025
Total	**2,238,261,562**	**1,880,606,496**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. FINANCE COSTS, INCLUDING LOAN INTEREST

	2017 - 2018	2016 – 2017
	KShs	KShs
Exchange Rate Losses	-	-
Interest Payments on Foreign Borrowings	-	-
Interest Payments on Guaranteed Debt Taken over by Govt	-	-
Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
Total	-	-

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

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

20. OTHER PAYMENTS

	2017 - 2018	2016 – 2017
	KShs	KShs
Budget Reserves	-	-
Civil Contingency Reserves	385,000	-
Other payments	-	-
Total	**385,000**	-

(Provide explanation as to what each component of other expenses relate to)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. CASH AND BANK BALANCES

21A. BANK BALANCES

Name of Bank, Account No. & currency	Amount in bank account currency*	Indicate whether recurrent, Development, deposit, receipts e.t.c	Ex. rate (if in foreign currency)	2017 – 2018	2016 – 2017
				KShs	KShs
CBK Development 1000170476	kes	Development		45,831,093	446,883.10
CBK Recurrent 1000170441	kes	Recurrent		16,910,584	993,687.10
CBK Revenue Account 1000170697	kes	Revenue		2,054,712,326	945,625,322.80
CBK Special Purpose Account 1000282223	kes	Recurrent		15,034,606	25,796,139
CBK Deposit No 1000282557	kes	Deposit		57,583,078	66,236,424
CBK NARIG A/C No. 1000366807	kes			50,609,855	
CBK Village Polytechnic Project Grant A/C No. 1000370114	kes				
CBK Road Maintenance Levy A/C No. 1000325526	kes			36,035,369	
CBK ASDSP A/C No. 1000366818	kes			3,000,000	
CBK Gratuity A/C No.1000335912	kes				27,000,000
Emergency Fund National Bank of Kenya A/C No.01001090720400	kes	Emergency			
KCB A/C No. 1169373439 - Hospital	kes	Revenue		11,982,480	1,808,325.00
KCB A/C No. 1169372139 - SBP	kes	Revenue		37,981,180	5,974,520.00
KCB A/C No.	kes	Revenue		(51,310,539)	1,580,352.00

1140770241 - Land Rates					
KCB A/C No. 1169373054 - Cess	kes	Revenue		12,856,698	4,456,979.00
KCB A/C No. 1140750674-Finance	kes	Recurrent		135.89	1,133
Equity Bank Account No: 1580282364648 - Agriculture	kes	Recurrent			
National bank Ukunda No 01001068083300 - Agriculture	kes	Recurrent			3410
Equity Bank Imprest A/C no.1580262364715 - Lands	kes	Recurrent		-	
NBK A/C No. 01001068080600 Kwale County Lands, PP and Natural resources Dvpt. - Lands	kes	Development		-	
KCB Kinango Hospital A/C No.1146764049 - Health	kes	Recurrent		3,664.45	1,100
KCB Kwale Hospital A/C No.1146697198 - Health	kes	Recurrent		1,804.00	1,101
KCB Msambweni Hospital A/C No.1147035764 - Health	kes	Recurrent		5,885.00	368,998
Chief Officer Health A/C No.1171164890 - Health	kes	Recurrent		2,054.00	1,100
NBK Kwale medical & public health services 01001068087400 - Health	kes	Development		1,272.25	1,775
CBK Development - A/C 1000282568 - county assembly	Kshs	Development			
CBK Recurrent - A/C 1000241567 - county assembly	Kshs	Recurrent			

