

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF  
COUNTY EXECUTIVE OF LAMU**

**FOR THE YEAR ENDED  
30 JUNE 2017**



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**COUNTY EXECUTIVE OF LAMU**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED JUNE 30, 2017**

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

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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**I. KEY ENTITY INFORMATION AND MANAGEMENT**

**(a) Background information**

The County Executive 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 Executive of Lamu's day-to-day management is under the following key organs:

- H. E Issa Timammy – Governor
- H. E Eric Mugo – Deputy Governor
- Mr Atwaa Salim Mohamed – CECM-Finance
- Dr. Mohamed Kombo – CECM-Health
- M/s Amina Rashid Masoud – CECM-Lands
- Mr. Khamis Kaviha – CECM-Education
- M/s Samia Omar Mbwana – CECM-Trade
- M/s Grace Mburu – CECM- Fisheries
- Mr. Ahmed Albeity – CECM-ICT
- Mr. Fadhil Maamun – Secretary to County Public Service Board
- Mr. Siyat Osman – Lamu County Secretary

**(c) Fiduciary Management**

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

No.	Designation	Name
1	County Executive Committee Member	- Mr. Atwaa Salim
2	Chief Officer - Finance	- Mr. Athman Ahmed Athman
3	Director of Accounting Services	- Mr. Sanawa Zablon Manoah
4	Head Revenue	- Mrs. Mariam Bunu
5	Head of Budget	- Mr. Andrew Waweru
6	Head of Audit	- Mr. Lawrence Muiruri
7	Head of Supply Chain	- Mr Jonah Majiba Zealot

**(d) Fiduciary Oversight Arrangements**

The County Executive fiduciary oversights are under the County Assembly of Lamu, Auditor General Office and the Lamu County Audit Committee with members as listed below:

- 1) Mr. Zebedayo Timothy Komora – Chairman
- 2) Mr. Joshua Mutua Ndovoi – Member
- 3) Mr. Anwar Ahmed Mohamed – Member
- 4) Mr. Mohamed Kubwa Mohamed – Member

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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**(e) Entity Headquarters**

P.O. Box 74-80500  
Lamu Malindi Road  
Mokowe

**(f) Entity Contacts**

Telephone: (254) 7240-031-166  
E-mail: [treasury@lamu.go.ke](mailto:treasury@lamu.go.ke)  
Website: [www.lamu.go.ke](http://www.lamu.go.ke)

**(g) Entity Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya
2. Kenya Commercial Bank  
P. O. Box 121-80500  
Lamu Branch  
Kenyatta Avenue
3. Equity Bank  
P. O. Box 60-80500  
Lamu Branch  
Kenyatta Avenue
4. Diamond Trust Bank  
P. O. Box 120-80500  
Lamu Branch  
Kenyatta Avenue
5. Gulf African Bank  
P. O. Box 191-80500  
Lamu Branch  
Kenyatta Avenue

**(h) Independent Auditors**

The Auditor General  
P.O. Box 30084 - 00100  
Nairobi, Kenya

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
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**(i) Principal Legal Adviser**

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

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**I. FORWARD BY THE CECM FINANCE, STRATEGY AND ECONOMIC PLANNING**

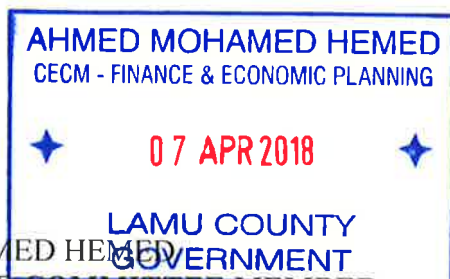
In our pursuit to improve on transparency and accountability in public financial management, I present the 2016/17 financial year report for the County Executive of Lamu. The County Executive of Lamu has and will continue to manage its finances in accordance with the principles of fiscal responsibility as spelt out in the Public Finance Management Act (2012).

The report compares actual performance against budgeted revenues and expenditure and also provides recommendation to the County Executive for improvement of budget execution. The county has developed strategic partnership with the public by involving them in development of County Integrated Development Plan (CIDP) which highlights the programmes and projects to be included in successive County budgets. In this the county government had been able to put more emphasis to development activities which are responsive to the citizen needs by addressing the growing recurrent cost.

During the period under review, the County Executive of Lamu approved budget was Kshs 3.2 billion and the county was able to utilize Kshs 2.9 billion translating to utilization level of 91% of the budget.

The County Executive intends to enhance Monitoring and Evaluation (M&E) for development projects to enhance budget absorption on development vote. To enhance governance at the County level, we are in the final process of forming the Lamu County Budget and Economic Forum and operationalizing the Lamu County Audit Committee. This will go a long way in enhancing fiscal responsibility and governance.

  
HON. AHMED MOHAMED HEMED  
**COUNTY EXECUTIVE COMMITTEE MEMBER**  
**FINANCE, STRATEGY AND ECONOMIC PLANNING**





**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**II. STATEMENT OF MANAGEMENT RESPONSIBILITIES**

Sections 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a County Government shall prepare financial statements of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (PSASB) of Kenya from time to time.

The Chief Officer for Finance is responsible for the preparation and presentation of the County Executive financial statements, which give a true and fair view of the state of affairs of the County Executive for and as at the end of June 30, 2017. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Executive; (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 Executive; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Chief Officer for finance accepts responsibility for the County Executive'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 Chief Officer for finance is of the opinion that the County Executive report gives a true and fair view of the state of the County Executive transactions during the financial year ended June 30, 2017, and of its financial position as at that date. The Chief Officer for finance further confirms the completeness of the accounting records maintained for the County Executive 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 Chief Officer for finance confirms that the County Executive has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Executive 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 Chief Officer for finance confirms that the County Executive 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 Executive's financial statements were approved and signed by the Accounting Officer on 27<sup>th</sup> March, 2018.



County Executive Committee Member – Finance, Strategy & Economic Planning



# REPUBLIC OF KENYA

Telephone: +254-20-342330  
Fax: +254-20-311482  
E-mail: [oag@oagkenya.go.ke](mailto:oag@oagkenya.go.ke)  
Website: [www.kenao.go.ke](http://www.kenao.go.ke)



P.O. Box 30084-00100  
NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF LAMU FOR THE YEAR ENDED 30 JUNE 2017

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#### REPORT ON THE FINANCIAL STATEMENTS

##### Disclaimer of Opinion

I have audited the accompanying financial statements of County Executive of Lamu set out on pages 6 to 54, which comprise the statement of financial assets and liabilities as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015.

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

In addition, as required by Article 229(6) of the Constitution, I have not been able to obtain sufficient appropriate audit evidence to confirm that public money has been applied lawfully and in an effective way.

##### Basis for Disclaimer of Opinion

##### 1.0 Unsupported Expenditure

The statement of receipts and payments for the year ended 30 June 2017 reflects payments totaling Kshs.314,921,359.90 whose supporting schedules were not presented for audit review as summarized below:

Item	Amount (Kshs)
Utilities, supplies and services	70,831,785.85
Communication supplies and services	11,990,738.45
Domestic travel and subsistence	128,634,191
Printing, advertising and information supplies & services	27,605,313
Training expenses	37,839,040
Refurbishment of buildings	38,020,291.60
<b>Total</b>	<b>314,921,359.90</b>

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*Report of the Auditor-General on the Financial Statements of County Executive of Lamu for the year ended 30 June 2017*

In the circumstance, the accuracy and completeness of the expenditure totaling to Kshs.314,921,359.90 for the year ended 30 June 2017 could not be confirmed.

## 2.0 Variance between Financial Statement and Vote book

The statement of receipts and payments for the year ended 30 June 2017 reflects payments of Kshs.206,069,282 compared to the vote book balance of Kshs.170,445,156 resulting to unexplained nor reconciled variance of Kshs.35,624,109.45 as shown below:

Item	Financial statement Amount (Kshs)	Vote Book Amount (Kshs)	Variance
Communication supplies and services	11,990,738.45	10,880,986	1,109,752.45
Domestic travel and subsistence	128,634,191	113,801,432	14,832,752
Printing, advertising and information supplies & services	27,605,313	18,292,893	9,312,410
Training expenses	37,839,040	27,469,845	10,369,195
<b>Total</b>	<b>206,069,282</b>	<b>170,445,156</b>	<b>35,624,109.45</b>

In the circumstance, the accuracy and completeness of the expenditure totaling Kshs.35,624,109.45 for the year ended 30 June 2017 could not be confirmed.

## 3.0 Payments outside Integrated Financial Management Information System

The statement of receipts and payments for the year ended 30 June 2017 reflects a balance of Kshs.154,325,375 in respect to payments made outside Integrated Financial Management Information system as detailed below;

Expenditure item	Amount Kshs
Domestic travel and subsistence	13,163,569
Fuel, oil and lubricant	2,144,099
Office and general supplies	21,264,242.58
Purchase of certified seeds	1,950,000
Routine Maintenance	261,386
Training expenses	918,742
Utilities, supplies and services	19,700,393
Construction and civil works	37,764,678.88
Purchase of office furniture & general Equipment	5,418,971

Purchase of specialized equipment	7,178,073
Construction of Building	37,233,195.85
Purchase of Household furniture & institutional equipment	1,270,000
Refurbishment of building	6,058,025
<b>Total</b>	<b>154,325,375</b>

The management has not explained why Integrated Financial Management Information System has not been put to use fully in recording the financial operations of the County Government contrary to Public Finance Management Act no.18 of 2012 Regulation 109 (1) that requires National Treasury to develop and regularly issue standard operating procedures and instructions in the automated integrated financial management system operation, use and maintenance.

#### **4.0 Unsupported Expenditure**

The statement of receipts and payments for the period ended 30 June 2017 reflects a balance of Kshs.222,036,748.95 and whose payment vouchers were not availed for audit review as detailed below:

<b>Item</b>	<b>Amount (Kshs)</b>
Construction and civil works	15,810,390
Construction of Buildings	178,389,988.95
Purchase of Furniture and General Equipment	3,375,319
Purchase of Specialized Plant, Equipment and Machinery	5,589,461
Overhaul and Refurbishment of Construction & Civil works	18,871,590
<b>Total</b>	<b>222,036,748.95</b>

In the circumstance, the propriety and completeness of expenditures amounting to Kshs.222,036,748.95 for the year ended 30 June 2017 could not be confirmed.

#### **5.0 Expenditures supported with Invalid Documentation**

The statement of receipts and payments for the year ended 30 June 2017 reflects a balance of Kshs.72,760,591 in respect to payments in respect to construction of buildings and civil works. However, the payment vouchers did not contain serial numbers of Kshs.37,233,196 and Kshs.35,527,395 respectively.

It's not clear and the management has not explained why official documents are not serially and if the supporting documents were authentic and valid.

In the circumstance, the propriety and completeness of payment amounting to Kshs.72,760,591 for the year ended 30 June 2017 could not be confirmed.

## **6.0 Acquisition of Assets**

The statement of receipts and payments for the year ended 30 June 2017 reflects acquisition of assets of Kshs.905,302,154 as detailed in Note 18 to the financial statements. However, audit verification revealed the following anomalies:

### **6.1 Asset Register**

As previously reported, Annex 4 to the financial statements reflects a summary of assets totaling Kshs.905,302,154 as at 30 June 2017. However, this balance does not include assets acquired in 2015-2016 and prior years.

Further, the summary of the fixed asset register included in Annex 4 to the financial statements was not supported with the county Government's fixed asset register. This is contrary to Section 136 (1) (o) of the Public Finance Management (County Government) Regulations, 2015 which requires the Accounting Officer to be responsible for maintaining asset register.

