REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

COUNTY ASSEMBLY OF KAJIADO

FOR THE YEAR ENDED 30 JUNE, 2019

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
- 7 MAY 2021
RECEIVED

KAJIADO COUNTY ASSEMBLY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2019

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

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1. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The County is constituted as per the constitution of Kenya is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes 25 Members of County Assembly (MCAs) elected to represent members of the public from their respective wards. The MCAs are responsible for making any laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

(b) Key Management

Kajiado County Assembly day-to-day management is under the following key organs:

1. Office of the Speaker
2. Office of the Clerk

(c) Fiduciary Management

The key management personnel who held office during the year ended 30th June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	- **Josiah Leboo Saisa**
2.	Senior Accountant	- **William Tootio Koitumet**

(d) Fiduciary Oversight Arrangements

The assembly was able to achieve the value-for money for the FY2018/2019 through the following ways; a) Assembly's core business functions (legislation, oversight and representation) were effective achieved during the year, b) Public participation was effective in that they were inclusive and a sense of ownership of the said projects felt by locals, c) Administration function: The assembly managed to facilitate adequate staffs development function as a way to improve productivity.

(e) Entity Headquarters

P.O. Box 94-01100
County Assembly Premises
Kajiado, Kenya.

(f) Entity Contacts

Telephone: (254)
E-mail: info@kajiadoassembly.or.ke
Website: www.kajiadoassembly.or.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
   A/C 1153874830

   Kajiado Branch

(h) Independent Auditors

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

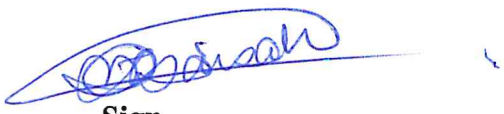
(i) Principal Legal Adviser

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

2. FORWARD BY THE CLERK OF THE ASSEMBLY

The Assembly has performed during the financial year 2018/2019 as follows;

Budget performance
*The Assembly had an original budget of Kshs.***798,920,025** *Million. A total of Kshs.* **754,219,231** *Was disbursed of which Kshs.749,027,785 Was absorbed forming absorption rate 94%*
Operational Performance
Assembly has passed 5bills and laws, 6 relevant policies approved; amended standing orders and 90 Committee Reports including public participation were tabled. On representation role 58 statements and motions tabled. The assembly has participated 10 outreach programmes and 40% of staffs trained. Annual budget FY2018/2019 was approved on 26th June 2019 and supplementary budget was also approved on 5th April 2019.
Performance of key development projects
During the period under audit the assembly has continued with the construction of new Assembly chambers complex has a major project for the year which is estimated to be complete by year 2020 which is 32% complete to date ,construction of members lounge and renovation of the office of the Speaker.
Comment on value-for-money achievements
The assembly was able to achieve the value-for money for the FY2018/2019 through the following ways; a) Assembly's core business functions (legislation, oversight and representation) were effective achieved during the year, b) Public participation was effective in that they were inclusive and a sense of ownership of the said projects felt by locals, c) Administration function: The assembly managed to facilitate adequate staffs development function as a way to improve productivity.
Challenges and Recommended Way Forward
The Assembly did not face major challenges during the year except low implementation of development budget due to technical challenges involves on the building of the new chamber.



Sign
Clerk of the County Assembly

3. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Sections 164 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of a County Government Entity to prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

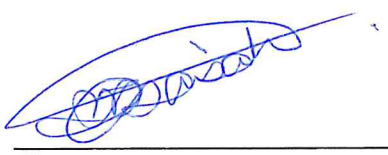
The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year, ended June 30, 2019. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Assembly; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the County Assembly; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the County Assembly's financial statements give a true and fair view of the state of the County Assembly's transactions for the year ended June 30, 2019, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The County Government's financial statements were approved and signed by the Clerk of the County Assembly on 7th May 2021.



Clerk of the County Assembly

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke

OFFICE OF THE AUDITOR GENERAL

Enhancing Accountability

HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF KAJIADO FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Assembly of Kajiado set out on page 1 to 26, which comprise the statement of financial assets and liabilities as at 30 June, 2019 and the statement of receipts and payments, statement of cash flows, statement of comparison of budget and actual amounts: recurrent and development combined 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 Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief were necessary for the purpose of audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly in all material respects the financial position of the County Assembly of Kajiado as at 30 June, 2019 and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the County Governments Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

1.1. Unconfirmed Use of Goods and Services Balance

The statement of receipts and payments reflects Kshs.323,758,726 in respect of use of goods and services. However, the respective ledger and expenditure schedules reflect payments totalling Kshs.329,253,866 resulting in an unreconciled variance of Kshs.5,495,140 between the financial statements and the primary records.

