REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

COUNTY EXECUTIVE OF TAITA TAVETA

FOR THE YEAR ENDED 30 JUNE, 2019

OFFICE OF THE AUDITOR GENERAL
P. O. Box 95202, MOMBASA
16 DEC 2019
RECEIVED
COAST HUB

COUNTY GOVERNMENT OF TAITA TAVETA
(COUNTY EXECUTIVE)

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)

TABLE OF CONTENTS

1. KEY ENTITY INFORMATION AND MANAGEMENT ii
2. FORWARD BY THE CEC v
3. STATEMENT OF MANAGEMENT RESPONSIBILITIES xiv
4. REPORT OF THE INDEPENDENT AUDITORS ON THE ENTITY OF TAITA TAVETA COUNTY GOVERNMENT xvi
5. FINANCIAL STATEMENTS 1
5.1. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2019 1
5.2. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2019 2
5.3. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2019 3
5.4. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED FOR THE PERIOD ENDED 30TH JUNE 2019 5
5.5. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT FOR THE PERIOD ENDED 30TH JUNE 2019 7
5.6. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT FOR THE PERIOD ENDED 30TH JUNE 2019 9
5.7. SIGNIFICANT ACCOUNTING POLICIES 11
5.8. NOTES TO THE FINANCIAL STATEMENTS 18
5.9. OTHER IMPORTANT DISCLOSURES 33
6. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS 36
ANNEXES 37
ANNEX 1 – ANALYSIS OF TRANSFERS FROM THE EXCHEQUER 37
ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE 38
ANNEX 3 –PENDING STAFF PAYABLES 39
ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER 40
ANNEX 5– INTER-ENTITY TRANSFERS 41

1. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

Taita Taveta County is one of the six counties in the Coastal region of Kenya. It borders Tana River, Kitui and Makueni Counties to the North, Kwale and Kilifi Counties to the East, Kajiado County to the North-west, and the Republic of Tanzania to the South and South-west. Further, the county covers an area of 17,084.1Km2 and lies between latitude 2o 46' South and 4o 10' South and longitude 37o 36' East and 30o 14' East.

Administratively, the county is composed of four sub-county units namely Taveta, Mwatate, Taita and Voi, which are sub-divided into Twenty wards, nine (9) administrative divisions, and further to 32 and 90 locations and sub-locations respectively. In terms of political units, the county has four constituencies namely, Wundanyi, Mwatate, Voi and Taveta. The total number of electoral wards in the county is 20, distributed across the four constituencies with Mwatate having five wards, Voi six wards, Wundanyi four wards and Taveta five wards.

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

b) Key Management

The County's day to day management is under the following officials.

	Name	Designation	Date of holding office
1.	H.E. Granton Graham Samboja	Governor	21st August 2017
2.	H.E. Majala Mlagui	Deputy Governor & CEC Member, Public Service and Administration	Deputy Governor, 21st August 2017;
3.	Janet Mwawasi Oben	CEC Member, Tourism, Service Delivery, Industrialization and Energy	25th January 2018

	Name	Designation	Date of holding office
4.	Dr. Frank Mwangemi	CEC Member, Education and Libraries	13th November 2017
5.	Davis Mwangoma	CEC Member, Agriculture, Livestock, Fisheries and Irrigation A.G CEC Member, Finance and Economic Planning	13TH November 2017
6.	Getrude N. Shuwe	CEC Member, Lands, Environment, Natural Resources, Mining, Housing and Transport	13TH November 2017
7.	Bigvai M. Ouma	CEC Member, Trade, Cooperative Development, Youth and Sports	13TH November 2017
8.	Mr. Gasper K. Mshighati	CEC Member, Water and Sanitation	13TH November 2017
9.	Daniel M. Mwakisha	CEC Member, Health Services	13TH November 2017
10.	Clarice G. Mnyambo	CEC Member, Gender, Culture and Social Services	13TH November 2017
11.	Eng. Houghton M. Mombo	CEC Member, Public Works and Infrastructure	13TH November 2017

c) Fiduciary Management

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

No.	Designation	Name
1.	CEC Member, Member Finance & Economic Planning	Mr. Davis Mwangoma
2.	Chief Officer, Finance and Economic Planning	Mr. Leonard Langat, CPA (K)
3.	Director – Accounting	Ms. Joyce Kambe Mwachia, CPA (K)

d) Fiduciary Oversight Arrangements

The key fiduciary oversight bodies at the County for the year ended 30th June 2019 were:

1. County Assembly of Taita Taveta County;
2. County Audit Committee
3. County Budget and Economic Forum (CBEF)

e) Entity Headquarters

P.O. Box 1066-80304
Wundanyi.

f) Entity Contacts

Telephone:0788186436/0718988717
Email: info@taitataveta.go.ke
Website: www.taitataveta.go.ke

g) Entity Bankers

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

2. Kenya Commercial Bank
   Wundanyi Branch
   P.O. Box 106780304
   Wundanyi

h) Independent Auditors

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

i) Principal Legal Adviser

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

2. FORWARD BY THE CEC

It is my pleasure to present the County Government of Taita Taveta financial statements for the year ended 30th June 2019. The financial statements present the financial performance of the County Government over the past 12 months.

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

Financing of the County Governments

The County Government gets its financing from the Equitable share from National Government, Conditional grants from Donors & Development Partners and its own Source Revenue. Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Each County Government's equitable share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation and approved by Parliament in accordance with Article 217 of the Constitution.

The County has been putting in efforts to increase its own source revenue over the last few years. In the year under review the County collected the highest amount of **Kshs.332 Million** from this key revenue stream. This was against a target of Kshs.300 Million The key local revenue sources include; Single Business Permits, Land rates, Development plan approvals, Advertising fees, Cess and various other administrative charges.

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

1) **Capacity building of staff** as regard technical assistance, knowledge exchange and structured learning.
2) Ensuring **a well-coordinated approach in terms of monitoring and supervision** in all departments including strengthening the inspectorate unit.
3) **Improving the staff working environment** and facilitating Revenue Directorate with enough accountable documents for Revenue collection and Reporting. The County Government also provided additional motor vehicles and motorbikes to improve on mobility of revenue staff throughout the County.

4) **Revenue collection targets** were set for each Sub County, departments and revenue streams down to individual collector to enhance performance and as an incentive for improvement.

Financial Performance

a) Revenue

In the year ended 30th June 2019, the County had total projected revenues of KShs 5,987,452,159 consisting of; KShs 300,000,000 from own sources and KShs 5,687,452,159 from other sources, including County Allocation through Exchequer.

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

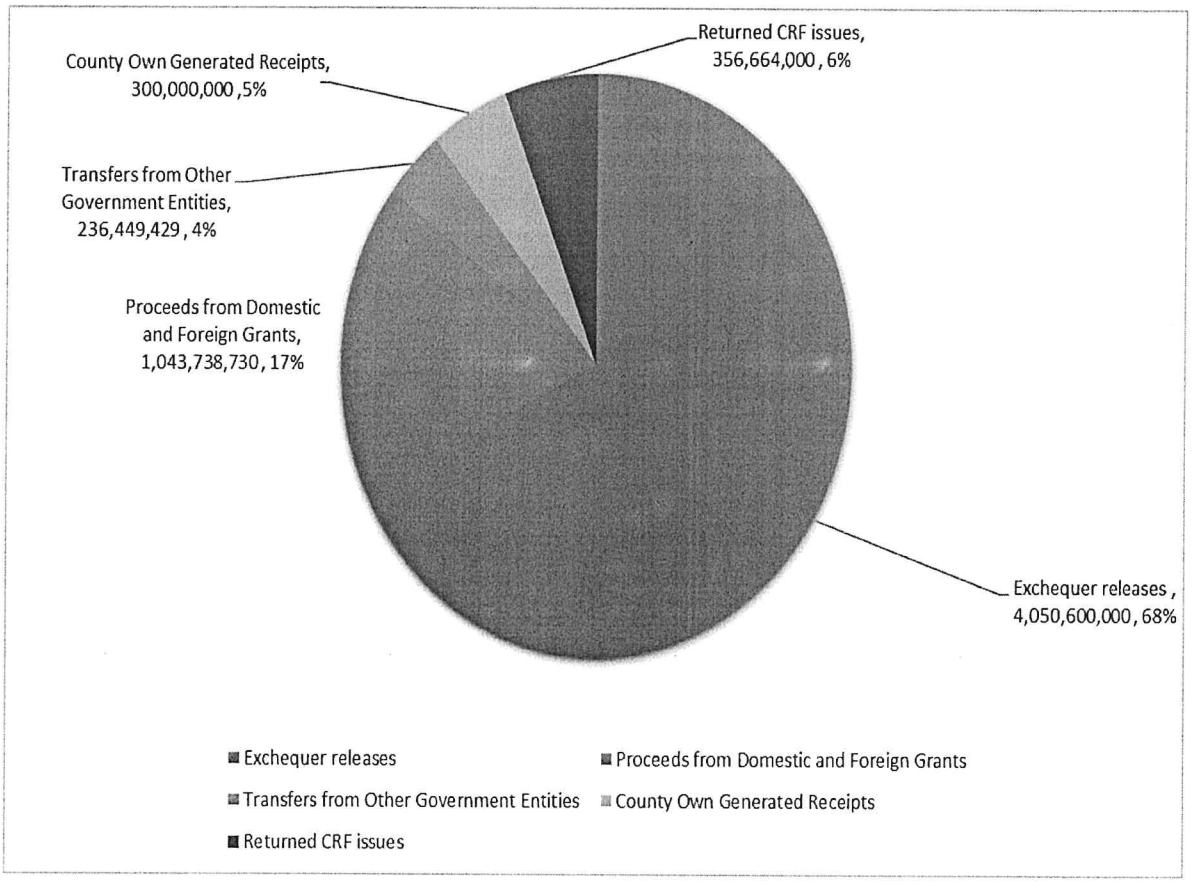


Figure 1: Taita Taveta County revenue sources in FY 2018/2019

CARA revenues continue to form the largest part of our revenue budget, contributing 68% towards our budget. Our own generated revenues formed 5% of our budget.