Furthermore, the management has not explained how the handing over process of the defunct Local Authorities' assets was conducted including whether the handing over report of the assets and liabilities to the County Government was published.

In the circumstance, the propriety, accuracy and completeness of the assets balance of Kshs.905,302,154.08 as at 30 June 2017 could not be confirmed.

### **6.2 Construction of Lamu County Headquarters**

As reported last year, the County Executive entered into an agreement with a consultant for construction of Lamu County headquarter at a contract sum of Kshs.186,922,006. The management did not avail the contract document for audit review. Further, audit verification revealed that the building was constructed using fabricated steel materials which exposed the steel to corrosion due to salt in the moisture. Available information from the management indicated that the building has already started developing problems as analyzed below:

- (i) Continuous blockage of plumbing and drainage system
- (ii) Peeling of paints in the building both interior and exterior
- (iii) Rusting of metallic fittings and Leakage of the roofs
- (iv) Complains of Tremors felt in the building when heavy trucks pass by the nearby road.

The management has indicated that the county government adopted this kind of building as there was dire need of office space and the pre-engineered building could be constructed in a shorter period compared to conventional buildings. However, maintenance cost may be uneconomical in the long run and the strength of the building

is not guaranteed for longer time since the fabricated steel materials may rust due to salty atmosphere within the Lamu County.

Consequently, the propriety and value for money of the total expenditure of Kshs.186,922,006 spent on the building could not be confirmed.

### **6.3 Other Domestic Accounts Receivable**

Note 18 to the financial statements for the year ended 30 June 2017 reflects an amount of Kshs.17,098,616 in respect to other domestic accounts receivable. The composition of this vote was items donated to the County Executive by some donors. However, some items amounting to Kshs.1,323,660 were included though due to their nature they do not qualify to be treated as assets. These include: surrender of imprest, airtime, Nurses on special duty allowances and payment to casual labor. It is not clear why these items could not be classified under the correct items or votes.

Consequently, the propriety and completeness of other domestic accounts receivable of Kshs.1,323,660 for the year ended 30 June 2017 could not be confirmed.

### **6.4 Refurbishment of Building**

Note 18 to the financial statements for the year ended 30 June 2017 reflects Kshs.38,020,292 in respect to refurbishment of buildings. However, the ownership documents for the refurbished buildings were not availed for audit verification.

Consequently, the propriety and completeness of refurbishment of buildings of Kshs.38,020,292 for the year ended 30 June 2017 could not be confirmed.

### **6.5 Purchase of Household Furniture and Institutional Equipment**

Note 18 to the financial statements for the year ended 30 June 2017 reflects Kshs.2,204,645 in respect to purchase of household furniture and institutional equipment. However, the purchased furniture and equipment could not be verified since the management did not avail a distribution list giving details of where the furniture and equipment were distributed.

Consequently, the propriety and completeness of purchase of household furniture and institutional equipment of Kshs.2,204,645 for the year ended 30 June 2017 could not be confirmed.

### **6.6 Construction of Buildings**

#### **6.6.1 Amu Ranch Planning Services and Survey**

Note 18 to the financial statements for the year ended 30 June 2017 reflects an amount of Kshs.598,514,560 in respect to construction of buildings out of which an amount of Kshs.8,057,534 was paid to a consultant to carry out Planning Services & Survey of

Amu Ranch. However, it's not clear and the management has not provided evidence of work done.

Consequently, the propriety and completeness of the amount of Kshs.8,057,534 paid to Wymco Engineering Limited for planning and survey of Amu Ranch as at 30 June 2017 could not be confirmed.

## **7.0 Cash and Bank Balance**

### **7.1 Lamu County Government Retention Account**

The statement of assets and liabilities reflects bank balance of Kshs.236,293,207 as at 30 June 2017. However, audit analysis revealed that the Lamu County Government Retention Account held at KCB reflected a zero balance as at 30 June 2017. Information available indicates that the County Executive did several projects among them the Lamu County Headquarters whose defects liability period had not expired and therefore the County Executive was supposed to keep the retention money until the defects liability period is over.

It was not clear why the retention account reflected a zero balance as at 30 June 2017 and how the money was spent.

Consequently, the accuracy and completeness of balance of nil retention account as at 30 June 2017 could not be confirmed.

## **7.2 Certificate of Bank Balances**

Note 22A to the financial statements for the year ended 30 June 2017 reflects bank balance of Kshs.236,293,207 relating to twenty four (24) bank accounts. However, bank confirmation certificates for two (2) bank accounts with a total balance of Kshs.7,296,308.50 were not availed for audit review as summarized below:

<b>No</b>	<b>Name of Bank Account</b>	<b>Type of Account</b>	<b>Amount (Kshs.)</b>
1	Lamu fixed deposit Account-DTB	Fixed Deposit	7,295,945.00
2	Lamu county Ministry of Health-DTB	Health	363.50
	<b>Total</b>		<b>7,296,308.50</b>

In the circumstance, the accuracy and completeness of the bank balance of Kshs.236,293,207 as at 30 June 2017 could not be confirmed.

## **7.3 Omitted Bank Account**

The statement of assets and liabilities reflects bank balance of Kshs.236,293,207 as at 30 June 2017. However, audit analysis revealed that the Lamu County Government Hosp Account held at KCB whose certificate of balance reflected a balance of



Kshs.1,020 as at 30 June 2017 was omitted in the financial statements as at 30 June 2017.

Consequently, the accuracy and completeness of bank balance of Kshs.236,293,207 as at 30 June 2017 could not be confirmed.

#### **7.4 DTB Lamu County Side Demand Financing Fund Account**

The statement of assets and liabilities reflects bank balance of Kshs.236,293,207 as detailed in Note 22A to the financial statements for the year ended 30 June 2017. Note 22A reflects a balance of Kshs.338 in respect to County Government of Lamu Side Demand Financing Fund Account held at DTBank. However, the certificate of balance and bank reconciliation reflects a balance of Kshs.50,821,468 as at 30 June 2017 resulting to unexplained variance of Kshs.50,821,130.

Consequently, the accuracy and completeness of bank balance of Kshs.236,293,207 as at 30 June 2017 could not be confirmed.

#### **7.5 KCB Salary Control Account Number**

The statement of assets and liabilities reflects bank balance of Kshs.236,293,207 as at 30 June 2017 out of which a balance of Kshs.111 was held at KCB Salary Control Account as reflected in Note 22A to the financial statements. However, the bank confirmation certificate availed for audit review reflected an amount of Kshs.2,467,439.42 resulting to unreconciled variance of Kshs.2,467,328.42.

Consequently, the accuracy and completeness of bank balance of Kshs.236,293,207 as at 30 June 2017 could not be confirmed.

#### **7.6 KCB Standing Imprest Account Number**

The statement of assets and liabilities reflects bank balance of Kshs.236,293,207 as at 30 June 2017 out of which a nil balance was held at KCB Standing Imprest Account. However, the bank confirmation certificate availed for audit review reflected an amount of Kshs.6,431.03 resulting to unreconciled variance of Kshs.6,431.03

Consequently, the accuracy and completeness of bank balance of Kshs.236,293,207 as at 30 June 2017 could not be confirmed.

#### **7.7 Unsupported Bank Balances**

The statement of assets and liabilities reflects bank balance of Kshs.236,293,207 as at 30 June 2017. However, the following bank accounts were not supported with cash books or bank reconciliation statements for the year ended 30 June 2017.



No	Bank	Account details	Amount (Kshs)
1	Equity	Revenue Account	-
2	DTB	Fixed Deposit Account	7,295,945
3	Equity	Ministry of Health (Kepi)	180,916.45
		<b>Total</b>	<b>7,476,861.45</b>

In the circumstance, the accuracy and validity of bank balance amounting to Kshs.7,476,861.45 as at 30 June 2017 could not be confirmed.

## 8.0 Outstanding Imprest

Note 23 to the financial statements for the year ended 30 June 2017 reflects outstanding imprests of Kshs.8,289,200. The audit revealed the following:

### 8.1 Variance between Financial Statements and IFMIS balances

Note 23 to the financial statements for the year ended 30 June 2017 reflects outstanding imprests of Kshs.8,289,200. However, the IFMIS report reflected an outstanding imprest of Kshs.5,012,200 thus resulting to variance of Kshs.3,277,000 which has not been reconciled nor explained.

### 8.2 Long Overdue Imprest Balances

Included in the outstanding imprest of Kshs.8,289,200 as at 30 June 2017 are imprests totaling to Kshs.1,782,500 outstanding for more than six (6) months contrary Section 93 (5) of Public Finance Management (County Government) Regulations, 2015 which provides that a holder of a temporary imprest shall account or surrender the imprest within seven (7) working days after returning to duty station.

## 9.0 Other Receipts

### 9.1 Valuation Roll

As reported in the previous year, the County Executive through department of finance procured the services of a land surveyor at a total cost of Kshs.10,255,250 to prepare a valuation roll for the County to cover the Amu Island and Mpeketoni. During the period under review, the County Executive through the department of Lands Physical Planning, Infrastructure and Urban Development and Water procured services for another valuation roll at a cost of Kshs.10,000,000 to cover Witu, Kibaoni, Hindi, Mukowe and its environs. However, after spending a total of Kshs.20,255,250 for two valuation rolls, the County Assembly has not approved their implementation therefore the value for money was not achieved.

Consequently, the regularity of the expenditure of Kshs.10,000,000 incurred on valuation roll for the year ended 30 June 2017 and the value for money for the entire expenditure of Kshs.20,255,250 could not be ascertained.

## **9.2 Variance between Receipts in the Financial Statements and Controller of Budget Report**

The statement of receipts and payments for the year ended 30 June 2017 reflects other receipts amounting to Kshs.65,109,972 while the report of controller of budget reflects an amount of Kshs.76,960,788 resulting to un explained nor reconciled variance of Kshs.11,850,816.

Consequently, the accuracy and completeness of other receipts of Kshs.65,109,971 for the year ended 30 June 2017 could not be confirmed.

## **10.0 Budgetary Control and Performance**

### **10.1 Revenue Budget**

The statement of receipts and payments reflects a balance of Kshs.65,109,972 in respect of other receipts for the year ended 30 June 2017. According to the approved budget estimates for 2016/2017 financial year, the County Government of Lamu was expected to collect Kshs.84,000,000 from local sources. The receipts of Kshs.65,109,971.70 represent 77.5% of the targeted amount.

It is not clear why the County Government of Lamu could not meet its budgeted revenue target.

### **10.2 Budget Absorption**

The County Executive of Lamu had a total budget of Kshs.3,207,404,934 voted for the financial year 2016/2017, comprising Kshs.1,219,719,734 for development and Kshs.1,987,685,200 for recurrent expenditure while actual expenditure amounted to Kshs.2,912,789,204, resulting to under-absorption of Kshs.294,615,730.34 or 9% of the budget as summarized below:

<b>Item</b>	<b>Approved Budget (Kshs)</b>	<b>Actual Expenditure (Kshs)</b>	<b>Under Absorption (Kshs)</b>	<b>Under Absorption (%)</b>
Development Vote	1,219,719,734	907,241,353	312,478,381	26%
Recurrent Vote	1,987,685,200	2,005,547,851	(17,862,651)	
<b>Total</b>	<b>3,207,404,934</b>	<b>2,912,789,204</b>	<b>294,615,730</b>	<b>9%</b>

The County Executive's overall under-utilization of the budget amounted to Kshs.294,615,730 (9%) thus affecting goods and services delivered to the residents of Lamu.

