

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF  
COUNTY EXECUTIVE OF NANDI**

**FOR THE YEAR  
ENDED 30 JUNE 2017**

REPUBLIC OF KENYA



THE COUNTY GOVERNMENT OF NANDI

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OFFICE OF THE CEC -FINANCE  
ECONOMIC PLANNING  
P.O BOX 802-30300  
KAPSABET

Re:CG/NDI/FIN/344/VOL/1.2

27<sup>th</sup> September 2017

THE AUDITOR GENERAL,  
KENYA NATIONAL AUDIT OFFICE,  
P.O BOX 30084-00100,  
NAIROBI.



Dear Sir,

**RE: SUBMISSION OF THE F/Y 2016/2017 REPORTS AND FINANCIAL**

Enclosed, please find the copy of the nandi condi government F/Y 2016/2017 reports and financial statement for your perusal and action.

Yours Faithfully

Julius K Koech

Ag. CHIEF OFFICER,  
FINANCE AND ECONOMIC PLANNING.

CC- COMMISSION ON REVENUE ALLOCATION,  
NAIROBI.

THE ACCOUNTANT GENERAL,  
NATIONAL TREASURY.  
CONTROLLER OF BUDGET,  
NANDI COUNTY.



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**NANDI COUNTY GOVERNMENT**

**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)**

**NANDI COUNTY GOVERNMENT**  
**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 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 Nandi County Government day-to-day management is under the following key organs:

- The Governor.....H E Dr.Cleophas Lagat
- The Deputy Governor.....Hon.Dominic Biwott
- CECM- Finance and Economics.....Hon. Charles Muge
- CECM-Roads Transport and Public works..... Hon. Josiah Korir
- CECM-Health and Sanitation.....Hon. Mathew Rotich
- CECM-Agriculture, Livestock and Fisheries.....Hon. Mary Ngelechei
- CECM-Education Research and Vocational Training.....Hon. Rosemary Korir
- CECM-Lands, Environment and Natural Resources.....Hon. Dr. John Chumo
- CECM-Trade and Industrial Development.....Hon.Style Kessio
- CECM-Tourism, Culture and Co-operative Development....Hon.Paul Rop
- CECM-Devolved Units and Special Programmes.....Hon.Consolata Kuto
- CECM-Youth, Gender and Social Services.....Hon. Patrick Sang
- Clerk to The County Assembly.....Mr.Barnabas GK Kosgey

**(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.	Chief Officer Finance	<b>Henry Martim Koech</b>
2.	Principal Finance Office	<b>Emmanuel Sikuku Wanjala</b>
3.	Head of Treasury	<b>Joyce Rotich</b>
4.		-

**(d) Fiduciary Oversight Arrangements**

The county is audited by the Kenya National Audit Office at the close of every Financial Year as per the constitution.

The county is also expected to appear before the Public Accounts Committee senate Committee.

During the Financial Year under focus there were also Auditors from DANIDA and R.M.L.F who audited the DANIDA Funds and Road Maintenance Levy Fund respectively.

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**(e) Nandi County Government**

P.O. Box 802,  
Kapsabet.

Telephone: (254) 053-5252355

E-mail: [info@nandi.go.ke](mailto:info@nandi.go.ke)

Website: [www.nandi.go.ke](http://www.nandi.go.ke)

**(f) Nandi County Government Bankers**

Central Bank of Kenya,  
Eldoret Branch,  
P.o Box 2710-30100  
Eldoret Kenya

Co-operative Bank Of Kenya  
P.O Box 896-30300  
Kapsabet, Kenya.

Equity Bank Ltd  
P.o Box 272-30300  
Kapsabet,Kenya.

**(g) Independent Auditors**

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

**(h) Principal Legal Adviser**

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

**NANDI COUNTY GOVERNMENT**  
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**COMMENTARY BY THE COUNTY EXECUTIVE MEMBER OF FINANC, ECONOMIC PLANNING AND INFORMATION COMMUNICATION TECHNOLOGY.**

It is my pleasure to present the County Government of Nandi financial reports and statements for the year ended 30<sup>th</sup> June 2017. The financial statements present the financial performance of the county government over the past year.

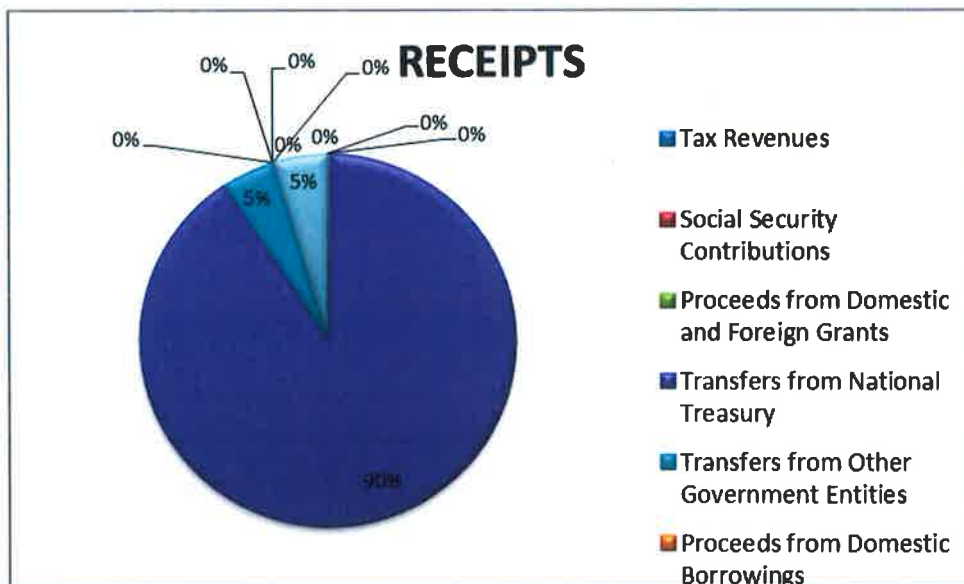
The promulgation of the constitution of Kenya, 2010 under chapter 11 ushered Kenya in a new system of governance, replacing the centralised system with the devolved system of governance

**a) REVENUE**

The total receipts was Kshs 5,123,799,027 against an expenditure of Kshs 4,845,798,545 thus leaving a surplus of Kshs 278,000,482. The county's own revenue sources shot up to Kshs 244,729,757 from 194,462,307 recorded from previous Financial Year. However this is still not potentially exhaustive. This increase can be attributed to the introduction of automation of the revenue collection system .Other transfers from government entities comprises of DANIDA Funds ,Road Maintenance Levy Fund ,Free Maternity and Free User Fee to the tune of 232,591,330.

A graphical representation of the revenue is as shown bellow

Figure 1Nandi County Government revenue sources in FY 2016/2017.



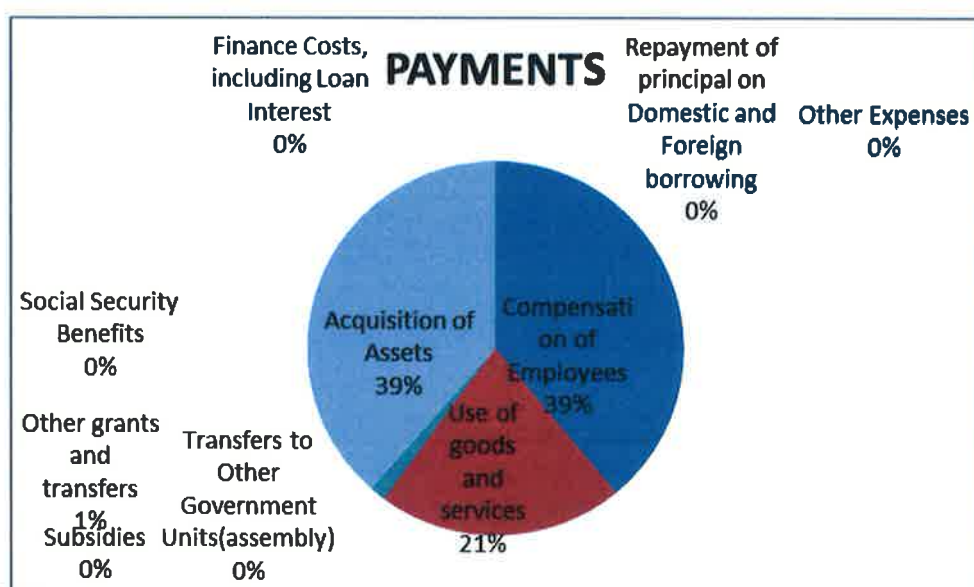
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**b) EXPENDITURES**

The total expenditure for the County Government of Nandi was Kshs 4,845,798,545.

