REPUBLIC OF KENYA

# OFFICE OF THE AUDITOR-GENERAL

# REPORT

# OF

# THE AUDITOR-GENERAL

# ON

# THE FINANCIAL STATEMENTS OF COUNTY EXECUTIVE OF UASIN GISHU

# FOR THE YEAR ENDED 30 JUNE 2016

KENYA NATIONAL AUDIT OFFICE
RIFT VALLEY PROVINCE
RECEIVED
16 FEB 2017
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# COUNTY GOVERNMENT OF UASIN GISHU

## REPORTS AND FINANCIAL STATEMENTS

## COUNTY EXECUTIVE
## FOR THE FINANCIAL YEAR ENDED
## JUNE 30, 2016

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

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# I. KEY COUNTY GOVERNMENT OF UASIN GISHU INFORMATION AND MANAGEMENT

## (a) Background information

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

## (b) Key Management

The *County Government of Uasin Gishu's* day-to-day management is under the following key organs:

H.E The Governor
H.E The D/Governor
The CEC Member - Finance&Economic Planning
The CEC Member -Public Service Management
The CEC Member -ICT&E-Goverment
The CEC Member -Trade,Tourism,Wildlife&Industrialization
The CEC Member -Health Service
The CEC Member -Enviroment,Energy,Water And Indusrialization
The CEC Member -Roads,Transport & Public Works
The CEC Member -Agriculture,Livestock &N Fisheries Development
The CEC Member -Lands&Housing; And
The CEC Member -Education,Culture,Youth sports & Social Service

## (c) Fiduciary Management

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

| No. | Designation | Name |
|---|---|---|
| 1. | Chief officer-Finance & Economic planning | **Peter K. Chesos** |
| 2. | Chief officer- public service management | **Miriam Kosgei** |
| 3. | Chief officer-ICT & e- Government | **Edwin K. Sutter** |
| 4. | Chief officer-Trade, tourism, wildlife & industrialization | **Simion K. Cheplel** |
| 5. | Chief officer-Health Service | **Wilson K.Kemei** |
| 6. | Chief officer- Environment, Energy, Water & Natural resources | **Simion K. Kemei** |
| 7. | Chief officer-roads, transport & public works | **Nelson Maritim** |
| 8. | Chief officer-Agriculture, livestock & fisheries development | **Victoria Jepkirui** |
| 9. | Chief officer-lands & housing and physical planning | **Patrick K. Mutai** |
| 10. | Chief officer-education, culture, youth & social services | **Keneth K. Misoi** |

**Fiduciary Oversight Arrangements**

County Government of Uasin Gishu Bankers

1. Central Bank of Kenya
Uganda Road
P.O. Box 6000-00200
Eldoret Branch
ELDORET, KENYA

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

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

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

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

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

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

## FORWARD BY THE CEC

Section 163,164 and 165 of the Public Finance Management (PFM) Act, 2012 requires the County Treasury of the county government to consolidate the annual financial statements in respect of all the county government entities in formats prescribed by the Accounting Standards Board. The annual financial statement therefore presents all payments made into and out of the County Exchequer Account; gives a summary of the appropriation accounts and statements prepared by accounting officers; highlights all revenue collected, received and recovered by the receiver of revenue during the financial year; states debts of the county government outstanding at the end of financial year and those guaranteed by the national government; and a summary of the accounts of the county assembly.

The CIDP 2013-2018 outlined development agenda for the county government of Uasin Gishu for five years ending 2018; to this end the County government has made substantial progress towards realization of the set priorities through opening up of roads, murraming and development of roads into bitumen standard, construction of workshop and purchase of roads machinery. The agriculture sub-sector has implemented various Programmes and activities that included– Kijana na Acre Project, Inua Mama na Kuku, Construction of housing structures for milk coolers, fish hatchery and aqua shops, Horticultural business strategy, Installation of a soil testing laboratory, Disease control and subsidy of A.I services. Further, to promote farming Activities the Government through Ministry of Trade has developed markets, build Modern fabricated Kiosks, Initiated key tourism products, Carried out licensing campaigns, financed Micro, Small and medium Enterprises (MSMEs), set up of a county enterprise development fund to finance cooperatives with low interest rates and held NOREB investment forum.

Under water sub-sector, the department managed to drill 18 boreholes, Improved six water supplies within the county through the installation of new pumps and rehabilitating the reticulation network. Tree planting and springs protection and installation street lights in major urban areas.

In the health sector, the six health facilities upgrading are ongoing to sub-county referral hospitals while a further dispensaries and health centers across the county were renovated and equipped; and 300 health staff were employed. And in the education sector, 180 ECDE classrooms and Kshs.135 Million disbursed as bursary.

On budget performance for the 2015/16 period, exchequer releases were 100 percent utilized; 69.26 percent of local revenue collection was achieved while a total of KShs. 6,523,179,916 were made as payments. The under-collection of local revenue is attributed to over-projections of revenue targets and challenges in implementation of the new Revenue system; while the low absorption of development expenditures by the line departments is partly due to IFMIS E-Procurement challenges and late disbursement of exchequer releases and procurement challenges. However, the county government has put in place measures to address these challenges.

Finally, let me take the earliest opportunity to thank all members of the technical team for their time and sacrifice in consolidating the annual financial statement. I also wish to re-affirm our commitments to enhanced financial discipline and fiscal responsibilities for improved service delivery.

**SHADRACK SAMBAI,**
**CECM – FINANCE & ECONOMIC PLANNING**
**COUNTY GOVERNMENT OF UASIN GISHU**

## STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The County Executive Committee (CEC) member for finance of the County Government is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the financial year ended on June 30, 2015. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Government; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the County Government; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Government's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for finance is of the opinion that the County Government's financial statements give a true and fair view of the state of the County Government's transactions during the financial year ended June 30, 2015, 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 31th December 2016.

County Executive Committee member – Finance

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# OFFICE OF THE AUDITOR-GENERAL

## REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF UASIN GISHU FOR THE YEAR ENDED 30 JUNE 2016

### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Uasin Gishu County Executive set out on pages 6 to 33, which comprise the statement of financial assets as at 30 June 2016, and the statement of receipts and payments, statement of cash flows and a summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015.

### Management's Responsibility for the Financial Statements

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

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

### Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. The audit was conducted in accordance with International Standards of Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County Executive's internal control. An audit also includes

evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, I am not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

**Basis for Disclaimer of Opinion**

**1.0 Inaccuracies in the Financial Statements**

The financial statements for the year ended 30 June 2016 reflect various balances which are at variance with figures shown in the IFMIS report as detailed below:

| Item | Financial Statement (Kshs ) | IFMIS Report (Kshs) | Variance (Kshs) |
|---|---|---|---|
| Total Revenues | 6,044,396,302 | (19,609.) | 6,044,415,911 |
| Total Payments | 6,523,274,830 | 5,959,267,780 | 563,956,161 |
| Cash and Cash Equivalent | 659,395,076 | 6,576,318,669 | (5,916,923,593) |
| Receivables | 13,479,270 | 343,093,003 | (329,613,733) |
| Payables. Deposits | 58,570,020 | 11,652,385,064 | (11,600,815,044) |

Consequently, the accuracy, validity and completeness of the balances reflected in the financial statements cannot be confirmed.

**2.0 Unreconciled Revenue**

The statement of receipts and payments for the year ended 30 June 2016 indicates that revenues totalling Kshs.719, 416,616 were collected during the year under review while the bank statements availed for audit verification show revenues collected during the year totalled Kshs.730,018,586 as detailed below therefore resulting in an unexplained variance of Kshs.10, 601,970.

| Bank Accounts | Total Banking (Kshs) |
|---|---|
| KCB Main Account 1141856689 | 573,307,868 |
| Equity Bank 1090264611251 | 35,169,120 |
| National Bank 1001111955700 | 34,278,381 |
| Chase Bank 162307522001 | 46,330,317 |
| Co-operative Bank 1141672927900 | 31,870,584 |
| Family Bank 082000011728 | 5,965,940 |
| MPESA Account 646464 | 41,907 |
| Equatorial/Spire Bank 0405448501 | 3,054,469 |
| **Total** | **730,018,586** |

Although it was explained that during the financial year 2014/2015 Kshs.10,601,916 was spent on county expenses (imprests) from revenue account and which was refunded to the account on 7 October 2016, no documentary evidence has been provided to confirm the refund.

Consequently the accuracy, validity and completeness of the internally generated revenue balance of Kshs.719,416,616 for the year ended 30 June 2016 cannot be confirmed.

### 3.0 Compensation of Employees

### 3.1 Expenditure on Wages and Benefits

The statement of receipts and payments reflects compensation of employees balance of Kshs.2,325,186,062 which is approximately 39% of the total revenue of Kshs.6,044,396,302 and thus exceeds the recommended ratio of 35% stipulated in Section 25 (1) of the Public Finance Management (County Governments) Regulations 2015. Consequently, the County Government is in breach of the law and the wage bill may not be sustainable unless adequate measures are put in place to contain the rising wage bill and falling revenue collection.

### 3.2 Retention of Employees Beyond the Mandatory Retirement Age of Sixty (60) Years

Audit review of the payroll for the month of June 2016 revealed that two employees listed below were still in the Integrated Payroll and Personnel Database (IPPD) although they had attained the mandatory retirement age of 60 years contrary to Treasury Circular Ref. No EPN 171/07Vol.P (64) dated 24 November 2010.

| S. No | PAYROLL No | Name | Date of Birth | Age | Basic salary (Kshs) |
|---|---|---|---|---|---|
| 15092 | 19850004018 | Mr Peter Karunyu Mathenge | 15-Aug-1954 | 62 years 2 months | 56,730 |
| 14948 | 19830003159 | Mr Michael Shavadi Sinei | 05-Nov-1955 | 61 years 4 months | 32,790 |

Although the management has explained that the officers are on contract, no justification has been provided for contravening the Treasury Circular. The County Government has therefore breached the Government regulations on staffing.

### 3.3 Retention of Casuals for Over Three Months

Included in compensation of employees balance of Kshs.2,325,186,062 is basic wages of temporary employees amounting to Kshs.28,308,324 as disclosed in Note 12 to the financial statements. The casual employees were engaged for periods that were longer than the duration of three months prescribed in Section 37(3) of the Employment Act, 2007 which states that an employee whose contract of service has been converted in accordance with Subsection (1), and who works continuously for more than three

months from the date of employment as a casual employee, shall be entitled to such terms and conditions of service as he would have been entitled to under this Act had he not initially been employed as a casual employee. Consequently, the management is in breach of the law and the propriety of the basic wages for temporary employees of Kshs.28,308,324 incurred during the year under review cannot be confirmed.

### 3.4 Failure to observe One Third Rule Staff Establishment

Review of personnel records availed for audit revealed that during the year under review, the County Public Service Board recruited six hundred and eighty (680) new employees of various cadres out of whom five hundred and ninety eight (598) or approximately 88% were from the dominant community contrary to the provisions of Section 65 (1), (e) of the County Government Act, 2012 which requires that the County Public Service Board in selecting of employees, to ensure that at least thirty percent (30%) of the vacant posts at entry level are filled by candidates for appointment who are not from the dominant ethnic communities. Consequently, the County Government breached the County Government Act, 2012 on staff establishment for promotion of national unity.