As a result, it was not possible to confirm the accuracy of the goods and services balance totalling Kshs.323,758,726 reflected in the financial statements.

1.2 Unconfirmed Cash Flow Statement Balances

The statement of cash flows for the year ended 30 June, 2019 reflects a net increase in cash and cash equivalents balance of Kshs.5,191,446 whereas the respective balances in the statement amounted to Kshs.6,325,941 resulting in an unexplained variance of Kshs.134,495. Further the cash and bank balance reflected in the statement of assets and liabilities amounts to Kshs.14,187,765 against the sum of Kshs.5,191,446 reflected in the statement of cash flow. The difference amounting to Kshs.8,996,319 between the two sets of records was not explained.

As a result of these discrepancies, the accuracy and completeness of the statement of cash flows was not confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of County Assembly of Kajiado Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. I have determined that there are no key audit matters to report in the year under review.

Other Matter

1. Pending Bills

Annex 1 to the financial statements indicates that the County Assembly had pending bills totalling Kshs.66,784,272 as at 30 June, 2019. Management did not explain why the bills were not paid during the year under review.

Failure to pay pending bills on time creates risk of wasteful expenditure on interest costs and penalties that may become due on the debts. In addition, it reduces funding for the subsequent year since the bills form a first charge on the budget for the year. It also slows down economic activity and may discourage private enterprises from trading with public entities.

2. Budgetary Control and Performance

The statement of comparison of budget and actual amounts: recurrent and development combined, reflects a final budget of Kshs.120,000,000 for both receipts and payments. The statement, in addition, reflects actual receipts and payments totalling Kshs.45,000,000 and Kshs.44,692,248 respectively. The total receipts for the year fell short of the target by Kshs.75,000,000 or 62% and were, therefore, the main cause of the aggregate under-expenditure amounting to Kshs.75,307,752, equivalent to 63% of the development budget, incurred by the County Assembly.

The unrealized receipts and the resultant under-expenditure constrained implementation of development projects planned for the year under review.

3. Unresolved Prior-Year Audit Matters

The audit report for the previous year highlighted several unsatisfactory issues including payments made in respect to reported attendance at various workshops by Members of the County Assembly.

However, contrary to the reporting requirements prescribed by the Public Sector Accounting Standards Board (PSAB), the financial statements for the year under review do not include a report on the progress made in resolving the issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have been applied lawfully and in an effective way.

Basis for Conclusion

Failure to Pay All Salaries Through the Integrated Personnel Payroll Database System

Examination of the payroll records availed for audit indicated that Kshs.85,728,516 out of expenditure totalling Kshs.409,558,362 spent on compensation of employees was transacted outside the Integrated Personnel Payroll Database (IPPD) System established for use by Ministries, Departments and Agencies, including Counties.

No explanation was provided by Management on why the payments were processed manually and not through the IPPD system.

Manual payrolls are inefficient, are prone to errors, and may hamper accountable use of public funds.

Contrary to Regulation 120(1) of the Public Finance Management (County Governments) Regulations, 2015, personnel costs processed manually were not classified based on the Government Finance Statistics Manual and the Standard Chart of Accounts used in capturing government expenditure. Further contrary to Regulation 120(2), the employees were not linked to a program identified in the budget of the County Government.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Assembly of Kajiado in accordance

with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the County Assembly's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to dissolve the County Assembly.

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them, and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

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

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

- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County Assembly's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the County Assembly to cease sustaining its services.

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

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

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

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

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

Nancy Gathungu
AUDITOR-GENERAL

Nairobi

10 May, 2021

5. FINANCIAL STATEMENTS

5.1. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018/19 KShs	2017/18 KShs
RECEIPTS			
Transfers from the County Treasury/Exchequer Releases	1	752,003,490	704,967,233
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	2,215,741	-
TOTAL RECEIPTS		**754,219,231**	**704,967,233**
PAYMENTS			
Compensation of Employees	4	283,869,223	246,173,217
Use of goods and services	5	370,418,331	266,036,959
Subsidies	6	-	-
Transfers to Other Government Entities	7	-	51,214,743
Other grants and transfers	8	-	-
Social Security Benefits	9	-	-
Acquisition of Assets	10	94,712,224	126,509,543
Finance Costs	11	28,007	15,384
Other Payments	12	-	3,500,000
TOTAL PAYMENTS		**749,027,785**	**693,449,846**
SURPLUS/DEFICIT		**5,191,446**	**11,517,387**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 7th May 2021 and signed by:

Clerk of the Assembly
Name: Leboo Saisa

Chief Finance Office – County Assembly
Name: William Tootio Koitumet
ICPAK Member Number: 23489

5.2. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

		2018/19	2017/18
FINANCIAL ASSETS	Note	KShs	KShs
Cash and Cash Equivalents			
Bank Balances	13A	14,187,765	11,517,387
Cash Balances	13B	-	-
Total Cash and cash equivalents		**14,187,765**	**11,517,387**
Accounts receivables – Outstanding Imprests	14	-	9,214,743
TOTAL FINANCIAL ASSETS		**14,187,765**	**20,732,130**
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	15	8,996,319	-
NET FINANCIAL ASSETS		**5,191,446**	**20,732,130**
REPRESENTED BY			
Fund balance b/fwd	16	-	9,214,743
Surplus/Deficit for the year		5,191,446	11,517,387
NET FINANCIAL POSITION		**5,191,446**	**20,732,130**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 7th May 2021 and signed by:

Clerk of the Assembly
Name: Leboo Saisa

Chief Finance Officer – County Assembly
Name: William Tootio Koitumet
ICPAK Member Number: 23489

5.3. STATEMENT OF CASH FLOWS

	Note	2018/19 KShs	2017/1 KSh
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating income			
Transfers from the County Treasury/Exchequer Releases	1	752,003,490	704,967,23
Other Receipts	3	2,215,741	
Payments for operating expenses			
Compensation of Employees	4	(283,869,223)	(246,173,21
Use of goods and services	5	(370,418,331)	(266,036,95
Subsidies	6	-	
Transfers to Other Government Entities	7	-	(15,214,74
Other grants and transfers	8	-	
Social Security Benefits	9	-	
Finance Costs	11	(28,007)	(15,38
Other Payments	12	-	(3,500,00
Adjusted for:			
Adjustments during the year		-	(9,214,74
Net cash flows from operating activities		**99,903,670**	**128,812,1**
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	
Acquisition of Assets	10	(94,712,224)	(126,509,54
Net cash flows from investing activities		**(94,712,224)**	**(126,509,54**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**5,191,446**	**2,302,6**
Cash and cash equivalent at BEGINNING of the year	13	-	**9,214,7**
Cash and cash equivalent at END of the year		**5,191,446**	**11,517,3**

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 7th May 2021 and signed by:

Clerk of the Assembly
Name: Leboo Saisa

Chief Finance Office – County Assembly
Name: William Tootio Koitumet
ICPAK Member Number: 23489

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilization difference
	KShs	KShs	c=a+b	e=d-c	KShs
RECEIPTS					
Transfers from the County Treasury/Exchequer Releases	727,131,089	71,788,936	798,920,025	752,003,490	94%
Proceeds from Sale of Assets	-	-	-	-	-
Other Receipts	-	-	-	2,215,741	-
TOTAL	**727,131,089**	**71,788,936**	**798,920,025**	**754,219,231**	**94%**
PAYMENTS					
Compensation of Employees	261,560,155	19,015,024	280,575,179	283,869,223	101%
Use of goods and services	349,755,934	20,353,472	370,109,406	370,418,331	97%
Subsidies	-	-	-	-	-
Transfers to Other Government Entities	-	-	-	-	-
Other grants and transfers	-	-	-	-	-
Social Security Benefits	-	-	-	-	-
Acquisition of Assets	115,815,000	32,420,440	148,235,440	94,712,224	64%
Finance Costs	-	-	-	28,007	-
Other Payments	-	-	-	-	-
TOTAL	**727,131,089**	**71,788,936**	**798,920,025**	**749,027,785.50**	**94%**
SURPLUS/ DEFICIT				**5,191,446**	

(NB: the total under actual on comparable basis should be the same as the totals under the statement of receipts and payments, where the two statements are not in agreement, a reconciliation of these two statements should be prepared as required under IPSAS and presented hereunder).