Compensation of employees remain the greatest consumer of the recurrent funds. Amount spent on salaries was Kshs 1,889,451,174 which is 64 percent of the recurrent funds. Use of goods and services was Kshs 1,020,637,542 .Bursary grants was Kshs 60,012,300.

**Figure 2 Nandi County Government revenue sources in FY 2016/2017.**



Acquisition of Assets was Kshs 1,866,542,529 against a budget of Kshs 2,526,109,045 which is 74 percent utilization.

**c) CASH FLOWS**

In the Financial Year 2016/2017 the County Government did not experience any form form of Liquidity disruptions. The County put in place proper measures to mitigate cash flows disruption. There were also timely disbursements of funds by the National treasury. The cash and cash equivalent increased from Kshs 507,131,447 to 785,131,929 as at 30<sup>th</sup> June 2017

**PENDING BILLS**

The bills slightly increased from Kshs 487,529,124 to 664,609,044 this was partly attributed to challenges attributed to IFMIS which had poor internet connectivity which the system majorly rely on this has in some instances delayed payments, however the county is focused on settling the bills through an establishment of pending bills committee to handle the same. It is regrettable that

**NANDI COUNTY GOVERNMENT**  
**Reports and Financial Statements**  
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the Financial Statement could not be done through the IFMIS due to the fact that the revenue AR is not fully operational, we are making every effort to sort this out so that subsequently we can do it from IFMIS.

**FIXED ASSETS**

The County Government has made significant investments in Fixed Assets since coming into office in 2013. Additionally, the County inherited some assets from defunct Nandi County Council, Municipal Council of Kapsabet and Nandi Hills Town Council. We are in the process of developing a comprehensive asset management policy which we hope to finalize in the financial year 2017/2018. The process of incorporating physical verification of all assets, valuation of assets, tagging of assets, validation of assets and maintenance of asset register is currently underway and near completion.

**CONCLUSION**

Financial Year 2016/2017 was a good year in general. Good progress was made and the drive has been created to enable Nandi County Government to continue on path into prosperity. We have identified gaps and areas to improve on in the subsequent years.

I take this opportunity to thank His Excellency The Governor and his Deputy for their support. The County Assembly of Nandi deserves special mention here for their deliberation and adoption of the County Budget. I salute the Members of the Assembly's Budget and Appropriations Committee Members for their input in the budget.

I would also want to thank my colleagues, the County Executive Committee Members in charge of other departments, the Chief Officers who have worked hand in hand to ensure that the County achieve its mission and vision.

I thank all the staff who participated in the preparation of this report and financial statements, and the entire County for their continued commitment and dedications through hard work in delivering services to the people of Nandi County.

**Sign**



**Charles Kimeli Muge**

**County Executive Committee Member Finance, Economic Planning and Information  
Communication Technology.  
Nandi County Government**

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**For the year ended June 30, 2017**

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**II. STATEMENT OF MANAGEMENT RESPONSIBILITIES**

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

The County Executive Committee (CEC) member for finance of the County Government is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the financial year ended on June 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 Government; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the County Government; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

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

**Approval of the financial statements**

The County Government's financial statements were approved and signed by the CEC member for finance on 29/9/ 2017.



Charles Kimeli Muge  
County Executive Committee member – Finance

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**For the year ended June 30, 2017**

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**III. REPORT OF THE INDEPENDENT AUDITORS ON THE NANDI COUNTY GOVERNMENT**

We have audited the accompanying financial statements of Nandi County Government for the year ended June 30, 2017, which comprise: (i) a statement of receipts and payments; (ii) a statement of financial assets and liabilities; (iii) a statement of comparative budget and actual amounts; (iv) a statement of pending bills as at June 30, 2017; and (v) a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the financial statements**

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

**Auditors' responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the *entity's* preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the entity as at June 30, 2017, and its receipts and payments, as well as cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

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(i) Auditor General

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Date



## **OFFICE OF THE AUDITOR-GENERAL**

### **REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF NANDI 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 the County Executive of Nandi set out on pages 1 to 20, which comprise the statement of assets as at 30 June 2017, the statements of receipts and payments, statement of cash flows, statement of comparison of budget and actual amounts for the year then ended and 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 evidence to confirm that public money has been applied lawfully and in an effective way.

##### **Basis for Disclaimer of Opinion**

###### **1.0 Presentation of Financial Statements**

The financial statements of the County Executive of Nandi for 2016/2017 submitted for audit revealed the following anomalies:

- (i) Note numbers 3,4,9,11,12,15 and 17 assigned on the face of the financial statements do not agree with those appearing in the notes to the financial statements.
- (ii) The financial statements availed for audit review did not contain significant accounting policies in line with the format issued by the Public Sector Accounting Standards Board (PSASB) as required by section 194(1)(d) of the Public Finance Management Act, 2015.
- (iii) Budget execution by programs and sub programs were not included in the notes to the financial statements in line with the format issued by the Public Sector

Accounting Standards Board (PSASB) as required by section 194(1)(d) of the Public Finance Management Act, 2015.

- (iv) Progress on follow up of the Auditor's recommendations were not included in the financial statements contrary to the requirement of Public Sector Accounting Standards Board (PSASB)
- (v) Note 12A to the Financial Statement did not indicate the name of the commercial bank where bank accounts are maintained.

Note 12A includes Nandi County Education Fund Account No 490268594510 at Equity Bank and Nandi County Mortgage Account No 1245328786600 at Cooperative Bank which should be reflected in the financial statements of the respective funds as required by section 116 of the PFM Act, 2015. In the circumstances, the financial statements availed for audit review did not comply with the requirements of the IPSAS reporting framework issued by the Public Sector Accounting Standards Board.

## 2.0 Inaccuracies in the Financial Statements

### 2.1 Variances between Financial Statements balances and Supporting Schedules

The Financial Statements for the year ended 30 June 2017 reflects balances of Kshs.3,435,994,359 which are at variance with the supporting schedules figure of Kshs.3,309,674,240 resulting to a difference of Kshs.126,320,119 as detailed below:

	Financial Statements figure	supporting schedules figures	Variance
Item	Kshs	Kshs	Kshs
Compensation of employees	1,889,451,174	1,731,770,258	157,680,916
Purchase of ICT Equipment	13,452,485	16,149,895	(2,697,410)
Purchase of Specialized Plant, Equipment and Machinery	114,826,686	132,251,896	(17,425,210)
Medical and Hospital supplies	1,441,184	4,462,184	(3,021,000)
Purchase of Certified Seeds, Breeding Stock and Live Animals	23,009,810	23,260,000	(250,190)
Water Works(Projects)	427,548,300	427,279,290	269,010
Acquisition of Strategic Stocks and Commodities	27,066,504	18,370,000	8,696,504
Construction of roads	674,453,069	696,601,427	(22,148,358)
Construction of roads (RMLF)	57,673,700	58,896,836	(1,223,136)
Overhaul and refurbishment of construction and civil works	186,737,295	191,973,319	(5,236,024)

	Financial Statements figure	supporting schedules figures	Variance
Item	Kshs	Kshs	Kshs
Legal Services	2,278,334	2,037,075	241,259
Transfer from other government agencies	18,055,818	6,622,060	11,433,758
<b>Total</b>	<b>3,435,994,359</b>	<b>3,309,674,240</b>	<b>126,320,119</b>

Consequently, the accuracy and completeness of the expenses amounting to Kshs.3,435,994,359 included in these financial statements for the year ended 30 June 2017 could not be confirmed.

## 2.2 Summary Statement of Appropriation

The summary statement of appropriation: recurrent and development combined reflects total final receipts budget figure of Kshs.5,842,719,186 against total payments final budget of Kshs.6,903,322,687 resulting to unexplained or unexplained variance of Kshs.1,060,603,501. Further, the summary statement of appropriation: recurrent and development combined total receipts final budget figure of Kshs.5,842,719,186 is at variance with the approved budget figure of Kshs.6,184,133,839 indicated in the Appropriation Act, 2016 comprising of recurrent budget of Kshs.3,776,924,794 development budget figure of Kshs.2,407,209,045 also resulting in unexplained variance of Kshs.719,188,748.