### 10.3 Development Vote

Records presented for audit review indicated that Kshs.1,219,719,734 was budgeted under development vote for the year under review. However, as at the end of the financial period on 30 June 2017, only Kshs.907,241,353 had been spent leaving a balance of Kshs.312,478,381 or 26% unutilized contrary to Section 107 of Public Finance Management Act, 2012 that requires the County Executive to adhere to fiscal objectives. The breakdown of the development expenditure is summarized in the table below:

Item	Budget 2016-2017 (Kshs)	Actuals 2016-2017 (Kshs)	Under- Absorption (Kshs)	% Under absorption
Use of goods	44,409,865	10,083,894	34,325,971	77%
Acquisition of assets	1,175,309,869	897,157,459	278,152,410	23.6%
<b>Total</b>	<b>1,219,719,734</b>	<b>907,241,353</b>	<b>312,478,381</b>	<b>25.6%</b>

Therefore, the County Executive did not utilize a total of Kshs.312,478,381 or 25.6% of the County Executive's development budget.

Consequently, the management has not explained why it could not utilize all the funds budgeted for development projects.

### 10.4 Recurrent Vote

Budget performance under the recurrent budget amounting to Kshs.1,987,685,200, is tabulated below:

Item	Budget 2016- 2017 (Kshs)	Actual 2016- 2017 (Kshs)	Under-(Over) Expenditure (Kshs)	Percentage %
Compensation of Employees	977,662,118	734,459,597.85	243,202,520.15	24.8
Use of goods and services	684,153,073	686,312,053	(2,158,980)	4.4
Transfers to Other Government Units	71,304,953	431,058,337	(359,753,384)	504.5
Other grants and transfers	130,285,503	122,254,430	8,031,073	6

Social Security Benefits	41,638,504	23,318,737	18,319,767	44
Acquisition of Assets	67,781,187	8,144,695	59,636,492	27
Finance Costs, including Loan Interest	14,859,862		14,859,862	100
<b>Total</b>	<b>1,987,685,200</b>	<b>2,005,547,851</b>	<b>(17,862,651)</b>	<b>9</b>

From the above analysis, the County overspent by Kshs.17,862,561 or 9% of the budget as at the end of the financial year and the approval for the same was not availed for audit review.

Consequently, the County Executive was in breach of the law

## 11.0 Project Implementation

### 11.1 Projects with Budget Over expenditure

Audit review of the project status report for year ended 30 June 2017 revealed that the County Executive had completed some projects and they were operational. However, the County Executive overspent the budget on these projects as summarized in the table below:

No	Name of Project	Budget (Kshs)	Actual (Kshs)	Variance (Kshs)
1	Construction of Kipunguani sea wall	6,000,000	7,995,288.40	1,995,288.40
2	Construction of 4 door VIP toilet at Hindi	1,300,000	1,473,903.40	173,903.40
3	Construction of Mkokoni sea wall Phase 2	3,000,000	6,989,046	3,989,046
4	Supply, Delivery and Laying of Paving blocks cabro at Siyu- Faza	5,000,000	5,204,432.80	204,432.80
5	Construction of 16 No. tank base installation of water gutter & Plumbing system across the county	2,000,000	3,411,910	1,411,910
6	Sinambio Majembeni Road	10,000,000	10,325,539.50	325,539.50
7	Improvement of Shella village phase 1 cabro	4,000,000	4,178,071.40	178,071.40
8	Proposed Cabro and Baraza at Shella dispensary	3,000,000	3,074,178.40	74,178.40
9	Completion of Matondoni social Hall	3,000,000	6,565,518.80	3,565,518.80
10	Construction of Mkunumbi social Hall	2,000,000	2,842,696	842,696

11	Demarcation & securing land at Kiunga	5,000,000	5,774,480	7774,480
12	Planning Survey of Kiongwe settlement scheme	4,500,000	9,989,920	5,489,920
13	Planning, survey & regularization of squatters on Amu Ranch land in Mkunumbi, Mkinduni, Bahati Njema, Marafa, Juhudi, Salama & Witho	8,000,000	8,900,000	900,000
14	Fresh produce Market at Majembini	5,225,000	7,802,595	2,577,595
15	Honey processing Center at Hindi	2,000,000	2,053,998	53,998
	<b>Total</b>	<b>64,025,000</b>	<b>86,581,577.70</b>	<b>29,556,577.70</b>

The management has not provided justification for excess expenditure of Kshs.29,556,577.70. The approval for over expenditure and variation were availed for audit review.

In the circumstance, the propriety of the expenditure amounting to Kshs.29,556,577.70 as at 30 June 2017 could not be confirmed.

## 11.2 Project Implementation

Records presented for audit indicate that a total of Kshs.1,219,719,734 was allocated to nine (9) departments to finance one hundred and eighteen (118) projects amounting to Kshs.1,219,719,734 during the year under review. The projects were implemented within the financial period at an absorption of Kshs.907,241,353.08 or 74% of the budgeted amount. Further, it was noted that out of the absorbed funds of Kshs.907,241,353, funds amounting to Kshs.202,965,010.96 was used to finance projects which since completion have never been put in to use as shown in the table below:

### 11.3.1 Complete Projects but not Operational

No.	Project	Payment as at 30 June 2017 (Kshs)	status
1	Bargoni pipeline extension phase 4 H	15,000,000	Complete but not operational
2	Construction of shanga ECD	1,787,741.54	Complete but not operational
3	Construction of Bahamisi ECD	1,906,895	Complete but not operational
4	Construction of Kwaguyo ECD	1,892,546.96	Complete but not operational
5	Construction of 4 door VIP toilet at Ishakani Dispensary	985,652	Complete but not operational

6	Construction of a type 'O' Dispensary at Bargoni.	3,994,022.68	Complete but not operational
7	Special purpose grant-king Fahad Renovation and Rehabilitation.	107,949,249.68	Complete but not operational
8	Renovation of Mokowe Health Center	24,645,719.60	Complete but not operational
9	Construction of Mpeketoni Market Phase 1 (2015/2016) F.Y	12,394,638.54	Complete but not operational
10	Construction of Mpeketoni Market Phase II (2015/2016)F.Y	7,883,237	Complete but not operational
11	Construction of Mpeketoni Market Phase III (2015/2016) F.Y	2,666,498.96	Complete but not operational
12	Completion of Chalaluma Cattle Dip	1,880,084.40	Complete but not operational
13	Construction of Nagele Livestock Market Phase III	3,944,812	Complete but not operational
14	Establishment of Information center at Kiunga	2,010,529.40	Complete but not operational
15	Establishment of an information center at Mkunumbi	2,010,529.40	Complete but not operational
16	Construction of Kiunga Slaughter House phase II	4,665,745.20	Complete but not operational
17	Construction of Cattle Dip at Pangani	2,874,897.60	Complete but not operational
18	Construction of Vaccination Crushes at Lumshi	1,033,270	Complete but not operational
19	Construction of Maisha masha Grain store	3,438,941	Complete but not operational
	<b>Total</b>	<b>202,965,010.96</b>	

It is not clear whether there was public participation before the projects were implemented.

Consequently, the residents of Lamu did not get value for money spent on projects amounting to Kshs.202,965,010.96 for the year ended 30 June 2017.

### 11.3.2 Stalled Projects

A total of projects of Kshs.45,916,447 were verified during the audit. However, although Kshs.18,678,895.58 was spent on the projects, the projects stalled at various levels as detailed below:

No	Project	Budget allocation (Kshs)	Payment as at 30 June 2017 (Kshs)	status
1.	Desalination plant in kiunga	20,000,000	2,590,507	80% complete
2.	Repair of myabogi bridge and reclamation	7,018,227	3,927,746.08	60% complete Site abandoned
3.	Construction of perimeter wall at Faza school	7,000,000	2,383,655	45% complete. Contractor not on site
4.	Waste water drainage at Langoni	3,398,220	3,398,220	70% complete. 18Contractor not on site
5.	Construction of fish fingerlings Hatchery at Mpeketoni Phase II	1,500,000	629,996	75% complete. Contractor not on site
6.	Rehabilitation of Ishakani Fish Landing Banda-kiunga	3,000,000	2,580,724.5	65% complete. Contractor not on site
7.	Construction of Honey processing centre at Hindi	2,000,000	2,053,988.80	70% complete. Contractor not on site
8.	Establishment of an information Center at Witu	2,000,000	1,114,058.2	60% complete. Contractor not on site
	<b>Total</b>	<b>45,916,447</b>	<b>18,678,895.58</b>	

The projects were to be implemented and completed within the financial year, however the management has not explained why they have been abandoned and plans for ensuring their completion.



Consequently, the residents of Lamu may not be getting value for money used in the stalled projects.

### 11.3.3 Unbudgeted Projects

The County Executive did some projects amounting to Kshs.24,275,340.10 and whereby there was no evidence that the same was budgeted for the year 2016/2017 as summarized below:

No	Name of project	Amount (Kshs)
1	Renovation of Kizingitini polytechnic classroom & Houses	12,217,386.90
2	Completion of Kiunga polytechnic	2,000,524.40
3	Construction of Madina ECD	1,106,690
4	Construction of solar freezer store at Kiwayuu	857,564.80
5	Mama Jubilee irrigation project	8,093,174
	<b>Total</b>	<b>24,275,340.10</b>

The management has not explained the sources of the funds for the projects amounting to Kshs.24,275,340.10 and which were not budgeted for year 2016/2017 contrary to Public Finance Act no.18 of 2012 Regulation 44(1) that requires accounting officer to provide the National Treasury with an annual cash flow plan as a requisition for funds needed for that financial year.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the County Executive's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless the management either intends to liquidate the County Executive's or to cease operations, or have no realistic alternative but to do so.

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

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

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

My responsibility is to conduct an audit of the County Executive's financial statements in accordance with International Standards of Supreme Audit Institutions (ISSAIs) and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. However, because of the matter described in the Basis for Disclaimer of Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

I am independent of County Executive of Lamu in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya.



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

**Nairobi**



**16 July 2018**


**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**1. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2016-2017 Kshs	2015-2016 Kshs
<b>RECEIPTS</b>			
Tax Receipts	1	-	-
Social Security Contributions	2	-	-
Proceeds from Domestic and Foreign Grants	3	18,348,378	17,022,526
Exchequer releases	4	2,214,008,743	2,051,883,746
Transfers from Other Government Entities	5	193,395,404	162,954,337
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 Receipts	11	65,109,972	53,143,417
<b>TOTAL RECEIPTS</b>		<b>2,490,862,497</b>	<b>2,285,004,026</b>
<b>PAYMENTS</b>			
Compensation of Employees	12	734,459,598	666,170,943
Use of goods and services	13	696,395,947	455,132,469
Subsidies	14	-	-
Transfers to Other Government Units	15	431,058,338	384,454,305
Other grants and transfers	16	122,254,430	97,945,154
Social Security Benefits	17	23,318,737	23,628,180
Acquisition of Assets	18	905,302,154	851,335,344
Finance Costs, including Loan Interest	19	-	-
Repayment of principal on Domestic and Foreign borrowing	20	-	-
Other Payments	21	-	13,482,100
<b>TOTAL PAYMENTS</b>		<b>2,912,789,204</b>	<b>2,492,148,495</b>
<b>SURPLUS/DEFICIT</b>		<b>(421,926,707)</b>	<b>(207,144,469)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 27<sup>th</sup> March, 2018 and signed by:

  
 Chief Officer - Finance  
 ICPAK M/No 

  
 Director Accounting Services  
 ICPAK M/No.