[Provide below a commentary on significant underutilization (below 10% of utilization) and any overutilization]

a) *The overutilization of compensation of employees was due to tax amount of Kshs.*5,331,191.00 *for pension contribution to Lapfund which was supposed to paid by Lap fund as per the agreement between the assembly and Lapfund, but KRA attached the due amount to our account thus rise the expenditure for compensation of employees for the said period.*
b) *The underutilization of development expenditure was due to low implementation of construction of new chambers during the financial year 2018/2019.*

The entity financial statements were approved on 7th May 2021 and signed by:

Clerk of the Assembly
Name: Leboo Saisa

Chief Finance Office – County Assembly
Name: William Tootio Koitumet
ICPAK Member Number: 23489

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilisation difference
	A	b	c=a+b	e=d-c	
RECEIPTS					
Transfers from the County Treasury/ Exchequer Releases	627,131,089	29,703,496	656,834,585	655,438,218	99.7%
Proceeds from Sale of Assets	-	-	-	-	-
Other Receipts	-	-		2,215,741	-
TOTAL	**627,131,089**	**29,703,496**	**656,834,585**	**657,653,959**	**-**
PAYMENTS					
Compensation of Employees	261,560,155	19,015,024	280,575,179	283,869,223	101%
Use of goods and services	349,755,934	20,353,472	370,109,406	370,418,331	97%
Subsidies	-	-	-	-	-
Transfers to Other Government Entities	-	-	-	-	-
Other grants and transfers	-	-	-	-	-
Social Security Benefits	-	-	-	-	-
Acquisition of Assets	15,815,000	(9,665,000)	6,150,000	3,278,997.05	53%
Finance Costs	-	-	-	28,007	-
Other Payments	-	-	-	-	-
TOTAL	**627,131,089**	**29,703,496**	**656,834,585**	**657,594,558**	**-**
Surplus/ Deficit				**59,402**	

[Provide below a commentary on significant underutilization (below 10% of utilization) and any overutilization]

a) *The overutilization of compensation of employees was due to tax amount of Kshs.*5,331,191.00 *for pension contribution to Lapfund which was supposed to paid by Lap fund as per the agreement between the assembly and Lapfund, but KRA attached the due amount to our account thus rise the expenditure for compensation of employees for the said period.*

(Explain *whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23*)

The entity financial statements were approved on 7th May 2021 and signed by:

Clerk of the Assembly
Name: Leboo Saisa

Chief Finance Office – County Assembly
Name: William Tootio Koitumet
ICPAK Member Number: 23489

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

Receipt/Expense Item	Original Budget KShs	Adjustments KShs	Final Budget c=a+b	Actual on Comparable Basis e=d-c	% Utilization difference KShs
RECEIPTS					
Transfers from the County Treasury/ Exchequer Releases	100,000,000	42,085,440	142,085,440	96,565,272	68%
Proceeds from Sale of Assets	-	-	-	-	-
Other Receipts	-	-	-	-	-
TOTAL	**100,000,000**	**42,085,440**	**142,085,440**	**96,565,272**	68%
PAYMENTS					
Compensation of Employees	-	-	-	-	-
Use of goods and services	-	-	-	-	-
Subsidies	-	-	-	-	-
Transfers to Other Government Entities	-	-	-	-	-
Other grants and transfers	-	-	-	-	-
Social Security Benefits	-	-	-	-	-
Acquisition of Assets	100,000,000	42,085,440	142,085,440	91,505,273	64.4%
Finance Costs	-	-	-	-	-
Other Payments	-	-	-	-	-
TOTAL	**100,000,000**	**42,085,440**	**142,085,440**	91,505,273	64.4%
SURPLUS/ DEFICIT				**5,059,999**	

[Provide below a commentary on significant underutilization (below 10% of utilization) and any overutilization]

(a) The underutilization of development expenditure was due to low implementation of construction of new chambers during the financial year 2018/2019.

The entity financial statements were approved on 7th May 2021 and signed by:

Clerk of the Assembly
Name: Leboo Saisa

Chief Finance Office – County Assembly
Name: William Tootio Koitumet
ICPAK Member Number: 23489

5.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	KShs	KShs	KShs	KShs	KShs
Programme 1: Legislation, Representation and Oversight					
Office of the Speaker	24,500,000	(10,840,000)	13,660,000	14,038,660	-378,660
County Assembly Headquarters	215,547,900	22,553,472	238,101,372	234,674,970	3,426,402
Directorate of Legislation and Procedures	9,565,034	(1,200,000)	8,365,034	7,963,634	401,400
Programme 2: General Administration , Planning and Support Services					
Office of the Clerk	43,030,000	(1,500,000)	41,530,000	39,571,584	1,958,416
Directorate of Finance and Compliance	7,788,000	175,000	7,963,032	7,936,032	27,000
Directorate of Administration Liaison &Support Services	55,290,000	1,500,000	56,790,000	55,435,782	1,354,218
County Assembly Service Board	271,410,155	19,015,024	290,425,179	290,005,848	419,331
Acquisition of Assets(Development)	100,000,000	42,085,440	142,085,440	91,505,273	50,580,167

5.8. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Reporting entity

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

3. Recognition of receipts and payments

a) Recognition of receipts

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

Tax receipts

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

Transfers from the Exchequer/ County Treasury

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Receipts

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

b) Recognition of payments

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

Compensation of employees

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

Use of goods and services

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

Acquisition of fixed assets

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

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

4. In-kind contributions

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. Cash and cash equivalents

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

Restriction on cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2019, this amounted to KShs 8,996,319.05 compared to KShs 0 in prior period as indicated on note 15. There were no other restrictions on cash during the year.