CBK Deposit - A/C 1000282557 - county assembly	Kshs	Deposit			
Cash Transfer to CRF					
Equity A/C No.1580261591172 - Assembly development	kes	Development			
KCB A/C No.11421128148 - County Assembly	kes	Recurrent			
Equity A/C No. 1580262364612 - Trade	kes	Recurrent		0	-
Equity A/C No.1580262364674 - Community Development	kes	Recurrent		0.69	
National bank of kenya A/C 0100608076500 - Community Development	kes	Development			
Equity A/C No.1580262720863 - Executive Services	kes	Recurrent			336
Equity Bank Limited Chief Officer Education & HR Development A/C.15080262720511	kes	Recurrent			
Equity A/C No. 1580262720291-Water	kes	Recurrent		9,659.00	9,491
National bank Ukunda No 01001068083100 Kwale County Water Services Development	kes	Development		550.00	52,280
Equity Bank Ltd Account no. 1580262720374-Infrastructure	kes	Recurrent		24,644.62	19,421.00
National bank of kenya ltd 1001068082900 - Kwale county Infrastructure devt bank;	kes	Development		1,550.00	38,438.00

National bank of kenya ltd 1001068082700 - Kwale county road maintenance levy;	kes	Development		1,550.10	284,381.10
KCB A/C Chief Officer Infrastructure Grant, A/C NO.:1170334512		Recurrent		5,466.00	
Equity Bank A/C No.1580262720406 - ICT	kes	Recurrent		7.10	1
National Bank A/C No 01001068079000 - ICT Development acc	kes	Development		-	0
Equity A/C No. 1580262720914 - County Public Service Board	kes	Recurrent			
Equity Decentralized A/C No.1580262364693 - PSA	kes	Recurrent			60
Family Bank - Car loan and Mortgage Fund A/C 095000038226	kes				
Total				**2,291,284,974**	**1,080,701,658**

*Amount should be as per amount in the cash book.

21B. CASH IN HAND

	2017 – 2018	2016 – 2017
	KShs	KShs
Cash in Hand – Held in domestic currency	145,548	250,761
Cash in Hand – Held in foreign currency	-	-
Total	**145,548**	**250,761**

Cash in hand should also be analysed as follows:

	2017 – 2018	2016 – 2017
	KShs	KShs
Finanance Cash office	43,290	11,766
Lands Dept - Cashier	-	121,000

Lands Dept - Secretary	-	50,000
Health Dept-Kinango Hospital	91,335	54,200
Health Dept-Kwale Hospital	145	435
Health Dept-Chief Officer health Administration	10,778	13,060
Education Dept. - Cashier		300
Total	**145,548**	**250,761**

[Provide cash count certificates for each]

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS AND ADVANCES

Description	2017 – 2018	2016 – 2017
	KShs	KShs
IMPRESTS		
FINANCE		
AGRICULTURE		
LANDS		810,300
HEALTH		
COUNTY ASSEMBLY		
TRADE	908	54,210
COMMUNITY DEVT.	316,145	
EXECUTIVE SERVICES	842,960	204,400
EDUCATION		
WATER		
INFRASTRUCTURE		99,500
ICT		
COUNTY PUBLIC SERVICE BOARD	969,000	
PUBLIC SERVICE & ADMIN	1,159,243	174,800
TOTAL IMPRESTS	**3,288,256**	**1,343,210**
ADVANCES		
FINANCE	2,056,973	1,992,099
AGRICULTURE	956,800	
LANDS		61,825
HEALTH	208,205	102,487
COUNTY ASSEMBLY		
TRADE	270,500	349,750
COMMUNITY DEVT.	602,830	
EXECUTIVE SERVICES	534,000	541,967
EDUCATION	243,867	239,667
WATER	5,000	50,000
INFRASTRUCTURE	84,724	51,003
ICT		
COUNTY PUBLIC SERVICE BOARD		833,600
PUBLIC SERVICE & ADMIN	1,533,590	672,881
TOTAL ADVANCES	**6,496,489**	**4,895,279**
GRAND TOTAL	**9,784,745**	**6,238,489**

[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*
Name of Officer or Institution	dd/mm/yy	-	-	-
Name of Officer or Institution	dd/mm/yy	-	-	-
Name of Officer or Institution	dd/mm/yy	-	-	-
Name of Officer or Institution	dd/mm/yy	-	-	-
Total				-