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**2. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2016-2017 Kshs	2016-2016 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	22A	236,293,207	695,860,985
Cash Balances	22B	370,461	88,484
<b>Cash and cash equivalent</b>		<b>236,663,668</b>	<b>695,949,470</b>
Accounts receivables – Outstanding Imprests	23	8,289,200	7,618,009
<b>TOTAL FINANCIAL ASSETS</b>		<b>244,952,868</b>	<b>703,567,479</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables – Deposits and retentions	24	88,996,088	125,683,992
<b>TOTAL CASH AND CASH EQUIVALENT</b>		<b>155,956,780</b>	<b>577,883,487</b>
<b>REPRESENTED BY</b>			
<b>Fund balance b/fwd</b>	25	577,883,487	785,027,956
<b>Surplus/Deficit for the year</b>		(421,926,707)	(207,144,469)
		-	785,027,956
<b>NET ASSETS POSITION</b>		<b>155,956,780</b>	<b>577,883,487</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on **27<sup>th</sup> March, 2018** and signed by:

\_\_\_\_\_  
 Chief Officer – Finance  
 ICPAK M/No.

\_\_\_\_\_  
 Director Accounting Services  
 ICPAK M/No.

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**3. STATEMENT OF CASHFLOW**

	<b>Note</b>	<b>2016 - 2017</b>	<b>2015 - 2016</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>Receipts for operating income</b>			
Tax Revenues	1	-	-
Social Security Contributions	2	-	-
Proceeds from Domestic and Foreign Grants	3	18,348,378	17,022,526
Exchequer Releases	4	2,214,008,743	2,051,883,746
Transfers from Other Government Entities	5	193,395,404	162,954,337
Reimbursements and Refunds	9	-	-
Returns of Equity Holdings	10	-	-
Other Revenues	11	65,109,972	53,143,417
		<b>2,490,862,497</b>	<b>2,285,004,026</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	12	734,459,598	666,170,943
Use of goods and services	13	696,395,947	455,132,469
Subsidies	14	-	-
Transfers to Other Government Units	15	431,058,338	384,454,305
Other grants and transfers	16	122,254,430	97,945,154
Social Security Benefits	17	23,318,737	23,628,180
Finance Costs, including Loan Interest	19	-	-
Other Expenses	21	-	13,482,100
		<b>2,007,487,050</b>	<b>1,640,813,151</b>
<b>Adjusted for:</b>			
Changes in receivables		671,191	7,618,009
Changes in payables		(36,687,904)	125,683,992
Adjustments during the year		-	-
<b>Net cash flow from operating activities</b>		<b>483,375,447</b>	<b>644,190,875</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	8	-	-
Acquisition of Assets	18	(905,302,154)	(851,335,344)
<b>Net cash flows from Investing Activities</b>		<b>(905,302,154)</b>	<b>(851,335,344)</b>
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from Domestic Borrowings	6	-	-
Proceeds from Foreign Borrowings	7	-	-
Repayment of principal on Domestic and Foreign borrowing	20	-	-
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(421,926,707)</b>	<b>(207,144,469)</b>
<b>Cash and cash equivalent at beginning of the year</b>		<b>577,883,487</b>	<b>785,027,956</b>
<b>Cash and cash equivalent at END of the year</b>	<b>25</b>	<b>155,956,780</b>	<b>577,883,487</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 27<sup>th</sup> March, 2018 and signed by:

\_\_\_\_\_  
Chief Officer - Finance

\_\_\_\_\_  
Director Accounting Services

**4. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=d-c	f=d/c %
<b>RECEIPTS</b>						
Tax Receipts	-	-	-	-	-	-
Social Security Contributions	-	-	-	-	-	-
Exchequer releases	2,214,008,743	-	2,214,008,743	2,214,008,743	-	100%
<b>Proceeds from Domestic and Foreign Grants</b>	-	-	-	-	-	
Danida Grant to suppl. Health Facilities	3,820,000	6,697,500	10,517,500	3,820,000	(6,697,500)	36%
World Bank Loan to Health Facilities	14,528,378	8,956,338	23,484,716	14,528,378	(8,956,338)	62%
Free Maternity Health Care	15,372,820	4,424,700	19,797,520	16,267,500	(3,530,020)	82%
Compensation for User Fee foregone	2,481,810	-	2,481,810	2,481,810	-	100%
Road Maintenance Fuel Levy	34,018,227	12,323,205	46,341,432	34,018,227	(12,323,205)	73%
World Bank Grant for capacity building	20,567,352	(20,567,352)	-	-	-	-
Special Purpose Grant	100,000,000	-	100,000,000	100,000,000	-	100%
Remittance for negotiated allowances	-	16,716,000	16,716,000	16,716,000	-	100%
World Bank Universal Care Project	-	12,993,407	12,993,407	16,487,060	3,493,653	127%
Ministry of Health (KEPI)	-	-	-	7,424,807	7,424,807	-
Returns to CRF Issues (Unspent Funds)	-	-	-	-	-	-
Balance b/f	100,000,000	577,063,806	677,063,806	-	(677,063,806)	0%
Other Receipts (Own Source)	100,000,000	(16,000,000)	84,000,000	65,109,972	(18,890,028)	78%
<b>Total Receipts</b>	<b>2,604,797,330</b>	<b>602,607,604</b>	<b>3,207,404,934</b>	<b>2,490,862,497</b>	<b>(716,542,437)</b>	<b>78%</b>

**5. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=d-c	f=d/c %
<b>RECEIPTS</b>						
Tax Receipts	-	-	-	-	-	-
Social Security Contributions	-	-	-	-	-	-
Exchequer releases	1,597,433,423	-	1,597,433,423	1,527,666,033	69,767,390	96%
<b>Proceeds from Domestic and Foreign Grants</b>	-	-	-	-	-	
Danida Grant	3,820,000	6,697,500	10,517,500	2,635,800	7,881,700	25%
World Bank Loan	-	-	-	10,024,581	(10,024,581)	-
Free Maternity Health Care	15,372,820	4,424,700	19,797,520	11,224,575	8,572,945	57%
Compensation for User Fee	2,481,810	-	2,481,810	1,712,449	769,361	69%
Road Maintenance Fuel Levy	-	-	-	23,472,577	(23,472,577)	-
World Bank Grant	20,567,352	(20,567,352)	-	-	-	-
Special Purpose grant	-	-	-	69,000,000	(69,000,000)	-
Remittance for negotiated allowances	-	16,716,000	16,716,000	11,534,040	5,181,960	69%
World Bank Universal Care Project	-	12,993,407	12,993,407	11,376,071	1,617,336	88%
Ministry of Health (KEPI)	-	-	-	5,123,117	(5,123,117)	-
Unspent Fund	-	-	-	-	-	-
Balance b/f	84,751,640	173,448,615	258,200,255	-	258,200,255	0%
Other Receipts (Own Source)	85,545,285	(16,000,000)	69,545,285	44,925,880	24,619,405	65%
<b>Total Receipts</b>	<b>1,809,972,330</b>	<b>177,712,870</b>	<b>1,987,685,200</b>	<b>1,718,695,123</b>	<b>268,990,077</b>	<b>86%</b>



**5. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=d-c	f=d/c %
<b>RECEIPTS</b>						
Tax Receipts	-	-	-	-	-	-
Social Security Contributions	-	-	-	-	-	-
Exchequer releases	1,597,433,423	-	1,597,433,423	1,527,666,033	69,767,390	96%
<b>Proceeds from Domestic and Foreign Grants</b>	-	-	-	-	-	
Danida Grant	3,820,000	6,697,500	10,517,500	2,635,800	7,881,700	25%
World Bank Loan	-	-	-	10,024,581	(10,024,581)	-
Free Maternity Health Care	15,372,820	4,424,700	19,797,520	11,224,575	8,572,945	57%
Compensation for User Fee	2,481,810	-	2,481,810	1,712,449	769,361	69%
Road Maintenance Fuel Levy	-	-	-	23,472,577	(23,472,577)	-
World Bank Grant	20,567,352	(20,567,352)	-	-	-	-
Special Purpose grant	-	-	-	69,000,000	(69,000,000)	-
Remittance for negotiated allowances	-	16,716,000	16,716,000	11,534,040	5,181,960	69%
World Bank Universal Care Project	-	12,993,407	12,993,407	11,376,071	1,617,336	88%
Ministry of Health (KEPI)	-	-	-	5,123,117	(5,123,117)	-
Unspent Fund	-	-	-	-	-	-
Balance b/f	84,751,640	173,448,615	258,200,255	-	258,200,255	0%
Other Receipts (Own Source)	85,545,285	(16,000,000)	69,545,285	44,925,880	24,619,405	65%
<b>Total Receipts</b>	<b>1,809,972,330</b>	<b>177,712,870</b>	<b>1,987,685,200</b>	<b>1,718,695,123</b>	<b>268,990,077</b>	<b>86%</b>

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=d-c	f=d/c %
<b>Payments</b>						
Compensation of Employees	1,023,786,917	(46,124,799)	977,662,118	734,459,598	243,202,520	75%
Use of goods and services	573,646,506	110,506,567	684,153,073	686,312,053	(2,158,980)	100%
Subsidies	-	-	-	-	-	
Transfers to Other Government Units	57,270,360	14,034,593	71,304,953	431,058,338	(359,753,385)	605%
Other grants and transfers	70,000,000	60,285,503	130,285,503	122,254,430	8,031,073	94%
Social Security Benefits	30,558,062	11,080,442	41,638,504	23,318,737	18,319,767	56%
Acquisition of Assets	54,710,485	13,070,702	67,781,187	8,144,695	59,636,492	12%
Finance Costs, including Loan Interest	-	14,859,862	14,859,862	-	14,859,862	0%
Repayment of principal			-	-	-	-
Other Expenses			-	-	-	-
<b>Total</b>	<b>1,809,972,330</b>	<b>177,712,870</b>	<b>1,987,685,200</b>	<b>2,005,547,851</b>	<b>(17,862,651)</b>	<b>101%</b>

The entity financial statements were approved on **27<sup>th</sup> March, 2018** and signed by:

\_\_\_\_\_  
 Chief Officer - Finance  
 ICPAK M/No.

\_\_\_\_\_  
 Director Accounting Services  
 ICPAK M/No.

6.SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=d-c	f=d/c %
<b>RECEIPTS</b>						
Tax Receipts	-	-	-	-	-	-
Social Security Contributions	-	-	-	-	-	-
Exchequer releases	616,575,320	-	616,575,320	686,342,710	69,767,390	111%
<b>Proceeds from Domestic and Foreign Grants</b>	-	-	-	-	-	
Danida Grant to Health Facilities	-	-	-	1,184,200	1,184,200	-
World Bank Loan to Health Facilities	14,528,378	8,956,338	23,484,716	4,503,797	(18,980,919)	19%
Free Maternity Health Care	-	-	-	5,042,925	5,042,925	-
Compensation for User Fee foregone	-	-	-	769,361	769,361	-
Road Maintenance Fuel Levy	34,018,227	12,323,205	46,341,432	10,545,650	(35,795,782)	23%
World Bank Grant	-	-	-	-	-	-
Special Purpose Grant	100,000,000	-	100,000,000	31,000,000	(69,000,000)	31%
Remittance for negotiated allowances	-	-	-	5,181,960	5,181,960	-
World Bank Universal Care Project	-	-	-	5,110,989	5,110,989	-
Ministry of Health (KEPI)	-	-	-	2,301,690	2,301,690	-
Unspent Fund	-	-	-	-	-	-
Balance b/f	15,248,360	403,615,191	418,863,551	-	(418,863,551)	0%
Other Receipts (Own Source)	14,454,715	-	14,454,715	20,184,091	5,729,377	140%
<b>Total Receipts</b>	<b>794,825,000</b>	<b>424,894,734</b>	<b>1,219,719,734</b>	<b>772,167,374</b>	<b>(447,552,360)</b>	<b>63%</b>

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=d-c	f=d/c %
<b>Payments</b>						
Compensation of Employees			-			-
Use of goods and services	31,500,000	12,909,865	44,409,865	10,083,894	34,325,971	23%
Subsidies			-		-	-
Transfers to Other Government Units			-		-	-
Other grants and transfers			-		-	-
Social Security Benefits			-		-	-
Acquisition of Assets	757,325,000	417,984,869	1,175,309,869	897,157,459	278,152,410	76%
Repayment of principal			-		-	-
Other Expenses	6,000,000	(6,000,000)	-		-	-
	<b>794,825,000</b>	<b>424,894,734</b>	<b>1,219,719,734</b>	<b>907,241,353</b>	<b>312,478,381</b>	<b>74%</b>

The entity financial statements were approved on **27<sup>th</sup> March, 2018** and signed by:

\_\_\_\_\_  
 Chief Officer - Finance  
 ICPAK M/No.