Out of the projected revenue, the County was able to realize KShs 5,150,427,344 in actual revenues, representing 86% performance. This performance was as a result of 100% realization of the County Allocation through Exchequer, 111% on own generated revenues, 75% Transfers from other government entities and 22% was actualized from Donors and Development Partners.

The table below shows an analysis of revenue performance during the year ended 30th June, 2019.

Table 1: Revenue performance in FY 2018/2019

Revenue Classification	Revenue Budget (KShs)	Actual (KShs)	Realization (%)
CARA	4,050,600,000	4,050,600,000	100%
Proceeds from Domestic and Foreign Grants	1,043,738,730	233,566,562	22%
Transfers from Other Government Entities	236,449,429	176,884,230	75%
County Own Generated Receipts	300,000,000	332,712,551	111%
June Exchequer Brought Forward (FY 2017/18)	356,664,000	356,664,000	100%
Total	**5,987,452,159**	**5,150,427,344**	**86%**

b) Payments

The total expenditure for the year ended 30th June 2019 amounted to KShs 5,155,946,078 , being KShs 1,410,726,594 spent on development expenditure while KShs 3,745,219,484 was spent on recurrent expenditure. Out of the projected donor funded revenues of KShs 1,043,738,730 we only realized KShs 233,566,562 hence affecting the development absorption rate.

In the year under review the County Government of Taita Taveta acquired various plants and equipment such as Water Drilling Rig, Motor Grader, and Garbage Truck and paid for various construction projects. The County further disbursed over KShs. 80 million bursaries, education loan and scholarships to secondary and post-secondary students. All the payments made were geared towards enhanced service delivery and performance to the County residents.

c) Cash flows

In the FY 2018/2019, the cash and cash equivalents decreased from KShs 553,374,936 as at 30th June 2018 to KShs 242,093,200 as at 30th June 2019.

The decrease in net cash flow as at the end of financial year reflects **high absorption** of both recurrent and development funds received during the year.

d) Accounts receivables

Imprest management is a critical area of focus in Taita Taveta County and we always strive to adhere to the PFM Act, 2012 and its regulations on imprest management. The County Treasury has been putting in control measures to ensure that County staff surrender their imprests on time. Some of these measures include recovery of unsurrendred imprests through payroll, stoppage of salary for defaulters and sensitizing all County staff on effective imprest management through Circulars and Memos.

There was a general positive improvement in the amount of outstanding imprests as at 30th June, 2019 as compared to the previous financial year 2017/2018 due to stringent measures that were put in place.

e) Pending bills

Pending bills is still a key item in the operations of the County Government. Most of the outstanding bills are historical spanning over past financial years and the County strives to clear them in the next financial year 2019/2020.The County has a pending bill totaling to KShs 893 million which consists of KShs 868 million for Development and KShs 25 million for Recurrent.

Going forward the County will be implementing E-Procurement, full cycle, from sourcing to payments as a step towards reducing incurring of pending bills. Additionally, some items cross cutting all departments, e.g. fuel, servicing and repairs of motor vehicles, stationeries, etc will be consolidated and purchased in bulk to enjoy economies of scale which usually comes with low prices. Other measures include costing of projects before implementation, proper management of variations in the projects, training of County staff on effective public financial management among other measures.

The County has also been utilizing the services of committees to vet and verify pending bills to ensure that only justified pending bills are paid and that there is value for money.

f) Fixed assets

The Current County Administration has made significant investments in fixed assets since coming into office in August 2017. Additionally, the County inherited some assets from the defunct County and Municipal councils the same have been incorporated in the County Asset Register which is updated regularly. The County Treasury has also set up an office and deployed staff dedicated to continuously updating the Asset Register as a key step in ensuring that the County secure and appropriately manage its assets.

Operational performance

The financial year 2018/2019 was an action-packed year with lots of activities and programs being undertaken in various areas of our County. The County has struggled with insufficient cash flows, late disbursement of funds, increasing prices, industrial unrest among staff relating to Doctors and Nurses Collective Bargaining Agreement (CBA) negotiations and implementation of several development projects across the County.

However, the county made great strides including the upgrading of Voi Lower Market into a Modern Market facility, launching the construction of Banana processing Plant, Construction of Ufunguo Water Pan in Kasighau, rehabilitation of Njoro Kubwa water canal, Desilting of a twin drainage canal at Mboghoni ward to prevent flooding during rainy season, issuance of Bursaries, Loans and Scholarships to Secondary Schools and College going students, among others.

The County's operations are structured in terms of departments which are headed by a County Executive Committee member.

Some of the key activities undertaken by various Departments in the year under review includes:

NO	Department	Key activities
1	HEALTH SERVICES	Removal of Asbestos and face lifting of Taveta SC Hospital (Administration block & Laboratory)
		Fencing and renovations of various Dispensaries (Challa, Mahandakini, Njukini, Ndilidau, Mata,Mlambenyi Health Centre,
		Completion of Kachero Dispenasry,Saghasa Dispensary, Zungulukani dispensary,Ngolia-Salaita Dispensary,
		Completion of Wesu Hospital Drug Abuse Rehabilitation Centre
		Construction of Out Patient wing at Ndovu Health Centre, Kirumbi dispensary Maternity block,

		Procurement of portable ultra sound machines -8 in No. MCRH-1, Ndovu-1, Bughuta-1, Taveta-1, Wesu-1, Bura-1, Mgange Nyika-1, Njukini-1 @1,250,000 each (inclusive of installation and health workers training)
		Installation of Generator at Bura Health Centre
		Assorted Lab equipment
		Dental and other medical equipment
2	**PUBLIC WORKS & INFRASTRUCTURE**	Purchase of a Weighbridge
		Maintenance of various roads : Mruru Mwakoto Sechu Rd,Maribongonyi Kironge Rd,Slabbing of Mbokole Road, Mreshinyi Ngerenyi Rd,Ramunyi mlambenyi rd,Mwashuma Godoma Kwa Mnengwa rd,Saghaighu Chombo rd, Tungulu Kilulunyi rd,Mwamkolo Road,Tungulu Shale Slab,Expansion of Mwalenyi kidemedu Rd,Expansion of Manolonyi Mdundonyi Rd,Werugha feeder rd - Kichi Marumange,Slabbing of Kituri Mbela Road, Vighombonyi Mule Kipusi Shagha rd,Maghimbinyi Ngolia Kitumbi,Iyale Choke Wesu, Mgange Nyika Kwila Mwaroko, Rehabilitation of Mkwachunyi Mwangarana Road, Intex/Sikujua juu Road (Box bridge & foot bridge),Rehabilitation of Kale Road, Installation of Gabions Kwa Mwanyolo road,Ajaya Bughuta Rd, Ngolia Footbridge,Maintenance of Ghazi Mwakuni,New Mwambui Road -Lukasinyi-Msorongonyi-Mlalakawi-Salaila Ngolo ya Mundu-Kiviso-Madangonyi-Majengo-Madukani, Wongonyi-Dip, Mrangi, Macha Road,Rehabilitation of Mama Kache Road sofia, Gravelling of Voi and Werugha feeder roads, Upgrading of New Voi model market to cabro standards,Chachewa Lang'ata Road Murraming and culvert installation,Murraming of Machungwani Hassan Road,Murraming of Kasolo -Mseghesheni Road,Murraming Culvert and drainage culvert mkuyuni -Kingwareni,
		Upgrading of New Voi model market to cabro standards
		Construction and Equipping of county fire Station
3	WATER	Drilling of Boreholes: Zungulukani, Makwasinyi, Mwanose, Boniface Mghanga borehole, Korona boheholes, etc.
		Construction of various water projects and distribution pipelines: Itinyi Majengo-Zaire distribution, kimwa water project, Mwajika Teri W/Project, Birikani water pipeline distribution, Mabomani sikujua village Waterbdistribution,Kisambinyi ghazi Water Project, Maungu - Buguta water project(CGTT&KRCS), Mlughi water project and piping,Rashia rising main,
		Purchase of an Excavator

		Purchase of Water Drilling Rig
4	Trade, Tourism and Industry	Roofing Chumvini Open Air Market Renovation of Tourist Shed at Kasighau Completion of Rukanga Open Air Market Renovation of Marikiti In Voi Market
5	Livestock	➢ Support of Livestock Multiplication centres ➢ Installation of Werugha Milk cooling plant ➢ Installation of Wundanyi milk cooling Plant ➢ Installations of Bura milk cooling plant ➢ Installation of Mgange Milk cooling plant ➢ Fish feeds, Pondliners,protective nets , fishing nets , fishing baskets .fertilizer ➢ Rehabilitation of Werugha slaughter House
6	Agriculture	➢ Procured and delivered 3,448 Tissue Culture Banana plantlets and distributed to 340 farmers for planting. ➢ The department procured and supplied a total of 770 Tons of manure to Chawia, Marungu and Ngolia wards. ➢ Planting of over 10,000 agro forestry trees to increase forest cover and improve environmental conservation and soil fertility. ➢ The department in collaboration with National Government decentralized a National Cereals and Produce Board (NCPB) depot closer to farmers at Timbila in Taveta Sub County. ➢ Procured and delivered 9000 macadamia seedlings to farmers in Mwanda /Mghange and chawia wards to boost macadamia production in the upper zones of Taita Taveta County. ➢ Construction of Perimeter Fence at Banana Proessing & Marketing Plot, Taveta ➢ Construction of Ufunguo Water pan ➢ Improvement of Dairy & Beef Value Chains ➢ Promotion of Agroforestry to deal with Climate change ➢ Provision of adequate extension services
	Education	➢ Early year education infrastructure improvement program that saw construction and completed 20 ECDE classrooms,