Consequently, the accuracy and completeness of the summary statement of appropriation for the year ended 30 June 2017 could not be confirmed

## 3.0 Receipts from Kiborgok Tea Farm

Included in the county own generated receipts of Kshs.244,729,757 reflected in note 4 to the financial statements were receipts totaling to Kshs.13,837,953 collected from Kiborgok Tea Farm. However, management did not maintain separate accounts for the farm and relies on records of the estate agent.

Further, records of tea growing activities including labour use, yield harvesting, fertilizer application, pruning, pests and disease control, were not kept contrary with section 11(iv) of the management and supply of Greenleaf agreement.

In addition, ownership documents for the farm were not provided for audit review. Consequently, the accuracy and completeness of the receipts of Kshs.13,837,953 collected from Kiborgok Tea Farm could be confirmed.

## 4.0 Compensation of Employees

Included in the compensation of employees expenditure figure of Kshs.1,889,451,174 is an amount of Kshs.23,002,240 incurred for service gratuity for the County Executive employees. However, documents in support of an amount of Kshs.21,439,890 out of the total expenditure of Kshs.23,002,240 were not availed for audit review. Consequently, the

accuracy and propriety of compensation of employees expenditure figure of Kshs.21,439,890 for the year ended 30 June 2017 could not be confirmed.

## **5.0 Use of Goods and Services**

### **5.1 Domestic Travel and Subsistence**

Included in the use of goods and services figure of Kshs.1,020,637,542 reflected in the statement of receipts and payments is an amount of Kshs.323,390,175 in respect of domestic travel and subsistence out of which expenditure amounting to Kshs.43,086,827 was not supported by relevant documents such motor vehicle work tickets, boarding passes, check ins, imprest warrants, attendance registers, reports and invoices.

Under the circumstances, the validity and propriety of the expenditure of Kshs.43,086,827 expended on domestic travel and subsistence for the year ended 30 June 2017 could not be confirmed.

### **5.2 Fuel, Oil and Lubricants**

Included in the use of goods and services expenditure of Kshs.1,020,637,542 reflected in the statement of receipts and payments is an expenditure of Kshs.53,250,004 incurred on fuel, oil and lubricants. However, supporting documents such as detailed orders, fuel register, statement from the supplier and periodic reconciliations between fuel register and supplier statements for expenditure amounting Kshs.28,800,564 were not availed for audit review. Consequently, the accuracy and completeness of the expenditure of Kshs.28,800,564 incurred on fuel, oil and lubricants for the year ended 30 June 2017 could not be confirmed.

### **5.3 Hospital Supplies**

Included in the use of goods and services expenditure of Kshs.1,020,637,542 reflected in the statement of receipts and payments is an amount of Kshs.218,424,927.85 for hospital supplies out of which expenditure amounting to Kshs.85,475,763.40 was not supported with payment vouchers, user requisitions, copy of advertisements, tender minutes, certificates of inspection and acceptance committee and evidence of how the medical supplies were distributed to sub county hospitals and utilized. Consequently, the propriety of hospital supplies expenditure of Kshs.Kshs.85,475,763.40 for the year ended 30 June 2017 could not be confirmed.

### **5.4 Routine Maintenance-Vehicles and Other Transport Equipment**

Included in the use of goods and services figure of Kshs.1,020,637,542 reflected in the statement of receipts and payments is an amount of Kshs.76,221,263.65 in respect of routine maintenance-vehicles and other transport equipment out of which, expenditure amounting to Kshs.22,605,310 was not supported by relevant documents such as engineer estimates, work tickets, quotations, evaluation and award minutes, inspection and acceptance reports.

In the circumstances, the propriety of expenditure of Kshs.22,605,310 on routine maintenance-vehicles and other transport equipment for the year ended 30 June 2017 could be confirmed.

## **6.0 Acquisition of Assets**

### **6.1 Construction of Buildings**

Included in the acquisition of assets expenditure of Kshs.1,866,542,529 reflected in the statement of receipts and payments is an amount of Kshs.253,622,405 for Construction of Buildings out of which supporting documents such as payment vouchers, user requisitions, copy of advertisement, tender processing minutes, contract agreements, tender opening registers, letters of award, certificates of inspection and acceptance and certificates of completion for expenditure amounting to Kshs.99,958,093 were not availed for audit review. In the circumstances, the propriety of the expenditure of Kshs.99,958,093 on construction of buildings for the year ended 30 June 2017 could not be confirmed.

### **6.2 Construction of Roads**

Included also in the acquisition of assets expenditure of Kshs.1,866,542,529 reflected in the statement of receipts and payments for the year ended 30 June 2017 is an amount of Kshs.674,453,068.50 in respect of construction of roads. However, supporting documents in form of payment vouchers, user requisitions, copy of advertisement, tender processing minutes, contract agreements, tender opening registers, letters of award, certificates of inspection and acceptance and certificates of completion for expenditure amounting to Kshs.86,365,298.50 were not availed for audit review. In the circumstances propriety of the expenditure of Kshs.86,365,298.50 on construction of roads for the year ended 30 June 2017 could not be confirmed.

### **6.3 Overhaul and Refurbishment of Construction and Civil Works**

Included in the acquisition of assets expenditure of Kshs.1,866,542,529 reflected in the statement of receipts and payments for the year ended 30 June 2017 is an amount of Kshs.186,737,295 in respect of overhaul and refurbishment of construction and civil works out of which, expenditure amounting Kshs.113,915,385.37 was not supported by payment vouchers, user requisitions, copy of advertisements, tender, evaluation and award minutes, certificates of inspection and acceptance committee and contract agreements. Consequently, the propriety of expenditure of Kshs.113,915,385.37 on overhaul and refurbishment of construction and civil works for the year ended 30 June 2017 could not be confirmed.

### **6.4 Purchase of ICT Equipment**

Included in the acquisition of assets expenditure of Kshs.1,866,542,529 reflected in the statement of receipts and payments for the year ended 30 June 2017 is an amount of Kshs.13,452,484.50 in respect of purchase of ICT equipment. However, documents such as payment vouchers, user requisitions, copy of advertisement, tender processing minutes, contract agreements, letters of award and certificates of inspection and acceptance for expenditure of Kshs.10,284,350 out of the total figure of Kshs.13,452,484.50 were not availed for audit verification.

Under the circumstances, the propriety of the expenditure of Kshs.10,284,350 on purchase of ICT equipment for the year ended 30 June 2017 could not be confirmed.

## **6.5 Purchase of Specialized Plant, Equipment and Machinery**

The statement of receipts and payments for the year ended 30 June 2017 reflects acquisition of assets expenditure of Kshs.1,866,542,529 which includes an amount of Kshs.114,826,685.55 in respect of purchase of specialized plant, equipment and machinery out of which an amount of Kshs.91,255,496 was not supported by relevant documents such as copy of advertisement, opening, evaluation and award minutes, invoices, delivery notes, inspection and acceptance certificates.

Under the circumstances, the propriety of the purchase of specialized plant, equipment and machinery expenditure of Kshs.91,255,496 for the year ended 30 June 2017 could not be confirmed.

## **6.6 Medical and Hospital supplies**

The statement of receipts and payments for the year ended 30 June 2017 reflects acquisition of assets figure of Kshs.1,866,542,529 which includes an amount of Kshs.1,441,184 in respect of medical and hospital supplies. However, available information revealed that the expenditure of Kshs.1,441,184 excludes an amount of Kshs.3,021,000 paid to a local company for medical and hospital supplies hence understating the total expenditure in respect of medical and hospital supplies. Further, expenditure Kshs.1,441,184 was not supported by payment vouchers, user requisitions, LPO's, invoices and tender minutes and certificates of inspection and acceptance committee contrary to Section 104 of the Public Finance Management Regulations, 2015.

Consequently, accuracy, validity and completeness of the medical and hospital supplies expenditure of Kshs.4,462,184 for the year ended 30 June 2017 could not be confirmed.

## **6.7 Purchase of Certified Seeds, Breeding Stock and Live Animals**

Included in the acquisition of assets expenditure of Kshs.1,866,542,529 reflected in the statement of receipts and payments for the year ended 30 June 2017 is an amount of Kshs.23,009,810.20 in respect of purchase of certified seeds, breeding stock and live animals. However, documents such as payment vouchers, procurement records and other relevant records in support of the expenditure of Kshs.8,525,000 were not availed for audit verification.