23. ACCOUNTS PAYABLE

	2017 – 2018	2016 – 2017
	KShs	KShs
Deposits	57,583,078	66,236,424
Total	**57,583,078**	**66,236,424**

[Provide short appropriate explanations as necessary]

24. FUND BALANCE BROUGHT FORWARD

	2017 – 2018	2016 – 2017
	KShs	KShs
Bank accounts	1,080,701,658	958,039,297
Cash in hand	250,761	566,432
Accounts Receivables	6,238,489	6,020,355
Accounts Payables	-66,236,424	-146,498,185
Total	**1,020,954,483**	**818,127,899**

[Provide short appropriate explanations as necessary]

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

25. PRIOR YEAR ADJUSTMENTS

Description of the error	2017 – 2018	2016 – 2017
	KShs	KShs
Adjustments on bank account balances	-	-
Adjustments on cash in hand	-	-
Adjustments on payables	-	-
Adjustments on receivables	-	-
Others (*specify*)	-	-
	-	-

5.10. OTHER IMPORTANT DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 2)

	2017 – 2018	2016 – 2017
	KShs	KShs
Construction of buildings	1,184,848,484	681,066,628
Construction of civil works	921,102,006	588,633,553
Supply of goods	136,424,941	160,966,536
Supply of services	61,454,951	75,642,097
Total	**2,303,830,382**	**1,506,308,814**

2. PENDING STAFF PAYABLES (See Annex 3)

	2017 – 2018	2016 – 2017
	KShs	KShs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others (*specify*)	-	-
	-	-

3. OTHER PENDING PAYABLES (See Annex 4)

	2017 – 2018	2016 – 2017
	KShs	KShs
Amounts due to National Government entities	-	-
Amounts due to County Government entities	-	-
Amounts due to third parties	-	-
Others (*specify*)	-	-
	-	-

(Provide explanations for the prior year adjustments made, their nature and effect on the fund balance of the County)

4. ANALYSIS OF DOMESTIC PAYABLES (See Note 17)

	2017 – 2018
	KShs
Purchase of Buildings	-
Construction of Buildings	328,031,461.65
Refurbishment of Buildings	8,391,994.60
Construction of Roads	141,984,099.45

Construction and Civil Works	220,929,040.00
Overhaul and Refurbishment of Construction and Civil Works	-
Purchase of Vehicles and Other Transport Equipment	5,352,000.00
Overhaul of Vehicles and Other Transport Equipment	-
Purchase of Household Furniture and Institutional Equipment	3,641,898.40
Purchase of Office Furniture and General Equipment	17,158,558.30
Purchase of ICT Equipment	19,478,124.00
Purchase of Specialized Plant, Equipment and Machinery	41,408,568.00
Rehabilitation and Renovation of Plant, Machinery and Equip.	-
Purchase of Certified Seeds, Breeding Stock and Live Animals	4,023,357.00
Research, Studies, Project Preparation, Design & Supervision	18,542,802.10
Rehabilitation of Civil Works	258,614,686.90
Acquisition of Strategic Stocks and commodities	-
Acquisition of Land	-
Acquisition of Intangible Assets	18,029,188.95
Others	29,787,971.00
Insurance Costs	4,338,384.00
Office and General Supplies and Services	758,125.00
Specialised Materials and Supplies	3,087,730.95
Total	**1,123,557,990**

5. RELATED PARTY DISCLOSURES

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

The following comprise of related parties to the County Government:

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

Related party transactions

	2017-2018	2016-2017
	Kshs	Kshs
Key Management Compensation(Governors, CEC Members	-	-

and C.Os)		
Transfers to related parties		
Transfer to the County Assembly	-	-
Transfers to other County Government Entities	-	-
Transfers to Development Projects	-	-
Transfers to non reporting entities e.g schools and welfare	-	-
Transfers to County Water Service Providers	-	-
Expenses paid on behalf of County Water Service Providers	-	-
Total Transfers to related parties	-	-
Transfers from related parties		
Transfers from the Exchequer	-	-
Transfers from MDAs	-	-
Transfers from SCs and SAGAs- National Government	-	-
(Insert any other transfers received)	-	-
Total Transfers from related parties	-	-