## 4.0 Use of Goods and Services

### 4.1 Unjustified Meetings Irregularly Held In Kisumu

Included in budget reserves balance of Kshs.11,972,420 as disclosed in Note 13 to the financial statements under use of goods and services is an amount of Kshs.5,722,800 incurred by the Uasin Gishu County Executive staff and members of the County Assembly comprising of Kshs.4,491,200 paid on 26 April 2016 in respect of per diem during discussion of county fiscal strategy paper in Kisumu and Kshs.1,231,600 paid on 2 June 2016 for budget discussion also in Kisumu. However, no justification has been given for holding the meetings outside the county contrary to the directive by the Cabinet Secretary for the National Treasury vide Circular No 20/2015 of 4 November 2015 which stated that such meetings should not be held outside respective entity head offices.

The County Government therefore breached the directive of the circular and as a result, the propriety of the total expenditure of Kshs.5,722,800 incurred during the discussions cannot be confirmed.

### 4.2 Irregular Payment of Air-time Allowances

Included in the use of goods and services balance of Kshs.1,127,501,932 for the year ended 30 June 2016 is communication, supplies and services balance of Kshs.9,164,593 disclosed in Note 13 to the financial statements which in turn includes air time allowances of Kshs.466,000 overpaid irregularly to the Governor, Deputy Governor and County executive members (CECs), County Secretary and Chief Officers as detailed below:

| No | Officer | Amount Paid (Kshs) | Monthly Entitlement (Kshs) | Over Payment (Kshs) | No of Officers for 4 months | Total Overpayment (Kshs) |
|---|---|---|---|---|---|---|
| 1 | Governor | 29,000 | 10,000 | 19,000 | 1 | 76,000 |
| 2 | Deputy Governor | 20,000 | 7,500 | 12,500 | 1 | 50,000 |
| 3 | CECs and County Secretary | 11,000 | 6,000 | 5,000 | 11 | 220,000 |
| 4 | Chief Officers | 9,000 | 6,000 | 3,000 | 10 | 120,000 |
| | **Total** | | | | | **466,000** |

Although the management explained that the airtime allowance was paid as guided by Office of the President Circular reference No Circular OP/CAB/15 dated 5 March, 2010, no justification was provided for non-adherence to Gazette notice No.2888 dated 1 March 2013 which set airtime allowance limits for County Executive Officers.

Consequently, the overpayment of air time allowance by Kshs.466,000 was irregular and its propriety cannot therefore be confirmed.

## 5.0 Acquisition of Assets

### 5.1 Unsupported Expenditure on Refurbishment of Cattle Dips and Water Projects

Included in the acquisition of assets balance of Kshs1,873,481,823 as disclosed in Note 18 to the financial statements is construction and civil works expenditure of Kshs 206,604,476 out of which an amount of Kshs 30,413,250 was disbursed to one hundred and ninety eight (198) Project Implementation Committee accounts on 28 June 2016 from the project force account for rehabilitation of cattle dips and another Kshs 51,200,000 disbursed to six (6) Sub county water projects on the same date to fund water projects. However, the expenditure returns from Project Management Committees giving analysis on how the funds were utilised were not availed for audit review.

Consequently, the propriety of the total expenditure of Kshs 81,613,250 incurred by the Project Management Committees on rehabilitation of cattle dips and water projects cannot therefore be confirmed.

### 5.2 Unsupported Expenditure on Construction of Dispensaries

Included in the acquisition of assets balance of Kshs1,873,481,823 as disclosed in Note 18 to the financial statements is construction of buildings expenditure of Kshs 142,924,436 out of which a balance of Kshs 50,000,000 was disbursed on 28 June 2016 to sixty five (65) Project Management Committee accounts for construction of health centres and dispensaries through Force Account. However, the expenditure returns from Project Management Committees providing analysis on how the funds were utilised were not availed for audit review.

Consequently, the propriety of the expenditure of Kshs 50,000,000 incurred by the Project Management Committees cannot be confirmed.

### 5.3 Unsupported Expenditure on Construction of Early Child Development Education (ECDEs)

Included in the acquisition of assets balance of Kshs.1,873,881,823 as disclosed in note 18 is expenditure on refurbishment of buildings balance of Kshs.329,769,246 which in turn includes Kshs.153,400,000 disbursed to two hundred and seventy seven (277) Project Management Committee accounts on 28 June 2016 from the Project Account for the purpose of construction of ECDEs. However, expenditure returns from the Project Management Committees showing how the sum of Kshs.153,400,000 was utilized were not provided for audit verification.

Consequently, the propriety of expenditure totalling Kshs.153,400,000 incurred by the Project Management Committees on construction of ECDEs cannot be confirmed.

### 5.4 Construction of Proposed Model Sub-County Hospital Phase I

During the year under review, a construction firm was awarded the contract for construction of Model Sub-county Hospital Phase 1(ground floor – out patient department block, maternity block and family planning block) at Moiben Health Centre through tender number UGC/T/47/2014/2015 at a contract sum of Kshs.98,246,240.60. The contract was for a period of 52 weeks with effect from 3 August 2015 and was expected to be completed on 3 August 2016. Information available however, indicates that the contract was terminated in May 2016 due to non-performance by the contractor. However, default notices to the contractor for non-performance of the contract prior to termination of the contract have not been provided for audit review. Further, no evidence was provided to show that the contractor had provided a performance bond as required in the contract. Available information show that the contractor filed case No 9/2016 on 12 May 2016 against the County Government for non-payment and unlawful termination of the contract.

Physical audit verification carried out on 29 September 2016 revealed that the project had stalled after laying of the foundation base and columns and the contractor was not on site and there was no evidence of continuation of construction works. In addition, various types of construction material had been left on site but without being secured. The management explained that the contractor defaulted by asking to be paid much more than the value of work done. However, no evidence has been provided to show how much the contractor was to be paid or why he was not paid the value of the work done according to the provisions of the contract.

Although no payment had been made to the contractor by 30 June 2016, there is a likely contingent liability for unlawful termination of the contract and loss of benefits that would have accrued from the project.

Consequently the objective of the project and value-for-money may not have been achieved.

### 5.5 Delayed Completion of Construction of Proposed Model Sub-county Hospital Phase 1 - Ziwa Health Centre

Included in the acquisition of assets balance of Kshs.1,873,481,823 as disclosed in note 18 to the financial statements is refurbishment of buildings expenditure balance of Kshs.329,769,246 which in turn includes a payment of Kshs.3,548,850 made to a construction firm for completion of the construction of Model Sub-county Hospital Phase 1(ground floor –out patient department block, maternity block, family planning block) at Ziwa health centre. The contract was awarded at a contract sum of Kshs.93,476,582 for a contract period of 52 weeks with effect from 24 September 2015 and was expected to be completed on 24 September 2016. The contract agreement between the County Executive and the contractor was signed on 26 June 2015. However, no status report was availed for audit review to show the progress made and hence it was not possible to confirm the percentage of work done or the date when the works were due for completion. Further, there was no evidence provided to show that the contractor provided performance bond as required in the contract agreement.

Audit verification carried out on 26 September 2016 revealed that only a portion of the foundation had been done up to filling while the rest of the foundation had been dug but nothing put in it. In addition there was no evidence of continuation of construction works at the ground as the contractor was not on site and no documentary evidence was provided to show that the contract period had been extended.

Consequently, the residents of Uasin Gishu may not have obtained value for the expenditure of Kshs.3,548,850 incurred on the project during the year under review.

### 5.6 Stalled Construction of Chain Link Fence and an Electric Fence at Cheborowa Agricultural Training Centre (ATC)

Included in refurbishment of buildings balance of Kshs 206,604,476 as disclosed in Note 18 to the financial statements is expenditure of Kshs 5,109,780 paid to two firms in respect of construction of a chain link fence and electric fence at Chebororwa Agricultural Training Centre. The contract sum for the construction of the chain link fences was Kshs.13,029,220, while construction of the electric fence was contracted at Kshs.15,323,849. Both contracts were to be completed within 12 weeks with effect from 13 April 2015. However, no status reports were availed for audit review to show the completion status and indicate the percentage of work done.

Audit verification of the project works in the month of October 2016 revealed that the construction works had stalled and the contractors were not on site. Although it was explained that the project stalled due to ATC land ownership dispute and that the matter was before the Courts, the Senate and National Assembly, no further information was provided on how the management was addressing the issue with the contractors.

Consequently, the propriety of total expenditure of Kshs.5,109,780 incurred on the two projects cannot be confirmed.

### 5.7 Delayed Completion of Kimbilio Bridge

Included in the construction of roads balance of Kshs.585,362,587as disclosed in Note 18 to the financial statements is expenditure of Kshs.32,155,996.92 paid to a construction company in respect of contract No UGC/RD/B: 07/2014-15 awarded to the firm on 23 June 2015 for construction of Kimbilio Bridge at a contract sum of Kshs.40,940,750. According to the contract signed on 23 June 2015, construction was to commence on 1 July 2015 and was to take 52 weeks to August 2016. However, no evidence was provided to show that the contractor had submitted the performance bond as required in the contract agreement.

Audit verification of the project on 28 September 2016 revealed that the bridge was incomplete but the contractor was not on site. No progress reports were availed for audit review to confirm the status of the project. As a result, it was not possible to confirm the stage the project had reached. Although the extension of the contract period to 15 March 2017 was approved by the Chief Officer, Roads, Transport and Public Works Department through a memo dated 13 June 2016 to the Resident Engineer, no request for extension from the contractor was presented for audit. In addition, no reason was provided to justify the extension of the contract period.

Consequently, the propriety of the expenditure of Kshs.32,155,996.92 incurred on the project cannot be confirmed.

### 5.8 Procurement of Bore-hole Drilling Services

Included in acquisition of assets balance of Kshs.1,873,481,823 is construction of civil works expenditure of Kshs.206,604,476 as disclosed in Note 18 to the financial statements which in turn includes two payments made to a state corporation totalling Kshs.16,098,970 in respect of a contract to drill 18 boreholes awarded through direct procurement method on 19 April 2016 at contract price of Kshs.30,185,568. According to the tender evaluation report dated 19 April 2016, each borehole was to cost Kshs.1,676,976 after negotiation from the tender price of Kshs.31,811,828. The drilling was to commence on 2 May 2016 and completed in 60 days on 2 July 2016.

However physical verification in October 2016 revealed that only 6 bore holes or 33% of the total due had been done. In addition, according to Clause 7 of the contract agreement signed on 28 April 2016 the first certificate of payment could only be raised upon completion of 50% of the works to be done. However, it is not clear why payment was made in respect of 33% of work done instead of the 50% threshold prescribed in the contract agreement. Information available further indicates that on 19 June 2016, the contractor requested for extension of the contract period due to several reasons including delay in payment and poor roads. On 26 June 2016, extension was granted up to 30 September 2016. However, as at the time of audit in November 2016, the

drilling of boreholes was still incomplete and no reason was provided for the delay in completion of the works.

Consequently, the delay in completion of the project means its objectives have not been achieved and the propriety and value-for-money on the expenditure of Kshs.16,098,970 incurred cannot be confirmed.