As a result, the propriety of expenditure of Kshs.8,525,000 for the year ended 30 June 2017 on the purchase of Certified Seeds, Breeding Stock and Live Animals could not be confirmed.

## **6.8 Water Works (Projects)**

The statement of receipts and payments for the year ended 30 June 2017 reflects acquisition of assets expenditure of Kshs.1,866,542,529 and which includes an amount of Kshs.427,548,299.95 in respect of water works (Projects). However, relevant documents in support of expenditure of Kshs.94,431,206 out of the total expenditure of Kshs.427,548,299.95 in respect of water works were not availed for audit verification.

Under the circumstances, propriety of water works expenditure of Kshs.94,431,206 incurred on water works could not be confirmed.

## **6.9 Acquisition of Strategic Stocks**

Included in the acquisition of assets balance of Kshs.1,866,542,529 reflected in the statement of receipts and payments is an amount of Kshs.27,066,504.30 in respect of acquisition of strategic stocks. However, procurement documents such as quotation, evaluation and award minutes, contract agreements, suppliers invoice and delivery notes and inspection and acceptance reports in support of expenditure of Kshs.5,170,000 were not availed for audit verification.

Consequently, propriety of expenditure of Kshs.5,170,000 on acquisition of strategic stocks could not be confirmed.

## **7.0 Construction of Kipchoge Stadium**

Included in the acquisition of assets expenditure of Kshs.1,866,542,529 is the construction of buildings expenditure of Kshs.253,622,406.95, which included an amount of Kshs.58,066,705.25 paid to a Construction Company in respect of the construction of phase two of Kipchoge Stadium in Kapsabet town at a contract sum of Kshs.95,469,450.

The project was scheduled to take sixty (60) weeks to completion effective from 25 May, 2016. However, supporting documents such as payments voucher, professional opinion of the head of the procurement unit, copy of advertisement, evaluation and award minutes, interim certificates, inspection and acceptance committee report for the project were not availed for audit review.

In addition field inspection of the project revealed that electrical works and external works at the VIP Pavilion indicated in the bill of quantities at a cost of Kshs.5,000,000 and Kshs.2,530,000 respectively had not been done.

Under the circumstances, the propriety of expenditure of Kshs.58,066,705.25 incurred on the construction of the stadium for the year ended 30 June 2017 could not be confirmed.

## **8.0 Stalled Construction of Governor's Office**

The County Government entered into a contract with a construction Company on 17 December 2013 to construct the Governor's Office at a cos of Kshs.103,383,420. Available information revealed that there was variation of the contract price of Kshs.21,191,200, being 20.5% of the original contract price to accommodate an additional floor. Further, information revealed that the contractor has been paid a total of Kshs.97,685,287 so far. However, a field inspection of the project in January 2018 revealed that the project had stalled and the contractor was not on site. Further, approval of the price variation order and the tender committee adjudication minutes were not provided for audit review.

Consequently, the objective of the project has not been achieved and the county government has not obtained value for money for the expenditure of Kshs.97,685,287 incurred on the project.

## 9.0 Cash and Cash Equivalent

### 9.1 Recurrent and Development Bank accounts

Included in the bank balance of Kshs.785,083,559 reflected in the statement of financial assets as disclosed in note 21A Nandi County Recurrent Account figure of Kshs.4,068,057 which is at variance with the reconciled cash book balance of Kshs.25,024,164 resulting to unreconciled or explained difference of Kshs.20,956,107. The balance of Kshs.785,083,559 further includes Nandi County Developments Bank Account balance of Kshs.1,161,351.00 which is also at variance with the reconciled cash book amount of Kshs.153,175,839.45(CR) again resulting also to unexplained or reconciled variance of Kshs.152,014,488.50.

In addition, the balance of Kshs.785,083,559 includes a balance of Kshs.13,000,000 for County Education fund and Kshs.12,900,000 Car loan and Mortgage fund accounts. It is not clear and management has not provided reasons for inclusion of these balances in the bank balance instead of reflecting the balances in the respective statements of the respective fund accounts. Further, separate financial statements for the two fund accounts were not submitted for audit review contrary to section 116 of the PFM Act, 2015.

~~Under the circumstances, the accuracy and completeness of the bank balance of Kshs.785,083,559 for cash and cash equivalents reflected in the statement of financial assets.~~

### 9.2 Overdrawn Cash Book

Examination of the development cash book revealed that the cash book had an overdrawn balance of Kshs.153,175,559 contrary to Section 82(7) and (8) of the public Finance Management Act, 2015 which states that no official county government bank account shall be overdrawn, nor shall any advance or loan be obtained from a bank account for official purposes beyond the limit authorized by the County Treasury in line with section 119 (4) of the Act. Consequently, the management is in breach of the law.

### 9.3 Bank Accounts not Disclosed in the Financial Statements

Note 21A to the Financial Statements reflects Kshs.785,083,559 for bank balance held in eight (8) bank accounts. However, available information revealed that the County Executive operated fifteen (15) other bank accounts which were not disclosed in these balance as at 30 June 2017 as indicated below:

No.	Name of Bank account	Account number	Name of the bank
1	Nandi County	7040003061	Housing Finance
2	Nandi County	1924813402	Housing Finance
3	Nandi County	1924813403	Housing Finance
4	Nandi County	1102287954	Kenya Commercial Bank
5	Nandi County	1140835378	Kenya Commercial Bank
6	Nandi County	1142092143	Kenya Commercial Bank

7	Nandi County	1142117375	Kenya Commercial Bank
8	Nandi County	1142293688	Kenya Commercial Bank
9	Nandi County	1151706965	Kenya Commercial Bank
10	Nandi County	1151707015	Kenya Commercial Bank
11	Nandi County	1151707090	Kenya Commercial Bank
12	Nandi County	1179476972	Kenya Commercial Bank
13	Nandi County Deposit	1000242043	Central Bank Of Kenya
14	Nandi County Special Purpose	1000336471	Central Bank Of Kenya
15	M-pesa Revenue Collection	299299	Safaricom Kenya

Further, cash books, certificates of bank balances, bank reconciliation statements and board of survey reports for these bank accounts were not availed for audit verification. Under the circumstances, the accuracy and completeness of the bank balance of Kshs.785,083,559 as at 30 June 2017 could not be confirmed.

#### **9.4 Failure to submit Financial Statements for County Education Fund and Car Loan and Mortgage Fund**

Included in the bank balance of Kshs.785,083,559 reflected in the statement of financial assets as disclosed in note 21A are balances of Kshs.13,000,000 for County Education Fund and Kshs.12,900,000 for Car loan and Mortgage Fund account. However, the financial statements for the fund accounts were not submitted to the Auditor-General for audit review contrary to section 116(7)(a) of the Public Finance Management Act, 2012 which requires that the administrator of the county public fund to prepare and submit financial statements not later than three months after the end of each financial year for audit review.

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

### **10 Pending Accounts Payable**

#### **10.1 Accounts Payable as at 30 June 2017**

Note 26.1 to the financial statements reflects total pending accounts payable figure of Kshs.664,609,044 as at 30 June 2017 which is at variance with the supporting schedule balance of Kshs.717,953,746.80 resulting to unexplained or unreconciled difference of Kshs.53,344,701.

Further, included in the balance of Kshs.664,609,044 for pending accounts payable is an amount of Kshs.2,850,000 for the supplier who had been paid in May 2017, and therefore overstating the pending accounts payable balance by Kshs.2,850,000 as at 30 June 2017.

In addition, pending bills totaling Kshs.63,537,352 in relation to construction of buildings, renovation works and supply of drugs were excluded from the accounts payable balance of Kshs.664,609,044 as at 30 June 2017.

Also, ageing analysis of pending accounts payable was not availed for audit review and thus, it was not possible to ascertain for how long the accounts payable had been outstanding.

In addition, out of the total pending accounts payables, an amount of Kshs.121,970,399 was not supported with documents such as, local purchase orders, local service orders, and certificates of completion, invoices and delivery notes.

Consequently, the validity, accuracy and completeness of the pending accounts payable balance Kshs.664,609,044 reflected in the notes to the financial statements could not be confirmed.

## **10.2 Accumulation of Pending Accounts Payable**

Note 26.1 to the financial statements reflects total pending accounts payable balance of Kshs.664,609,044 which the County Executive had accumulated as at 30 June 2017 contrary to the Treasury Circular ref: AG 3/101/75 which requires accounting officers to establish effective financial controls and maintain financial discipline in order to achieve efficient utilization of resources and ensure adherence to financial regulations and procedures and curb accumulation of pending bills.