6. Accounts Receivable

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

7. Accounts Payable

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

8. Non-current assets

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

9. Pending bills

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

10. Budget

The budget is prepared on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *entity's* budget was approved as required by Law .The original budget was approved by the County Assembly on 30/6/2018 for the period 1st July 2018 to 30 June 2019 as required by law. There was one supplementary budgets passed in the year. A high-level assessment of the *entity's* actual performance against the comparable budget for the financial year under review has been included in the Statement of Comparison between actual and budgeted amounts included in these financial statements.

11. Comparative figures

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

12. Subsequent events

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

13. Errors

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

14. Related party transactions

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

5.9. NOTES TO THE FINANCIAL STATEMENTS

1. Transfers from the County Treasury/Exchequer Releases

	2018/19	2017/18
	KShs	KShs
Transfers from the County Treasury for Q1	109,565,878	38,159,915
Transfers from the County Treasury for Q2	208,478,329	117,290,907
Transfers from the County Treasury for Q3	171,332,013	159,878,645
Transfers from the County Treasury for Q4	262,627,270	389,637,766
Cumulative Amount	**752,003,490**	**704,967,233**

(Where money is transferred to the County Assembly on a monthly basis, include the months instead of quarters. A detailed annex showing the reconciliation of transfers between the County Treasury and County Assembly is included in note XXXX of this report.)

2. PROCEEDS FROM SALE OF ASSETS

	2018/19	2017/18
	KShs	KShs
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from Sale of Certified Seeds and Breeding Stock	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Receipts from the Sale of Inventories, Stocks and Commodities	-	-
Disposal and Sales of Non-Produced Assets	-	-
Total	-	-

3. OTHER RECEIPTS

	2018/19	2017/18
	KShs	KShs
Receipts for refund from first assembly MCA's recoveries due to the assembly's lost assets.(Refund from Lapfund)	2,215,741	-
Total	**2,215,741**	-

(Provide a detailed explanation of what other receipts relate to, who they were received from and whether they had been budgeted for)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. COMPENSATION OF EMPLOYEES

	2018/19	2017/18
	KShs	KShs
Basic salaries of permanent employees	69,126,417	67,938,935
Basic wages of temporary employees	67,945,500	63,610,000
Personal allowances paid as part of salary	111,171,156	84,765,608
Personal allowances paid as reimbursements	-	-
Personal allowances provided in kind	-	-
Pension and other social security contributions	35,513,750	29,776,874
Compulsory national social security schemes	112,400	81,800
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	**283,869,223**	**246,173,217**

(Provide detailed explanation with regard to the number of employees recruited by the Assembly, new employees and resignations. Explain what other personnel costs relate to)

5. USE OF GOODS AND SERVICES

	2018/19	2017/18
	KShs	KShs
Utilities, supplies and services	4,769,890	4,625,411
Communication, supplies and services	1,495,190	320,600
Domestic travel and subsistence	164,365,251	121,046,868
Foreign travel and subsistence	47,674,683	20,954,755
Printing, advertising and information supplies & services	4,988,202	7,614,560
Rentals of produced assets	750,000	825,000
Training expenses	33,621,504	12,380,312
Hospitality supplies and services	22,260,522	19,185,859
Insurance costs	25,636,816	29,883,597
Specialized materials and services	-	1,081,293
Office and general supplies and services	5,402,739	1,865,316
Other operating expenses	53,098,829	43,154,433
Routine maintenance – vehicles and other transport equipment	5,354,705	3,114,339
Fuel oil and Lubricants	1,000,000	-
Total	**370,418,331**	**266,036,959**

6. SUBSIDIES

Description	2018/19 KShs	2017/18 KShs
Subsidies to County Corporations		
See list attached	-	-
(insert name)	-	-
Subsidies to Private Enterprises	-	-
See list attached	-	-
(insert name)	-	-
TOTAL	-	-

(Provide explanations as to what subsidies relate to)

7. TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	2018/19 KShs	2017/18 KShs
Transfers to National Government entities	-	9,214,743
Transfers to other County Assembly entities	-	42,000,000
(insert name of budget agency)	-	-
TOTAL	-	**51,214,743**