### 5.9 Construction of Milk Cooling Plants

Included in purchase of specialised plant, equipment and machinery balance of Kshs.243,618,994 as disclosed in Note 18 to the financial statements is an amount of Kshs.4,119,410 paid to a company in respect of construction of milk cooling plant under Lot 15. Information available indicate that thirteen contracts for construction of milk cooling plants at a total contract sum of Kshs.228,586,162 were awarded on 18 April 2016 to be completed in 24 weeks on 18 October 2016 as detailed below:

| No | Lot No | Contractor | Amount (Kshs) |
|---|---|---|---|
| 1 | Lot 20 | M/S Durdur Construction Co Ltd | 19,971,400 |
| 2 | Lot 19 | M/S Testai General Contractors | 20,040,928 |
| 3 | Lot 18 | M/S Fathi Contractors Ltd | 20,116,214 |
| 4 | Lot 17 | M/S Chrystal Elsea Ltd | 19,827,528 |
| 5 | Lot 16 | M/S EldopanEnt Ltd | 18,721,391 |
| 6 | Lot 15 | M/S Tochan Agencies Co. Ltd | 19,799,387 |
| 7 | Lot 14 | M/S Northern Dynamic | 19,828,770 |
| 8 | Lot 13 | M/S Harmo Engineering &Building Co Ltd | 15,411,392 |
| 9 | Lot 12 | M/S MacdanBulding& Civil Contractors | 15,399,600 |
| 10 | Lot 9 | M/S Kemro Logistics Ltd | 14,467,716 |
| 11 | Lot 8 | M/S Fine Tops Ent Ltd | 14,886,086 |
| 12 | Lot 5 | M/S Techno Specialised Ltd | 15,841,757 |
| 13 | Lot 1 | M/S TuareqBulding Construction Ltd | 14,273,993 |
| | | | **228,586,162** |

However, there was no status report to show the percentage (%) of work done and when the construction would be completed. Further, no evidence was provided to confirm ownership by the County Executive of the land on which the milk coolers were to be built. Although the management explained that the coolers were to be supplied by the National Government, no memorandum of understanding was provided to confirm that the National Government had indeed committed to supply the coolers once construction of the buildings was complete.

Physical verification in October 2016, revealed that construction of the structures was ongoing but it could not be established when the plants would be completed and coolers installed.

Consequently, the residents of Uasin Gishu may not have obtained value-for-money spent on the milk cooling plants.

### 5.10 Unsupported Expenditure on Acquisition of Assets

Included in the acquisition of assets balance of Kshs.1,873,481,823 under Note 18 to the financial statements was a sum of Kshs.313,613,250 disbursed on 28 June 2016 to various project management and implementation committee accounts to finance construction of cattle dips, water supplies, dispensaries, early child development education schools and support youth groups through Kijana na Acre Program. However, the management did not avail expenditure returns from the project management and implementation committees for audit review to confirm how the funds disbursed were utilized.

Consequently, the propriety of the expenditure of Kshs.313,613,250 incurred by the project management and implementation committees cannot be confirmed for the year ended 30 June 2016.

### 5.11 Kijana na Acre Program

Included in acquisition of assets balance of Kshs.1,873,481,823 under Note 18 to the financial statements is an expenditure of Kshs.58,224,161 incurred on the purchase of certified seeds, breeding stock and live animals. The balance of Kshs.58,224,161 further includes an amount of Kshs.28,600,000 disbursed to one hundred and thirty six (136) youth groups to encourage them to embrace agribusiness in the County. According to the policy developed by the Ministry of Agriculture, the funds totalling Kshs.30 million were to be accessed by the youth groups at an interest rate of 5% on a revolving basis. Although the program was operated like a fund, it was not authorised by the County Assembly as required by the Public Finance Management Act, 2012. Further, the management has not provided documentary evidence to show how the monies repaid by the groups were accounted for. Consequently, management is in breach of the law and the propriety of the disbursement of Kshs.28,600,000 made to the programme during the year under review cannot be confirmed.

### 5.12 Handing Over of Assets and Liabilities from Defunct Local Authorities

Annexure 4 to the financial statements reflects assets acquisition total balance of Kshs.4,628,880,045 as at 30 June 2016. However, as reported in the previous years, details of assets taken over from the defunct local authorities such as land, buildings, motor vehicles, computers and other equipment were not included in the County's fixed assets register. Although it was explained that the assets are awaiting valuation, no indication has been given as to when they would be valued and included in the County's fixed assets register. Consequently, and until these assets are valued and included in the assets register, the existence and accuracy of the assets balance of Kshs.4,628,880,045 as at 30 June 2016 cannot be confirmed.

### 6.0 Cash and Cash Equivalents

The cash-and-cash-equivalents balance of Kshs.659,395,976 includes a bank balance of Kshs.648,784,837 as disclosed in Note 22A to the financial statements, comprising

of fifteen (15) bank accounts. Scrutiny of the development cash book revealed that on 10 June 2016 the County Executive transferred a total of Kshs.339,814,800 from Central Bank of Kenya Development vote bank account number 1000171294 to Kenya Commercial Bank Project Force bank account No 1182110363. Information available further indicates that on 28 June 2016 an amount of Kshs.313,613,250 was subsequently transferred from the above Project Force Account to six hundred and eighty two (682) Project Management Committee bank accounts. However, cash books, bank reconciliation statements, certificates of bank balances and board of survey reports for these Project Management Committee accounts were not provided for audit verification. Further, the bank accounts and closing balances have not been disclosed in the financial statements.

In addition, the cash and cash equivalent balance of Kshs.626,544,832 reported in the statement of cash flows varies from balance of Kshs.659,395,976 reported in the statement of financial assets and liabilities. The resultant difference of Kshs.32,851,144 has not been explained.

Consequently, the validity, accuracy and completeness of the bank balance of Kshs.648,784,837 as at 30 June 2016 cannot be confirmed.

**7.0 Imprests Management**

**7.1 Outstanding Imprests**

The accounts receivable-outstanding imprest and clearance accounts balance of Kshs.13,479,270 as at 30 June 2016 was due for surrender on or before 30 June 2016. However, no reason was provided for failure to account for or recover the imprests from the defaulters as required by the Government financial regulations on management of imprests.

**7.2 Issuance of More Than One Imprest**

Audit review of imprest records revealed that seventeen (17) officers were holding more than two (2) imprests totalling Kshs.10,483,469 with some of these were holding as many as sixteen (16) imprests contrary to regulations governing issuance of imprests which prohibit officers being issued with an additional imprest before surrender of a previous one. Although the management has explained that issuance anomaly was occasioned by invitations to staff to attend to new duties while still holding the old imprests and that the practice has since been discontinued, no justifiable reason was provided for not adhering to the Government Financial Regulations and Procedures which require that no additional imprest shall be issued to an Officer before surrender of an earlier one.

Consequently, the management breached the law and the propriety of the imprest balance of Kshs.13,479,270 as at 30 June 2016 cannot be confirmed.

## 8.0. Procurement of Revenue Collection and Management System

The acquisition of intangible assets balance of Kshs.29,448,206. as disclosed in Note 18 to the financial statements includes Kshs.18,306,685 paid to a company in respect of customization, installation and implementation of County revenue collections, cash flow management and funds requisitioning system under tender No. CGU/T/011/2014/2015 which is 47% of the value of the contract sum of Kshs.38,751,378. According to the contract agreement signed on 3 February 2015, the system was to be delivered in one hundred and twenty (120) days after the contract was signed. As at the time of audit in November 2016, three (3) of the twelve (12) modules that were to be installed had not been installed. These included asset management system, water billing and management system and the geographic information system (GIS) integration interface. In addition, the system has not yet been integrated with the revenue bank accounts and thus deposits done in banks cannot be linked directly to the relevant services paid for. Further, the system has no provision or capacity to accrue interest/penalties for delayed payments.

Consequently, delay in completion of the system implementation means all the objectives of the project have not been met.

## 9.0 Failure to Achieve Revenue Collection Target

During the year under the review, the County Executive budgeted revenue collection of Kshs.1,037,217,425 from local sources. However, only a total of Kshs.719,416,616 was collected thereby resulting in a deficit of Kshs.317,800,808 or approximately 31% of the budgeted revenue. Further, the local revenue receipts of Kshs.719,416,616 for the year under review declined by Kshs.80, 679,925 compared to Kshs.800,096,541 realised during the year ended 30 June 2015.

The under-collection of revenue may be an indication of over exaggeration of revenue estimates or inadequate measures put in place to ensure that revenue targets are met or lack of adequate revenue collection measures that ensure revenue targets are met. Under collection of revenue impacts negatively on the expenditure budget leading to non-delivery or delivery of poor quality goods and services to County residents. Although management explained that revenue collection declined due to implementation of the new revenue collection system during the peak collection period of the year, late implementation of the Finance Act, 2015 and Court cases on rented housing management which reduced the rental income due, there is no indication of the measures put in place to ensure that all revenue budgeted for is collected.

The under collection of revenue impacts negatively on service delivery to the residents of the County.

## 10.0 Governance Framework

### 10.1 Inadequately Staffed Internal Audit Function

The County Executive of Uasin Gishu has established an internal audit unit which however has only five (5) internal auditors. Five (5) positions of risk and investigation

officers and five (5) positions of compliance officers have not been filled as provided for in the organization structure. Further, the internal audit function reports both administratively and functionally to the County Executive Committee Member for Finance instead of an Audit Committee contrary to Regulation 155(1) of the Public Finance Management (County Government) Regulations 2015, which states that the head of internal audit unit in a County Government entity shall enjoy operational independence through the reporting structure by reporting administratively to the Accounting Officer and functionally to the audit committee. Consequently, the unit lacks the capacity and operational independence to execute its mandate of overseeing governance mechanisms and promoting transparency and accountability in management of the resources of the County Executive.

### 10.2 Failure to Establish an Audit Committee

The County Executive of Uasin Gishu has not established an audit committee contrary to Section 167(1) of the Public Finance Management (County Government) Regulations, 2015 which require each county government entity to establish an audit committee. Therefore the County Executive has breached the law.

## 11.0 Budgetary Control and Performance

### 11.1 Budget Absorption

During the year under review, Uasin Gishu County Executive had an approved budget of Kshs.7,542,626,351 comprised of recurrent vote budget of Kshs.4,589,008,056 and a development vote budget of Kshs.2,953,618,295. At the end of the financial year on 30 June 2016, the budget performance reflected overall under-absorption of Kshs.1,019,446,435 or 14% as summarized below:

| Vote | Approved Budget 2015/16 (Kshs) | Actual Expenditure 2015/16 (Kshs) | Under Absorption (Kshs) | Under Absorption (%) |
|---|---|---|---|---|
| Development | 2,953,618,295 | 1,963,428,313 | 990,189,982 | 34 |
| Recurrent | 4,589,008,056 | 4,559,751,603 | 29,256,453 | 1 |
| **Total** | **7,542,626,351** | **6,523,179,916** | **1,019,446,435** | **14** |

The under-absorption of the approved budget is an indication that some activities and projects in the annual plan were not implemented by the County Executive. This is likely to have negative effects on delivery of goods and services to the residents of Uasin Gishu County. There is therefore need for the management to re-look at its budget implementation mechanisms with a view to focus on priority areas that will enhance service delivery to the residents of Uasin Gishu.