\_\_\_\_\_  
 Director Accounting Services  
 ICPAK M/No.

## **7. SIGNIFICANT ACCOUNTING POLICIES**

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

### **1. Statement of compliance and basis of preparation**

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

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

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

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

### **2. Reporting entity**

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

### **3. Recognition of receipts and payments**

#### **a) Recognition of receipts**

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

#### **b) Tax receipts**

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

#### **c) Transfers from the Exchequer**

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

#### **d) External Assistance**

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

#### **Donations and grants**

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

COUNTY EXECUTIVE OF LAMU  
Reports and Financial Statements  
For the year ended June 30, 2017

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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**Proceeds from borrowing**

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

**Undrawn external assistance**

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for projects currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. During the year ended 30<sup>th</sup> June 2017, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

**4. County Own Generated Receipts**

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

**5. Returns to CRF Issues**

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

**6. Recognition of payments**

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

**7. Compensation of employees**

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

**8. Use of goods and services**

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

**9. Interest on borrowing**

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

**10. Repayment of borrowing (principal amount)**

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

## COUNTY EXECUTIVE OF LAMU

### Reports and Financial Statements

For the year ended June 30, 2017

#### SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 11. Acquisition of fixed assets

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

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

##### 12. In-kind contributions

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

##### 13. Cash and cash equivalents

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

##### Restriction on cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2017, this amounted to Kshs 30,568,058.50 compared to Kshs 35,752,992.75 in prior period as indicated on note 22A.

There were no other restrictions on cash during the year

##### 14. Accounts Receivable

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



**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**15. Accounts Payable**

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

**16. Noncurrent assets**

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

**17. 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 Executive of Lamu 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.

**18. 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 Executive of Lamu's budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on the 2<sup>nd</sup> August, 2016 for the period 1<sup>st</sup> July 2016 to 30 June 2017 as required by law. There was 3 number of supplementary budgets passed in the year. A high-level assessment of the County Executives of Lamu's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

**19. Comparative figures**

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

**20. 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.

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**21. Errors**

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

**22. Related party transactions**

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

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**8. NOTES TO THE FINANCIAL STATEMENTS**

**1 TAX REVENUES**

	<b>2016 - 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
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)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**2 SOCIAL SECURITY CONTRIBUTIONS**

	<b>2016-2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Receipts for Health Insurance Contribution	-	-
Receipts to NHIF for Health Insurance Contributions	-	-
Receipts from Gov't Employees to Social & Welfare Schemes in Gov't	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**3 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS**

<b>Name of Donor</b>	<b>Date received</b>	<b>Amount in foreign currency</b>	<b>2016-2017</b>	<b>2015 - 2016</b>
			<b>Kshs</b>	<b>Kshs</b>
<b>Grants Received from Bilateral Donors (Foreign Governments)</b>				
Danida			3,820,000	7,640,000
World Bank (MOH)			14,528,378	7,132,526
Cultural/Tourism Donation (NGOs)			-	2,250,000
	-	-	-	-
<b>Grants Received from Multilateral Donors (International Organisations)</b>				
World Bank Universal Care Project				
(Insert name of donor)				
<b>Total</b>			<b>18,348,378</b>	<b>17,022,526</b>

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4 EXCHQUER RELEASES**

	2016-2017	2015 – 2016
	Kshs	Kshs
Total Exchequer Releases for quarter 1	376,381,486	164,150,700
Total Exchequer Releases for quarter 2	365,311,442	523,230,355
Total Exchequer Releases for quarter 3	752,762,972	512,970,937
Total Exchequer Releases for quarter 4	719,552,843	851,531,754
<b>Total</b>	<b>2,214,008,743</b>	<b>2,051,883,746</b>

**5 TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description	2016-2017	2015 – 2016
	Kshs	Kshs
Transfer from Central Government (Health Level 5)	100,000,000	100,000,000
Free maternity ( Ministry of health)	16,267,500	12,337,500
User foregone ( Ministry of health)	2,481,810	2,366,871
Fuel Levy ( Kenya Roads Board)	34,018,227	26,065,747
Ministry of health (KEPI)	7,424,807	22,184,219
Doctors Allowances	7,068,000	
Nurses Allowances	9,648,000	
Clinical Allowances	2,280,000	
Other Health Workers Allowances	9,675,000	
Facility Improvement	4,532,060	-
<b>TOTAL</b>	<b>193,395,404</b>	<b>162,954,337</b>

**6 PROCEEDS FROM DOMESTIC BORROWINGS**

	2016-2017	2015 – 2016
	Kshs	Kshs
Borrowing within General Government	-	-
Borrowing from Monetary Authorities (Central Bank)	-	-
Other Domestic Depository Corporations (Commercial Banks)	-	-
Borrowing from Other Domestic Financial Institutions	-	-
Borrowing from Other Domestic Creditors	-	-
Domestic Currency and Domestic Deposits	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**7 PROCEEDS FROM FOREIGN BORROWINGS**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Foreign Borrowing – Draw-downs Through Exchequer	-	-
Foreign Borrowing - Direct Payments	-	-
Foreign Currency and Foreign Deposits	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**8 PROCEEDS FROM SALE OF ASSETS**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
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	-	-
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**9 REIMBURSEMENTS AND REFUNDS**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Refund from World Food Programme (WFP)	-	-
Reimbursement of Audit Fees	-	-
Reimbursement on Messing Charges (UNICEF)	-	-
Reimbursement from World Bank – ECD	-	-
Returns to CRF Issues (Unspent Funds)	-	-
Reimbursement from Local Government Authorities	-	-
Reimbursement from Statutory Organisations	-	-
Refund from World Food Programme (WFP)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**COUNTY EXECUTIVE OF LAMU****Reports and Financial Statements****For the year ended June 30, 2017****NOTES TO THE FINANCIAL STATEMENTS (Continued)****10 RETURNS OF EQUITY HOLDINGS**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Returns of Equity Holdings in Domestic Organisations	-	-
Returns of Equity Holdings in International Organisations	-	-
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**11 OTHER REVENUES**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	6,231,330	-
Other Property Income	7,115,247	2,408,293
Slaughter House	563,200	-
Agricultural Cess	1,027,664	-
Parking Fees	933,790	-
Hospital revenue	-	-
Fisheries Revenues	579,140	-
Sales of Market Establishments	2,748,944	4,783,687
Receipts from Administrative Fees and Charges	2,650,566	6,138,420
Receipts from Administrative Fees and Charges - Collected as AIA	9,993,159	18,467,859
Advertisement	889,492	-
Business Permits	9,013,200	-
Other Miscellaneous Revenues	250,000	-
Tractor Service	11,963,190	10,997,572
Public Health Services	11,151,050	10,347,586
	<b>65,109,972</b>	<b>53,143,417</b>

**12 COMPENSATION OF EMPLOYEES**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Basic salaries of permanent employees	377,062,728	358,881,992
Basic wages of temporary employees	20,103,905	6,875,135
Personal allowances paid as part of salary	327,113,655	288,792,751
Personal allowances paid as reimbursements	465,000	290,206
Compulsory national social security schemes	-	-
<b>Total</b>	<b>734,459,598</b>	<b>666,170,943</b>

**COUNTY EXECUTIVE OF LAMU****Reports and Financial Statements****For the year ended June 30, 2017****NOTES TO THE FINANCIAL STATEMENTS (Continued)****13 USE OF GOODS AND SERVICES**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	70,831,786	13,796,042
Communication, supplies and services	11,990,738	13,568,261
Domestic travel and subsistence	128,634,191	83,705,719
Foreign travel and subsistence	7,576,850	13,975,650
Printing, advertising and information supplies & services	27,605,313	21,263,519
Rentals of produced assets	15,510,837	14,505,670
Training expenses	37,839,040	40,003,479
Hospitality supplies and services	29,771,349	34,744,699
Insurance costs	21,196,802	18,982,662
Specialised materials and services	90,770,720	62,945,596
Office and general supplies and services	145,494,484	15,790,244
Fuel Oil and Lubricants	45,292,250	30,562,391
Other operating expenses	31,143,248	32,081,020
Routine maintenance – vehicles and other transp't equipment	18,731,961	13,912,222
Routine maintenance – other assets	14,006,377	22,601,524
Payment Outside IFMIS	70,831,786	22,693,773
<b>Total</b>	<b>696,395,947</b>	<b>455,132,469</b>

**14 SUBSIDIES**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Subsidies to Public Corporations	-	-
See list attached	-	-
(insert name)		
Subsidies to Private Enterprises		
See list attached	-	-
(insert name)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**COUNTY EXECUTIVE OF LAMU****Reports and Financial Statements****For the year ended June 30, 2017****NOTES TO THE FINANCIAL STATEMENTS (Continued)****15 TRANSFER TO OTHER GOVERNMENT ENTITIES**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Current Grant to Government Agencies and Other Level of Government	-	9,158,188
Other Current Transfer and Grant	39,008,044	5,393,954
Other Capital Grant and Transfer	-	3,403,940
Transfer to County Assembly – Recurrent	326,000,000	344,524,663
Transfer to Ministry of Health (KEPI)	7,454,550	21,973,560
Transfer to County Assembly – Development	58,595,744	-
<b>Total</b>	<b>431,058,337.50</b>	<b>384,454,305.30</b>

**16 OTHER GRANTS AND OTHER PAYMENTS**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Scholarships and other educational benefits	60,664,000	50,000,000
Emergency relief and refugee assistance	55,590,430	47,945,154
County Emergency Fund.	6,000,000	-
<b>Total</b>	<b>122,254,430</b>	<b>97,945,154</b>

**17 SOCIAL SECURITY BENEFITS**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Government pension and retirement benefits	23,318,737	23,628,180
Social security benefits in cash and in kind	-	-
Employer Social Benefits in cash and in kind	-	-
<b>Total</b>	<b>23,318,737</b>	<b>23,628,180</b>