(Explain what the transfers relate to and whether they are to be refunded by the institution referred to)

8. OTHER GRANTS AND TRANSFERS

	2018/19 KShs	2017/18 KShs
Scholarships and other educational benefits	-	-
Emergency relief and refugee assistance	-	-
Subsidies to small businesses, cooperatives, and self employed	-	-
Total	-	-

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. SOCIAL SECURITY BENEFITS

	2018/19 KShs	2017/18 KShs
Government pension and retirement benefits	-	-
Social security benefits in cash and in kind	-	-
Employer Social Benefits in cash and in kind	-	-
Total	-	-

10. ACQUISITION OF ASSETS

Non- Financial Assets	2018/19 KShs	2017/18 KShs
Purchase of Buildings	-	-
Construction of Buildings	84,903,190	109,278,213
Refurbishment of Buildings	6,530,037	-
Construction of Roads	-	-
Construction and Civil Works	-	-
Overhaul and Refurbishment of Construction and Civil Works	-	-
Purchase of Vehicles and Other Transport Equipment	-	13,000,000
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and Equipment	2,413,681	4,231,330
Purchase of ICT Equipment	-	-
Purchase of Specialized Plant, Equipment and Machinery	865,316	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Purchase of Certified Seeds, Breeding Stock and Live Animals	-	-
Research, Studies, Project Preparation, Design & Supervision	-	-
Rehabilitation of Civil Works	-	-
Acquisition of Strategic Stocks and commodities	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total purchase of non-financial assets	-	-
Financial Assets	-	-
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Total purchase of financial assets	-	-
Total	**94,712,224**	**126,509,543**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. FINANCE COSTS

Bank Charges	28,007	15,384
Exchange Rate Losses		
Other Finance costs		
Interest on borrowings		
Total	**28,007**	**15,384**

(Provide detailed explanation on finance costs and whether they relate to borrowings on bank overdraft).

12. OTHER PAYMENTS

	2018/19 KShs	2017/18 KShs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Capital Transfers to Non-Financial Public Enterprises	-	-
Capital Transfer to Public Financial Institutions and Enterprises	-	-
Capital Transfers to Private Non-Financial Enterprises	-	-
Fuel oil and Lubricants	-	3,500,000
Total	**-**	**3,500,000**

(Provide detailed explanations for other payments)

13. CASH AND BANK BALANCES

13A. BANK BALANCES

Name of Bank, Account No. & Currency	Indicated whether recurrent or development	2018/19 KShs	2017/18 KShs
Central Bank of Kenya; Account No.1000199032	Development Acc	5,059,999.70	11,317,464
Central Bank of Kenya; Account No.1000199016	Recurrent Acc	21,093.05	168,971
Central Bank of Kenya; Account No.1000199024	Deposits Acc	8,996,319.05	-
Kenya Commercial Bank; Imprest Account No.1153874380	Commercial Bank Accs.	110,353.20	30,952
Total		**14,187,765**	**11,517,387**

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13B. CASH IN HAND

	2018/19	2017/18
	KShs	KShs
Cash in Hand – Held in domestic currency	-	-
Cash in Hand – Held in foreign currency	-	-
Total	-	-

Cash in hand should be analysed as follows:

	2018/19	2017/18
	KShs	KShs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Total	-	-

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

14. ACCOUNTS RECEIVABLE

	2018/19	2017/18
	KShs	KShs
Government Imprests	-	9,214,743
Clearance Accounts	-	-
Staff Advances	-	-
Other Advances	-	-
Total	-	**9,214,743**

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

15. ACCOUNTS PAYABLE

	2018/19	2017/18
	KShs	KShs
Deposits	-	-
Retentions	8,996,319.05	-
Total	**8,996,319.05**	-

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. FUND BALANCE BROUGHT FORWARD

	2018/19 KShs	2017/18 KShs
Bank accounts	11,517,387	9,214,743
Cash in hand	-	-
Accounts Receivables	-	-
Accounts Payables	-	-
Adjustment for the year-Transfer to National treasury	(11,517,387)	
Total	**0**	**9,214,743**

17. PRIOR YEAR ADJUSTMENTS

Description of the adjustment	2018/19 KShs	2017/18 KShs
Adjustments on bank account balances	-	9,214,743
Adjustments on cash in hand	-	-
Adjustments on payables	-	-
Adjustments on receivables	-	-
Others (*specify*)	-	-
Total	**-**	**9,214,743**