### 11.2 Development Budget

During the year under review, the Uasin Gishu County Government allocated Kshs.2,953,618,295 on development projects but spent Kshs.1,963,428,313 thus

resulting in under expenditure of Kshs.990,189,982 or approximately 34% of the budget. The under-expenditure mainly related to transfers to other government units, other grants and transfers, social security benefits and acquisition of assets as detailed below:

| Component | Budget (Kshs) | Actual Expenditure (Kshs) | Under Absorption (Kshs) | Under Absorption (%) |
|---|---|---|---|---|
| Transfers to other Government Units | 338,541,437 | 89,946,490 | 248,594,947 | 73 |
| Other Grants and Transfers | 348,190,529 | 0 | 348,190,529 | 100 |
| Social Security Benefits | 20,752,836 | 0 | 20,752,836 | 100 |
| Acquisition of Assets | 2,246,133,493 | 1,873,481,823 | 372,651,670 | 17 |
| **Total** | **2,953,618,295** | **1,963,428,313** | **990,189,982** | **34** |

The under absorption of the approved development budget indicates that activities and projects in the annual work plan were not implemented by the County Executive. Therefore the County Executive did not utilize Kshs.990,189,982 of the funds allocated for development and hence the objectives of the budget were not achieved. This may hamper service delivery to the residents of Uasin Gishu County due to lack of requisite infrastructure.

### 11.3 Project Implementation

Records availed for audit review indicated that a total of Kshs.2,924,178,708 was allocated to twelve (12) departments during the year 2015/2016 to fund one hundred and sixty two (162) projects. However,the projects were behind schedule with only Kshs.2,924,178,708 having been spent on 93 projects representing 76% of the funds allocated as at 30 June 2016 as detailed below . This was contrary to Section 113 (1) of the County Government Act, 2012 which requires the county's budget to be based on the annual development priorities and objectives and the performance targets set by the County.

| Department | No of Budgeted projects | Budget (Kshs) | Actual expenditure (Kshs) | No of Projects implemented | % Level of implementation |
|---|---|---|---|---|---|
| Governor's Office | 1 | 10,000,000 | 8,402,045 | 1 | 84% |
| Finance and Economic Planning | 8 | 110,017,088 | 56,164,093 | 5 | 51% |
| Public Service Management | 6 | 79,444,921 | 73,505,113 | 5 | 93% |
| ICT and E-Government | 11 | 65,460,330 | 40,544,506 | 4 | 62% |
| Roads, Transport and Infrastructure | 28 | 941,418,514 | 831,098,798 | 13 | 88% |
| Lands, Housing and Physical Planning | 20 | 198,461,103 | 144,534,050 | 13 | 73% |
| Water, Environment, Energy and Natural resources | 14 | 318,661,365 | 226,974,697 | 8 | 71% |
| Health Services | 8 | 223,400,000 | 184,674,809 | 5 | 83% |

| | | | | | |
|---|---|---|---|---|---|
| Agriculture, Livestock and Fisheries | 33 | 326,624,956 | 167,200,684 | 16 | 51% |
| Trade, Cooperatives, Tourism and Wildlife | 17 | 204,370,323 | 119,594,602 | 11 | 59% |
| Education, Social Cultural, Youth and Sports | 15 | 443,314,108 | 372,338,712 | 11 | 84% |
| County Public Service Board | 1 | 3,732,000 | 3,006,000 | 1 | 81% |
| **Total** | **162** | **2,924,904,708** | **2,228,038,110** | **93** | **76%** |

Further, audit review revealed that the projects could not be linked to the annual procurement plan. The exact projects, the procurement methods that they were to be subjected to and the timeline within which they were to be implemented were not cited in the plan. Further, management has not provided any plausible reason for the slow implementation of the projects.

Consequently, the residents of Uasin Gishu County may not have obtained value for money in respect of the projects that were to be implemented during the year.

## 11.4 Project Verification

During the audit, sixty (60) projects with a total budget of Kshs.1,213,518,378 out of which Kshs.733,846,413 had been spent were verified. The findings of the verification are as detailed below:

| No | Project/Item Procured | Contract Sum (Kshs) | Procurement method | Date of Advert | Amount Paid (Kshs) | Delivery Status |
|---|---|---|---|---|---|---|
| 1 | Supply & Delivery of motor graders | 100,050,000.00 | Open Tender | 20.03.15 | 100,050,000.00 | Delivered |
| 2 | Construction kesses sub county hospital | 98,731,665.00 | National Open Tender | 10.04.15 | 55,854,294.60 | 57% |
| 3 | Moiben sub county hospital | 98,246,240.60 | Open Tender | 10.04.15 | - | Stalled |
| 4 | Preparation Spatial Planning | 97,839,915.00 | Open Tender | 02.04.15 | 68,487,864.00 | 70% |
| 5 | Ziwa sub county hospital | 93,476,582.00 | National Open Tender | 10.04.15 | 3,584,850.00 | 4% - Stalled |
| 6 | 2 Motor Graders | 47,541,000.00 | Open Tender | 29.05.15 | 47,541,000.00 | Delivered |
| 7 | Construction Kimbilio bridge | 40,949,750.00 | Open tender | 08.05.15 | 32,155,996.90 | 75% |
| 8 | customization of county revenue system | 38,751,377.00 | Open Tender | 2014/2015 | 11,625,413.00 | 80% |
| 9 | Construction of Moiben Sub County Office | 36,890,070.00 | Open Tender | 29.01.15 | 14,064,200.00 | 40% |
| 10 | Construction of Ainabkoi Sub County Office | 36,414,055.00 | Open Tender | 29.01.15 | 24,157,305.00 | 65% |
| 11 | Panvilla Pioneer HC rd | 33,326,039.25 | Open tender | 29.12.15 | 6,067,380.00 | 100% |
| 12 | Construction of Kapseret Sub County Office | 33,242,000.00 | Open Tender | 29.01.15 | 25,871,521.00 | 75% |
| 13 | Construction of burnt forest hospital | 33,197,445.00 | National Open Tender | 10.04.15 | 30,720,649.00 | 93% |
| 14 | 18 Boreholes | 30,185,568.00 | Direct Procurement | N/A | 16,098,970.00 | 33% |
| 15 | Fabrication of modern Kiosks | 28,500,000.00 | Open tender | 2014/15 | 12,960,000.00 | 45% |
| 16 | Construction turbo hospital | 26,220,610.00 | National Open Tender | 10.04.15 | 19,640,427.00 | 75% |
| 17 | Construction of Milk Coolers Lot 15 | 19,799,387.00 | Open tender | 18.03.16 | 4,119,410.00 | 20% |

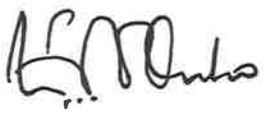
| | | | | | | |
|---|---|---|---|---|---|---|
| 18 | Mobile workshop track | 17,500,000.00 | Open Tender | 2014/15 | 17,500,000.00 | Delivered |
| 19 | Fire fighter | 15,800,000.00 | Open Tender | 11.12.14 | 15,800,000.00 | Delivered |
| 20 | Electrical Fencing at Cheborowa ATC | 15,323,849.00 | Open Tender | 2014/2015 | 1,153,620.00 | Stalled |
| 21 | Kipkorgot bridge | 14,558,000.00 | Open tender | 2014/15 | 8,478,089.70 | 90% |
| 22 | Sewerage system development | 14,500,000.00 | Direct Procurement | | 14,500,000.00 | 100% |
| 23 | ChainLink Fence at Cheborowa | 13,029,220.00 | Open tender | 2014/2015 | 3,956,160.00 | Stalled |
| 24 | Junction vetinary road | 12,243,573.00 | Open tender | 29.12.15 | 2,101,860.50 | 70% |
| 25 | Turbo sub county water project | 11,100,000.00 | Force project | | 11,100,000.00 | 70% |
| 26 | 2 Toyota D/Cab | 10,184,092.00 | Open Tender | 29.12.15 | 10,184,092.00 | Delivered |
| 27 | Toyota Prado | 10,040,900.00 | Supplies Branch Contract | | 10,040,900.00 | Delivered |
| 28 | Supply of foot and mouth vaccines | 9,450,000.00 | Direct Procurement | | 9,450,000.00 | 100% |
| 29 | Classification of Urban Areas | 8,950,850.00 | Open Tender | 2014/15 | 7,160,680.00 | 80% |
| 30 | Moiben sub county water project | 8,500,000.00 | Force project | | 8,500,000.00 | 58% |
| 31 | 2 Isuzu D/Cab | 8,000,000.00 | Open Tender | 29.12.15 | 8,000,000.00 | Delivered |
| 32 | Physical Development Plan for Moi's Bridge | 7,813,139.00 | Open Tender | 2014/15 | 5,469,197.70 | 70% |
| 33 | Physical Development Plan for Cheptiret | 7,813,139.00 | Open Tender | 2014/15 | 5,469,198.00 | 70% |
| 34 | Physical Development Plan for Burnt Forest | 7,813,139.00 | Open Tender | 2014/15 | 5,469,198.00 | 70% |
| 35 | Toyota Fortuner | 6,693,130.00 | Supplies Branch Contract | | 6,693,130.00 | Delivered |
| 36 | Kapseret sub county water project | 6,600,000.00 | Force project | | 6,600,000.00 | 65% |
| 37 | Toyota Fortuner | 6,233,500.00 | Open Tender | 2014/15 | 6,233,500.00 | Delivered |
| 38 | Valuation Roll Moi's Bridge | 5,811,313.00 | Open Tender | | 4,649,050.00 | 80% |
| 39 | Periodic Maintenance of Roads in Pioneer Estate | 5,450,550.00 | Open tender | 29.12.15 | 5,400,728.00 | 100% |
| 40 | Mistsubishi canter | 5,270,000.00 | Open Tender | 20.03.15 | 5,270,000.00 | Delivered |
| 41 | D/Cab | 5,092,046.00 | Supplies Branch Contract | | 5,092,046.00 | Delivered |
| 42 | Periodic Maintenance of Roads in Kapsoya Estate | 4,595,514.00 | | | 4,595,514.00 | 100% |
| 43 | Motor vehicle | 4,593,275.00 | Supplies Branch Contract | | 4,593,275.00 | Delivered |
| 44 | Drainage Improvement and Spot gravelling of Burnt Forest Township Roads | 4,409,338.62 | Open Tender | 2014/17 | 4,387,352.00 | 100% |
| 45 | Drainage Improvement and Spot gravelling of Rock II Estate Road | 4,263,000.00 | Open Tender | 2014/18 | 1,670,400.00 | 40% |
| 46 | Ainabkoi sub county water project | 4,200,000.00 | Force project | | 4,200,000.00 | 68% |
| 47 | Drainage Improvement and Spot gravelling of Miti Moja - Kahoya Road | 4,010,044.50 | Open Tender | | 3,910,501.52 | 100% |
| 48 | Toyota Hilux D/Cabin | 4,000,000.00 | Open Tender | | 4,000,000.00 | Delivered |
| 49 | Double Cabin | 4,000,000.00 | Open Tender | | 4,000,000.00 | 100% |
| 50 | Double Cabin | 4,000,000.00 | Open Tender | | 4,000,000.00 | 100% |

| | | | | | | |
|---|---|---|---|---|---|---|
| 51 | Supply of new Maccormick Tractor | 4,000,000.00 | Open tender | 2014/2015 | 4,000,000.00 | 100% |
| 52 | Supply of new Maccormick Tractor | 4,000,000.00 | Open Tender | 2015/2015 | 4,000,000.00 | 100% |
| 53 | Toyota corolla | 3,982,570.00 | Supplies Branch Contract | | 3,982,570.00 | Delivered |
| 54 | Drainage Improvement and Spot gravelling of Bishop Muge - Tanning Road | 3,916,966.20 | Quotations | | 3,908,817.20 | 100% |
| 55 | Drainage Improvement and Spot gravelling of Moi's Bridge Township Roads | 3,617,477.40 | Quotations | | - | 90% |
| 56 | 15 Motorcycles | 3,526,875.00 | Supplies Branch Contract | | 3,526,875.00 | Delivered |
| 57 | BANGO ESTATE-EMKOIN ROAD | 3,526,414.50 | Quotations | | 3,513,260.10 | 100% |
| 58 | Drainage Improvement and Spot gravelling of Ziwa Township Roads | 3,362,776.20 | Quotations | | 3,352,462.64 | 100% |
| 59 | Oldony lessos- Panvilla-Pioneer | 18,381,982.50 | Open Tender | | 14,934,655.00 | 100% |
| 60 | Access roads | 4,387,352.00 | Open Tender | | 4,387,352.00 | 100% |
| **Total** | | **1,213,518,377.77** | | | **733,846,412.86** | |

Five (5) projects budgeted to cost Kshs.261,025,642 on aggregate had stalled with Kshs.40,850,627 already spent on them. The management has however not explained how it will ensure that the stalled projects are revived and completed for the benefit of the residents of Uasin Gishu.