Consequently, the County Executive is in breach of the law.

## **11.0 Failure to maintain a Fixed Assets Register**

The summary of fixed assets register in annex 4 to the financial statements reflects a figure of Kshs.3,009,087,718 for fixed assets of the County Executive as at 30 June 2017. However, as reported in the previous year, a fixed assets register was not availed for audit verification contrary to section 136 of the Public Finance Management Regulations, 2015 which requires that, the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

Further, the balance of Kshs.1,866,542,529 reflected in the statement of receipts and payments for acquisition of assets is at variance with Kshs.1,080,500,211 for additions of fixed assets during the year under review as indicated in annex 4 resulting to unexplained or reconciled difference of Kshs.786,042,318. Consequently, the accuracy of the acquisition of assets figure of Kshs.1,866,542,529 for the year ended 30 June 2017 could not be confirmed.

## **12.0 Failure to Observe one third (1/3) Rule for Staff Establishment**

A review of personnel records availed for audit review indicated that, as at 30 June 2017, the county Executive of Nandi had a total of 1,600 employees in its payroll and 85% of whom were from one dominant community contrary to section sec.65 (1) (e) of the County Government Act, 2012. The Act, requires that, in selecting candidates for appointment, the County Public Service Board shall consider the need to ensure that at least thirty per cent (30%) of the vacant posts at entry level are filled by candidates who are not from the

dominant ethnic community. Consequently, the County Executive is therefore in breach of the County Government Act, 2012 on staff establishment as a means of promoting national unity.

### **13.0 Lack of Approved Staff Establishment**

Available information revealed that management prepared and forwarded a proposed organization structure to the County Assembly in February, 2016 for approval but the Assembly has not approved the same.

Further, management did not forward the organization structure to the Public Service Board for approval as required in section 3.1(b) and (e) of the Public Service Commission Guidelines on the design of organization structure in public service, 2015. Consequently, the County Executive was in breach of the guidelines on staff establishment.

### **14.0 Failure to Establish an Audit Committee**

Available information revealed that the County Executive of Nandi has not established the audit committee contrary to Section 167(1) of the Public Finance Management (County Governments) regulations, 2015, which requires each county government entity to establish an Audit committee. Consequently, the county executive was in breach of the law.

### **15.0 Budget Control and Performance**

#### **15.1 Development and Recurrent Budget combined**

During the year under review, the County Executive of Nandi had a total budget of Kshs.6,184,133,839 which is indicated in the Appropriation Act, 2016 comprising of Kshs.2,407,209,045 for development and Kshs.3,776,924,794 for recurrent expenditure. However, the Summary Statement of Appropriation: Recurrent and Development combined reflected total final budget figure of Kshs.6,903,322,687 comprising of Kshs.4,300,566,468 for Recurrent and Kshs.2,526,109,045 for Development expenditure resulting to unexplained or reconciled difference of Kshs.719,188,848.

Further, the budget reflected overall under absorption of Kshs.1,790,023,336 as summarized below: -

<b>Item</b>	<b>Budgeted Allocation 2016/2017</b>	<b>Actual 2016/2017</b>	<b>Under Absorption</b>	<b>Under absorption in %</b>
	Kshs	Kshs	Kshs	
Development	2,407,209,045	1,866,542,529	540,666,516	22
Recurrent	3,776,924,794	2,979,256,016	797,668,778	21
<b>Total</b>	<b>6,184,133,839</b>	<b>4,845,798,545</b>	<b>1,338,335,294</b>	<b>22</b>

The under absorption is an indication that activities and projects planned for were not implemented and is likely to have a negative effect on the delivery of goods and services to the residents of the County. There is need therefore for management to relook into its budgetary mechanism with a view to focusing on the priority areas to enhance service delivery to the citizens of the County.

## 15.2 Development Vote

Records availed for audit review indicated that Kshs.2,407,209,045 was budgeted for the development vote in the year under review. However, according to IFMIS analysis report, only Kshs.1,414,394,192 had been spent leaving a balance of Kshs.992,814,853 or 41% unutilized contrary to Section 107 of the Public Finance Management Act, 2012 that requires the County Government to adhere to fiscal objectives set out in the budget policy statement.

Further, the County has eleven (11) departments and following is the budget performance analysis as at 30 June 2017:

Department	Budget 2016-2017	Actuals 2016-2017	Under-Absorption	Under Absorption
	Kshs	Kshs	Kshs	%
County Executive	132,335,000	300,000	132,035,000	100
Finance, Economic Planning and ICT	149,100,650	49,341,750	99,758,900	67
Devolved Units and Special Programs	166,051,045	60,381,740	105,669,305	64
Health and Sanitation	173,258,276	139,190,474	34,067,802	20
Agriculture, Fisheries and Livestock Development	144,335,000	97,586,805	46,748,195	32
Tourism, Culture and Cooperative Development	47,000,000	9,872,000	37,128,000	79
Youth, Gender, Sports and Social Services	132,600,000	86,556,540	46,043,460	35
Education, Research and Vocational Training	153,050,000	70,831,816	82,218,184	54
Department of Lands, Environment and Natural Resources	516,412,000	357,797,240	158,614,760	31
Roads, Transport & Infrastructure	771,210,000	541,743,827	229,466,173	30
Department of Trade, Investment and Industrial Development	21,857,074	792,000	21,065,074	96
<b>Total</b>	<b>2,407,209,045</b>	<b>1,414,394,192</b>	<b>992,814,853</b>	<b>41</b>

From the above analysis, it is evident that, management did not utilize a total of Kshs.992,814,853 or 41% of the County Executive's development budget, although

departments of County Executive, Tourism, Finance, Economic Planning and ICT, Devolved Units and Special Programs and Education had the highest unutilized development budget at 100%, 79%, 67%, 64% and 54% respectively. No reason was provided for under utilization of development funds.

In addition, analysis of the department of County Executive indicated that the department was allocated a total budget of Kshs.577,950,976 comprising of Kshs.132,335,000 for development expenditure and Kshs.445,615,976 for recurrent expenditure. Under the development vote, the department utilized Kshs.300,000 (0.03% of the budget) as shown below.

Budget Vote	Budget Amount	Actual Expenditure	Under-Absorption	
	Kshs	Kshs	Kshs	%
Construction of Buildings	132,335,000	300,000	132,035,000	99.7

No reason was provided as why 99.7% of the development budget was not utilized

### 15.3 Recurrent Vote

The approved budget for recurrent vote was Kshs.3,776,924,794, and its performance is indicated below.

	Budget 2016-2017	Actuals 2016-2017	Under - Expenditure	Under-Expenditure
	Kshs	Kshs	Kshs	%
Compensation of Employees	1,954,369,646	1,889,451,174	64,918,472	3
Use of Goods and Services	1,608,595,148	1,020,637,542	587,957,606	37
Other grants and transfers	213,960,000	69,167,300	144,792,700	68
<b>Total</b>	<b>3,776,924,794</b>	<b>2,979,256,016</b>	<b>797,668,778</b>	<b>21</b>

From the above analysis, it is evident that the County Government under-spent on use of goods and services by Kshs.587,957,606, other grants and transfers by Kshs.144,792,700 and compensation of employees by Kshs.64,918,472. This is an indication of idle funds not put to proper use for service delivery. The management may have over budgeted on recurrent expenditure and need more realistic budgeting in future.

### 15.4 Project Implementation

Records availed for audit review indicated that, a total of Kshs.2,407,209,045 was allocated to eleven (11) departments and the funds were meant for implementing 634 projects within the financial year as indicated below:

Department	No of Budgeted Projects	Budget Kshs
County Executive	1	132,335,000
Finance, Economic Planning and ICT	12	149,100,650

Department	No of Budgeted Projects	Budget Kshs
Devolved Units and Special Programs	13	166,051,045
Health and Sanitation	59	173,258,276
Agriculture, Fisheries and Livestock Development	17	144,335,000
Tourism, Culture and Cooperative Development	21	47,000,000
Youth, Gender, Sports and Social Services	11	132,600,000
Education, Research and Vocational Training	174	153,050,000
Department of Lands, Environment and Natural Resources	182	516,412,000
Roads, Transport & Infrastructure	140	771,210,000
Department of Trade, Investment and Industrial Development	4	21,857,074
<b>Total</b>	<b>634</b>	<b>2,407,209,045</b>

However, management did not avail projects status report for audit verification

Under the circumstances, it was not possible to confirm the level of implementation of projects in line with section 113 (1) of the County Government Act, 2012 which requires the county's budget to be based on the annual development priorities and objectives and the performance targets set by the county.