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

5.10. OTHER DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 1)

Description	Balance b/f FY 2017/2018 Kshs	Additions for the period Kshs	Paid during the year Kshs	Balance c/f FY 2018/2019 Kshs
Construction of buildings	-			
Construction of civil works	3,179,792	6,077,281.75	3,179,792	6,077,281.75
Supply of goods	7,809,080	3,500,326	7,809,080	3,500,326
Supply of services	8,529,632	19,848,309	8,529,632	19,848,309
Total	**19,518,504**	**29,425,917.00**	**19,518,504**	**29,425,917.00**

2. PENDING STAFF PAYABLES (See Annex 2)

Description	Balance b/f FY 2017/2018 Kshs	Additions for the period Kshs	Paid during the year Kshs	Balance c/f FY 2018/2019 Kshs
Senior management	-	-	-	1,350,450.00
Middle management	-	-	-	1,098,700.00
Unionisable employees	-	-	-	341,625.00
Others	-	-	-	-
Total	-	-	-	**2,790,775.00**

3. OTHER PENDING PAYABLES (See Annex 3)

Description	Balance b/f FY 2017/2018 Kshs	Additions for the period Kshs	Paid during the year Kshs	Balance c/f FY 2018/2019 Kshs
Amounts due to National Government entities	11,517,387	5,191,446	11,517,387	5,191,446
Amounts due to County Government entities	-			
Amounts due to third parties	-	8,996,319		8,996,319
Total	**11,517,387**	**14,187,765**	**11,517,387**	**14,187,765**

4. RELATED PARTY DISCLOSURES

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS. The following comprise of related parties to the County Assembly.

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

OTHER DISCLOSURES (CONTINUED)

Related party transactions:

	2018- 2019 Kshs	2017- 2018 Kshs
Compensation to Key Management		
Compensation to the Speaker, Deputy Speaker and the MCAs	67,945,500	64,710,000
Key Management Compensation(Clerk and Heads of departments)	32,338,440	31,319,400
Total Compensation to Key Management	**100,283,940**	**66,029,400**
Transfers to related parties		
Transfers to other County Government Entities such as car and mortgage schemes	-	42,000,000
Transfers to County Corporations	-	-
Transfers to non- reporting entities e.g ECD centres, welfare centres etc	-	-
Total Transfers to related parties	**-**	**42,000,000**
Transfers from related parties		
Transfers from the County Executive- Exchequer	752,003,490	704,967,233
Payments made on behalf of the County Assembly by other Government Agencies	-	-
(Insert any other transfers received)	-	-
Total Transfers from related parties	**752,003,490**	**704,967,233**

5. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
1	Presentation and disclosure of the statements of comparison of Budget and Actual Amounts	The discrepancies between the final budget and actual have been rectified as per the audited financial statements.	Accountant	Resolved	
2	Cash and Bank balances	The cash and bank balances are kshs.11, 517,387 are correct as per the audited financial statements and the manual cashbooks are hereby maintained.	Accountant	Resolved	
3	Unsupported expenses-utilities, supplies and services	The discrepancies between the final budget and actual have been rectified as per the audited financial statements.	Accountant	Resolved	
4	Failure to update the Fixed Assets Register	Fixed Assets register is yet to be updated.	DFA	Ongoing	
	Other matters				
1	Budgetary Performance	The discrepancies between the final budget and actual have	Accountant	Resolved	

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
		been rectified as per the audited financial statements.			
2	Differences between Financial statements figures and IFMIS records	The discrepancies between the financial statements and ifmis records have been rectified as per the audited financial statements.	Accountant	Resolved	
3	Failure to maintain Creditors ledgers/register-pending account payable	We endeavour to maintain creditors ledgers	Procurement officer	Resolved	
	Basic for conclusion				
1	Irregular Payment in Respect to Construction of the County Assembly Chambers	Recover for advances payment has been started with Kshs.5,059,999.00 deducted from the previous certificate.	Clerk	On-going	
2	Irregular Awards of comprehensive medical cover	We endeavour to ensure that medical cover is well source to avoid variances on medical expenses.	DFA	Resolved	
3	Issue of multiple imprests	We endeavour to ensure there are no multiple imprests.	Accountant	Resolved	
4	Officers Acting in Vacant positions beyond the stipulated	The clerk position was advertised, interviews done and the position filled. The Principal General	CLERK	Yet to be filled.	

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

Guidance Notes:

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

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

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

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

Clerk of the County Assembly

Sign.....

Date....7th May 2021.....