**Disclaimer of Opinion**

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.



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

**Nairobi**

**30 August 2017**

## STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED JUNE 30, 2016

I.

| | Note | 2015-2016 Kshs | 2014-2015 Kshs |
|---|---|---|---|
| **RECEIPTS** | | | |
| Tax Revenues | 1 | - | - |
| Social Security Contributions | 2 | - | - |
| Proceeds from Domestic and Foreign Grants | 3 | 17,320,000 | 14,940,000 |
| Transfers from National Treasury | 4 | 5,190,879,968 | 4,529,662,890 |
| Transfers from Other Government Entities | 5 | 116,779,718 | - |
| Proceeds from Domestic Borrowings | 6 | - | - |
| Proceeds from Foreign Borrowings | 7 | - | - |
| Proceeds from Sale of Assets | 8 | - | - |
| Reimbursements and Refunds | 9 | - | - |
| Returns of Equity Holdings | 10 | - | - |
| Other Revenues | 11 | 719,416,616 | 800,196,541 |
| **TOTAL REVENUES** | | **6,044,396,302** | **5,344,799,431** |
| **PAYMENTS** | | | |
| Compensation of Employees | 12 | 2,325,186,062 | 2,160,333,350 |
| Use of goods and services | 13 | 1,152,416,370 | 921,836,884 |
| Subsidies | 14 | - | - |
| Transfers to Other Government Units | 15 | 932,499,899 | 20,000,000 |
| Other grants and transfers | 16 | 233,530,328 | 247,566,299 |
| Social Security Benefits | 17 | 5,954,800 | - |
| Acquisition of Assets | 18 | 1,873,481,823 | 2,510,800,654 |
| Finance Costs, including Loan Interest | 19 | - | 30,887,004 |
| Repayment of principal on Domestic and Foreign borrowing | 20 | - | - |
| Other Expenses | 21 | 110,634 | - |
| **TOTAL PAYMENTS** | | **6,523,179,916** | **5,891,424,191** |
| **SURPLUS/DEFICIT** | | **(478,783,614)** | **(546,624,760)** |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Government of Uasin Gishu financial statements were approved on 30TH December 2016 and signed by:

Chief Officer Finance

Head of Treasury Accounts

## II. STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED JUNE 30, 2016

| | Note | 2015-2016 Kshs | 2014-2015 Kshs |
|---|---|---|---|
| **FINANCIAL ASSETS** | | | |
| **Cash and Cash Equivalents** | | | |
| Bank Balances | 22A | 648,784,837 | 1,085,224,915 |
| Cash Balances | 22B | 10,611,139 | 3,203,763 |
| **Total Cash And Cash Equivalents** | | **659,395,976** | **1,088,428,678** |
| Accounts Receivables - Outstanding Imprest and Clearance Accounts | 23 | 13,479,270 | 28,287,433 |
| **TOTAL FINANCIAL ASSETS** | | **672,875,246** | **1,116,716,111** |
| **LESS: FINANCIAL LIABILITIES** | | | |
| Accounts Payables – Deposits | 24 | 58,570,020 | 11,387,665 |
| **NET FINANCIAL ASSETS** | | **614,305,226** | **1,105,328,446** |
| **REPRESENTED BY** | | | |
| **Fund balance b/fwd** | 25 | **1,105,328,446** | **1,651,953,206** |
| **Surplus/Deficit for the year** | | **(478,783,614)** | **(546,624,760)** |
| **Prior year adjustments** | | **(12,239,606)** | **0** |
| **NET FINANCIAL POSSITION** | | **614,305,226** | **1,105,328,446** |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Government of Uasin Gishu financial statements were approved on30TH December 2016 and signed by:

Chief Officer Finance

Head of Treasury Accounts

## III. STATEMENT OF CASHFLOW FOR THE YEAR ENDED JUNE 30, 2016

| | Note | 2015-2016 Kshs | 2014-2015 Kshs |
|---|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| **Receipts for operating income** | | | |
| Tax Revenues | 1 | - | - |
| Social Security Contributions | 2 | - | - |
| Proceeds from Domestic and Foreign Grants | 3 | 17,320,000 | 14,940,000 |
| Transfers from National Treasury | 4 | 5,190,879,968 | 4,529,662,890 |
| Transfers from Other Government Entities | 5 | 116,779,718 | - |
| Reimbursements and Refunds | 9 | - | - |
| Returns of Equity Holdings | 10 | - | - |
| Other Revenues | 11 | 719,416,616 | 800,196,541 |
| | | **6,044,396,302** | **5,344,799,431** |
| **Payments for operating expenses** | | | |
| Compensation of Employees | 12 | 2,325,186,062 | 2,160,333,350 |
| Use of goods and services | 13 | 1,152,416,370 | 921,836,884 |
| Subsidies | 14 | - | - |
| Transfers to Other Government Units | 15 | 932,499,899 | 20,000,000 |
| Other grants and transfers | 16 | 233,530,328 | 247,566,299 |
| Social Security Benefits | 17 | 5,954,800 | - |
| Finance Costs, including Loan Interest | 19 | - | 30,887,004 |
| Other Expenses | 21 | 110,634 | - |
| | | **4,649,698,093** | **3,380,623,537** |
| **Adjusted for:** | | | |
| Changes in receivables | | - | - |
| Changes in payables | | - | - |
| Adjustments during the year | | - | - |
| **Net cashflow from operating activities** | | **1,394,698,209** | **1,964,175,894** |
| **CASHFLOW FROM INVESTING ACTIVITIES** | | | |
| Proceeds from Sale of Assets | 8 | - | - |
| Acquisition of Assets | 18 | (1,873,481,823) | (2,510,800,654) |
| **Net cash flows from Investing Activities** | | **(1,873,481,823)** | **(2,510,800,654)** |
| **CASHFLOW FROM BORROWING ACTIVITIES** | | | |
| Proceeds from Domestic Borrowings | 6 | - | - |
| Proceeds from Foreign Borrowings | 7 | - | - |
| Repayment of principal on Domestic and Foreign borrowing | 20 | - | - |
| **Net cash flow from financing activities** | | - | - |
| **NET INCREASE IN CASH AND CASH EQUIVALENT** | | **(478,783,614)** | **(546,624,760)** |
| **Cash and cash equivalent at BEGINNING of the year** | | **1,105,328,446** | **1,651,953,206** |
| **Cash and cash equivalent at END of the year** | | **626,544,832** | **1,105,328,446** |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Government of Uasin Gishu financial statements was approved on30TH December 2016 and signed by:

Chief Officer Finance

Head of Treasury Accounts

## IV. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

| Revenue/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | Budget Utilisation Difference | % of Utilisation Difference to Final Budget |
|---|---|---|---|---|---|---|
| | a | b | c=a+b | d | e=d-c | f=d/c % |
| **RECEIPTS** | | | | | | |
| Tax Receipts | - | - | - | | | 0% |
| Social Security Contributions | - | - | - | | | 0% |
| Proceeds from Domestic and Foreign Grants | 204,120,118 | - | 204,120,118 | 116,779,718 | (87,340,400) | 57% |
| Exchequer releases | 5,190,879,968 | 1,093,088,840 | 6,283,968,808 | 5,190,879,968 | (1,093,088,840) | 83% |
| Transfers from Other Government Entities | 17,320,000 | - | 17,320,000 | 17,320,000 | 0 | 100% |
| Proceeds from Domestic Borrowings | - | - | - | - | | 0% |
| Proceeds from Foreign Borrowings | - | - | - | - | | 0% |
| Proceeds from Sale of Assets | - | - | - | - | | 0% |
| Reimbursements and Refunds | - | - | - | - | | 0% |
| Returns of Equity Holdings | - | - | - | - | | 0% |
| Other Receipts | 1,037,217,425 | - | 1,037,217,425 | 719,416,616 | (317,800,809) | 69% |
| **Total Receipts** | **6,449,537,511** | **1,093,088,840** | **7,542,626,351** | **6,044,396,302** | **(1,498,230,049)** | **80%** |
| **Payments** | | | | | | |
| Compensation of Employees | 2,346,991,478 | 0 | 2,346,991,478 | 2,325,186,062 | (21,805,416) | 99% |
| Use of goods and services | 1,255,381,718 | 0 | 1,255,381,718 | 1,152,416,370 | (102,965,348) | 91% |
| Subsidies | 0 | 0 | 0 | - | 0 | 0% |
| Transfers to Other Government Units | 1,050,277,931 | 0 | 1,050,277,931 | 932,499,899 | (117,778,032) | 89% |
| Other grants and transfers | 266,611,953 | 0 | 266,611,953 | 233,530,328 | (33,081,625) | 88% |
| Social Security Benefits | 20,752,836 | 0 | 20,752,836 | 5,954,800 | (14,798,036) | 29% |
| Acquisition of Assets | 1,509,521,595 | 1,093,088,840 | 2,602,610,435 | 1,873,481,823 | (729,128,612) | 72% |
| Repayment of principal on Domestic and Foreign borrowing | 0 | 0 | 0 | - | 0 | 0% |
| Other Expenses | 0 | 0 | 0 | 110,634 | 110,634 | 0% |
| **Total** | **6,449,537,511** | **1,093,088,840** | **7,542,626,351** | **6,523,179,916** | **(1,019,446,435)** | **86%** |

The County Government of Uasin Gishu financial statements was approved on30TH December 2016 and signed by:

Chief Officer Finance

Head of Treasury Accounts

## V. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

| Revenue/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | Budget Utilisation Difference | % of Utilisation Difference to Final Budget |
|---|---|---|---|---|---|---|
| | a | b | c=a+b | d | e=d-c | f=d/c % |
| **RECEIPTS** | | | | | | |
| Tax Receipts | - | - | - | - | - | |
| Social Security Contributions | | | | | - | |
| Proceeds from Domestic and Foreign Grants | 204,120,118 | 0 | 204,120,118 | 116,779,718 | (87,340,400) | 57% |
| Exchequer releases | 3,330,350,513 | 0 | 3,330,350,513 | 2,237,261,673 | (1,093,088,840) | 67% |
| Transfers from Other Government Entities | 17,320,000 | | 17,320,000 | 17,320,000 | - | 100% |
| Proceeds from Domestic Borrowings | | | | | - | 0% |
| Proceeds from Foreign Borrowings | | | | | - | o |
| Proceeds from Sale of Assets | | | | | - | 0% |
| Reimbursements and Refunds | | | | | - | 0% |
| Returns of Equity Holdings | | | | | - | 0% |
| Other Receipts | **1,037,217,425** | | **1,037,217,425** | **719,416,616** | **(317,800,809)** | **69%** |
| **Total Receipts** | 4,589,008,056 | 0 | 4,589,008,056 | 3,090,778,007 | (1,498,230,049) | 67% |
| **Payments** | | | | | | |
| Compensation of Employees | 2,346,991,478 | | 2,346,991,478 | 2,325,186,062 | (21,805,416) | 99% |
| Use of goods and services | 1,255,381,718 | | 1,255,381,718 | 1,152,416,370 | (102,965,348) | 92% |
| Subsidies | 0 | | 0 | | 0 | 0% |
| Transfers to Other Government Units | 961,564,344 | | 961,564,344 | 842,553,409 | (119,010,935) | 88% |
| Other grants and transfers | 25,070,516 | | 25,070,516 | 25,462,622 | 392,106 | 0% |
| Social Security Benefits | 0 | | 0 | | 0 | 0% |
| Acquisition of Assets | 0 | | 0 | | 0 | 0% |
| Repayment of principal on Domestic and Foreign borrowing | 0 | | 0 | | 0 | 0% |
| Other Expenses | 0 | | 0 | 110,634 | 110,634 | 0% |
| **Total** | **4,589,008,056** | **0** | **4,589,008,056** | **4,345,729,096** | **(243,278,959)** | **95%** |

The County Government of Uasin Gishu financial statements were approved on 30TH December 2016 and signed by:

Chief Officer Finance

Head of Treasury Accounts

## VI. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

| Revenue/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | Budget Utilisation Difference | % of Utilisation Difference to Final Budget |
|---|---|---|---|---|---|---|
| | a | b | c=a+b | d | e=d-c | f=d/c % |
| **RECEIPTS** | | | | | | |
| Tax Receipts | | | | | | 0% |
| Social Security Contributions | | | | | | 0% |
| Proceeds from Domestic and Foreign Grants | | | | | | 0% |
| Exchequer releases | 1,860,529,455 | 1,093,088,840 | 2,953,618,295 | 2,953,618,295 | 0 | 100% |
| Transfers from Other Government Entities | | | | | | 0% |
| Proceeds from Domestic Borrowings | | | | | | 0% |
| Proceeds from Foreign Borrowings | | | | | | 0% |
| Proceeds from Sale of Assets | | | | | | 0% |
| Reimbursements and Refunds | | | | | | 0% |
| Returns of Equity Holdings | | | | | | 0% |
| Other Receipts | | | | | | 0% |
| **Total Receipts** | **1,860,529,455** | **1,093,088,840** | **2,953,618,295** | **2,953,618,295** | **0** | **0%** |
| **Payments** | | | | | | |
| Compensation of Employees | 0 | | 0 | | | 0% |
| Use of goods and services | 0 | | 0 | | 0 | 0% |
| Subsidies | 0 | | 0 | | 0 | 0% |
| Transfers to Other Government Units | 88,713,587 | | 88,713,587 | 89,946,490 | 1,232,903 | 101% |
| Other grants and transfers | 241,541,437 | | 241,541,437 | 208,067,706 | (33,473,731) | 86% |
| Social Security Benefits | 20,752,836 | | 20,752,836 | 5,954,800 | (14,798,036) | 29% |
| Acquisition of Assets | 1,509,521,595 | 1,093,088,840 | 2,602,610,435 | 1,873,481,823 | (729,128,612) | 72% |
| Repayment of principal on Domestic and Foreign borrowing | 0 | | 0 | | 0 | 0% |
| Other Expenses | 0 | | 0 | | 0 | 0% |
| **Total** | **1,860,529,455** | **1,093,088,840** | **2,953,618,295** | **2,177,450,820** | **(776,167,475)** | **74%** |

The County Government of Uasin Gishu financial statements were approved on 30TH December 2016 and signed by:

Chief Officer Finance

Head of Treasury Accounts

## VII. SIGNIFICANT ACCOUNTING POLICIES

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

**Statement of compliance and basis of preparation**

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the county government of Uasin Gishu and all values are rounded to the nearest Kenya shillings (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

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

**2. Recognition of revenue and expenses**

The *county government of Uasin Gishu* recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the *County Government of Uasin Gishu*. In addition, the *County Government of Uasin Gishu* recognises all expenses when the event occurs and the related cash has actually been paid out by the *County Government of Uasin Gishu*.

**3. In-kind contributions**

In-kind contributions are donations that are made to the *County Government of Uasin Gishu* 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 Government of Uasin Gishu* includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

**4. Cash and cash equivalents**

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

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Pending bills**

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

**9. Budget**

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *County Government of Uasin Gishu's* budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the *County Government of Uasin Gishu's* actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

**10. Comparative figures**

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

**11. Subsequent events**

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

# VIII. NOTES TO THE FINANCIAL STATEMENTS

## 1 TAX REVENUES

| TAX REVENUES | 2015 - 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|
| Taxes on Income, Profits and Capital Gains | - | - |
| Taxes on Property | - | - |
| Taxes on Goods and Services | - | - |
| Taxes on International Trade and Transactions | - | - |
| Other Taxes (not elsewhere classified) | - | - |
| **Total** | - | - |

## 2 SOCIAL SECURITY CONTRIBUTIONS

| SOCIAL SECURITY CONTRIBUTIONS | 2015 - 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|
| Receipts for Health Insurance Contribution | - | - |
| Receipts to NHIF for Health Insurance Contributions | - | - |
| Receipts from Govt Employees to Social & Welfare Schemes in Govt | - | - |
| **Total** | - | - |

## 3 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

| Name of Donor | Date received | Amount in foreign currency | 2015 - 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|---|---|
| **Grants Received from Bilateral Donors (Foreign Governments)** | | | | |
| Danida HSSF Funds | | | 17,320,000 | 14,940,000 |
| (Insert name of donor) | | | | |
| **Grants Received from Multilateral Donors (International Organisations)** | | | | |
| (Insert name of donor) | | | | |
| **Grants Received from other levels of government** | | | | |
| (Insert name of donor) | | | - | - |
| **Total** | | | **17,320,000** | **14,940,000** |

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

## 4 EXCHQUER RELEASES

| Description and reference of the transfer | Date of transfer | 2015 - 2016 | 2014 - 2015 |
|---|---|---|---|
| | | Kshs | Kshs |
| | | | |
| 1st quarter transfer | 30th September 2015 | 415,270,397 | 977,612,521 |
| 2nd quarter transfer | 31st December 2015 | 1,323,674,391 | 1,113,502,409 |
| 3rd quarter transfer | 30th march 2016 | 1,297,719,991 | 1,219,273,980 |
| 4th quarter transfer | 30th June 2016 | 2,154,215,189 | 1,219,273,980 |
| **Total** | | **5,190,879,968** | **4,529,662,890** |

## 5 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

| Description | | 2015- 2016 | 2014 - 2015 |
|---|---|---|---|
| | | Kshs | Kshs |
| | | | |
| Transfers from Central government entities | | | |
| Ministry of Health(Conditional grants) | | 50,838,281 | - |
| Road maintenance levy fund | | 65,941,437 | - |
| | | | |
| Transfers from Counties | | | |
| (insert name of budget agency) | | - | - |
| (insert name of budget agency) | | - | - |
| **TOTAL** | | **116,779,718** | - |

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

## 6 PROCEEDS FROM DOMESTIC BORROWINGS

| | 2015 - 2016 Kshs | 2014 - 2015 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 | - | - |
| Domestic Accounts Payable | - | - |
| **Total** | - | - |

## 7 PROCEEDS FROM FOREIGN BORROWINGS

| | 2015 - 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|
| Foreign Borrowing – Draw-downs Through Exchequer | - | - |
| Foreign Borrowing - Direct Payments | - | - |
| Foreign Currency and Foreign Deposits | - | - |
| **Total** | - | - |

## 8 PROCEEDS FROM SALE OF ASSETS

| | 2015 - 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|
| Receipts from the Sale of Buildings | - | - |
| Receipts from the Sale of Vehicles and Transport Equipment | - | - |
| Receipts from the Sale Plant Machinery and Equipment | - | - |
| Receipts from Sale of Certified Seeds and Breeding Stock | - | - |
| Receipts from the Sale of Strategic Reserves Stocks | - | - |
| Receipts from the Sale of Inventories, Stocks and Commodities | - | - |
| Disposal and Sales of Non-Produced Assets | - | - |
| Receipts from the Sale of Strategic Reserves Stocks | - | - |
| **Total** | - | - |

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

## 9 BURSEMENTS AND REFUNDS

### IMBURSEMENTS AND REFUNDS

| | 2015 - 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|
| Refund from World Food Programme (WFP) | | |
| Reimbursement of Audit Fees | - | - |
| Reimbursement on Messing Charges (UNICEF) | - | - |
| Reimbursement from World Bank – ECD | - | - |
| Reimbursement from Individuals and Private Organisations | | - |
| Reimbursement from Local Government Authorities | - | - |
| Reimbursement from Statutory Organisations | - | - |
| Reimbursement within Central Government | - | - |
| Reimbursement Using Bonds | - | - |
| **Total** | - | - |

## 10 RETURNS OF EQUITY HOLDINGS

| | 2015 - 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|
| Returns of Equity Holdings in Domestic Organisations | - | - |
| Returns of Equity Holdings in International Organisations | - | - |
| **Total** | - | - |

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**11 OTHER REVENUES**

| | 2015 - 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|
| Interest Received | - | - |
| Other Receipts III-Insurance Refund | | 100,000 |
| Rents | 169,500 | - |
| Other Property Income | | - |
| Sales of Market Establishments | | - |
| Receipts from Administrative Fees and Charges | | - |
| 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 | 23,828,443 | 16,068,601 |
| Receipts from Voluntary transfers other than grants | | - |
| Other Receipts Not Classified Elsewhere | | - |
| Business Permits | 197,290,620 | 158,966,645 |
| Cesses | 28,573,129 | 31,254,159 |
| Poll Rates | | 88,574,604 |
| Plot Rents | 77,217,917 | - |
| Other Local Levies | - | - |
| Administrative Services Fees | 5,299,548 | - |
| Various Fees | - | 128,804,280 |
| Council'S Natural Resources Exploitation | - | - |
| Sales Of Council Assets | - | - |
| Lease / Rental Of Council'S Infrastructure Assets | - | - |
| Other Miscellaneous Revenues | 34,556,367 | - |
| Advertisement and singnage | 33,688,249 | - |
| Insurance Claims Recovery | - | - |
| Medium Term Loans (1-3 Yr Repayment) | - | - |
| Long Term Loans (Over 3 Yr Rpayment) | - | - |
| Transfers From Reserve Funds | - | - |
| Donations | 10,000 | - |
| Fund Raising Events | - | - |
| Other Revenues From Financial Assets Loan | - | - |
| Market/Trade Centre Fee | 24,629,208 | 19,216,906 |

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

| | | |
|---|---|---|
| Vehicle Parking Fees | 174,030,936 | 172,624,892 |
| Housing | 27,700,732 | 47,734,938 |
| cial Premises Use Charges | - | 249,900 |
| School Fees | 1,482,593 | 805,000 |
| Other Education-Related Fees | - | - |
| Other Education Revenues | - | - |
| Public Health Services | 17,789,366 | 8,194,640 |
| Public Health Facilities Operations | 25,500,762 | 3,581,510 |
| Environment & Conservancy Administration | 3,569,210 | 16,288,401 |
| Slaughter Houses Administration | 8,712,597 | 7,534,060 |
| Water Supply Administration | 8,422,177 | - |
| Sewerage Administration | - | 15,047,566 |
| Other Health & Sanitation Revenues | - | - |
| Technical Services Fees | 24,056,464 | - |
| External Services Fees | - | 85,150,439 |
| Betting control | 2,888,800 | - |
| | | - |
| **Total** | **719,416,616** | **800,196,541** |