		renovated three and fenced one. The department procured and supplied 359 Mattresses,458 chairs and 118 tables benefiting 1,422 PP1 and PP2 children in Ronge and Challa Ward ➢ Procured and supplied 3,400 teachers guide for all the 330 Public ECDE centres to be used by 770 ECDE teachers as reference for effective Competency Based Curriculum implementation in Pre-primary I and Pre-primary II ➢ Vocational training Centre infrastructure improvement program that saw the construction of Kilogwa training complex phase 2, Mwanda VTC training complex phase 1, Talio twin workshop Phase 1, Mata VTC twin classroom, completion of Mselia and Ndome twin workshop blocks in order to enhance access to Vocational training. ➢ Procured and supplied training tools and equipment to Kambugu VTC and Chumvini VTC in bid to promote quality training ➢ Disbursed over Ksh. 80 Million in bursaries, education loans and scholarships. ➢ Implemented ECDE feeding programme in all the 330 public ECDE centers benefitting 12,514 children. ➢ Circulation of revision books to 141 primary schools which is 72% of the schools through the Mobile library services. This has contributed to the rise of the primary school national examination mean score from 215.25 to 219.76. ➢ Employed a Principal Graduate ECDE Teacher II and 4 Sub County ECDE Coordinators in order to enhance supervision, strengthen coordination, partnership and management of ECDE matters in the County at all levels. ➢ Deployed 4 Sub County VTC Officers in order to strengthen the administration, management and curriculum implementation

		and ensure compliance of VET policies, guidelines, and regulations by all VTCs in the County.

Conclusion

FY 2018/2019 was a good year in general. Good progress was made in absorption of funds, unlike in the previous financial year 2017/2018 and the momentum has been created to enable Taita Taveta County continue on a trajectory into prosperity. We have identified gaps and areas to improve in the next financial year 2019/2020.

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

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

County Executive Committee Member for Finance and Economic Planning
County Government of Taita Taveta

3. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The County Executive Committee (CEC) member for finance of the County Government is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the financial year ended on June 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 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, 2019, 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.

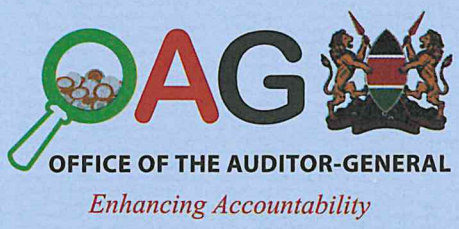
Approval of the financial statements

The County Government's financial statements were approved and signed by the CEC member for finance on 13/12/ 2019.

County Executive Committee Member – Finance & Economic Planning

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF TAITA TAVETA FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Executive of Taita Taveta set out on pages 1 to 36, which comprise the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects 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 Executive of Taita Taveta 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

1.0. County Own Generated Revenue

The statement of receipts and payments for the year ended 30 June, 2019 reflects county own generated receipts totalling Kshs.332,712,551, as further disclosed in Note 9 to the financial statements. However, examination of records on the balance revealed the following anomalies:

1.1. Unconfirmed Market and Trading Centres Revenue

Note 9 to the financial statements reflects market and trade centres fee receipts totalling Kshs.20,269,214 collected during the year under review. Examination of revenue accounting documents revealed that both Government Printer miscellaneous receipt books and receipt books printed by the County Executive were used to collect the revenue. However, there was no evidence of an elaborate system established to track issues and returns of receipt books and therefore the risk of their misuse was high.

Records examined during the audit indicated that four (4) Sub-County revenue officers, two of whom were casual employees, reportedly collected an unquantified amount of revenue using fake receipts during the year under review. According to an investigation conducted by Management, there were several other officers involved in the fraudulent practice. At the time of concluding the audit, in November, 2019, thirteen (13) officers had been interdicted, and four (4) dismissed from service and charged in Court. Misappropriated revenue amounting to Kshs.645,865 was recovered from several Sub-County revenue officers.

In the circumstances, the accuracy and completeness of revenue totalling Kshs.20,269,975 reported to have been collected from market and trading centre fees during the year ended 30 June, 2019 has not been confirmed.

1.2. Unsupported Revenue from Sub-County Health Facilities

County own generated receipts totaling Kshs.332,712,551 reflected in the statement of receipts and payments include Kshs.44,352,349 from public health facilities. However, no system generated reports on revenue collected were presented for verification during an audit inspection at Mwatate Sub-County Hospital in October, 2019. Consequently, it was not possible to confirm whether all the revenue due was collected, recorded and banked.

In view of the omission, the completeness and accuracy of fees collected at the Hospital during the year under review could not be confirmed.

1.3. Uncollected Mining Revenue

The county own generated receipts balance totalling Kshs.332,712,551 reflected in the statement of receipts and payments for the year under review includes Kshs.30,876,451 from mining cess, as disclosed in Note 9 to the financial statements. However, examination of revenue collection invoices and accounting records held at the Revenue Directorate revealed that the County Government failed to collect revenue totaling to Kshs.32,397,353 from three (3) mining companies that extract minerals in the County.

As a result of the omission, mining cess revenue totalling Kshs.30,876,451 included in the aggregated own generated revenue balance amounting to Kshs.332,712,551 reflected in the statement of receipts and payments for the year ended 30 June, 2019 is not complete.

1.4. Undisclosed Fees Due from Incomplete Revenue Management System

As previously reported, the County Executive implemented a new electronic revenue collection system in 2014/15 financial year at a contract sum of Kshs.27,999,320. Fees equivalent to 4% of revenue processed through the system were , in addition, to be paid to the system's vendor every year for the three year duration of the contract. As at 30 June, 2019,the fees incurred by the County Executive amounted to Kshs.20,434,097, out of which, Kshs.1,330,849 related to the year under review. However, the outstanding fees have not been disclosed in the financial statements for the year under review.

Further, although the electronic system was still in use at the time of the audit, some revenue reports for the year under review were published from manual records. This

indicated that the new electronic system did not cover some revenue sources. As a result, it was not possible to confirm that the County Executive obtained value for the expenditure totaling Kshs.27,99,320 incurred to procure and install the system.

In view of these anomalies, the accuracy and completeness of own generated revenues totalling Kshs.332,712,551 reflected in the statement of receipts and payments for the year under review have not been confirmed.

2.0. Use of Goods and Services

2.1. Unsupported Domestic Travel and Subsistence

The statement of receipts and payments for the year ended 30 June, 2019 reflects use of goods and services expenditure totalling Kshs.1,006,211,459. The sum includes Kshs.398,857,661 incurred by staff on domestic travel and subsistence. However, examination of travel documents, imprest surrenders, minutes of meetings and payment vouchers revealed that subsistence allowances totaling Kshs.7,483,407 paid to Members of Taita Taveta County Assembly were not supported with signed schedules by the Members to acknowledge receipt of the allowances. Further, the respective work tickets, meeting attendance registers and minutes of meetings were not availed for audit review. As a result, the occurrence and validity of the expenditure totaling Kshs.7,483,407 could not be confirmed.

In the absence sufficient evidence, the accuracy and completeness of domestic travel and subsistence expenditure totalling Kshs.398,857,661 reported to have been incurred in the year ended 30 June, 2019 and included in the use of goods and services expenditure totalling Kshs.1,006,211,459 reflected in the statement of receipts and payments for the year, has not been confirmed.

2.2. Unsupported Insurance Payments

The statement of receipts and payments for the year ended 30 June, 2019 reflects expenditure totalling Kshs.1,006,211,459 incurred on use of goods and services. As disclosed in Note 12 to the financial statements, the expenditure includes insurance costs totalling Kshs.27,834,528. However, payment vouchers and other records presented for audit revealed that Kshs.1,386,270 of the expenditure was not supported by requisitions from user departments , quotations and other procurement documents.

As a result, the accuracy, validity and completeness of insurance costs totalling Kshs.27,834,528 included in the use of goods and services balance totalling Kshs.1,006,211,459 reflected in the statement of receipts and payments for the year under review has not been confirmed.

3.0. Unsupported Agro Inputs Expenditure

The statement of receipts and payments for the year ended 30 June, 2019 reflects acquisition of assets balance totalling Kshs.776,052,983, as further disclosed in Note 17 to the financial statements. Included in the balance is Kshs.24,519,609 spent on purchase of certified seeds, breeding stock and live animals during the year. However, examination

of payment vouchers, distribution registers and other records revealed that Kshs.2,134,140 paid out to various vendors was not supported by distribution lists showing how the items so purchased were issued upon receipt.

In the circumstance, the occurrence and validity of the purchase of seeds, breeding stock and live animals payments totalling Kshs.24,519,609 included in the aggregate Kshs.776,052,983 balance reflected in the statement of receipts and payments for the year ended 30 June, 2019 has not been confirmed.

4.0 Unconfirmed Fixed Assets

Note 17 to the financial statements for the year under review reflects acquisition of assets valued at Kshs.776,052,983. However, the records maintained on the assets did not carry important information such as the dates the assets were acquired, their costs, and location. As a result, it was not possible to confirm the valuation and completeness as well as ownership of all the assets carried in the books of the County Executive at a cost of Kshs.776,052,983 as at 30 June, 2019.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of County Executive of Taita Taveta 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. Except for the matters described in the Basis for Qualified Opinion section of my report, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1. Budgetary Control and Performance

1.1 Failure to Meet Revenue Target

The statement of receipts and payments for the year ended 30 June, 2019 reflects County budgeted revenue amounting to Kshs.5,987,452,159 against actual receipts of Kshs.4,848,891,747, resulting to a variance of Kshs.1,138,560,412 or 19% of the budget. The under-collection mainly occurred in respect to proceeds from domestic and foreign grants, which recorded a shortfall of Kshs.810,172,168 equivalent to 78% of the budget and transfers from other government entities which recorded a shortfall of Kshs.59,565,199 or 25% of the budgeted amount. Additionally, the County Executive had budgeted to receive Exchequer Issues totaling Kshs.356,664,000 in respect of returns made to the County Revenue Fund in previous years but received Kshs.55,128,403 only and therefore missed its target by Kshs.301,535,597 or 85%.