ANNEXES

ANNEX 1 – ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
	A	b	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
YAMMY PRODUCTS				1,437,368.00		
KADAN BUILDING AND CIVIL				4,639,913.75		
Sub-Total				**6,077,281.75**	**3,179,792**	
Supply of goods						
WHITE LOUNGE AND DÉCOR				716,000.00		
NASEK AFRICA LIMITED				910,000.00		
KELYN GENERAL SUPPLIERS AND ENTERPRISE				666,100.00		
JASIRI SUTREACH GROUP OF COMPANIES				129,600.00		
FINACC CONSULTING LIMITED				1,078,626.00		
Sub-Total				**3,500,326.**	**7,809,080**	
Supply of services						
CMC MOTORS				192,918.00		
ALMA HOTEL				296,700.00		
WESTON				835,345.00		
SOUTHERN POLE ENTERPRISE				165,000.00		

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
SANCHO ELECTRICAL &ELECTRONIC SERVICES				489,520.00		
RED COURT HOTEL				366,640.00		
PORTLAND SPORT CLUB				433,695		
PLANET PLAY KENYA LTD				4,412,350.00		
NATION MEDIA				142,680.00		
NASLET INVESTMENT LIMITED				278,400.00		
NAIKUNI,NGAAG& MIECHA				580,500.00		
MUMA AND KANJAMA ADVOCATES				1,500,000.00		
MOMBASA CONTINENTAL HOTEL				234,500.00		
MCKAY ADVOCATES				3,793,200.00		
MADISON INSURANCE				283,311.00		
KIPTINNES AND ODHIAMBO ASSOCIATES				290,480.00		
KENYA SCHOOL OF GOVERNMENT				102,950.00		
KENYA INSTITUTE OF SUPLIES MANAGEMENT				389,760		
KCB LEADERSHIP CENTRE				1,187,645.00		
KAYLAN TOURS AND TRAVEL				2,100,000.00		
JUBILEE INSURANCE				712,685.25		
INSTITUTE OF HUMAN RESOURCE MANAGEMENT				114,000.00		
INSET VENTURES LTD				485,600.00		
ICPAK				565,525.85		
ENCHULA RESORT				194,880.00		
COLLEGE OF HUMAN RESOURCE MANAGEMENT				120,000.00		
INSTITUTE OF INTERNAL AUDITORS				575,000.10		
Sub-Total				**20,843,285**	**8,529,632**	
Grand Total				**30,420,893**	**19,518,504**	

ANNEX 2 – ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
See the attached list		A	b	c	d=a-c		
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
Sub-Total							
Grand Total							

ANNEX 3 – ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
		a	b	c	d=a-c		
Amounts due to National Govt Entities							
1. National Treasury					5,191,446		
2.							
3.							
Sub-Total					**5,191,446**		
Amounts due to County Govt Entities							
4.							
5.							
6.							
Sub-Total							
Amounts due to Third Parties							
7. Bayan Construction					8,996,319		
8.							
9.							
Sub-Total					**8,996,319**		
Others (*specify*)							
10.							
11.							
12.							
Sub-Total							
Grand Total					**14,187,765**		

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (KShs) 2017/18	Additions during the year (KShs)	Disposals during the year (KShs)	Transfers in/(out)	Historical Cost c/f (KShs) 2018/19
Land					
Buildings and structures	176,985,749	91,433,227	-	-	268,418,976
Transport equipment	13,000,000	-	-	-	13,000,000
Office equipment, furniture and fittings	8,260,266	2,413,681.05	-	-	10,673,947
ICT Equipment	2,693,103	865,316.00	-	-	3,558,419
Machinery and Equipment	0	-	-	-	
Biological assets	0	-	-	-	
Infrastructure Assets	0	-	-	-	
Heritage and cultural assets	0	-	-	-	
Intangible assets	0	-	-	-	
Work In Progress	0	-	-	-	
Total	**200,939,119**	**94,712,224.35**	-	-	**295,651,343.35**

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

ANNEX 5 – ANALYSIS OF OUTSTANDING IMPRESTS

Government Imprest Holders

Name of Officer or Institution	*Date Imprest Taken*	*Amount Taken*	*Amount Surrendered*	*Balance*
		KShs	***KShs***	***KShs***
Julius Tokoin	27/06/2019	2,935,000	2,935,000	
William Koitumet	28/06/2019	100,000	100,000	
Richard Sayianka	28/06/2019	100,000	100,000	
Jemimah Kilesi	28/06/2019	100,000	100,000	
Norah Mogaka	28/06/2019	100,000	100,000	
Total		**3,335,000**	**3,335,000**	

ANNEX 6 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Reports from IFMIS)