## 12 COMPENSATION OF EMPLOYEES

| | 2015 - 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|
| Basic salaries of permanent employees | 1,249,555,444 | 1,267,408,874 |
| Basic wages of temporary employees | 28,308,324 | 40,974,801 |
| Personal allowances paid as part of salary | 669,720,258 | 648,520,017 |
| Personal allowances paid as reimbursements | | 0 |
| Personal allowances provided in kind | | 0 |
| Pension and other social security contributions | 377,602,037 | 148,613,433 |
| Compulsory national social security schemes | | 0 |
| Compulsory national health insurance schemes | - | 0 |
| Social benefit schemes outside government | - | 0 |
| Other personnel payments | - | 54,816,225 |
| **Total** | **2,325,186,062** | **2,160,333,350** |

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

## 13 USE OF GOODS AND SERVICES

| | 2015 - 2016 | 2014 - 2015 |
|---|---|---|
| | Kshs | Kshs |
| tilities, supplies and services | 36,295,317 | 47,930,148 |
| Communication, supplies and services | 9,164,593 | 12,191,308 |
| Domestic travel and subsistence | 275,338,518 | 138,822,709 |
| Foreign travel and subsistence | 70,075,253 | 44,168,710 |
| Printing, advertising and information supplies & services | 103,072,104 | 64,348,975 |
| Rentals of produced assets | 1,955,926 | 7,726,675 |
| Training expenses | 48,433,482 | 59,882,066 |
| Hospitality supplies and services | 26,977,558 | 16,107,911 |
| Insurance costs | 38,579,255 | 61,543,860 |
| Specialised materials and services | 131,615,065 | 118,808,956 |
| Office and general supplies and services | 13,926,722 | 25,088,529 |
| Other operating expenses | 248,166,976 | 135,239,372 |
| Routine maintenance – vehicles and other transport equipment | 44,300,937 | 88,240,753 |
| Fuel Oil and Lubricants | 66,269,825 | 28,938,424 |
| Routine maintenance – other assets | 26,272,416 | 61,249,260 |
| Budget Reserves | 11,972,420 | 10,637,730 |
| Membership | | 911,500 |
| **Total** | **1,152,416,370** | **921,836,884** |

## 14 SUBSIDIES

| Description | 2015 - 2016 | 2014 - 2015 |
|---|---|---|
| | Kshs | Kshs |
| Subsidies to Public Corporations | | |
| *See list attached* | - | - |
| (insert name) | - | - |
| Subsidies to Private Enterprises | | |
| *See list attached* | - | - |
| (insert name) | - | - |
| **TOTAL** | - | - |

## 15 TRANSFER TO OTHER GOVERNMENT ENTITIES

| Description | | 2015 - 2016 | 2014 - 2015 |
|---|---|---|---|
| | | Kshs | Kshs |
| Transfers to Central government entities | | | - |
| See attached list | | - | - |
| Transfers to Counties | | | - |
| Transfer to County Assembly | | 495,745,236 | |
| Trade dept | | 65,300,000 | 20,000,000 |
| Health dpt | | 63,106,373 | |
| Staff car Loan mortgage | | 136,348,290 | |
| Emergency Fund | | 172,000,000 | |
| **TOTAL** | | **932,499,899** | **20,000,000** |

## 16 OTHER GRANTS AND OTHER PAYMENTS

| | 2015 - 2016 | 2014 - 2015 |
|---|---|---|
| | Kshs | Kshs |
| Scholarships and other educational benefits | 233,530,328 | 206,237,284 |
| Emergency relief and refugee assistance | - | 9,145,538 |
| Subsidies to small businesses, cooperatives, and self employed | | - |
| Other current transfers and grants | | 32,183,477 |
| **Total** | **233,530,328** | **247,566,299** |

## 17 SOCIAL SECURITY BENEFITS

| | 2015- 2016 | 2014 - 2015 |
|---|---|---|
| | Kshs | Kshs |
| Government pension and retirement benefits | - | - |
| Social security benefits in cash and in kind | 5,954,800 | - |
| Employer Social Benefits in cash and in kind | - | - |
| **Total** | **5,954,800** | **-** |

## 18 ACQUISITION OF ASSETS

| | 2015 - 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|
| **Non-Financial Assets** | | |
| Purchase of Buildings | | - |
| Construction of Buildings | 142,924,436 | 369,252,000 |
| Refurbishment of Buildings | 329,769,246 | 13,007,719 |
| Construction of Roads | 585,362,587 | 929,030,763 |
| Construction and Civil Works | - | 205,441,871 |
| Overhaul and Refurbishment of Construction and Civil Works | 206,604,476 | - |
| Purchase of Vehicles and Other Transport Equipment | 100,550,513 | 399,173,399 |
| Overhaul of Vehicles and Other Transport Equipment | - | - |
| Purchase of Household Furniture and Institutional Equipment | - | - |
| Purchase of Office Furniture and General Equipment | 10,653,995 | 29,797,811 |
| Purchase of Specialised Plant, Equipment and Machinery | 243,618,994 | 388,981,612 |
| Rehabilitation and Renovation of Plant, Machinery and Equip. | - | 30,949,483 |
| Purchase of Certified Seeds, Breeding Stock and Live Animals | 58,224,161 | 18,288,584 |
| Research, Studies, Project Preparation, Design & Supervision | 111,056,318 | 28,896,760 |
| Rehabilitation of Civil Works | 40,683,293 | - |
| Acquisition of Strategic Stocks and commodities | - | - |
| Acquisition of Land | 170,690 | 17,290,000 |
| Acquisition of Intangible Assets | 29,448,206 | 71,080,590 |
| Purchase of ICT Equipment | 14,414,910 | 9,610,062 |
| **Financial Assets** | | - |
| Domestic Public Non-Financial Enterprises | - | - |
| Domestic Public Financial Institutions | - | - |
| Foreign financial Institutions operating Abroad | - | - |
| Other Foreign Enterprises | - | - |
| Foreign Payables - From Previous Years | | - |
| | - | - |
| **Total** | **1,873,481,823** | **2,510,800,654** |

## 19 FINANCE COSTS, INCLUDING LOAN INTEREST

| | 2015 - 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|
| Interest Payments on Foreign Borrowings | - | - |
| Interest Payments on Guaranteed Debt Taken over by Govt | - | - |
| Interest on Domestic Borrowings (Non-Govt) | - | 30,887,004 |
| Interest on Borrowings from Other Government Units | - | - |
| | | - |
| **Total** | **-** | **30,887,004** |

## 20 REPAYMENT OF PRINCIPAL ON DOMESTIC LENDING AND ON-LENDING

| | 2015 - 2016 Kshs | 2014-2015 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** | **-** | **-** |

## 21 OTHER EXPENSES

| | 2015 - 2016 Kshs | 2014-2015 Kshs |
|---|---|---|
| Budget Reserves | - | - |
| Civil Contingency Reserves | - | - |
| Other expenses | 110,634 | - |
| Domestic Accounts | - | - |
| | **110,634** | - |

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**22A: Bank Accounts**

**Bank Accounts**

| Name of Bank, Account No. & currency | Indicate whether recurrent, Development, deposit, revenue, CRF e.t.c | 2015 - 2016 | 2014 - 2015 |
|---|---|---|---|
| | | Kshs | Kshs |
| *KENYA COMMERCIAL BANK, 1141856689,* | | 2,302,617 | 14,482,438 |
| *CENTRAL BANKK OF KENYA, 1000171685* | | 581,159,161 | 665,091,796 |
| *CENTRAL BANK OF KENYA, 10001714889* | | | 12,239,606 |
| *CENTRAL BANK OF KENYA, 1000171316* | | 8,354 | 262,604 |
| *CENTRAL BANK OF KENYA, 1000171294* | | 7,074,972 | 168,888,096 |
| *KENYA COMMERCIAL BANK, 1153154811,* | | | 0 |
| *FAMILY BANK, 085000068561* | | | 16,956,894 |
| *COOPERATIVE BANK OF KENYA 01141443521800* | | | 2,048,256 |
| *KENYA COMMERCIAL BANK, 1154663280* | | 4,485,240 | (19,161,078) |
| *KENYA COMMERCIAL BANK, 1154663698* | | | 155,422,930 |
| *CHASE BANK,0162107035001* | | | 36,098,078 |
| *KENYA COMMERCIAL BANK, 1142325717* | | 20,781 | 1,913,760 |
| *COOPERATIVE BANK OF KENYA, 0114143631000* | | | 8,535,140 |
| *COOPERATIVE BANK OF KENYA,01141443631000* | | | 22,446,396 |
| *HEALTH CONDITIONAL GRANTS-CBK-1000248483* | | 20,342,140 | |
| *ROAD FUEL LEVY-CBK-1000248475* | | 6,517,350 | |
| *EQUITORIAL BANK- 0405448501* | | 69,540 | |
| *MPESA- 646464* | | 41,907 | |
| *CHASE BANK- 0162307522001* | | 13 | |
| *EQUITY BANK-1090264611251* | | 99,450 | |
| *COOPERATIVE BANK- 1141672927900* | | 7,105 | |
| *FAMILY BANK- 082000011728* | | 9,787 | |
| *KENYA COMMERCIAL BANK, 1182110363* | | 26,646,420 | |
| **Total** | | **648,784,837** | **1,085,224,915** |

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**22B: CASH IN HAND**

| | 2015 - 2016 Kshs | 2014- 2015 Kshs |
|---|---|---|
| Cash in Hand – Held in domestic currency | 10,611,139 | 3,203,763.00 |
| Cash in Hand – Held in foreign currency | | 0 |
| | | 0 |
| **Total** | **10,611,139** | **3,203,763.00** |

**Cash in hand should also be analysed as follows:**

| | 2015-2016 Kshs | 2014-2016 Kshs |
|---|---|---|
| Main Cash Office | | 2,494,789.00 |
| Payment Office | 8,825,505 | 5,154.00 |
| Main Bus Park | 39,900 | 90,010.00 |
| Ainabkoi subcounty | 205,944 | - |
| sugunanga slaughter slab | 2,180 | - |
| Street Parking | 141,280 | - |
| Water supply | 49,810 | |
| Uasin Gishu SDH | 108,220 | - |
| Merewet dispensary | 11,600 | |
| Betting control | 19,500 | |
| Weight and Measures | 253,110 | - |
| Railway dispensary | 3,145 | |
| County Assembly | | 85,000.00 |
| Sosiani Matatu park | 62,440 | 24,380.00 |
| Eldoret West Market | 41,775 | 35,185.00 |
| Kipsombe market | 1,080 | |
| Main Market | 19,760 | 19,065.00 |
| Mois bridge health centre | 1,000 | |
| Matunda Market | | 15,760.00 |
| Wholesale Market | | 16,630.00 |
| Main Slaughter House | 16,800 | 14,600.00 |
| Maili Nne Slaughter Slab | 1,000 | 4,950.00 |
| Kesses slaughter slab | 900 | |
| Kaburwo Slaughter Slab | 3,750 | 8,650.00 |
| Kesses Megun Ward | 5,000 | 6,300.00 |
| Ngeria slaughter slab | 4,300 | |

| | | |
|---|---|---|
| Meibeki Ward | 25,500 | 74,800.00 |
| Tarakwa Ward | | 4,900.00 |
| Congalu dispensary | 6,700 | |
| Mbelio Ward | | 29,530.00 |
| Soy Sub County | 366,240 | 77,930.00 |
| Moiben Sub County | 34,780 | 115,240.00 |
| Kipchoge stadium | 6,300 | |
| Chepkanga h/c | 24,450 | |
| Kapsaret Subcounty | 10,200 | 9,120.00 |
| West Health Centre | 11,400 | 20,600.00 |
| Kessess Health centre | 9,850 | - |
| Ziwa health centre | 38,480 | |
| Turbo Health centre | 207,930 | - |
| Kapsoya Health Centre | 14,940 | 13,400.00 |
| Pioneer Health Centre | 27,420 | 21,500.00 |
| Veternary | 8,950 | |
| Pioneer Nursery School | | 1,100.00 |
| Kapyemit Nursery School | | 4,050.00 |
| Kidiwa Nursery School | | 9,000.00 |
| Compliance Team | | 2,120.00 |
| Other Locations | | - |
| **Total** | **10,611,139** | **3,203,763.00** |