6. ESTABLISHMENT OF OTHER COUNTY GOVERNMENT ENTITIES

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

Entity	Date Established	Location	Accounting Officer responsible	
Education - Bursary Fund	2014-2015	Kwale County Headquaters	Mishi Kaole	22,192,950.53
Community - Community Youth and Women Fund	2014	Kwale County Headquaters	Sylvia Chidodo	
Trade - Trade Revolving Fund		Kwale County Headquaters	Anthony Mwamunga	
Finance - Kwale Disaster Management Fund		Kwale County Headquaters	Nurrein Mwatsahu	

7. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

Guidance Notes:

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

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

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

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

CEC, County Treasury

Sign……..

Date……

ANNEXES

ANNEX 1 – ANALYSIS OF TRANSFERS FROM THE EXCHEQUER

Period	Equitable Share	Proceeds from Foreign Grants / Development Partners	Level 5 hospitals allocation	Total Transfers from the National Treasury
Exchequer Releases for quarter 1	-	101,852,012		101,852,012
Exchequer Releases for quarter 2	1,667,040,000	45,478,747		1,712,518,747
Exchequer Releases for quarter 3	1,993,200,000	87,219,999	-	2,080,419,999
Exchequer Releases for quarter 4	3,587,760,000	290,366,630		3,878,126,630
Total	**7,248,000,000**	**524,917,388**	-	**7,772,917,388**

ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017/2018	Outstanding Balance 2016/2017	Comments
	A	B	c	d=a-c		
Construction of buildings						
FINANCE	21,371,723.84	-	9,695,060.29	11,676,663.55	5,645,000.00	
AGRICULTURE	65,311,716.70	-	41,374,369.40	23,937,347.30	17,464,464.70	
LANDS	10,037,751.50	-	1,530,132.00	8,507,619.50	5,649,547.00	
HEALTH	839,086,200.56		446,609,311.46	372,949,369.77	229,080,770.83	
COUNTY ASSEMBLY						
TRADE	118,366,635.30	-	44,031,263.20	74,335,371.30	-	0
COMMUNITY DEVT.	94,543,480.35	-	39,966,545.50	54,576,934.85	12,880,916.55	
EXECUTIVE SERVICES	149,216,374.96	-	36,071,320.00	113,145,054.96	-	
EDUCATION	1,046,667,624.37	-	542,953,622.91	503,714,001.46	379,675,780.69	
WATER						
INFRASTRUCTURE						
ICT						
COUNTY PUBLIC SERVICE BOARD						
PUBLIC SERVICE & ADMIN	59,722,842.56	-	37,716,721.08	22,006,121.48	30,670,148.24	0
Sub-Total	**2,404,324,350.14**	**-**	**1,199,948,345.84**	**1,184,848,484.17**	**681,066,628.01**	
Construction of civil works						
FINANCE	17,000,000.00	-	-	17,000,000.00	-	
AGRICULTURE	5,556,220.32	-	3,891,927.00	1,664,293.32	3,896,213.00	
LANDS						
HEALTH						
COUNTY ASSEMBLY						
TRADE						
COMMUNITY DEVT.	107,165,902.80	-	46,241,377.16	60,924,525.64	28,360,795.59	