**COUNTY EXECUTIVE OF LAMU****Reports and Financial Statements****For the year ended June 30, 2017****NOTES TO THE FINANCIAL STATEMENTS (Continued)****18 ACQUISITION OF ASSETS**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Non Financial Assets</b>		
Purchase of Buildings	-	-
Construction of Buildings	598,514,560	276,180,348
Refurbishment of Buildings	38,020,292	32,490,484
Construction of Roads	9,490,937	17,815,587
Construction and Civil Works	101,076,490	120,176,292
Overhaul and Refurbishment of Cons't and Civil Works	53,976,375	69,759,371
Purchase of Vehicles and Other Transport Equipment	11,558,796	33,560,171
Purchase of Household Furniture and Institutional Equipment	2,204,645	2,580,545
Purchase of Office Furniture and General Equipment	25,167,291	125,267,702
Purchase of Specialised Plant, Equipment and Machinery	23,967,703	52,419,799
Rehabilitation and Renov't of Plant, Machinery and Equip.	6,700,150	56,848,440
Purchase of Certified Seeds, Breeding Stock and Live Animals	17,526,300	23,187,744
Research, Studies, Project Preparation, Design & Supervision	-	24,699,488
Rehabilitation of Civil Works	-	8,489,237
Acquisition of Strategic Stocks and commodities	-	-
Acquisition of Land	-	7,860,137
Other Domestic Accounts Receivable	17,098,616	-
Acquisition of Intangible Assets	-	-
Purchase of ICT Equipment	-	-
<b>Financial Assets</b>	-	-
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Foreign financial Institutions operating Abroad	-	-
Other Foreign Enterprises	-	-
	<b>905,302,154</b>	<b>851,335,344</b>

**19 FINANCE COSTS, INCLUDING LOAN INTEREST**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Payments on Guaranteed Debt Taken over by Govt	-	-
Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**COUNTY EXECUTIVE OF LAMU****Reports and Financial Statements****For the year ended June 30, 2017****NOTES TO THE FINANCIAL STATEMENTS (Continued)****20 REPAYMENT OF PRINCIPAL ON DOMESTIC LENDING AND ON-LENDING**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**21 OTHER EXPENSES**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Budget reserves	-	-
Civil Contingency Reserves	-	-
Capital Transfer to Non-Financial Public Enterprises	-	-
Capital Transfers to Public Financial Institution and Enterprises	-	-
Capital Transfers to Private Non,-Financial Enterprises	-	5,640,889
System Required Expenses	-	7,734,633
Other Expenses	-	-
Bank Charges	-	106,578
<b>Total</b>	<b>-</b>	<b>13,482,100</b>

**COUNTY EXECUTIVE OF LAMU**  
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**22A: Bank Accounts**

Name of Bank, Account No. & currency	Account Number	Indicate whether recurrent, Development, deposit, revenue, CRF e.t.c	2016-2017 Kshs	2015 - 2016 Kshs
CBK Lamu County Revenue Fund Account	1000171588	CRF		
CBK Lamu County Development Account	1000171057	Development	31,048,233	537,025,543
CBK Lamu County Recurrent Account	1000171146	Recurrent	82,917,082	-
CBK Lamu County Deposit Account	1000242857	Deposit	246,050	38,363,893
CBK Lamu County Special Purpose Account	1000268263	Special Purpose	30,568,059	35,752,993
CBK Lamu County Fuel Levy Account	1000247177	Fuel Levy	32,473	15,008,997
			31,788,582	19,679,639
DTB County Executive Gratuity Account	30469001	Gratuity Account		
DTB Lamu Fixed Deposit Account	043FDLC160300001	Fixed Deposit	50,821,468	13,067,123
DTB Lamu Fixed Deposit Account	043FDLC160920001	Fixed Deposit	7,295,945	4,400,000
DTB Lamu County Demand Side Financing Fund	30469001		-	32,000,000
DTB Lamu County Revenue Account	222660001	Revenue Account	338	338
DTB Lamu County Revenue Account	222660002	Revenue Account	639,909	967
DTB Lamu County Ministry of Health	295908001	Health	294,848	-
			364	384
EQUITY Lamu County Ministry of Health (KEPI)	1590262213216	Health		
EQUITY Lamu County Revenue Account	1590265264918	Revenue	180,916	210,659
EQUITY Lamu County Government Salary Account	1590265264437	Salary Control	-	79,910
			203,995	-
Gulf Bank Evaluation Monitoring Unit Account	520000301	EMU		
Gulf Bank Lamu County Revenue Account	500000301	Revenue Account	-	114
Gulf Bank Lamu County Salary Account	570000501	Salary Account	-	-
			254,835	-
KCB Lamu County Government Retention Account	1163420840	Retention		
KCB Transition Auth - Lamu County Revenue Account	1140750615	Revenue	-	249,775
KCB Standing Imprest Account	1140745603		-	20,650
KCB Lamu County Hospital Account	1201333008	Revenue	-	-
KCB Lamu County Salary Control Account	1179132424	Salary Control	-	-
			111	-
ABC Bank Lamu County Revenue Account	9217001000205	Revenue Account		
<b>TOTAL</b>			<b>236,293,207</b>	<b>695,860,985</b>

**COUNTY EXECUTIVE OF LAMU**  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**22B: CASH IN HAND**

	<b>2016 - 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Lamu Island	7,015	29,900
Main Island	147,574	23,400
County Treasury & Lamu Revenue Office	48,234	10,589
Other Islands eg Kiunga, Faza & Kizingitini	167,637	24,595
<b>Total</b>	<b>370,461</b>	<b>88,484</b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**23: ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS**

<i>Description</i>	<b>2016-2017 Kshs</b>	<b>2015 - 2016 Kshs</b>
Government Imprests	8,289,200	7,618,009
Clearance accounts		
<b>Total</b>	<b>8,289,200</b>	<b>7,618,009</b>

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

<b>Name of Officer or Institution</b>	<b>Date Imprest Taken</b>	<b>Amount Taken Kshs</b>	<b>Amount Surrendered Kshs</b>	<b>Balance Kshs</b>
<b>GRAND TOTAL</b>				

See Appendix

**COUNTY EXECUTIVE OF LAMU****Reports and Financial Statements****For the year ended June 30, 2017****NOTES TO THE FINANCIAL STATEMENTS (Continued)****24. ACCOUNTS PAYABLE**

		<b>2016 - 2017</b>	<b>2015 - 2016</b>
		<b>Kshs</b>	<b>Kshs</b>
CBK Lamu County Deposit Account		30,568,059	35,752,993
CBK Lamu County Development Account		-	40,018,251
KCB Lamu County Retention Account		-	249,775
KCB Lamu County Standing Imprest Account	1140745603	310,281	195,850
EQUITY Lamu County Revenue Account	1590265264918.00	330	-
Gulf Bank Lamu County Revenue Account	500000301	5	-
DTB Lamu Fixed Deposit Account		7,295,945	4,400,000
DTB Lamu Fixed Deposit Account		-	32,000,000
DTB Lamu County Gratuity Account		50,821,468	13,067,123
<b>TOTAL</b>		<b>88,996,088</b>	<b>125,683,992</b>

**25. FUND BALANCE BROUGHT FORWARD**

	<b>2016-2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	695,860,985	748,960,034
Cash in hand	88,484	1,747,688
Receivables - Outstanding Imprests	7,618,009	34,320,234
Payables - Deposits	(125,683,992)	-
<b>Total</b>	<b>577,883,487.25</b>	<b>785,027,955.87</b>

**COUNTY EXECUTIVE OF LAMU**  
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**26. OTHER IMPORTANT DISCLOSURES**

**26.1: PENDING STAFF PAYABLES (See Annex 1)**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Senior management	140,569	4,063,538
Middle management	618,635	1,400,415
Unionisable employees	-	6,665,370
Others ( <i>specify</i> )	-	-
<b>Total</b>	<b>759,205</b>	<b>12,129,323</b>

**26.2 PENDING ACCOUNTS PAYABLE (See Annex 2)**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Total Accounts Payable (See Appendix 2)	45,186,628	146,631,411
<b>Total</b>	<b>45,186,628</b>	<b>146,631,411</b>

**26.3: OTHER PENDING PAYABLES (See Annex 3)**

	<b>2016-2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Amounts due to National Government entities	28,446,686	-
Amounts due to County Government entities	-	-
Amounts due to third parties	-	-
Others ( <i>specify</i> )	-	-
<b>Total</b>	<b>28,446,686</b>	<b>-</b>

**COUNTY EXECUTIVE OF LAMU**  
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**ANNEX 1 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
		A	B	C	d=a-c		
<b>Senior Management</b>							
Somoe Sheile					11,200		
Erick Randu					129,369		
<b>Sub-Total</b>					<b>140,569</b>		
<b>Middle Management</b>							
Njuki Mwai					3,000		
Njuki Mwai					3,000		
Bidan Wainaina					50,100		
Mahmoud Hamid					10,000		
Stanley G. Muthuri					39,462		
Suhela Ali Abdalla					220,000		
Suhela Ali Abdalla					220,000		
Eustace Nyange					5,000		
Austine Gona					20,800		
Shakir Abdul					39,200		



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Shakir Abdul					8,074		
<b>Sub-Total</b>					<b>618,636</b>		
<b>Unionisable Employees</b>							
<b>Sub-Total</b>							
<b>Others (<i>specify</i>)</b>							
<b>Sub-Total</b>							
<b>Grand Total</b>					<b>759,205</b>		

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**ANNEX 2 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2015/16	Outstanding Balance 2015/15	Comments
	A	B	C	d=a-c		
<b>Construction of buildings</b>						
Foqra Const Supply				966,672		
Sky Line Constructions				204,344		
Witu Constr.				55,940		
Damunyu Gen Supply				741,272		
Marwaa Gen. Supply				5,766,242		
Makitosha Farm				600,000		
Saary Gen. Supply				536,000		
Saary Gen Supply				600,000		
Saary Gen Supply				288,000		
<b>Sub-Total</b>				<b>9,758,470</b>		
<b>Construction of civil works -- Retention</b>						
M/S Radhe Builders				368,906		
M/S Creekside Farm Ltd				387,884		
M/S Far Coast invst				94,253		
DR's A/C(County Gov't of Lamu)				437,772		
M/S Nyathi Agencies				260,913		
M/S Majdah Construction Compony ltd				158,692		

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M/S Habib Badawy Enterprises				280,473		
M/S Nyathi Agencies				329,690		
M/S Far Coast invst				145,599		
M/S Mokowe Logistic Supply				349,241		
M/S Lamahuran Investment Co. Ltd				55,332		
M/S Skyspring International Ltd				142,525		
M/S Centurion Engineers & Builders ltd				529,428		
M/S Centurion Engineers & Builders ltd				1,277,184		
M/S The Base Maint. & Construction				480,515		
M/S Centurion Engineers & Builders ltd				351,660		
M/S Centurion Engineers & Builders ltd				461,502		
M/S Centurion Engineers & Builders ltd				1,378,178		
M/S Abuzahi General				367,256		
M/S Mukhlis Enterprises				74,741		
M/S Malika invst				143,383		
M/S Kotile Traders Ltd				62,919		
M/S Ropisa Kenya Co ltd				258,072		
M/S Mpeketoni planners Enterprises				41,763		
M/S Superserve ltd				3,590		
M/S The Base Maint. & Construction				692,613		
M/S Bimsport Maintainance AGENCY				413,984		
M/S Alphaa Lab Supplies				82,924		
M/S AL-Fairouz Enterprises				98,565		
M/S Damunyu General Supplies				1,011,578		
M/S Far Coast invst				136,519		
M/S AL-Fairouz Enterprises				34,262		