***[Provide cash count certificates for each]***

## 23: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

| *Description* | 2015 - 2016 | 2014 - 2015 |
|---|---|---|
| | Kshs | Kshs |
| | | |
| Government Imprests | 13,479,270 | 16,851,914 |
| Clearance accounts | 0 | 11,435,519 |
| **Total** | **13,479,270** | **28,287,433** |

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**24. ACCOUNTS PAYABLE**

**Accounts Payables**

| | 2015- 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|
| Deposits | 58,570,020 | 11,387,665 |
| | | - |
| TOTAL | **58,570,020** | **11,387,665** |

**25. FUND BALANCE BROUGHT FORWARD**

| | 2015 - 2016 Kshs | 2014 - 2015 Kshs |
|---|---|---|
| Bank accounts | 1,085,224,915 | 1,619,588,183 |
| Cash in hand | 3,203,763 | 5,275,557 |
| Receivables - Outstanding Imprests | 28,287,433 | 27,089,466 |
| Payables - Deposits | (11,387,665) | - |
| **Total** | **1,105,328,446** | **1,651,953,206** |

*[Provide short appropriate explanations as necessary]*

**26. OTHER IMPORTANT DISCLOSURES**

The county assembly recurrent budget is 498,384,255 while development budget is 28,713,587. During the year requisitions for the assembly were as follows;

| | |
|---|---|
| Recurrent account | kshs. 471,098,746 |
| Development account | kshs 24,646,490 |
| Total Requisitions | kshs **495,745,236** |

County assembly did not requisition for kshs 20,000,000 from recurrent supplies and hksh. 4,067,097 from development supplies during the year,however kshs 7,285,509 was not transferred to county assembly recurrent account during the month of june 2016 due to IFMIS system challenges.

| **26.1: PENDING ACCOUNTS PAYABLE (See Annex 1)** | **2015 – 2016** | **2014 – 2015** |
|---|---|---|
| Agriculture Dept –Development | 2,556,850 | 0 |
| Environment Development | 8,283,117 | 0 |
| Roads, Transport & Public Works Dept-Development | 8,811,116 | 0 |
| Lands, Housing & Urban-Development | 26,976,000 | 0 |
| Education Dept- Development | 4,969,170 | 0 |
| Ict & e-Government –Development | 21,322,126 | 0 |
| | **72,918,379** | **0** |

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

| 26.2: PENDING STAFF PAYABLES (See Annex 2) | 2015 – 2016 | 2014 - 2015 |
|---|---|---|
| | Kshs | Kshs |
| Senior management | *0* | *0* |
| Middle management | *0* | *0* |
| Unionisable employees | 38,485,871 | *0* |
| Others (*specify*) | *12,676,743* | *0* |
| | **51,162,614** | **0** |

| 26.3: OTHER PENDING PAYABLES (See Annex 3) | 2015 – 2016 | 2014 - 2015 |
|---|---|---|
| | Kshs | Kshs |
| Amounts due to National Government entities | 0 | 0 |
| Amounts due to County Government entities | 31,352,606 | 0 |
| Amounts due to third parties | 67,250,000 | 0 |
| | **98,602,606** | **0** |

## 27. COUNTY GOVERNMENT OF UASIN GISHU

### SUMMARY STATEMENT OF PROVISIONING

### DETAILS OF GENERAL ACCOUNT ON VOTE FOR 2015-2016

| DETAILS | 2015-2016 | 2014-2015 |
|---|---|---|
| Budgetary amount -exchequer | 5,412,320,086 | 4,529,662,890 |
| A.I.A | 1,037,217,425 | 1,207,940,000 |
| **TOTAL** | **6,449,537,511** | **5,737,602,890** |
| Less: Exchequer | (5,324,979,686) | (4,529,662,890) |
| A.I.A | (723,303,040) | (815,136,541) |
| | **6,048,282,726** | **5,344,799,431** |
| **Under issue** | **401,254,785** | **392,803,459** |
| | | |
| **EXCHEQUER ACCOUNT** | | |
| Exchequer releases | 5,324,979,686 | 4,529,662,890 |
| A.I,A | 723,303,040 | 815,136,541 |
| **TOTAL** | **6,048,282,726** | **5,344,799,431** |
| Total expenses | 6,506,948,990 | 5,891,774,483 |
| Balance c/d | (458,666,264) | (546,975,052) |
| | **6,048,282,726** | **5,344,799,431** |

| PRIOR YEAR ADJUSTMENT | | |
|---|---|---|
| | 2015-2016 | 2014-2015 |
| | Kshs | Kshs |
| Bank accounts-transfer back to county treasury | 12,239,606 | |
| Cash in hand | | |
| Cash equivalents (short-term deposits) | - | - |
| Imprest | - | - |
| Receivables | - | - |
| Payables | - | - |
| **Total** | **12,239,606** | |

These prior years adjustment of kshs 12,239,606 is bank balances as per Note 22A from county assembly for the year 2014-2015. The money was subsequently swept to county treasury revenue account in July 2015

## ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

| Supplier of Goods or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2016 | Outstanding Balance 2015 | Comments |
|---|---|---|---|---|---|---|
| | a | b | c | d=a-c | | |
| **Construction of buildings** | | | | | | |
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| **Sub-Total** | | | | | | |
| **Construction of civil works** | | | | | | |
| 4. Agriculture Dept -Development | | 2015/2016 | | 2,556,850 | | Various pending projects unpaid at year end |
| 5. | | | | | | |
| 6. | | | | | | |
| **Sub-Total** | | | | **2,556,850** | | |
| **Supply of goods** | 71,702,765 | 2014/15 | 71702765 | 0 | 0 | |
| 7. Environment Development | | 2015/16 | | 8,283,117 | | Various pending projects unpaid at year end |
| 8. Roads, Transport & Public Works Dept-Development | | 2015/16 | | 8,811,116 | | Various pending projects unpaid at year end |
| 9. Lands, Housing & Urban-Development | | 2015/16 | | 26,976,000 | | Various pending projects unpaid at year end |
| **Sub-Total** | | | | **44,070,233** | | |
| **Supply of services** | 316,339,057 | 2014/15 | 316,339,057 | 0 | 0 | |
| 10. Education Dept- Development | | 2015/16 | | 4,969,170 | | Various pending projects unpaid at year end |
| 11. Ict & e-Government -Development | | 2015/16 | | 21,322,126 | | Various pending projects unpaid at year end |
| 12. | | | | | | |
| **Sub-Total** | | | | **26,291,296** | | |
| **Grand Total** | | | | **72,918,379** | | |

## ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

| Name of Staff | Job Group | Original Amount | Date Payable Contracted | Amount Paid To-Date | Outstanding Balance 2016 | Outstanding Balance 2015 | Comments |
|---|---|---|---|---|---|---|---|
| | | a | b | c | d=a-c | | |
| **Senior Management** | | | | | | | |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |
| **Sub-Total** | | | | | | | |
| **Middle Management** | | | | | | | |
| 4. | | | | | | | |
| 5. | | | | | | | |
| 6. | | | | | | | |
| **Sub-Total** | | | | | | | |
| **Unionisable Employees** | | | | | | | |
| 7. Finance | | | 2015/16 | | | 35,698,384 | Unpaid salaries in the system on year end |
| 8. Public Service Mgt | | | 2015/16 | | | 2,580,625 | Unpaid salaries in the system on year end |
| 9. Trade & ICT | | | 2015/16 | | | 206,862 | Unpaid salaries in the system on year end |
| **Sub-Total** | | | | | | **38,485,871** | |
| **Others (*specify*)** | | | | | | | |
| 10. Salaries Various | | | 2015/16 | | | 12,676,743 | Unpaid salaries in the system on year end- other depts. |
| 11. | | | | | | | |
| 12. | | | | | | | |
| **Sub-Total** | | | | | | **12,676,743** | |
| **Grand Total** | | | | | | **51,162,614** | |

## ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

| Name | Brief Transaction Description | Original Amount | Date Payable Contracted | Amount Paid To-Date | Outstanding Balance 2016 | Outstanding Balance 2015 | 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. COUNTY ASSEMBLY | | | 2015/16 | | 31,352,606 | | Unremitted allocations |
| 5. | | | | | | | |
| 6. | | | | | | | |
| **Sub-Total** | | | | | **31,352,606** | | |
| **Amounts due to Third Parties** | | | | | | | |
| 7.LAPTRUST-STATUTORY | | 7,250,000 | 2015/16 | | 7,250,000 | | Unremitted statutory deductions inherited from defunct local authority |
| 8.LAPTRUST-ACTURIAL | | 45,000,000 | 2015/16 | | 45,000,000 | | Actuarial Deficit |
| 9.GICHERU & CO ADVOCATES | | 60,000,000 | 2015/16 | 45,000,000 | 15,000,000 | | Legal Fees |
| **Sub-Total** | | | | **45,000,000** | **67,250,000** | | |
| **Others (*specify*)** | | | | | | | |
| 10. | | | | | | | |
| 11. | | | | | | | |
| 12. | | | | | | | |
| **Sub-Total** | | | | | | | |
| **Grand Total** | | **112,250,000** | | **45,000,000** | **98,602,606** | | |

## ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

| Asset class | Historical Cost (Kshs) 2015/2016 | Historical Cost (Kshs) 2014/2015 | Historical Cost (Kshs) 2013/2014 |
|---|---|---|---|
| Land | 170,690 | 17,290,000 | |
| Buildings and structures | 1,250,199,963.4 | 1,516,015,359 | 101,242,009 |
| Transport equipment | 114,054,792 | - | 102,447,312 |
| Office equipment, furniture and fittings | 11,247,698 | 29,797,811 | 29,284,234 |
| ICT Equipment, Software and Other ICT Assets | 14,777,709 | 9,610,062 | - |
| Other Machinery and Equipment | 243,618,994 | 788,155,011 | 1,084,184 |
| Heritage and cultural assets | | 0 | |
| Intangible assets | 29,448,206 | 71,080,590 0 | |
| Other Assets | 209,963,771 | 78,134,827 | 11,256,824 |
| **Total** | **1,873,481,823** | **2,510,083,659** | **245,314,563** |