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017/2018	Outstanding Balance 2016/2017	Comments
EXECUTIVE SERVICES				-	-	
EDUCATION						
WATER	724,482,021.69	-	279,469,274.56	445,012,747.13	309,153,623.71	0
INFRASTRUCTURE	411,895,168.12	-	67,756,304.80	344,138,863.32	203,624,964.80	
ICT	75,006,684.20		22,645,108.00	52,361,576.20	43,597,956.08	
COUNTY PUBLIC SERVICE BOARD				-	-	
PUBLIC SERVICE & ADMIN						
Sub-Total	**1,341,105,997.13**	**-**	**420,003,991.52**	**921,102,005.61**	**588,633,553.18**	
Supply of goods						
FINANCE	5,372,450.43	-	-	5,372,450.43	-	
AGRICULTURE	57,500,673.00	-	41,526,000.00	15,974,673.00	19,136,000.00	
LANDS	13,400,000.10	-	5,146,250.10	8,253,750.00	5,475,500.00	
HEALTH	125,211,361.70		100,619,189.70	22,052,172.00	87,000,189.70	
COUNTY ASSEMBLY						
TRADE	6,731,210.00	-	-	6,731,210.00	-	
COMMUNITY DEVT.	32,571,839.00	-	12,851,886.20	19,719,952.80	13,728,766.00	
EXECUTIVE SERVICES						
EDUCATION	50,295,525.50	-	551,110.00	49,744,415.50	35,626,080.60	0
WATER						
INFRASTRUCTURE						
ICT	4,416,317.00	-	-	4,416,317.00	-	0
COUNTY PUBLIC SERVICE BOARD						
PUBLIC SERVICE & ADMIN	8,320,000.00	-	4,160,000.00	4,160,000.00	-	0
Sub-Total	**303,819,376.73**	**-**	**164,854,436.00**	**136,424,940.73**	**160,966,536.30**	
Supply of services						
FINANCE	100,627,013.22	-	80,619,752.20	20,007,261.02	32,803,162.00	
AGRICULTURE						
LANDS	33,293,640.00	-	12,203,950.00	21,089,690.00	7,647,120.00	

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017/2018	Outstanding Balance 2016/2017	Comments
HEALTH	11,148,384.00		11,148,384.00	-	11,148,384.00	
COUNTY ASSEMBLY						
TRADE	1,920,000.00	-	-	1,920,000.00	-	
COMMUNITY DEVT.	29,050,000.00	-	10,612,000.00	18,438,000.00	19,050,000.00	
EXECUTIVE SERVICES						
EDUCATION						
WATER	4,993,431.00	-	4,993,431.00	-	4,993,431.00	0
INFRASTRUCTURE						
ICT						
COUNTY PUBLIC SERVICE BOARD						
PUBLIC SERVICE & ADMIN						
Sub-Total	**181,032,468.22**	**-**	**119,577,517.20**	**61,454,951.02**	**75,642,097.00**	
Grand Total	**4,230,282,192.22**	**-**	**1,904,384,290.56**	**2,303,830,381.53**	**1,506,308,814.49**	

ANNEX 3 – ANALYSIS OF PENDING STAFF PAYABLES

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

ANNEX 4 – ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017/2018	Outstanding Balance 2016/2017	Comments
		a	b	c	d=a-c		
Amounts due to National Govt Entities							
1.							
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							

ANNEX 5 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (KShs) 2016/2017	Additions during the year (KShs)	Disposals during the year (KShs)	Historical Cost c/f (KShs) 2017/2018
Land	34,369,440	3,625,000	-	37,994,440
Buildings and structures	2,907,179,520	1,745,965,843	-	4,666,670,671
Transport equipment	64,857,198	83,984,154	-	148,841,352
Office equipment, furniture and fittings	42,902,132	70,142,397	-	112,810,729
ICT Equipment, Software and Other ICT Assets	140,237,135	22,131,022	-	162,368,157
Other Machinery and Equipment	223,119,952	200,416,028	-	423,535,980
Heritage and cultural assets	20,709,350	11,032,732	-	31,742,082
Intangible assets	86,338,831	99,802,886	-	186,141,717
Research and Designs	29,254,917	1,161,500	-	30,416,417
Total	**3,548,968,475**	**2,238,261,562**	**-**	**5,800,521,546**

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Government. Additions during the year should tie to note 17 on acquisition of assets during the year.