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M/S Samokhafa Agencies				115,855		
M/S Far Coast invst				278,985		
M/S AL-Fairouz Enterprises				13,920		
M/S Banu Stambul				39,440		
M/S Lewsa Invsts ltd				36,047		
M/S AL-Fairouz Enterprises				105,675		
M/S Daken Builders and Renovators				83,264		
M/S Daken Builders and Renovators				90,480		
M/S Khulole construction company ltd				117,096		
M/S Ropisa Kenya Co ltd				105,861		
M/S Addy Holdings ltd				307,905		
M/S Lionate Ventures ltd				232,647		
M/S Banu Stambul				46,316		
M/S Plea International (K) Co. ltd				329,318		
M/S Taneem general supplies				197,316		
M/S Taneem general supplies				147,690		
M/S Addy Holdings ltd				86,034		
M/S Bimsport Maintenance Agency				383,885		
M/S Tupendane Group of company				104,449		
M/S Tosha at general construction ltd				37,004		
M/S Kiwandeo Construction				98,457		
M/S Superserve ltd				80,149		
M/S Samokhafa Agencies				101,593		
M/S Taneem general supplies				300,155		
M/S Bimsport Maintainance AGENCY				499,744		
M/S The Base Maint. & Construction				651,514		

**COUNTY EXECUTIVE OF LAMU**  
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M/S Habib Badawy Enterprises				238,365		
M/S Centurion Engineers & Builders Ltd				293,543		
M/S Madjah construction Co ltd				769,808		
M/S Bakenna General Supplies				125,309		
M/S Mpeketoni planners Enterprises				87,160		
M/S Kudzecha Invst ltd				98,565		
M/S Badhi construction				485,344		
M/S Muslih Telecommunications				924,599		
M/S Abuzahi General				153,187		
M/S Mtwangu General Suppliers				461,917		
M/S The Base Maint. & Construction				799,528		
M/S Prevelop consulting co ltd				212,676		
M/S Superserve ltd				249,820		
M/S Mpeketoni planners Enterprises				419,032		
M/S Witu contractors & Gen. supplier				212,762		
M/S Samokhafa Agencies				121,872		
M/S AL Nadhir General Supplier				49,283		
M/S Taneem general supplies				161,227		
M/S Centurion Engineers & Builders ltd				1,716,614		
M/S Bimsport Maintenance Agency				104,822		
M/S Banu Stambul				368,371		
M/S Marwaa General Suppliers ltd				704,681		
M/S Teckno construct				5,464,745		
<b>Sub-Total</b>				<b>29,725,945</b>		
<b>Supply of goods</b>						
Amantu Enterprises				1,549		

**COUNTY EXECUTIVE OF LAMU**  
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Bin Grafix Investment				179,399		
Central Fuel				479,000		
Central Fuel				47,250		
Central Fuels & Lubricants				142,500		
Davis & Shirtliff				93,941		
Howard Spartial				82,800		
Mani Books & Stationary				29,200		
Mani Books & Stationary				11,000		
Mani Books & Stationary				29,750		
Mani Books & Stationary				24,000		
Mani Books & Stationary				19,020		
Mwatua Mwadzoya				29,820		
Saary Gen. Supply				94,500		
Taneem Gen. Supply				6,000		
<b>Sub-Total</b>				<b>1,269,729</b>		
<b>Supply of services</b>						
Digital Divide Data				875,819		
Harmony Driving Sch.				948,275		
ICPAK				39,900		
ICPAK				112,000		
ICPAK				144,650		
Lamu Water Company				87,680		
Institute Of Internal Auditors				8,000		
Mahmood Bin Fadhil Girls				200,000		
Meat Training Institute				120,000		
Muslih Telecommunications				450,000		

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Nation Media				200,000		
Nation Media Group				284,482		
Omarkid Enterprises				541,682		
Safaricom Ltd				219,997		
Safaricom Ltd				90,000		
Safaricom Ltd				90,000		
Safaricom Ltd				19,999		
<b>Sub-Total</b>				<b>4,432,484</b>		
<b>Grand Total</b>				<b>45,186,628</b>		

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**ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES**

Name	Brief Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance	Comments
					2017	2016	
		a	B	C	d=a-c		
<b>Amounts due to National Govt Entities</b>							
Kenya Revenue Authority					4,176		
Kenya Revenue Authority					45,302		
Kenya Revenue Authority					78,274		
Kenya Revenue Authority					134,955		
Kenya Revenue Authority					394,826		
Kenya Revenue Authority					408,441		
Kenya Revenue Authority					155,253		
Kenya Revenue Authority					144,161		
Kenya Revenue Authority					480,536		
Kenya Revenue Authority					23,534		
Kenya Revenue Authority					80,204		
Kenya Revenue Authority					82,969		
Kenya Revenue Authority					53,360		
Kenya Revenue Authority					55,200		
Kenya Revenue Authority					33,145		
Kenya Revenue Authority					57,147		
Kenya Revenue Authority					4,140		
Kenya Revenue Authority					71,509		
Kenya Revenue Authority					87,957		
Kenya Revenue Authority					47,756		
Kenya Revenue Authority					21,243		
Kenya Revenue Authority					36,625		



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Kenya Revenue Authority					2,400		
Kenya Revenue Authority					1,176		
Kenya Revenue Authority					45,829		
Kenya Revenue Authority					828		
Kenya Revenue Authority					11,959		
Kenya Revenue Authority					35,309		
Kenya Revenue Authority					74,163		
Kenya Revenue Authority					14,992		
Kenya Revenue Authority					26,148		
Kenya Revenue Authority					45,082		
Kenya Revenue Authority					75,000		
Kenya Revenue Authority					80,040		
Kenya Revenue Authority					80,204		
Kenya Revenue Authority					82,969		
Kenya Revenue Authority					1,655		
Kenya Revenue Authority					190,538		
Kenya Revenue Authority					37,593		
Kenya Revenue Authority					22,422		
Kenya Revenue Authority					6,621		
Kenya Revenue Authority					4,966		
Kenya Revenue Authority					25,319		
Kenya Revenue Authority					7,138		
Kenya Revenue Authority					21,000		
Kenya Revenue Authority					3,300		
Kenya Revenue Authority					103,350		
Kenya Revenue Authority					103,350		
Kenya Revenue Authority					24,829		
Kenya Revenue Authority					104,063		
Kenya Revenue Authority					45,956		
Kenya Revenue Authority					35,328		

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Kenya Revenue Authority					27,036		
Kenya Revenue Authority					100,863		
Kenya Revenue Authority					39,686		
Kenya Revenue Authority					95,241		
Kenya Revenue Authority					164,208		
Kenya Revenue Authority					4,966		
Kenya Revenue Authority					10,858		
Kenya Revenue Authority					28,656		
Kenya Revenue Authority					6,983		
Kenya Revenue Authority					17,706		
Kenya Revenue Authority					67,335		
Kenya Revenue Authority					116,095		
Kenya Revenue Authority					102,906		
Kenya Revenue Authority					214,129		
Kenya Revenue Authority					18,052		
Kenya Revenue Authority					103,868		
Kenya Revenue Authority					60,244		
Kenya Revenue Authority					18,621		
Kenya Revenue Authority					5,173		
Kenya Revenue Authority					18,899		
Kenya Revenue Authority					32,587		
Kenya Revenue Authority					33,900		
Kenya Revenue Authority					3,875		
Kenya Revenue Authority					15,776		
Kenya Revenue Authority					8,728		
Kenya Revenue Authority					4,175		
Kenya Revenue Authority					1,862		
Kenya Revenue Authority					73,263		
Kenya Revenue Authority					126,315		
Kenya Revenue Authority					38,847		

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Kenya Revenue Authority					66,978		
Kenya Revenue Authority					6,300		
Kenya Revenue Authority					7,068		
Kenya Revenue Authority					20,742		
Kenya Revenue Authority					14,785		
Kenya Revenue Authority					25,491		
Kenya Revenue Authority					9,104		
Kenya Revenue Authority					21,515		
Kenya Revenue Authority					27,673		
Kenya Revenue Authority					5,793		
Kenya Revenue Authority					31,520		
Kenya Revenue Authority					11,586		
Kenya Revenue Authority					103,448		
Kenya Revenue Authority					100,000		
Kenya Revenue Authority					133,400		
Kenya Revenue Authority					138,000		
Kenya Revenue Authority					40,000		
Kenya Revenue Authority					41,379		
Kenya Revenue Authority					31,446		
Kenya Revenue Authority					54,219		
Kenya Revenue Authority					83,393		
Kenya Revenue Authority					48,368		
Kenya Revenue Authority					166,042		
Kenya Revenue Authority					277,379		
Kenya Revenue Authority					478,241		
Kenya Revenue Authority					101,641		
Kenya Revenue Authority					36,673		
Kenya Revenue Authority					63,228		
Kenya Revenue Authority					4,363		
Kenya Revenue Authority					23,174		

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Kenya Revenue Authority					6,635		
Kenya Revenue Authority					12,683		
Kenya Revenue Authority					318,200		
Kenya Revenue Authority					329,175		
Kenya Revenue Authority					72,582		
Kenya Revenue Authority					125,141		
Kenya Revenue Authority					106,242		
Kenya Revenue Authority					61,619		
Kenya Revenue Authority					428,904		
Kenya Revenue Authority					443,694		
Kenya Revenue Authority					155,079		
Kenya Revenue Authority					89,947		
Kenya Revenue Authority					129,791		
Kenya Revenue Authority					223,776		
Kenya Revenue Authority					178,105		
Kenya Revenue Authority					356,212		
Kenya Revenue Authority					102,300		
Kenya Revenue Authority					16,185		
Kenya Revenue Authority					32,370		
Kenya Revenue Authority					101,579		
Kenya Revenue Authority					203,159		
Kenya Revenue Authority					6,000		
Kenya Revenue Authority					155,173		
Kenya Revenue Authority					65,281		
Kenya Revenue Authority					112,553		
Kenya Revenue Authority					1,824		
Kenya Revenue Authority					18,104		
Kenya Revenue Authority					53,018		
Kenya Revenue Authority					60,015		
Kenya Revenue Authority					103,477		

**COUNTY EXECUTIVE OF LAMU**  
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Kenya Revenue Authority					333,417		
Kenya Revenue Authority					58,102		
Kenya Revenue Authority					100,174		
Kenya Revenue Authority					96,206		
Kenya Revenue Authority					55,801		
Kenya Revenue Authority					74,946		
Kenya Revenue Authority					129,217		
Kenya Revenue Authority					30,561		
Kenya Revenue Authority					71,099		
Kenya Revenue Authority					145,603		
Kenya Revenue Authority					5,416		
Kenya Revenue Authority					138,577		
Kenya Revenue Authority					461,917		
Kenya Revenue Authority					125,709		
Kenya Revenue Authority					216,742		
Kenya Revenue Authority					77,587		
Kenya Revenue Authority					6,240		
Kenya Revenue Authority					66,879		
Kenya Revenue Authority					21,918		
Kenya Revenue Authority					14,270		
Kenya Revenue Authority					33,001		
Kenya Revenue Authority					56,898		
Kenya Revenue Authority					27,353		
Kenya Revenue Authority					47,162		
Kenya Revenue Authority					55,025		
Kenya Revenue Authority					110,049		
Kenya Revenue Authority					88,484		
Kenya Revenue Authority					152,558		
Kenya Revenue Authority					51,374		
Kenya Revenue Authority					88,573		