### 15.5 Budget Process of the Entity

Examination of the County executive records availed for audit review indicated that the Executive had an approved budget of Kshs.6,184,133,839 during the year under review comprising of Kshs.3,776,924,794 for recurrent expenditure and Kshs.2,407,209,045 for development expenditure. However, these figures are at variance with the statement of appropriation final budget figures of Kshs.6,903,322,687 resulting to unexplained or reconciled difference of Kshs.719,188,848.

Further, management did not provide documentary evidence for the budget process for the year under review for audit verification contrary with sections 137(1) and 128 of the Public Finance Management Act (PFMA), 2015. The documents include, attendance register of participants, copy of advertisement of venues, and reports of the meetings.

Under the circumstances, it was not possible to confirm whether the due process of budgeting was followed in the year under review.

### 15.6 Internally Generated Revenue

The County Government budgeted to collect Kshs.362,283,894 from internal sources against actual collections of Kshs.244,729,757 or 68% resulting to an under collection of Kshs.117,554,137 or 32%. Further, collection targets were only met in four (4) out of eleven (11) revenue streams identified and approved by the entity.

However, no reason was provided for the under collection of revenue from internal sources.

## **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 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 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 Nandi 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**


**NANDI COUNTY GOVERNMENT**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**I. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2016-2017 Kshs	2015-2016 Kshs
<b>RECEIPTS</b>			
Exchequer releases	1	-	-
Proceeds from Domestic and Foreign Grants	2	9,155,000	18,310,000
Transfers from National treasury	3	4,637,322,940	4,755,105,868
Transfers from other government entities	4	232,591,330	125,684,745
Proceeds from Foreign Borrowings	5	-	-
Proceeds from Sale of Assets	6	-	-
Reimbursements and Refunds	7	-	-
Returns of Equity Holdings	8	-	-
County Own Generated Receipts	9	244,729,757	194,462,307
Returned CRF issues	10	-	-
<b>TOTAL RECEIPTS</b>		<b>5,123,799,027</b>	<b>5,093,562,920</b>
<b>PAYMENTS</b>			
Compensation of Employees	11	1,889,451,174	1,713,379,155
Use of goods and services	12	1,020,637,542	934,975,721
Subsidies	13	-	-
Transfers to Other Government Units	14	-	-
Other grants and transfers	15	69,167,300	-
Social Security Benefits	16	-	-
Acquisition of Assets	17	1,866,542,529	1,975,137,361
Finance Costs, including Loan Interest	18	-	-
Repayment of principal on Domestic and Foreign borrowing	19	-	-
Other Payments	20	-	-
<b>TOTAL PAYMENTS</b>		<b>4,845,798,545</b>	<b>5,004,491,127</b>
<b>SURPLUS/DEFICIT</b>		<b>278,000,482</b>	<b>89,071,793</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 29/9/ 2017 and signed by:

  
 Chief Officer  
 Name: Julius K. Koech


  
 Head of Treasury  
 Name: Joyce Rotich  
 ICPAK Member Number: 10163

**NANDI COUNTY GOVERNMENT**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**II. STATEMENT OF ASSETS**

	<b>Note</b>	<b>2016-2017 Kshs</b>	<b>2015-2016 Kshs</b>
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	21A	785,083,559	503,082,744
Cash Balances	21B	48,370	4,048,703
<b>Total Cash and cash equivalent</b>		<b><u>785,131,929</u></b>	<b><u>507,131,447</u></b>
Accounts receivables – Outstanding Imprests	22	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b><u>785,131,929</u></b>	<b><u>507,131,447</u></b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables – Deposits and retentions	23	-	-
<b>NET FINANCIAL ASSETS</b>		<b>785,131,929</b>	<b>507,131,447</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	24	507,131,447	418,059,654
Prior year adjustments	25	-	-
Surplus/Deficit for the year		278,000,482	89,071,793
<b>NET FINANCIAL POSITION</b>		<b><u>785,131,929</u></b>	<b><u>507,131,447</u></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 29/9/ 2017 and signed by:



Chief Officer  
Name: Julius K. Koech




Head of Treasury  
Name: Joyce Rotich  
ICPAK Member Number:10163


**NANDI COUNTY GOVERNMENT**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**III. STATEMENT OF CASH FLOWS**

		<b>2016-2017</b>	<b>2015 - 2016</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>Receipts from operating income</b>			
Exchequer Releases	1	4,637,322,940	4,755,105,868
Proceeds from Domestic and Foreign Grants	2	9,155,000	18,310,000
Transfers from Other Government Entities	3	232,591,330	125,684,745
Reimbursements and Refunds	7	-	-
Returns of Equity Holdings	8	-	-
County Own Generated Receipts	9	244,729,757	194,462,307
Returned CRF issues	10	-	-
<b>Payments for operating expenses</b>			
Compensation of Employees	11	(1,889,451,174)	(1,713,379,155)
Use of goods and services	12	(1,020,637,542)	(934,975,721)
Subsidies	13	-	-
Transfers to Other Government Units	14	-	(343,255,964)
Other grants and transfers	15	-	(37,742,926)
Social Security Benefits	16	-	-
Finance Costs, including Loan Interest	18	-	-
Other Payments	20	-	-
		<b>2,979,556,016</b>	<b>3,029,353,766</b>
<b>TOTAL</b>			
<b>Adjusted for:</b>			
Adjustments during the year	25	-	-
<b>Net cash flow from operating activities</b>		<b>2,979,556,016</b>	<b>3,029,353,766</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	6	-	-
Acquisition of Assets	17	(1,866,542,529)	(1,975,137,361)
<b>Net cash flows from Investing Activities</b>		<b>(1,866,542,529)</b>	<b>(1,975,137,361)</b>
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from Domestic Borrowings	4	-	-
Proceeds from Foreign Borrowings	5	-	-
Repayment of principal on Domestic and Foreign borrowing	19	-	-
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
		<b>278,000,482</b>	<b>89,071,793</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>			
<b>Cash and cash equivalent at BEGINNING of the year</b>	21	<b>507,131,447</b>	<b>418,059,654</b>
<b>Cash and cash equivalent at END of the year</b>	24	<b>785,131,929</b>	<b>507,131,447</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 29/9/17 2017 and signed by:

  
 Chief Officer  
 Name: Julius K. Koech

  
 Head of Treasury  
 Name: Joyce Rotich  
 ICPAK Member Number.10163

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Exchequer releases	5,130,819,903	-	5,130,819,903	4,637,322,940	493,496,963	90%
Proceeds from Domestic and Foreign Grants						
DANIDA	19,225,500	-	19,225,500	9,155,000	10,070,500	48%
Proceeds from Domestic Borrowings						
HEALTH USER FEE	18,055,819	-	18,055,819	18,055,818	1	100%
{FIF} maternity, inpatient	68,195,394	-	68,195,394	79,402,500	11,207,106	116%
{MOH} doctors & nurses allowance	-	-	-	56,298,000	56,298,000	
Roads Maintenance Levy Fund {RMLF}	78,835,014	-	78,835,014	78,835,012	2	100%
County Emergency Fund	98,297,872	-	98,297,872	-	98,297,872	0%
Leasing of Medical equipment	95,744,681	-	95,744,681	-	95,744,681	0%
Proceeds from Sale of Assets						
Reimbursements and Refunds						
Other Receipts	333,545,003	-	333,545,003	244,729,757	88,815,246	73%
County Own Generated receipts						
Return issues to CRF						
<b>TOTAL</b>	<b>5,842,719,186</b>	<b>-</b>	<b>5,842,719,186</b>	<b>5,123,799,027</b>	<b>718,920,159</b>	<b>88%</b>
<b>PAYMENTS</b>						
Compensation of Employees	2,092,297,916	-	2,092,297,916	1,889,451,174	126,829,668	90%
Use of goods and services	2,284,285,626		2,284,285,626	1,020,637,542	1,263,648,084	45%
Subsidies						
Transfers to Other Government Units						
Other grants and transfers				69,167,300	69,167,300	
Social Security Benefits						

Reports and Financial Statements

For the year ended June 30, 2017

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Acquisition of Assets	2,526,109,045	-	2,526,109,045	1,866,542,529	659,566,516	74%
Finance Costs, including Loan Interest						
Repayment of principal on Domestic and Foreign borrowing						
Other Payments						
<b>TOTAL</b>	<b>6,903,322,687</b>	<b>-</b>	<b>6,903,322,687</b>	<b>4,845,798,545</b>	<b>2,056,894,042</b>	<b>70%</b>
<b>SURPLUS/(DEFICIT)</b>						

The County over budgeted for the recurrent expenditures thus resulting in the less than 50 per cent utilization .