ANNEX 6 – INTER-ENTITY TRANSFERS

Ref	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Amount transferred KShs	Amount Confirmed as received KShs	difference	explanation
1	County Assembly								
2	Xxx fund								
3	Xxx project								
4	Xxx board								
5	Xxx corporation								
6									
7									
8									
9	**Total**								

Director of Finance
County Executive

Director of Finance
County Assembly/fund/project

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

ANNEX 7 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Reports from IFMIS)

ANNEX 8 –ACCOUNTS RECIEVABLE

Description	**2017 – 2018**
	KShs
IMPRESTS	
TRADE	
Emmanuel yongo	100
Amani mwinyi	585
Mebakari kahiri	223
COMMUNITY DEVT.	
Ramadhan M Bungale	316,145
EXECUTIVE SERVICES	
Salim Gombeni	48,000
Joseph Chea Thoya	138,000
Asha Neno	20,000
Riziki Mwasoza	20,000
Benedict Kutto	30,000
Omar Mwagao	28,500
Daniel Nyassy	20,000
Daniel Nyassy	4,000
Nimusimu Mwasina	60,000
Grace Luah	28,000
Rodegers Chimega	24,500
Rodegers Chimega	24,500
Melubo Parmet Eric	47,000
Melubo Parmet Eric	41,500
PUBLIC SERVICE & ADMIN	
Francisca Kilonzo	20,000
Francisca Kilonzo	20,000
Asha Neno	-
IbrahimNdoro	-
IbrahimNdoro	20,000
Gindo Nyawa Munga	-
Gindo Nyawa Munga	20,000
Gindo Nyawa Munga	20,000
Mwanakombo Kilalo	20,000
Azizi Vumbi	20,000
Azizi Vumbi	4,100
Azizi Vumbi	40
Mwanamisi Mohammed	-
Nimosi Hassan	222,000
Nimosi Hassan	20,000
Juma Chigodi	29,000

Mohammed Zanny	-
Mohammed Zanny	20,000
Mohammed Zanny	20,000
Edward Chibu	60,000
Edward Chibu	30,000
Edward Chibu	30,000
Edward Chibu	30,000
Karuwa Kuloha	20,000
Karuwa Kuloha	20,000
Shumi Shaury	20,000
Shumi Shaury	20,000
Riziki Mwasoza	20,000
Riziki Mwasoza	20,000
Khamisi Mwandaro	30,000
Nimusimu Mwasina	-
Nimusimu Mwasina	30,000
Nimusimu Mwasina	15,000
Nimusimu Mwasina	30,000
Nimusimu Mwasina	34,000
Grace Luah	5,600
Grace Luah	28,250
fatuma tabwara	45,000
Rocha Ndago	40,000
Rocha Ndago	20,000
Rocha Ndago	20,000
Njama Hassan Rama	20,000
Bendict Kutto	60,000
Bendict Kutto	30,000
Khamisi Mwandaro	
hamisi kenya	20,000
hamisi kenya	20,000
hamisi kenya	20,000
Juma Shundi	20,000
Juma Shundi	10,000
Abeid Kassim	20,000
Abeid Kassim	10,000
Mdoe Ndzivo	40,000
Mdoe Ndzivo	600
Mdoe Ndzivo	20,000
Majaro Bidu	20,000
Majaro Bidu	20,000
mwamwero Katana	20,000
mwamwero Katana	20,000

Mwanjole Ndoro	-
Mwanjole Ndoro	40,000
Mwanjole Ndoro	20,000
Mwanjole Ndoro	20,000
fatuma Daba	30,000
Abbas Ngedzo	
Salim Genya	
Mwajora Mwanatumu	10,000
Athumani Mwashando	20,000
TOTAL IMPRESTS	**2,384,643**
ADVANCES	
FINANCE	
Daniel Chizama	36,000
Halima Hassan	46,665
Hassan Bakari	210,000
Hassan Bakari	210,000
Swalehe Matano	25,000
Chari Fatuma	200,000
Abdalla Hamisi	84,000
Alex Makanga	37,915
Musa Rai	75,000
Harrison Mwambire	35,000
Stephen Tayari	25,000
Miraji Bakari	87,500
Anita Mutile	91,660
Isaac Mwaiseghe	165,000
Salim Hamisi	8,000
Mwanaisha Masudi	135,000
Jira Chiroro	72,330
Ndambo Salim	7,997
Lillahi Bakari	45,000
Mwajirani Kwambala	140,000
Mwalimu Kambi	41,662
Alibashir Adankalif	62,500
Amani Mbetsa	45,000
Saumu Mwaburashi	12,000
Cylus Bogonko	6,244
Yusuf Swalehe	70,000
Hamadi Suleiman	82,500
AGRICULTURE	
Wanjala David wesonga	36,000
Nyamasyo Joanne Nduku	100,000
Dzila Hamisi Bweni	60,000