Overall, the shortfall of revenue by the three revenue sources was equivalent to 20% of the aggregate budgets for the year.

No plausible explanation has been provided by Management for the underperformance.

The shortfalls confirmed weaknesses in the revenue management system applied by Management. Among the weaknesses noted during the audit included incomplete mapping of revenue sources and inadequate recording and custody of collected revenue.

1.2 Expenditure Budget

During the year under review, the total expenditure budget amounted to Kshs.5,987,452,159 comprised of a recurrent vote amounting to Kshs.3,955,764,088 and a development vote of Kshs.2,031,688,071. However, actual expenditure for the year amounted to Kshs.5,155,946,078, resulting to net under expenditure of Kshs.831,506,081 or 14% of the budget.

The recurrent vote budget amounted to Kshs.3,955,764,088 and actual expenditure Kshs.3,745,219,418 resulting to under-expenditure of Kshs.210,544,604 equivalent to 5.3% of the budget.

The development vote budget amounted to Kshs.2,031,688,071 while actual expenditure totaled Kshs.1,410,726,594 resulting in under-expenditure of Kshs.620,961,477 or 31% of the budget.

Management has not provided plausible explanations for the revenue and expenditure shortfalls. The shortfalls resulted in failure to fund some operational activities and execute development projects as planned for the year. This in turn constrained delivery of services to the residents of Taita Taveta County.

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 Qualified Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis of Conclusion

1.0. Noncompliance With Procurement Framework Requirements

Section 114 of the Public Procurement and Asset Disposal Act, 2015 provides that a procuring entity may enter into a framework agreement through open tender. The provision also requires the entity to prepare and submit to the Accounting Officer, and copy to the Internal Auditor, quarterly reports detailing items procured through framework

agreements. The reports should include comparisons of procurement costs with market prices, and offer recommendations for effective use of funds.

During the year under review, and as reflected in Note 12 to the financial statements, the County Executive incurred expenditure totalling Kshs.21,057,801 under framework agreements. However, no evidence was availed to confirm that the procurement unit prepared and submitted to the Accounting Officer, and to the Internal Auditor, quarterly analyses of items procured through the agreements.

Consequently, Management breached Section 114 of the Public Procurement and Assets Disposal Act, 2015 on framework agreements and in the process, public funds were put at risk of uneconomic and ineffective use.

2.0. Outstanding Imprests

Section 93(5) of the Public Finance Management (County Governments) Regulations, 2015 provides that a holder of a temporary imprest shall account or surrender the imprest within seven (7) days after returning to the duty station. Accounting records examined indicated that imprests totalling Kshs.15,919,597 which ought to have been surrendered or recovered from holders, were still outstanding as at 30 June ,2019.

Further, the imprests included Kshs.7,493,325 issued to twenty-one (21) employees of the County Executive who had not surrendered previous ones contrary to Section 93(4) of the Public Finance Management (County Governments) Regulations, 2015. The regulation prohibits issue of new imprests to officers with un-surrendered balances.

Therefore, Management breached regulations on issue of imprests and did not enforce recovery of the overdue imprests.

3.0. Implementation of Projects

3.1 Projects Not Implemented

Review of records on the County Executive's projects as at 30 June, 2019, revealed fifty-seven (57) projects estimated to cost Kshs.97,323,324 which were, however, not implemented. The projects were in several Departments of the County Executive, as shown in the table below:

Department	Number of projects	Contract Amount (Kshs.)
Lands, Mining, Environment, Natural Resources, Housing and Transport	7	16,600,000
Water and Sanitation	26	44,579,748
Public Works	21	31,929,5278
Education and Library Services	3	4,214,048
Total	**57**	**97,323,324**

Management did not provide plausible explanations for the anomaly.

Failure to implement the projects resulted in the service delivery needs the projects were intended to respond not being met.

2.2. Incomplete Projects

A projects implementation status report compiled by Management indicated that as at 30 June, 2019, forty-four (44) projects estimated to cost Kshs.91,456,097 in aggregate and expected to have been completed by the date of the report were on-going. At the time of the audit in October, 2019, the projects, which were expected to provide services in various sectors shown in the table below, had not been completed.

Department	Number of Projects	Amount (Kshs.)
Lands, Mining, Environment, Natural Resources, Housing and Transport	2	4,000,000
Water and Sanitation	16	32,435,880
Public Works	10	16,610,737
Livestock and Fisheries	1	500,000
Trade	5	5,548,464
Health	10	32,361,016
Total	**44**	**91,456,097**

The slow rate of implementing the projects means they will not provide services to the residents in good time, if at all.

2.3. Stalled Projects

The project status report also indicated that fourteen (14) projects which had been approved for implementation in the previous financial year at an estimated aggregate cost of Kshs.27,792,267 had stalled, as summarized below:

Department	Number of projects	Amount (Kshs.)
Water and Sanitation	10	14,702,596
Public Works	3	3,279,528
Health	1	9,810,143
Total	14	27,792,267

No plausible explanations were provided by Management for the failure to complete the projects. Further, the residents of Taita Taveta have not obtained any value from the their funds totalling Kshs.27,792,267 invested in the projects.

2.4. Projects Works with Implementation Flaws

Note 17 to the financial statements reflects expenditures totaling Kshs.129,038,986 and Kshs.416,866,730 incurred on construction of buildings and civil works respectively during the year under review. Out of twenty-five (25) projects valued at Kshs.325,218,000 verified during the audit, seven (7) projects costing Kshs.84,362,636 had anomalies which included lack of Bills of Quantities to provide objective cost estimates, vandalism, lack of signage on project financiers, lack of land titles for project sites and duplication of works.

In the circumstances, it was not possible to confirm whether residents of Taita Taveta County received value for money on the investments amounting to Kshs.84,362,636 made on the projects.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT 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 matters described in the Basis for Qualified Opinion, Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Lack of an Approved Staff Establishment

A review of personnel records showed that the County Government did not have an approved staffing policy document or code that established staff cadres and positions to be filled by Management.

As a result, it was not possible to confirm the optimal number and qualifications of staff expected to work in the County Executive and whether employment and staff management practices were executed as expected.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standard requires that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were

operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the ability of the County Executive 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 Executive or cease operations.

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 manner.

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the County Executive 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 overall 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 overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the County Executive 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

12 November, 2020

5. FINANCIAL STATEMENTS

5.1. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2019

	Note	2018/2019 Kshs	2017/2018 Kshs
RECEIPTS			
Exchequer releases	1	4,050,600,000	3,895,800,000
Proceeds from Domestic and Foreign Grants	2	233,566,562	102,437,473
Transfers from Other Government Entities	3	176,884,230	231,883,738
Proceeds from Domestic Borrowings	4	-	-
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	332,712,551	203,635,113
Returned CRF issues	10	55,128,403	-
TOTAL RECEIPTS		**4,848,891,747**	**4,433,756,324**
PAYMENTS			
Compensation of Employees	11	2,085,861,342	2,080,083,939
Use of goods and services	12	1,006,211,459	829,427,834
Subsidies	13	-	-
Transfers to Other Government Units	14	851,070,794	739,212,158
Other grants and transfers	15	211,721,753	51,172,649
Social Security Benefits	16	10,599,389	55,945,487
Acquisition of Assets	17	776,052,983	267,186,722
Finance Costs, including Loan Interest	18	69,521	-
Repayment of principal on Domestic and Foreign borrowing	19	-	-
Other Payments	20	214,358,837	8,268,750
TOTAL PAYMENTS		**5,155,946,078**	**4,031,297,539**
SURPLUS/DEFICIT		**(307,054,331)**	**402,458,785**

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 13/12/ 2019 and signed by:

Chief Officer
Name: Leonard Langat
ICPAK Member Number:10793

Head of Treasury
Name: Joyce Mwachia
ICPAK Member Number:12587

5.2. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2019

FINANCIAL ASSETS	Note	2018/2019 Kshs	2017/2018 Kshs Restated Balance	
Cash and Cash Equivalents				
Bank Balances	21A	241,600,980	552,602,680	*
Cash Balances	21B	492,220	772,256	
Total Cash and cash equivalents		**242,093,200**	**553,374,936**	
Accounts receivables – Outstanding Imprests	22	15,919,597	18,008,152	
Prepayment	23	15,186,280		
TOTAL FINANCIAL ASSETS		**273,199,077**	**571,383,089**	
FINANCIAL LIABILITIES				
Accounts Payables – Deposits and retentions	24	**28,196,093**	**545,364**	
NET FINANCIAL ASSETS		**245,002,984**	**570,837,724**	
REPRESENTED BY				
Fund balance b/fwd	25	570,837,724	178,227,886	
Prior year adjustments	26	(18,780,409)	(9,848,947)	*
Surplus/Deficit for the year		(307,054,331)	402,458,785	
NET FINANCIAL POSITION		**245,002,984**	**570,837,725**	

*Restated Balance as explained in the Note 21A and Note 26

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 13/12/ 2019 and signed by:

Chief Officer
Name: Leonard Langat
ICPAK Member Number:10793

Head of Treasury
Name: Joyce Mwachia
ICPAK Member Number:12587

5.3. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2019

	Note	2018/2019 Kshs	2017/2018 Kshs
CASH FLOW FROM OPERATING ACTIVITIES			Restated Balance
Receipts from operating income			
Exchequer releases	1	4,050,600,000	3,895,800,000
Proceeds from Domestic and Foreign Grants	2	233,566,562	102,437,473
Transfers from Other Government Entities	3	176,884,230	231,883,738
Reimbursements and Refunds	7	-	-
Returns of Equity Holdings	8	-	-
County Own Generated Receipts	9	332,712,551	203,635,113
Returned CRF issues	10	55,128,403	-
Payments for operating expenses			
Compensation of Employees	11	(2,085,861,342)	(2,080,083,939)
Use of goods and services	12	(1,006,211,459)	(829,427,834)
Subsidies	13	-	-
Transfers to Other Government Units	14	(851,070,794)	(739,212,158)
Other grants and transfers	15	(211,721,753)	(51,172,649)
Social Security Benefits	16	(10,599,389)	(55,945,487)
Finance Costs, including Loan Interest	18	(69,521)	-
Other Payments	20	(214,358,837)	(8,268,750)
Adjusted for:			
Changes in receivables		(13,097,725)	19,183,500
Changes in payables		27,650,729	(30,011,509)
Prior year adjustments	26	(18,780,409)	(9,848,947) *
Total Adjustments		(4,227,404)	(20,676,956)
Net cash flows from operating activities		**464,771,248**	**648,968,551**
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	6	-	-
Acquisition of Assets	17	(776,052,983)	(267,186,722)
Net cash flows from investing activities		**(776,052,983)**	**(267,186,722)**
CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from Domestic Borrowings	4	-	-
Proceeds from Foreign Borrowings	5	-	-
Repayment of principal on Domestic and Foreign borrowing	19	-	-

Net cash flow from financing activities		-	-	
NET INCREASE IN CASH AND CASH EQUIVALENT		**(311,281,736)**	**381,781,829**	
Cash and cash equivalent at BEGINNING of the year	**21**	**553,374,936**	**171,593,107**	
Cash and cash equivalent at END of the year	**21**	**242,093,201**	**553,374,936**	*
As per statement of assets		**242,093,200**	**553,374,936**	

*Restated Balance as explained in the Note 21A and Note 26

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 13/12/ 2019 and signed by:

Chief Officer
Name: Leonard Langat
ICPAK Member Number: 10793

Head of Treasury
Name: Joyce Mwachia
ICPAK Member Number:12587

5.4. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED FOR THE PERIOD ENDED 30TH JUNE 2019

Receipt/Expense Item		Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget utilization difference	% of Utilization
		Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
		a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS							
Exchequer releases	1	4,050,600,000	-	4,050,600,000	4,050,600,000	-	100%
Proceeds from Domestic and Foreign Grants	2	946,912,015	96,826,715	1,043,738,730	233,566,562	810,172,168	22%
Transfers from Other Government Entities	3	236,449,429		236,449,429	176,884,230	59,565,199	75%
Proceeds from Domestic Borrowings	4	-	-	-	-	-	0%
Proceeds from Foreign Borrowings	5	-	-	-	-	-	0%
Proceeds from Sale of Assets	6	-	-	-	-	-	0%
Reimbursements and Refunds	7	-	-	-	-	-	0%
Returns of Equity Holdings	8	-	-	-	-	-	0%
County Own Generated Receipts	9	300,000,000	-	300,000,000	332,712,551	(32,712,551)	111%
Returned CRF issues	10	311,664,000	45,000,000	356,664,000	55,128,403	301,535,597	15%
TOTAL		**5,845,625,444**	**141,826,715**	**5,987,452,159**	**4,848,891,747**	**1,138,560,412**	**81%**
PAYMENTS					-		
Compensation of Employees	11	2,234,474,476	(34,143,376)	2,200,331,100	2,085,861,342	114,469,758	95%
Use of goods and services	12	933,730,988	107,672,223	1,041,403,211	1,006,211,459	35,191,752	97%
Subsidies	13	8,000,000	(5,500,000)	2,500,000	-	2,500,000	0%
Transfers to Other Government Units	14	874,831,304	5,800,000	880,631,304	851,070,794	29,560,510	97%
Other grants and transfers	15	220,751,901	662,000	221,413,901	211,721,753	9,692,148	96%
Social Security Benefits	16	39,147,397	(20,000,000)	19,147,397	10,599,389	8,548,008	55%
Acquisition of Assets	17	1,418,680,670	(42,165,323)	1,376,515,347	776,052,983	600,462,364	56%
Finance Costs, including Loan Interest	18	100,000	-	100,000	69,521	30,479	70%
Repayment of principal on Domestic and Foreign borrowing	19	-	-	-	-	-	0%
Other Payments	20	115,908,708	129,501,191	245,409,899	214,358,837	31,051,062	87%
TOTAL		**5,845,625,444**	**141,826,715**	**5,987,452,159**	**5,155,946,078**	**831,506,081**	**86%**

The entity financial statements were approved on 13/12/ 2019 and signed by:

Chief Officer
Name: Leonard Langat
ICPAK Member Number: 10793

Head of Treasury Accounts
Name: Joyce Mwachia
ICPAK Member Number:12587

5.5. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT FOR THE PERIOD ENDED 30TH JUNE 2019

Receipt/Expense Item		Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget utilization difference	% of Utilization
		Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
		a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS							
Exchequer releases	1	3,284,563,181	-	3,284,563,181	3,169,466,057	115,097,124	96%
Proceeds from Domestic and Foreign Grants	2	176,772,544	96,826,715	273,599,259	42,301,594	231,297,665	15%
Transfers from Other Government Entities	3	65,296,305		65,296,305	59,393,027	5,903,278	91%
Proceeds from Domestic Borrowings	4	-	-	-	-	-	0%
Proceeds from Foreign Borrowings	5	-	-	-	-	-	0%
Proceeds from Sale of Assets	6	-	-	-	-	-	0%
Reimbursements and Refunds	7	-	-	-	-	-	0%
Returns of Equity Holdings	8	-	-	-	-	-	0%
County Own Generated Receipts	9	198,000,000	-	198,000,000	219,590,284	(21,590,284)	111%
Returned CRF issues	10	145,698,240	(11,392,897)	134,305,343	55,128,403	79,176,940	41%
TOTAL		**3,870,330,270**	**85,433,818**	**3,955,764,088**	**3,545,879,366**	**409,884,722**	**90%**
PAYMENTS					-		
Compensation of Employees	11	2,233,274,476	(33,143,376)	2,200,131,100	2,085,761,342	114,369,758	95%
Use of goods and services	12	932,830,988	70,672,223	1,003,503,211	969,145,345	34,357,866	97%
Subsidies	13	8,000,000	(5,500,000)	2,500,000	-	2,500,000	0%
Transfers to Other Government Units	14	606,875,000	7,041,184	613,916,184	602,555,674	11,360,510	98%
Other grants and transfers	15	25,913,000	(1,263,000)	24,650,000	23,941,538	708,462	97%
Social Security Benefits	16	39,147,397	(20,000,000)	19,147,397	10,599,389	8,548,008	55%
Acquisition of Assets	17	13,099,409	18,808,868	31,908,277	4,123,859	27,784,418	13%
Finance Costs, including Loan Interest	18	100,000	-	100,000	69,521	30,479	70%
Repayment of principal on Domestic and Foreign borrowing	19	-	-	-	-	-	0%
Other Payments	20	11,090,000	48,817,919	59,907,919	49,022,816	10,885,103	82%
TOTAL		**3,870,330,270**	**85,433,818**	**3,955,764,088**	**3,745,219,484**	**210,544,604**	**95%**

The entity financial statements were approved on 13/12/ 2019 and signed by:

Chief Officer
Name: Leonard Langat
ICPAK Member Number :10793

Head of Treasury Accounts
Name: Joyce Mwachia
ICPAK Member Number:12587

5.6. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT FOR THE PERIOD ENDED 30TH JUNE 2019

Receipt/Expense Item		Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget utilization difference	% of Utilization
		Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
		a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS							
Exchequer releases	1	1,377,204,000		1,377,204,000	881,133,943	496,070,057	64%
Proceeds from Domestic and Foreign Grants	2	321,950,085	-	321,950,085	191,264,968	130,685,117	59%
Transfers from Other Government Entities	3	80,392,806	42,000,000	122,392,806	117,491,203	4,901,603	96%
Proceeds from Domestic Borrowings	4	-	-	-	-	-	0%
Proceeds from Foreign Borrowings	5	-	-	-	-	-	0%
Proceeds from Sale of Assets	6	-	-	-	-	-	0%
Reimbursements and Refunds	7	-	-	-	-	-	0%
Returns of Equity Holdings	8	-	-	-	-	-	0%
County Own Generated Receipts	9	102,000,000	-	102,000,000	113,122,267	(11,122,267)	111%
Returned CRF issues	10	93,748,283	14,392,897	108,141,180	-	108,141,180	0%
TOTAL		**1,975,295,174**	**56,392,897**	**2,031,688,071**	**1,303,012,381**	**728,675,690**	**64%**
PAYMENTS					-		
Compensation of Employees	11	1,200,000	(1,000,000)	200,000	100,000	100,000	50%
Use of goods and services	12	900,000	37,000,000	37,900,000	37,066,114	833,886	98%
Subsidies	13	-	-	-	-	-	0%
Transfers to Other Government Units	14	267,956,304	(1,241,184)	266,715,120	248,515,120	18,200,000	93%
Other grants and transfers	15	194,838,901	1,925,000	196,763,901	187,780,214	8,983,687	95%
Social Security Benefits	16	-	-	-	-	-	0%
Acquisition of Assets	17	1,405,581,261	(60,974,191)	1,344,607,070	771,929,125	572,677,945	57%
Finance Costs, including Loan Interest	18	-	-	-	-	-	0%
Repayment of principal on Domestic and Foreign borrowing	19	-	-	-	-	-	0%
Other Payments	20	104,818,708	80,683,272	185,501,980	165,336,021	20,165,959	89%
TOTAL		**1,975,295,174**	**56,392,897**	**2,031,688,071**	**1,410,726,594**	**620,961,477**	**69%**

The entity financial statements were approved on 13/12 2019 and signed by:

Chief Officer
Name: Leonard Langat
ICPAK Member Number :10793

Head of Treasury Accounts
Name: Joyce Mwachia
ICPAK Member Number:12587

5.7. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the entity all 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 County Government of Taita Taveta (County Executive). The financial statements encompass the reporting entity as specified under section 164 of the PFM Act 2012.