The entity financial statements were approved on 29/9/ 2017 and signed by:



Chief Officer

Name: Julius K. Koech



Head of Treasury Accounts

Name: Joyce Rotich

ICPAK Member Number.10163

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>	4,377,213,542	-	4,377,213,542	2,954,228,600	1,422,984,942	67%
Exchequer releases						
Proceeds from Domestic and Foreign Grants						
Transfers from Other Government Entities Doctors /Nurses allowance	-	-	-	56,298,000	-	-
Proceeds from Domestic Borrowings						
Proceeds from Foreign Borrowings						
Proceeds from Sale of Assets						
Reimbursements and Refunds						
Returns of Equity Holdings						
Other receipts	333,545,003	-	333,545,003	244,729,757	88,815,246	73%
Return CRF issues						
<b>TOTAL</b>	<b>4,710,758,545</b>	<b>-</b>	<b>4,710,758,545</b>	<b>3,255,256,357</b>	<b>1,511,800,188</b>	<b>69%</b>
<b>PAYMENTS</b>						
Compensation of Employees	2,092,297,916	-	2,092,297,916	1,889,451,174	126,829,668	94%
Use of goods and services	2,284,285,626		2,284,285,626	1,020,637,542	1,263,648,084	45%
Subsidies						
Transfers to Other Government Units						
Other grants and transfers				69,167,300	69,167,300	
Social Security Benefits						
Acquisition of Assets						
Finance Costs, including Loan Interest						

Reports and Financial Statements

For the year ended June 30, 2017

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Repayment of principal on Domestic and Foreign borrowing						
Other Payments						
<b>TOTAL</b>	<b>4,300,566,468</b>	<b>-</b>	<b>4,300,566,468</b>	<b>2,979,256,016</b>	<b>1,459,645,052</b>	<b>69%</b>
<b>SURPLUS/(DEFICIT)</b>						

The entity financial statements were approved on 29/9/ 2017 and signed by:



Chief Officer

Name: Julius K. Koech



Head of Treasury Accounts

Name: Joyce Rotich

ICPAK Member Number:10163

**I. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Exchequer releases	2,526,109,045	-	2,526,109,045	1,683,094,340	843,014,705	67%
Proceeds from Domestic and Foreign Grants	-	-	-	-	-	-
Transfers from Other Government Entities Health User Fee	18,055,819	-	18,055,819	18,055,818	1	100%
Proceeds from Domestic Borrowings	-	-	-	-	-	-
Roads Maintenance Levy Fund [RMLF]	78,835,014	-	78,835,014	78,835,012	2	100%
DANIDA-HSPS3	19,225,500	-	19,225,500	9,155,000	10,070,500	
{FIF} MATERNITY,INPATIENT	68,195,394	-	68,195,394	79,402,500	11,207,106	116%
Proceeds from Foreign Borrowings	-	-	-	-	-	-
Proceeds from Sale of Assets	-	-	-	-	-	-
Reimbursements and Refunds	-	-	-	-	-	-
Returns of Equity Holdings	-	-	-	-	-	-
County Own Generated receipts	-	-	-	-	-	-
<b>TOTAL</b>	2,710,420,772	-	2,710,420,772	1,868,542,670	864,292,308	69%
<b>PAYMENTS</b>						
Compensation of Employees						
Use of goods and services						
Subsidies						
Transfers to Other Government Units						
Other grants and transfers						
Social Security Benefits						
Acquisition of Assets	2,526,109,045	-	2,526,109,045	1,866,542,529	659,566,516	74%

**Reports and Financial Statements  
For the year ended June 30, 2017**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Finance Costs, including Loan Interest						
Repayment of principal on Domestic and Foreign borrowing						
Other Payments						
<b>TOTALS</b>	<b>2,526,109,045</b>	<b>-</b>	<b>2,526,109,045</b>	<b>1,866,542,529</b>	<b>659,566,516</b>	<b>74%</b>
<b>SURPLUS/(DEFICIT)</b>						

The entity financial statements were approved on 29/9 2017 and signed by:



Chief Officer

Name: Julius K. Koech



Head of Treasury Accounts

Name: Joyce Rotich

ICPAK Member Number: 10163

**NANDI COUNTY GOVERNMENT**  
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**VII. NOTES TO THE FINANCIAL STATEMENTS**

**1 EXCHQUER RELEASES**

	<b>2016 – 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Total Exchequer Releases for quarter 1	1,232,494,340	808,367,997
Total Exchequer Releases for quarter 2	1,206,750,000	784,592,468
Total Exchequer Releases for quarter 3	1,196,578,600	1,188,776,466
Total Exchequer Releases for quarter 4	1,001,500,000,	1,973,368,937
<b>Total</b>	<b>4,637,322,940</b>	<b>4,755,105,868</b>

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

**2 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-HSPS3)	4/5/2017	N/A	9,155,000	18,310,000
(Insert name of donor)	-	-	-	-
<b>Grants Received from Multilateral Donors (International Organisations)</b>				
(Insert name of donor)	-	-	-	-
(Insert name of donor)	-	-	-	-
<b>Grants Received from other levels of government</b>				
(Insert name of donor)	-	-	-	-
(Insert name of donor)	-	-	-	-
<b>Total</b>			<b>9,155,000</b>	<b>18,310,000</b>

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

**NANDI COUNTY GOVERNMENT**  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**3 TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

<b>Description</b>	<b>2016 – 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers from Central government entities		
Health-(FIF-Maternity, inpatient)	79,402,500	47,727,500
Public Works-RMLF	78,835,012	60,405,657
Health-USER FEE	18,055,818	17,551,588
M.O.H-Doctors & Nurse Allowances	56,298,000	-
Transfers from Counties	-	-
<b>TOTAL</b>	<b>232,591,330</b>	<b>125,684,745</b>

**NANDI COUNTY GOVERNMENT**  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**4 COUNTY OWN GENERATED RECEIPTS**

	<b>2016 - 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	-	-
Profits and Dividends	-	-
Rents	-	-
Other Property Income	-	-
Sales of Market Establishments	-	-
Receipts from Administrative Fees and Charges	-	-
Receipts from Administrative Fees and Charges - Collected as AIA	-	-
Receipts from Incidental Sales by Non-Market Establishments	-	-
Receipts from Kiborgok Tea Farm	13,837,953	17,540,000
Receipts from Sale of Incidental Goods	-	-
Fines Penalties and Forfeitures	-	-
Receipts from Voluntary transfers other than grants	-	-
Business permits	29,946,340	30,589,401
Cesses	70,482,227	5,810,815
Land rates	25,433,243	26,163,805
Plot rents	2,542,171	1,191,086
House and Stall rent	2,862,813	3,906,900
Market/Trade Centre Fees	10,648,414	8,843,155
Vehicle Parking fees	27,083,689	35,222,291
Agriculture	6,969,199	9,201,200
Cattle Dips and Vaccination	2,532,910	3,707,783
Slaughter House Administration	472,460	1,010,880
Sewerage Administration	647,457	487,814
Other Health and Sanitation Revenues	45,927,766	28,093,981
Other miscellaneous receipts	5,343,115	21,677,606
Insurance claims recovery	-	-
Transfers from reserve funds	-	-
<b>TOTAL</b>	<b>244,729,757</b>	<b>194,462,307</b>

**NANDI COUNTY GOVERNMENT**  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**5 COMPENSATION OF EMPLOYEES**

	<b>2016 – 2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Basic salaries of permanent employees	1,866,448,933.30	1,694,610,276
Basic wages of temporary employees	-	-
Personal allowances paid as part of salary	-	-
Personal allowances paid as reimbursements	-	-
Personal allowances provided in kind	-	-
Pension and other social security contributions	-	-
Compulsory national social security schemes	-	-
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	-	-
Gratuity-Assembly	-	13,933,336
Gratuity-County Executive	23,002,240.70	1,002,339
Other personnel payments (Mileage Allowance)	-	2,166,899
Sitting Allowances	-	1,666,305
<b>Total</b>	<b>1,889,451,174</b>	<b>1,713,379,155</b>