Mucheru Gerald Mburu	500,000
Mazera Kolo Mazera	70,000
Pakia Hassan Juma	28,800
Gakurya Fatuma Bakari	49,000
Mwangaza Warda Idd	15,000
Vuyaa Shafii	50,000
Tambaa Salim Bakari	48,000
HEALTH	
Kishindo Mwaleso Mwawasaa	40,000
Goregore Hamisi Suleiman	28,875
Rose Mwanzige Penina	30,000
Karisa Salama Faith	36,000
Abubakar Yusra Yusuf	73,330
TRADE	
Charo Samson Nyamawi	253,000
Mbaluto Harrison Musembi	17,500
COMMUNITY DEVT.	
Kassim Riga	8,000
Mwinyiamir Salimini	11,665
Ramadhan Bungale	291,500
Ramadhan Bungale	291,665
EXECUTIVE SERVICES	
Judy chizi Kengo	75,830
Mohammed Nyiro	15,000
Fatuma tabwara	210,000
Mwamaika Matano	13,800
Martin Mwaro	40,830
Martin Mwaro	400,000
Eric Permet	87,500
EDUCATION	
Ndegwa Mangale Munga	58,330
Mashudi Aisha Kanga	112,000
Manjema Bidala Hamisi	5,825
Kumboaminaabdallah	19,700
Dzivwa Asha Omari	16,662
Muyongo Thureya Mohammed	5,000
Mohamed Kongo	9,000
Jilloh Halako Marline	17,350
WATER	
Munyao Musyoki	5,000
INFRASTRUCTURE	
Patrick Matole	1,200
Mumo Mute	2,000

Mbui Nguta	4,170
Hassan Kombo	4,170
Ramadhan Mwabudzo	5,000
Ramadhan Mwabudzo	50,000
Malawa Kitonyo	1,667
Fundi Betsotso	1,000
Mkalla Ndurya	3,000
Tembe Zani	3,000
Chirapho Yama	3,500
Mbatha Kioko	1,850
Dalu Bejira	4,167
COUNTY PUBLIC SERVICE BOARD	
Salim Mrina	550,000
John Mutua	280,000
Binti Hamisi Rashid Kuwania	137,000
Athumani Ali Mukumu	2,000
PUBLIC SERVICE & ADMIN	
Mwasina Nimusimu	20,000
abdalla moyo	5,830
Munga Gindo	4,000
Vumbi Azizi	266,650
Mwazewe Kassim	17,500
Mwagao Mohammed	4,200
Mlongo Abdallah	29,165
Chengo Mango	28,000
Kivwaa Kiilu	50,000
chidzangi Gwidi	37,500
joseph gathoga	40,000
Daniel Ndago	17,500
juma Chigodi	29,700
mkaila Ngome	50,416
Caroline Ngina	70,000
Asha Neno	20,000
Kemu Shee	13,600
Mwaduka Hamadi	11,500
Nyamawi susan	26,900
Kivwaa Kiilu	15,000
Ndiege Francis	97,433
Ali Kipapapuro	132,000
mwasango Hamad	50,416
Kombo Siri Hamisi	39,600
Chanze Ali	5,000
Hamisi Gasambi	44,500

Mariaka Tundo	18,333
Mbeyu purity	11,000
Nathan Kugomba	3,500
TOTAL ADVANCES	**7,400,102**
GRAND TOTAL	**9,784,745**