3. Recognition of receipts and payments

a) Recognition of receipts

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

Tax receipts

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

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

External Assistance

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

Donations and grants

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

Proceeds from borrowing

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

Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for projects currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. During the year ended 30th June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

County Own Generated Receipts

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

Returns to CRF Issues

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

b) Recognition of payments

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

Compensation of employees

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

Use of goods and services

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

Interest on borrowing

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

Repayment of borrowing (principal amount)

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

Acquisition of fixed assets

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

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 33,237,899 compared to KShs 2,423,498 in prior period as indicated on note 21A

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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 developed 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 and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on 28th April 2018 for the period 1st July 2018 to 30 June 2019 as required by law. There was 1number of 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 an annex to these financial statements.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Comparative figures

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

12. Subsequent events

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

13. Errors

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

14. Related party transactions

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

5.8. NOTES TO THE FINANCIAL STATEMENTS

1. EXCHQUER RELEASES

Description	2018/2019	2017/2018
	KShs	KShs
Total Equitable Share for quarter 1	486,072,000	545,412,000
Total Equitable Share for quarter 2	769,614,000	1,110,303,000
Total Equitable Share for quarter 3	1,113,915,000	973,950,000
Total Equitable Share for quarter 4	1,680,999,000	1,266,135,000
Total	**4,050,600,000**	**3,895,800,000**

2. PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	2018/2019	2017/2018
	Kshs	Kshs
Grants Received from Bilateral Donors (Foreign Governments)		
	-	-
Grants Received from Multilateral Donors (International Organizations)		
DANIDA Grant (Universal Healthcare in Devolved System Program)	13,061,250	14,810,909
IDA (WB) Kenya Devolution Support Project (KDSP) " Level 1 grant	-	36,728,875
Transforming Health Systems for Universal Care Project (WB)	29,240,344	14,863,473
Support for County Health Facilities- World Bank	-	-
KHSSP - World bank (RBF 2016/17 BF)	-	36,034,216
IDA (WB) - Kenya Urban Support Project (KUSP)- Urban Development Grants (UDG)	91,200,000	-
IDA (WB) - Kenya Climate Smart Agriculture Project (KCSAP)	40,805,066	
Agriculture Sector Development Support Project (ASDSP)	7,280,193	
European Union Grant - IDEAS Banana Processing & Marketing	51,979,709	
Grants Received from other levels of government		
TOTAL	**233,566,562**	**102,437,473**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2018/2019	2017/2018
	Kshs	Kshs
Transfers from Central government entities		
Compensation for User Fees Foregone	5,296,305	6,631,099
NHIF Refunds	54,096,722	34,494,949
Transfers from Counties		
Youth Polytechnic Support Grant	37,504,625	49,747,167
Road maintenance fuel levy fund	79,986,578	141,010,523
Total	**176,884,230**	**231,883,738**

4. PROCEEDS FROM DOMESTIC BORROWINGS

Description	2018/2019	2017/2018
	Kshs	Kshs
Borrowing within General Government	-	-
Borrowing from Monetary Authorities (Central Bank)	-	-
Other Domestic Depository Corporations (Commercial Banks)	-	-
Borrowing from Other Domestic Financial Institutions	-	-
Borrowing from Other Domestic Creditors	-	-
Domestic Currency and Domestic Deposits	-	-
Total	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. PROCEEDS FROM FOREIGN BORROWINGS

Description	2018/2019	2017/2018
	Kshs	Kshs
Foreign Borrowing – Draw-downs Through Exchequer	-	-
Foreign Borrowing - Direct Payments	-	-
Foreign Currency and Foreign Deposits	-	-
Total	-	-

6. PROCEEDS FROM SALE OF ASSETS

Description	2018/2019	2017/2018
	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	-	-
Total	-	-

7. REIMBURSEMENTS AND REFUNDS

Description	2018/2019	2017/2018
	Kshs	Kshs
Refund from World Food Programme (WFP)	-	-
Reimbursement of Audit Fees	-	-
Reimbursement on Messing Charges (UNICEF)	-	-
Reimbursement from World Bank – ECD	-	-
Reimbursement from Individuals and Private Organisations	-	-
Reimbursement from Local Government Authorities	-	-
Reimbursement from Statutory Organisations	-	-
Reimbursement within Central Government	-	-
Reimbursement Using Bonds	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. RETURNS OF EQUITY HOLDINGS

Description	2018/2019	2017/2018
	Kshs	Kshs
Returns of Equity Holdings in Domestic Organisations	-	-
Returns of Equity Holdings in International Organisations	-	-
Total	-	-

9. COUNTY OWN GENERATED RECEIPTS

Description	2018/2019	2017/2018
	Kshs	Kshs
RECEIPTS		
Interest Received	-	
Profits and Dividends	-	
House Rents	5,924,070	7,845,720
Other Property Income	-	-
Sales of Market Establishments	-	-
Receipts from Administrative Fees and Charges	-	-
Receipts from Administrative Fees and Charges - Collected as AIA	-	-
Receipts from Incidental Sales by Non-Market Establishments	-	-
Receipts from Sales by Non-Market Establishments	-	-
Receipts from Sale of Incidental Goods	-	-
Current Grants from International NGOs paid through Exchequer	-	-
Capital Grants from International NGOs paid through Exchequer	-	-
Current Grants from International NGOs collected as AIA	-	-
Capital Grants from International NGOs collected as AIA	-	-
Other Voluntary Transfers for Current purposes	-	-
Paid to Exchequer/CRF	-	-
Business Permits	49,553,241	29,243,568
Cesses	27,835,413	35,770,760
Poll Rates	-	-
Plot Rents	21,689,034	26,886,238
Other Local Levies	124,740	133,720
Administrative Service Fees	1,778,735	1,143,350
Various Fees	66,819,114	25,821,218
Mining Cesses	30,876,451	1,057,121
Lease/Rental of Infrastructure Assets	-	-
Other miscellaneous revenues	-	-

Insurance claims recovery	-	-
Transfers from reserve funds	-	-
Donations	-	-
Fund raising events	-	-
Other revenues from financial assets loans	-	-
Market/Trade Centre fees	39,262,975	13,948,757
Vehicle Parking Fees	20,269,214	13,926,060
Housing	-	-
Social Premises Use Charges	2,282,830	924,300
School Fees	-	-
Other Education Related Fees	-	-
Other Education Revenues	-	-
Public Health Services	-	-
Public Health Facilities Operations	44,352,349	34,371,357
Environment & Conservancy Administration	5,835,555	3,881,730
Slaughter Houses Administration	3,728,885	2,061,630
Water Supply Administration	-	20,000
Sewerage Administration	-	-
Other Health & Sanitation Revenues	2,000	-
Technical Services Fees	10,253,262	6,545,264
External Service Fees	-	-
Fines Penalties and Forfeitures	2,124,683	54,320
Receipts from Voluntary transfers other than grants	-	-
Other Receipts Not Classified Elsewhere	-	-
TOTAL	**332,712,551**	**203,635,113**

10. RETURNED CRF ISSUES

Description	2018/2019	2017/2018
	Kshs	Kshs
Recurrent account	232,133	-
Development account	9,896,270	-
KCB Account	45,000,000	-
Total	**55,128,403**	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. COMPENSATION OF EMPLOYEES

Description	2018/2019	2017/2018
	Kshs	Kshs
Basic salaries of permanent employees	1,795,873,480	1,890,453,030
Basic wages of temporary employees	236,299,069	115,494,866
Personal allowances paid as part of salary	53,688,793	74,136,043
Personal allowances paid as reimbursements	-	-
Personal allowances provided in kind	-	-
Pension and other social security contributions	-	-
Compulsory national social security schemes	-	-
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	**2,085,861,342**	**2,080,083,939**

12. USE OF GOODS AND SERVICES

Description	2018/2019	2017/2018
	Kshs	Kshs
Utilities, supplies and services	38,406,529	22,071,098
Communication, supplies and services	5,441,146	5,908,531
Domestic travel and subsistence	398,857,661	290,576,090
Foreign travel and subsistence	50,405,404	41,514,043
Printing, advertising and information supplies & services	24,014,779	11,677,969
Rentals of produced assets	22,471,934	12,588,713
Training expenses	26,149,831	76,173,686
Hospitality supplies and services	81,547,480	65,225,418
Insurance costs	27,834,528	89,271,914
Specialized materials and services	154,915,698	92,693,782
Office and general supplies and services	36,088,216	20,988,941
Other operating expenses	63,010,892	29,890,189
Routine maintenance – vehicles and other transport equipment	16,430,294	17,154,986
Fuel Oil and Lubricants	47,065,266	39,416,348
Routine maintenance – other assets	13,571,801	14,276,128
Total	**1,006,211,459**	**829,427,834**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. SUBSIDIES

Description	2018/2019	2017/2018
	Kshs	Kshs
Subsidies to Public Corporations	-	-
Subsidies to Private Enterprises		
	-	-
Total	-	-

14. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018/2019	2017/2018
	Kshs	Kshs
Transfers to Central government entities	-	-
Taita Taveta County Assembly	701,070,794	534,861,128
Transfers to Other Counties	-	-
Taita Taveta County Mortgage Account	30,000,000	179,351,030
Taita Taveta County Education Fund	105,000,000	20,000,000
Taita Taveta County Emergency Account	15,000,000	5,000,000
TOTAL	**851,070,794**	**739,212,158**