**NANDI COUNTY GOVERNMENT**  
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**6 USE OF GOODS AND SERVICES**

	<b>2016 - 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	20,363,685.50	11,114,261
Communication, supplies and services	10,322,342.70	6,000,000
Domestic travel and subsistence	323,390,175	415,402,973
Foreign travel and subsistence		
Printing, advertising and information supplies & services	30,612,443	71,424,929
Rentals of produced assets	400,250	-
Training expenses	32,097,096.6	6,339,954
Hospitality supplies and services	48,752,852.30	25,971,117
Insurance costs	28,035,543	20,132,283
Legal services	2,278,334	6,529,086
Food Ratio	47,443,682	84,075,137
Specialized materials and services	17,209,732	32,876,810
Membership Fees and Subscription	719,800	-
Contracted Guards and Cleaning services	36,465,467.95	19,268,580
Office and general supplies and services	27,578,689.15	5,521,871
Education and Library supplies	2,371,100	-
Bursaries	-	-
Staff Uniforms	4,613,700	-
Trade Shows and Exhibitions	5,861,164.5	18,613,304
Fuel Oil and Lubricants	53,250,004	44,855,199
Hospital supplies	218,424,927.85	-
Other operating expenses	24,727,954.55	-
Consultancy Services	-	133,425,400
National Day Celebration	756,700	919,500
Routine maintenance – vehicles and other transport equipment	76,221,263.65	24,595,353
Routine maintenance – other assets	8,740,634	7,912,964
<b>Total</b>	<b>1,020,637,542</b>	<b>934,975,721</b>

**NANDI COUNTY GOVERNMENT**  
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**For the year ended June 30, 2017**

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**1. OTHER GRANTS AND OTHER PAYMENTS**

	<b>2016 - 2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Scholarship and other educational benefits	60,012,300	19,205,686
Funeral riders	-	227,240
DANIDA Disbursement	9,155,000	18,310,000
<b>TOTAL</b>	<b>69,167,300</b>	<b>37,742,926</b>

**NANDI COUNTY GOVERNMENT**  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**2. ACQUISITION OF ASSETS**

<b>Non Financial Assets</b>	<b>2016 – 2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	-	-
Construction of Buildings	253,622,406.95	147,023,250
Refurbishment of Buildings	14,579,171.25	24,566,600
Construction of Roads	674,453,068.50	640,997,984
Construction of Roads (RMLF)	57,673,700	-
Tarmacking of Roads(Nandi Hills & Kapsabet Town)	-	44,912,574
Construction and Civil Works	-	-
Overhaul and Refurbishment of Construction and Civil Works	186,737,294.50	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	10,798,500
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	5,312,396
Purchase of Staff Uniforms	-	1,205,000
Purchase of ICT Equipment	13,452,484.50	11,516,180
Purchase of Specialized Plant, Equipment and Machinery	114,826,685.55	87,196,552
Medical and Hospital Supplies	1,441,184	467,590,725
Rehabilitation and Civil Works.	-	35,100,637
Purchase of Certified Seeds, Breeding Stock and Live Animals	23,009,810.20	70,254,506
Research, Studies, Project Preparation, Design & Supervision	-	-
Water Works (Projects)	427,548,299.95	428,660,457
Acquisition of Strategic Stocks and commodities	27,066,504.30	-
Acquisition of Land	-	-
Consultancy	72,131,920.20	-
Acquisition of Intangible Assets	-	-
<b>Financial Assets</b>		
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Foreign financial Institutions operating Abroad	-	-
Other Foreign Enterprises	-	-
Foreign Payables - From Previous Years	-	-
<b>Total</b>	<b>1,866,542,529</b>	<b>1,975,137,361</b>

**NANDI COUNTY GOVERNMENT**  
**Reports and Financial Statements**  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**21A: Bank Accounts**

<b>Name of Bank, Account No. &amp; currency</b>	<b>Amount in bank account currency*</b>	<b>Indicate whether recurrent, Development, deposit, receipts e.t.c</b>	<b>Ex. rate (if in foreign currency)</b>	<b>2016 – 2017</b>	<b>2015 – 2016</b>
				<b>Kshs</b>	<b>Kshs</b>
<i>Nandi County Recurrent A/C NO.1000170719</i>	Kshs			4,068,056.50	111,896.95
<i>Nandi County Development A/C NO.1000170678</i>	Ksh			1,161,351	2,407,282.70
<i>Nandi County Revenue Fund A/C NO 1000171278</i>	Ksh			751,153,20.50	492,485,016
<i>Nandi County Revenue Fund A/C NO 0490260871255- Equity</i>	Ksh				7,969,684.28
<i>Nandi County GS A/C NO 01141327524300- COOP</i>	Ksh			68,988	108,864.25
<i>Nandi County RMLF A/C NO 1000250828</i>	Ksh			2,731,960	-
<i>Nandi County EDUCATION FUND A/C NO 490268594510</i>	Ksh			13,000,000	-
<i>Nandi County MORTGAGE A/C NO 1245328786600</i>	Ksh			12,900,000	-
<b>Total</b>				<b>785,083,559</b>	<b>503,082,744.18</b>

**21B: CASH IN HAND**

	<b>2016 – 2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Cash in Hand – Held in domestic currency	48,370	4,048,703
Cash in Hand – Held in foreign currency	-	-
<b>Total</b>	<b>48,370</b>	<b>4,048,703</b>

**NANDI COUNTY GOVERNMENT**  
**Reports and Financial Statements**  
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**24. FUND BALANCE BROUGHT FORWARD**

	<b>2016 – 2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	785,083,559	503,082,744
Cash in hand	48,370	4,048,703
Accounts Receivables	-	-
Accounts Payables	-	-
<b>Total</b>	<b>785,131,929</b>	<b>507,131,447</b>

**OTHER IMPORTANT DISCLOSURES**

**26.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

	<b>2016 – 2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Construction of buildings	314,484,824	209,887,416.47
Construction of civil works	124,514,920	277,641,707.53
Supply of goods	137,447,911	-
Supply of services	88,161,389	-
<b>TOTAL</b>	<b>664,609,044</b>	<b>487,529,124</b>

**28 ESTABLISHMENT OF OTHER COUNTY GOVERNMENT ENTITIES**

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

<b>Entity</b>	<b>Date Established</b>	<b>Location</b>	<b>Accounting Officer responsible</b>
Nandi Water and Sanitation Co	2015	Kapsabet Town	Antony Kiboy

**NANDI COUNTY GOVERNMENT**  
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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
	A	B	c	d=a-c		
<b>Construction of buildings</b>				314,484,824	209,887,416.47	
1.						
2.						
3.						
<b>Sub-Total</b>				<b>314,484,824</b>	<b>209,887,416.47</b>	
<b>Construction of civil works</b>				124,514,920	277,641,707.35	
4.						
5.						
6.						
<b>Sub-Total</b>				<b>124,514,920</b>	<b>277,641,707.35</b>	
<b>Supply of goods</b>				137,447,911	-	
7.						
8.						
9.						
<b>Sub-Total</b>				<b>137,447,911</b>	<b>-</b>	
<b>Supply of services</b>				88,161,389	-	
10.						
11.						
12.						
<b>Sub-Total</b>				<b>88,161,389</b>	<b>-</b>	
<b>Grand Total</b>				<b>664,609,044</b>	<b>487,529,124</b>	

**NANDI COUNTY GOVERNMENT**  
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**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

<b>Asset class</b>	<b>Historical Cost b/f (Kshs) 2015/2016</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/f (Kshs) 2016/2017</b>
<b>Balance B/F</b>	1,607,064,388.8			1,607,064,388.80
Land		-	-	-
Buildings and structures	171,598,850	268,201,578	-	439,800,428
Transport equipment	97,995,052	-	-	97,995,052
Office equipment, furniture and fittings	5,312,396	-	-	5,312,396
ICT Equipment, Software and Other ICT Assets	11,516,180	13,452,485	-	24,968,665
Other Machinery and Equipment		124,393,080	-	124,393,068
Heritage and cultural assets	35,100,637	674,453,068	-	709,553,705
Intangible assets		-	-	
<b>Total</b>	<b>1,928,587,507</b>	<b>1,080,500,211</b>	<b>-</b>	<b>3,009,087,718</b>

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Government. Additions during the year should tie to note 18 on acquisition of assets during the year