**COUNTY EXECUTIVE OF LAMU**  
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Kenya Revenue Authority					40,863		
Kenya Revenue Authority					10,692		
Kenya Revenue Authority					36,890		
Kenya Revenue Authority					63,603		
Kenya Revenue Authority					93,645		
Kenya Revenue Authority					161,454		
Kenya Revenue Authority					84,921		
Kenya Revenue Authority					146,413		
Kenya Revenue Authority					81,125		
Kenya Revenue Authority					139,873		
Kenya Revenue Authority					19,569		
Kenya Revenue Authority					33,743		
Kenya Revenue Authority					44,625		
Kenya Revenue Authority					10,092		
Kenya Revenue Authority					17,400		
Kenya Revenue Authority					69,892		
Kenya Revenue Authority					120,504		
Kenya Revenue Authority					8,276		
Kenya Revenue Authority					8,297		
Kenya Revenue Authority					29,794		
Kenya Revenue Authority					15,002		
Kenya Revenue Authority					45,858		
Kenya Revenue Authority					11,595		
Kenya Revenue Authority					57,832		
Kenya Revenue Authority					99,709		
Kenya Revenue Authority					37,863		
Kenya Revenue Authority					67,047		
Kenya Revenue Authority					67,658		
Kenya Revenue Authority					116,653		
Kenya Revenue Authority					37,499		



**COUNTY EXECUTIVE OF LAMU**  
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Kenya Revenue Authority							
Kenya Revenue Authority					44,366		
Kenya Revenue Authority					85,280		
Kenya Revenue Authority					147,036		
Kenya Revenue Authority					12,763		
Kenya Revenue Authority					5,124		
Kenya Revenue Authority					137,765		
Kenya Revenue Authority					237,528		
Kenya Revenue Authority					8,272		
Kenya Revenue Authority					14,263		
Kenya Revenue Authority					60,317		
Kenya Revenue Authority					120,631		
Kenya Revenue Authority					7,491		
Kenya Revenue Authority					12,918		
Kenya Revenue Authority					6,577		
Kenya Revenue Authority					11,341		
Kenya Revenue Authority					5,336		
Kenya Revenue Authority					2,760		
Kenya Revenue Authority					27,000		
Kenya Revenue Authority					15,660		
Kenya Revenue Authority					26,317		
Kenya Revenue Authority					272,761		
Kenya Revenue Authority					470,280		
Kenya Revenue Authority					23,198		
Kenya Revenue Authority					39,999		
Kenya Revenue Authority					19,231		
Kenya Revenue Authority					51,725		
Kenya Revenue Authority					5,431		
Kenya Revenue Authority					70,055		
Kenya Revenue Authority					138,029		
Kenya Revenue Authority					34,436		

**COUNTY EXECUTIVE OF LAMU**  
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Kenya Revenue Authority					9,569		
Kenya Revenue Authority					18,039		
Kenya Revenue Authority					31,105		
Kenya Revenue Authority					52,728		
Kenya Revenue Authority					42,414		
Kenya Revenue Authority					105,139		
Kenya Revenue Authority					211,404		
Kenya Revenue Authority					364,492		
Kenya Revenue Authority					7,068		
Kenya Revenue Authority					15,518		
Kenya Revenue Authority					154,603		
Kenya Revenue Authority					149,451		
Kenya Revenue Authority					28,189		
Kenya Revenue Authority					42,161		
Kenya Revenue Authority					48,750		
Kenya Revenue Authority					50,431		
Kenya Revenue Authority					313,983		
Kenya Revenue Authority					541,348		
Kenya Revenue Authority					279,494		
Kenya Revenue Authority					481,883		
Kenya Revenue Authority					195,455		
Kenya Revenue Authority					651,514		
Kenya Revenue Authority					278,400		
Kenya Revenue Authority					288,000		
Kenya Revenue Authority					230,943		
Kenya Revenue Authority					202,035		
Kenya Revenue Authority					239,859		
Kenya Revenue Authority					300,000		
Kenya Revenue Authority					310,345		
Kenya Revenue Authority					134,955		



**COUNTY EXECUTIVE OF LAMU**  
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Kenya Revenue Authority					394,826		
Kenya Revenue Authority					408,441		
Kenya Revenue Authority					448,500		
Kenya Revenue Authority					463,993		
Kenya Power & Lighting Co.					160,000		
Kenya Power & Lighting Co.					310,000		
Kenya Power & Lighting Co.					355,255		
Kenya Power & Lighting Co.					3,942		
Kenya Power & Lighting Co.					5,274		
Kenya Power & Lighting Co.					25,000		
Government Printers					26,947		
Kenya Primary School Head teachers Ass					402,016		
Ministry Of Transport					25,984		
NHIF					12,600		
NSSF					7,600		
Telkom Kenya					858,000		
<b>Sub-Total</b>					<b>28,137,654</b>		
<b>Amounts due to County Govt Entities</b>							
Lake Kenyatta Water Association					22,978		
Lake Kenyatta Water Association					6,790		
Lake Kenyatta Water Association					71,828		
Lake Kenyatta Water Association					141,187		
Lamu Water & Sewerage Company					20,000		
Lamu Water & Sewerage Company					46,250		
<b>Sub-Total</b>					<b>309,033</b>		
<b>Grand Total</b>					<b>28,446,686</b>		

**COUNTY EXECUTIVE OF LAMU****Reports and Financial Statements****For the year ended June 30, 2017****ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost (Kshs)	Historical Cost (Kshs)
	2016-2017	2015 – 2016
Purchase of Buildings	-	276,180,348
Construction of Buildings	598,514,560	32,490,484
Refurbishment of Buildings	38,020,292	17,815,587
Construction of Roads	9,490,937	120,176,292
Construction and Civil Works	101,076,490	69,759,371
Overhaul and Refurbishment of Construction and Civil Works	53,976,375	33,560,171
Purchase of Vehicles and Other Transport Equipment	11,558,796	-
Purchase of Household Furniture and Institutional Equipment	2,204,645	2,580,545
Purchase of Office Furniture and General Equipment	25,167,291	125,267,702
Purchase of Specialised Plant, Equipment and Machinery	23,967,703	52,419,799
Rehabilitation and Renovation of Plant, Machinery and Equip.	6,700,150	56,848,440
Purchase of Certified Seeds, Breeding Stock and Live Animals	17,526,300	23,187,744
Research, Studies, Project Preparation, Design & Supervision	-	24,699,488
Rehabilitation of Civil Works	-	8,489,237
Acquisition of Strategic Stocks and commodities	-	-
Acquisition of Land	-	7,860,137
Other Domestic Accounts Receivable	17,098,616	-
	905,302,154	851,335,344

**COUNTY EXECUTIVE OF LAMU**  
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**9. APPENDICES TO THE FINANCIAL STATEMENTS**

**APPENDIX 5: BOARD OF SURVEY REPORT ON CASH IN HAND**

<b>S/No</b>	<b>LOCATION</b>	<b>AMOUNT</b>
	<b>OTHER ISLANDS</b>	
1	Faza Revenue Office	123,005
2	Kiunga Revenue Office	15,000
3	Faza Hospital	29,632
		<b>167,637</b>
	<b>LAMU ISLAND</b>	
1	Slaughter House	2,015
2	Livestock & Fisheries	5,000
		<b>7,015</b>
	<b>MAIN LAND</b>	
1	Witu Revenue Office	61,509
2	Mokowe Revenue Office	55,630
3	Mpeketoni Revenue Office	30,435
		<b>147,574</b>
	<b>TREASURY/REVENUE</b>	
1	County Revue Office	4,380
2	County Treasury – Cashier	43,855
		<b>48,235</b>
	<b>TOTAL</b>	<b>370,461</b>

**COUNTY EXECUTIVE OF LAMU**  
**Reports and Financial Statements**  
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**APPEX 6 - ANALYSIS OF OUTSTANDING IMPREST**

<b>Name of Officer or Institution</b>	<b>Date Imprest Taken</b>	<b>Amount Taken</b>	<b>Amount Surrendered</b>	<b>Balance</b>
<b>Agriculture &amp; Planning</b>		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<b>AGRICULTURE</b>				
Jeniffer Waithera	19-Jan-16	62,100	-	62,100
Shakir Abdul	15-Oct-16	26,000	-	26,000
Peter Munene	30-Nov-16	22,150	-	22,150
Thomas Muhambi Mwalimu	4-May-17	57,400	-	57,400
Stephen Kiarie Kimani	19-Jun-17	29,000	-	29,000
Amos Okoth Okello	30-Jun-17	1,300	-	1,300
				<b>197,950</b>
<b>COUNTY EXECUTIVE</b>				
Hussein Abdi roba	17-Nov-16	62,800	-	62,800
Mohamed Mbwana	20-Nov-16	15,000	-	15,000
Mohamed Hashim	30-Dec-16	201,200	-	201,200
Ahmed Mwenyeali	13-Apr-17	100,000	-	100,000
Shakir Abdul	24-Apr-17	30,000	-	30,000
AbdulQadir	6-May-17	451,000	-	451,000
Abdulrazak Abdulrahman	11-May-17	55,200	-	55,200
Khalifa Bwanzama	18-May-17	250,000	-	250,000
Majim Mohamed	20-May-17	105,000	-	105,000
Fahima Arafat	10-Jun-17	78,400	-	78,400
Noah Kafaana	16-Jun-17	10,000	-	10,000
Linda Apiyo	30-Jun-17	50,000	-	50,000
				<b>1,408,600</b>
<b>EDUCATION</b>				
Omar Mbarak Abdul-Munim	28-Feb-17	875,350		875,350
Kaviha Ishmael Khamis	30-Mar-17	276,200		276,200
Faiz Fankupi Abushiri	6-May-17	435,400		435,400
Fahad Ghalib	28-May-17	553,000		553,000
Hafswa Abdalla Difini	20-Jun-17	908,500		908,500
Fidelis Kaangi Mulei	30-Jun-17	261,000		261,000

**COUNTY EXECUTIVE OF LAMU**  
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				<b>3,309,450.00</b>
<b>FINANCE</b>				
Jonah Zealot Majiba	15-Mar-16	183,350		183,350
Beatrice Wambui Mbochi	20-Apr-16	142,300		142,300
Zablon Manoah Sanawa	30-Apr-16	153,200		153,200
Umi Baishe Yusuf	10-May-16	30,000		30,000
Abdalla Athman Sheelali	17-Sep-16	401,000		401,000
Shakir Abdul Mohamed	31-Dec-16	389,150		389,150
Abubakar Mohamed Hussein	14-Feb-17	106,400		106,400
Husna Abdalla Ahmed	28-Feb-17	23,900		23,900
Austine Gona Mwashangi	5-May-17	37,250		37,250
Marium Abdalla Bunu	27-Jun-17	175,000		175,000
				<b>1,641,550</b>
<b>HEALTH</b>				
Masuo Mahadhi Masuo	3-May-17	54,450		54,450
				<b>54,450</b>
<b>ICT</b>				
Mohamed Mohamed Swaleh	30-Aug-16	30,000		30,000
				<b>30,000</b>
<b>LANDS</b>				
Mohamed Omar Bausi	31-Mar-17	195,000		195,000
Erick Kombe Randu	23-Jun-17	403,500		403,500
Swabra Mwanamkuu Mohamed	31-Jan-17	385,000		385,000
Florence Wairimu	20-Jan-17	369,70.00		369,700
				<b>1,353,200</b>
<b>PSB</b>				
Naima Ahmed	17-Sep-16	14,250		14,250
Abdalla A Ahmed	29-May-17	3,100		3,100
				<b>17,350</b>
<b>TRADE</b>				
Ali Ahmed Mohamed	19-Aug-16	50,000		50,000
Athuman Swaleh Kilele	19-Jan-17	122,500		122,500
Kaviha Ishmael Khamis	20-Jun-17	4,150		4,150
Micah Nganga Githuk	30-Jun-17	100,000		100,000
				<b>276,650</b>
<b>GRAND TOTAL</b>				<b>8,289,200</b>