15. OTHER GRANTS AND PAYMENTS

Description	2018/2019	2017/2018
	Kshs	Kshs
Scholarships and other educational benefits	2,551,000	12,197,700
Emergency relief and refugee assistance	265,500	-
Subsidies to small businesses, cooperatives, and self employed	-	-
Donations	210,000	2,201,000
Other current transfers, grants	115,420,004	5,100,000
Capital Transfer - Other (Budg	93,275,249	31,673,949
TOTAL	**211,721,753**	**51,172,649**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. SOCIAL SECURITY BENEFITS

Description	2018/2019	2017/2018
	Kshs	Kshs
Government pension and retirement benefits	10,599,389	55,945,487
Social security benefits in cash and in kind	-	-
Employer Social Benefits in cash and in kind	-	-
Total	**10,599,389**	**55,945,487**

17. ACQUISITION OF ASSETS

Description	2018/2019	2017/2018
	Kshs	Kshs
Non-Financial Assets	-	-
Purchase of Buildings	-	-
Construction of Buildings	129,038,986	43,424,470
Refurbishment of Buildings	6,632,310	12,061,777
Construction of Roads	-	-
Construction and Civil Works	416,866,730	159,653,169
Overhaul and Refurbishment of Construction and Civil Works	2,998,849	13,593,759
Purchase of Vehicles and Other Transport Equipment	47,349,737	14,718,600
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	24,783,956	1,973,908
Purchase of Office Furniture and General Equipment		8,230,623
Purchase of ICT Equipment	12,562,260	2,438,796
Purchase of Specialized Plant, Equipment and Machinery	44,931,130	3,653,260
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Purchase of Certified Seeds, Breeding Stock and Live Animals	24,519,609	7,438,360
Research, Studies, Project Preparation, Design & Supervision	56,593,025	-
Rehabilitation of Civil Works	9,776,391	-
Acquisition of Strategic Stocks and commodities	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Financial Assets		
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Total	**776,052,983**	**267,186,722**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. FINANCE COSTS, INCLUDING LOAN INTEREST

Description	2018/2019	2017/2018
	Kshs	Kshs
Exchange Rate Losses	-	-
Interest Payments on Foreign Borrowings	-	-
Interest Payments on Guaranteed Debt Taken over by Govt	-	-
Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
Bank Charges	69,521	
Total	**69,521**	**-**

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

Description	2018/2019	2017/2018
	Kshs	Kshs
Repayments on Borrowings from Domestic	-	-
Principal Repayments on Guaranteed Debt Taken over by Government	-	-
Repayments on Borrowings from Other Domestic Creditors	-	-
Repayment of Principal from Foreign Lending & On – Lending	-	-
Total	**-**	**-**

20. OTHER PAYMENTS

Description	2018/2019	2017/2018
	Kshs	Kshs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Other expenses	214,358,837	8,268,750
Total	**214,358,837**	**8,268,750**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. CASH AND BANK BALANCES

21A. BANK BALANCES

Description	Amount in bank account currency	Indicate whether recurrent or development, deposits, receipts, etc	2018/2019	2017/2018
Name of Bank, Account No. & Currency			Kshs	Kshs
				Restated Balance
Taita Taveta County Revenue Fund Account - Cbk	Kshs	CRF	59,555,588	334,470,936
Taita Taveta County -Revenue Collection Account No: 1140754017	Kshs	Revenue	621,290	670,171
Taita Taveta County Recurrent Account - Cbk	Kshs	Recurrent	2,426	248,482
Taita Taveta County Village Polytechnic	Kshs	Project	4,223,517	49,747,167
Taita Taveta County -Result Based Financing	Kshs	Project	5,297,042	3,315,549
Taita Taveta County -Kenya Climate Smart Agriculture Project-CBK	Kshs	Project	12,300,832	-
Taita Taveta County- Agriculture Sector Support Project-CBK	Kshs	Project	-	-
Taita Taveta Eu Ideas Banana Process-CBK	Kshs	Project	27,868,049	1
Taita Taveta County- Kenya Urban Support Program	Kshs	Project	50,000,000	
Taita Taveta County Public Service Board	Kshs	Imprest	2,003	3,282
Taita Taveta County - Moi Hospital	Kshs	Facility Operations	1,069,158	5,108,239
Taita Taveta County - Mwatate Hospital	Kshs	Facility Operations	177,910	788,791
Taita Taveta County - Wesu NHIF Hospital	Kshs	Facility Operations	1,067,432	1,921,401
Taita Taveta County - Wundanyi Hospital	Kshs	Facility Operations	21,258	117,521
Taita Taveta County - Taveta Hospital	Kshs	Facility Operations	462,635	1,083,565
Kenya Commercial Bank ac No. 1152801015(Education Fund)	Kshs	Fund Operations	-	-
Taita Taveta County Education Imprest Account	Kshs	Imprest	1,046,477	18,570,812

Kenya Commercial Bank ac No.1166131580(Datu Fund)	Kshs	Imprest	-	
Co-Operative Bank Ac No. 01141222222000 (Datu Fund)	Kshs	Fund Operations	-	
Kcb Emergency A/C No.	Kshs	Fund Operations	-	-
Taita Taveta County - Moi Hospital Revenue Collection a/c 1197838384	Kshs	Revenue	110,010	112,931
Taita Taveta County -Taveta Hospital Revenue Collection a/c 1197838996	Kshs	Revenue	28,320	97,795
Taita Taveta County - Wesu Hospital Maternity Acc	Kshs	Facility Operations	2,862	14,511
Taita Taveta County Revenue Imprest Account no:1205281940	Kshs	Imprest	2,316	3,425,090
Taita Taveta County -CHMT Danida Acc	Kshs	Project Operations	4,657,333	28,407,891
Taita Taveta County Treasury Imprest Account	Kshs	Imprest	3,125,971	39,209,897
Taita Taveta County- Mpesa Revenue Collection statement	Kshs	Revenue	225,960	555,241
Taita Taveta County -Kenya Devolution Support Programme (DTB)	Kshs	Project Operations	1,933	23,981,101
Taita Taveta County Development Account - Cbk	Kshs	Development	68,645	700,117
Taita Taveta County Road Maintenance Levy Account	Kshs	Project	5,998,537	37,628,692
Taita Taveta County Deposit Account No. 1000251174	Kshs	Deposits	33,237,899	2,423,498 *
Taita Taveta Eu Ideas Banana Process-KCB	Kshs	Project Operations	26,000,000	-
TTC Agriculture Sector Development Support Project-Coop	Kshs	Project Operations	4,425,575	
Total			**241,600,980**	**552,602,680**

*Restated Balances: Wesu NHIF Account was erroneously stated as Kshs 1,912,400.00 instead of Kshs 1,921,402.00 resulting to a variance of Kshs 9002.00 which has now been restated correctly. Taita Taveta County Deposit was erroneously stated as 4,555,939 instead of Kshs 2,423,498.00 resulting to variance of Kshs 2,132,441 which has been correctly restated.

21B. CASH IN HAND

Description	2018/2019	2017/2018
	Kshs	Kshs
Cash in Hand – Held in domestic currency	492,220	772,256
Cash in Hand – Held in foreign currency	-	-
Total	**492,220**	**772,256**

Cash in hand has been analysed below:

Description	2018/2019	2017/2018
	Kshs	Kshs
Mwatate Sub County Hospital	13,480	2,100
Mwatate Sub County Hospital: Public Health Office	-	2,950
Mwatate Sub County Revenue Office	-	51,320
Mwatate Sub County Livestock & Fisheries	4,000	-
Wundanyi Sub County Hospital	1,010	3,850
Wesu Sub County Hospital	-	556,786
Wundanyi Sub County Revenue Office	68,040	1,930
Wundanyi Sub County Trade Dept	-	-
Wundanyi Sub County Livestock & Fisheries Dept	-	-
Taveta Sub County Fisheries Dept	-	-
Taveta Sub County Hospital	360	-
Taveta Sub County Livestock Dept	-	-
Taveta Sub County Revenue Office	212,000	-
Taveta Sub County Veterinary Office	-	88,550
Voi Sub County Hospital	14,400	-
Voi Sub County Livestock Dept	-	-
Voi Sub County Revenue Office	154,330	64,470
Voi Sub County Veterinary Office	-	-
Voi Sub County Hospital: Public Health Office	600	300
Taveta Sub County Public Health	24,000	
Total	**492,220**	**772,256**

NOTES TO THE FINANCIAL STAT MENTS (CONTINUED)

22. ACCOUNTS RECEIVABLE -OUTSTANDING IMPRESTS

Description	2018/2019	2017/2018
	Kshs	Kshs
Government Imprests	15,919,597	18,008,152
Total	**15,919,597**	**18,008,152**

[Outstanding Imprest above have been summarized departmentally below.]

Name of Officer or Institution	Admin Code	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
County Assembly	3261	-	-	-
Public Service & Administration	3262	1,800,000	-	1,800,000
Office of the Governor	3263	7,870,760	-	7,870,760
Finance and Planning	3264	1,725,202	-	1,725,202
Agriculture Livestock & Fisheries	3265	100,000	-	100,000
Water and Irrigation	3267	1,600,000	-	1,600,000
Education and Libraries	3268	199,500	-	199,500
Health	3269	485,335	-	485,335
Trade, Tourism & Cooperative Development	3270	746,600	-	746,600
County Public Service Board	3271	-	-	-
Infrastructure and Public Works	3272	384,500	-	384,500
Lands Environment and Natural Resources	3273	400,000	-	400,000
Mining & ICT	3275	-	-	-
Youth, Gender & Sports	3276	607,700	-	607,700
Total		**15,919,597**	-	**15,919,597**

23. PREPAYMENT (ADVANCE PAYMENT)

Description	2018/2019	2017/2018
	Kshs	Kshs
Prepayments	15,186,280	-
Total	**15,186,280**	-

The prepayments above made during the year refers to advance payments of Kshs 7,361,280 and Kshs 7,825,000 to Toyota K. Ltd for supply of 2 Motor Vehicles for Revenue Directorate and Isuzu Kenya for supply of 1 Garbage Collection truck for Lands & Environment Departments respectively.

24. ACCOUNTS PAYABLE

Description	2018/2019	2017/2018
	Kshs	Kshs
Deposits	28,196,093	545,364
Total	**28,196,093**	**545,364**

25. FUND BALANCE BROUGHT FORWARD

Description	2018/2019	2017/2018
	Kshs	Kshs
Bank accounts	552,602,680	171,528,637
Cash in hand	772,256	64,470
Accounts Receivables	18,008,152	37,191,652
Accounts Payables	(545,364)	(30,556,873)
Total	**570,837,724**	**178,227,886**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. PRIOR YEAR ADJUSTMENTS

Description	2018/2019	2017/2018	
	Kshs	Kshs	
		Restated balance	
Adjustments on bank account balances-Taita Taveta Wesu A/c	-	9,001	*
Adjustments on bank account balances-Taita Taveta Deposit A/c		(2,132,441)	*
Adjustments on cash in hand	(772,256)		
Adjustments on payables		30,556,873	
Adjustments on receivables	(18,008,153)	(37,191,652)	
Others (*specify*)	-	(1,090,728)	
Total	**(18,780,409)**	**(9,848,947)**	

*Restated Balances: Wesu NHIF Account was erroneously stated as Kshs 1,912,400.00 instead of Kshs 1,921,402.00 resulting to a variance of Kshs 9002.00 which has now been restated correctly. Taita Taveta County Deposit was erroneously stated as 4,555,939 instead of Kshs 2,423,498.00 resulting to variance of Kshs 2,132,441 which has been correctly restated.

5.9. OTHER IMPORTANT DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 2)

	Balance b/f FY 2017/2018	Additions for the period	Paid during the year	Balance c/f FY 2018/2019
Description	Kshs	Kshs	Kshs	Kshs
Construction of buildings	113,393,792	332,973,293	147,091,301	299,275,784
Construction of civil works	139,281,314	102,228,241	32,918,068	208,591,487
Supply of goods	149,570,944	-	105,272,488	44,298,456
Supply of services	88,969,619	11,744,521.00	-	100,714,140
Total	**491,215,669**	**603,360,927**	**226,353,088**	**652,879,867**

2. ACCOUNTS RECEIVABLES (OUTSTANDING DEBTORS)

	Balance b/f FY 2017/2018	Additions for the period	Paid during the year	Balance c/f FY 2018/2019
Description	Kshs	Kshs	Kshs	Kshs
Samrudha Resource Ltd	-	27,648,780	-	27,648,780
R.K Sanghani	-	3,763,573	-	3,763,573
Standard Out Door Ltd	-	1,479,000	-	1,479,000
Scripture Mission	-	1,209,200	-	1,209,200
Magnate Ventures ltd	-	986,000	-	986,000
Brookside Dairy Ltd	-	1,233,500	-	1,233,500
Total	-	**36,320,053**	-	**36,320,053**

These are those dues from various clients which had been invoiced in the financial year under review but the proceeds had not been received.

3. County Revenue Collection and Management System -County Pro

The County Government procured a revenue collection and management system from Strathmore Research and Consultancy Centre Ltd (SRCC) in December 2014 at a contract sum of 27,999,320.00 and additionally had a recurring charge of 4% of revenue processed through the system for a contracted period of 3 years however, the contracted recurring charge has since ended.

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 Government:

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

Related party transactions

	2018/2019	2017/2018
	Kshs	Kshs
Key Management Compensation (Governors, CEC Members & C. Os)		
Transfers to related parties		
Transfer to the County Assembly	701,070,794	534,861,128
Transfers to other County Government Entities	150,000,000	204,351,030
Transfers to Development Projects	211,721,753	51,172,649
Transfers to non-reporting entities e.g. schools and welfare		
Transfers to County Water Service Providers		
Expenses paid on behalf of County Water Service Providers		
Total Transfers to related parties	**1,062,792,547**	**790,384,807**
Transfers from related parties		
Transfers from the Exchequer		
Transfers from MDAs		
Transfers from SCs and SAGAs- National Government		
(Insert any other transfers received)		
Total Transfers from related parties		

5. ESTABLISHMENT OF OTHER COUNTY GOVERNMENT ENTITIES

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

Entity	Date Established	Location	Accounting Officer responsible
Emergency Fund	2014	Wundanyi	
Education Fund	2015	Wundanyi	
Car Loan & Mortgage Fund	2015	Wundanyi	
Datu Sawazisha Fund	2015	Wundanyi	

6. 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)
1.0	Errors in Financial Statements		G. Kalaghe	Resolved	16th May 2019
2.0	Cash & Cash Equivalent		G. Kalaghe	Resolved	16th May 2019
3.0	Outstanding Imprest		E. Omwega	Resolved	16th May 2019
4.0	Unsupported Expenditures		G. Kalaghe	Resolved	16th May 2019
5.0	Budgetary controls & Performance		L. Kinyai	Resolved	16th May 2019
6.0	Pending Bills		P. Leweri	Resolved	16th May 2019
7.0	Project Status & Implementation		H.E Mwakulomba	Resolved	16th May 2019
11	Project Verification		S. Mnene	Resolved	16th May 2019
12	Compensation of Employees		P. Salai	Resolved	16th May 2019

CEC, County Treasury

Sign.....

Date.....13/12/2019.

ANNEXES

ANNEX 1 – ANALYSIS OF TRANSFERS FROM THE EXCHEQUER

Period	Equitable Share	DANIDA	Level 5 hospitals allocation	Other transfers- Donor funds transferred through exchequer	Total Transfers from the National Treasury/ Exchequer
Exchequer Releases for quarter 1	486,072,000	-	-	-	486,072,000
Exchequer Releases for quarter 2	769,614,000	6,530,625	-	151,878,184	928,022,809
Exchequer Releases for quarter 3	1,113,915,000	-	-	21,395,818	1,135,310,818
Exchequer Releases for quarter 4	1,680,999,000	6,530,625	-	47,231,310	1,734,760,935
Total	**4,050,600,000**	**13,061,250**	-	**220,505,312**	**4,284,166,562**

ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
	A	B	c	d=a-c		
Construction of buildings						
Education Department & Health Department	223,197,998.30	2018/2019	-	223,197,998.30		
Youth Department	63,949,836.10	2018/2019	-	63,949,836.10		
Other Departments	12,127,950	2018/2019		12,127,950		
Sub-Total	**299,275,784**			**299,275,784**		
Construction of civil works						
Public Works	121,756,914.06	2018/2019	-	121,756,914.06		
Water and Sanitation & Trade Department	67,360,172.65	2018/2019	-	67,360,172.65		
Other Departments	19,474,400	2018/2019	-	19,474,400		
Sub-Total	**208,591,487**			**208,591,487**		
Supply of goods						
Health Department	20,256,932	2018/2019	-	20,256,932		
Agriculture Department	12,602,391	2018/2019	-	12,602,391		
Other Departments	11,439,133	2018/2019	-	11,439,133		
Sub-Total	**44,298,456**			**44,298,456**		
Supply of services						
Youth Department	45,924,570	2018/2019	-	45,924,570		
Governors Department	35,577,945	2018/2019	-	35,577,945		
Other Departments	19,211,625	2018/2019	-	19,211,625		
Sub-Total	**100,714,140**			**100,714,140**		
Grand Total	**652,879,867**			**652,879,867**		

ANNEX 3 –PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		a	b	c	d=a-c		
Senior Management							
Health Department		-	2018/2019	-	-	-	
Public Service and Admn		-	2018/2019	-	-	-	
Other Departments		-	2018/2019	-	-	-	
Sub-Total							
Middle Management							
Education Department		-	2018/2019	-	-	-	
Finance Department		-	2018/2019	-	-	-	
Agriculture Department		-	2018/2019	-	-	-	
Sub-Total							
Unionisable Employees							
		-		-	-	-	
		-		-	-	-	
		-		-	-	-	
Sub-Total		-			-		
Grand Total		-			-		

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (KShs) 2017/2018	Additions during the year (KShs)	Disposals during the year (KShs)	Transfers in/(out) during the year (KShs)	Historical Cost c/f (KShs) 2018/2019
Land	2,242,408,724	-	-	-	2,242,408,724
Buildings and structures	205,536,181	135,671,296	-	-	341,207,477
Transport equipment	100,356,333	47,349,737	-	-	147,706,070
Office equipment, furniture and fittings	9,073,192	24,783,956	-	-	33,857,148
ICT Equipment	7,720,396	12,562,260	-	-	20,282,656
Machinery and Equipment	58,800,000	44,931,130	-	-	103,731,130
Heritage and cultural assets	-	-	-	-	-
Biological assets	-	24,519,609	-	-	24,519,609
Intangible assets	27,999,320	56,593,025	-	-	84,592,345
Infrastructure assets- Roads, Rails	-	429,641,970	-	-	429,641,970
Work in progress	-	-	-	-	-
Total	**2,651,894,146**	**776,052,983**			**3,427,947,129**

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

ANNEX 5– INTER-ENTITY TRANSFERS

Ref	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Amount transferred KShs	Amount Confirmed as received KShs	difference	explanation
1	Taita Taveta County Assembly	73,491,833	180,559,526	204,515,120	242,504,315	701,070,794		**701,070,794**	
2	Taita Taveta County Car Loan Fund	-	-	-	-	-		-	
3	Taita Taveta County Mortgage Fund	-	-	-	30,000,000	30,000,000	30,000,000	-	
4	Taita Taveta County Education Fund	20,000,000	20,000,000	40,000,000	25,000,000	105,000,000	105,000,000	-	
5	Taita Taveta County Emergency Fund	-	7,500,000	-	7,500,000	15,000,000	15,000,000	-	
								-	
								-	
9	**Total**	**93,491,833**	**208,059,526**	**244,515,120**	**305,004,315**	**851,070,794**	**150,000,000**		