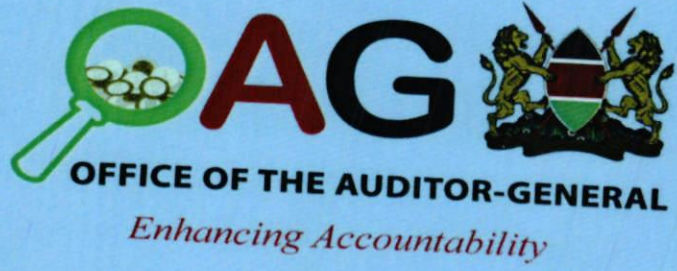


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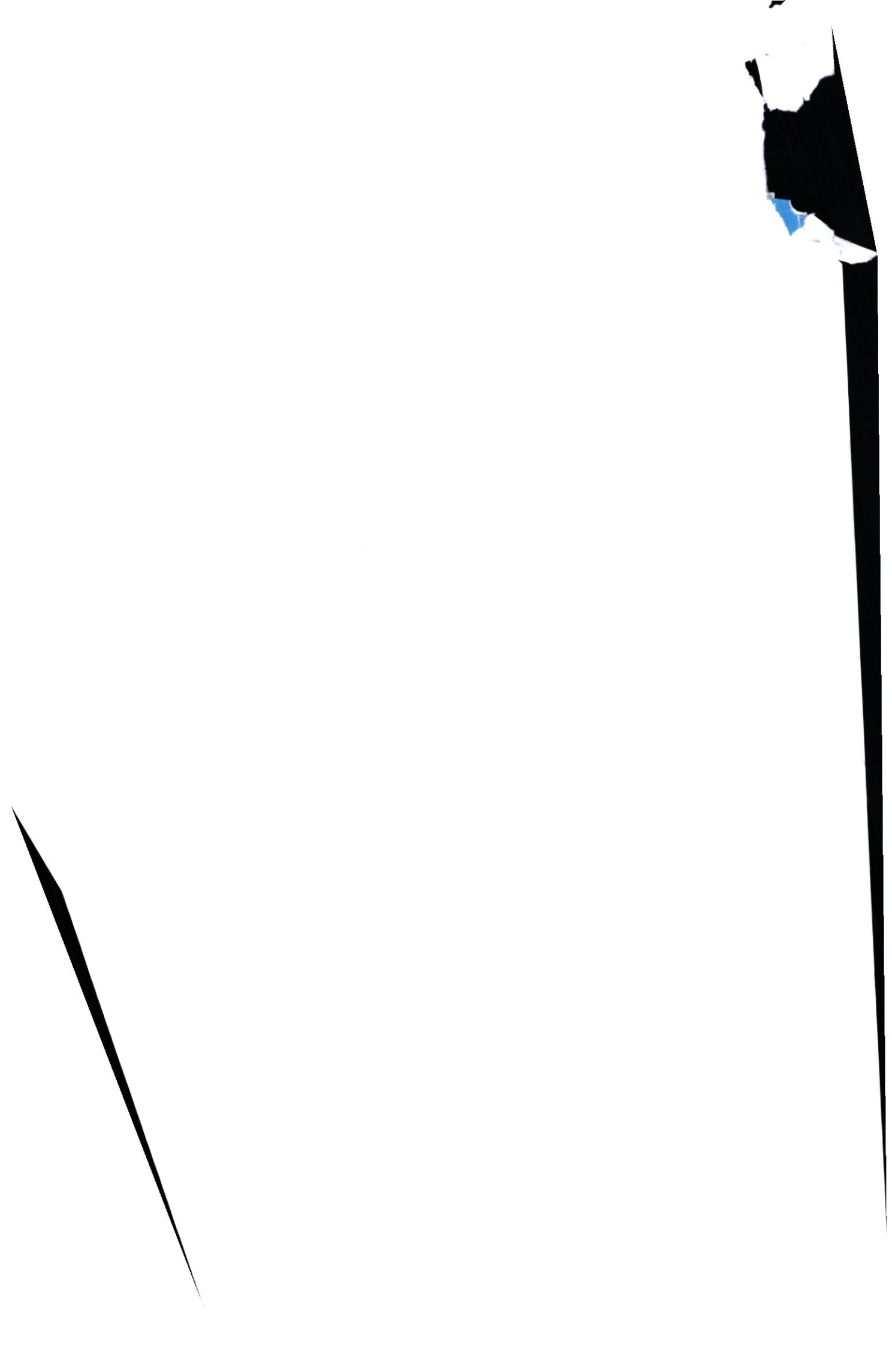
**OF**

**THE AUDITOR-GENERAL**

**ON**

**COUNTY EXECUTIVE OF TAITA/T**

**FOR THE YEAR ENDING  
30 JUNE, 2021**



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**COUNTY EXECUTIVE OF TAITA TAVETA**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2021**

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



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**1. KEY ENTITY INFORMATION AND MANAGEMENT**

**a) Background information**

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 17,084.1Km<sup>2</sup> and lies between latitude 20 46' South and 40 10' South and longitude 370 36' East and 300 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 is constituted as per the Constitution of Kenya, 2010 and 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 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 local authorities and the ones that have been transferred from the national government. 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 key organs:

	<b>Name</b>	<b>Designation</b>	<b>Date of holding office</b>
1	H.E. Granton Graham Samboja	Governor	21 <sup>st</sup> August 2017
2	H.E. Majala Mlagui	Deputy Governor	21 <sup>st</sup> August 2017
3	Liverson Mghendi	County Secretary	1 <sup>ST</sup> July, 2019
4	Dephence Manga	CEC Member, Public Service, Administration and Devolution	26 <sup>th</sup> January, 2020

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5	Andrew K. Mlawasi	CEC Member, Finance and Economic Planning	26 <sup>th</sup> November 2019
6	John M. Mwakima	CEC Member, Health Services	12 <sup>TH</sup> March 2020
7	Daniel M. Mwakisha	CEC Member, Education, Libraries & Ict	13 <sup>TH</sup> November 2017
8	Julius M. Mwandawiro	CEC Member, Lands, Mining, Housing & Energy	26 <sup>th</sup> November 2019
9	Davis Mwangoma	CEC Member, Agriculture, Livestock, Fisheries & Irrigation	13 <sup>TH</sup> November 2017
10	Laban M. Mwashighadi	CEC Member, Youth, Sports, Vocational Training, Culture & Social Service	26 <sup>th</sup> November 2019
11	Gasper K. Mshighati	CEC Member, Public works, Transport & Infrastructure	13 <sup>TH</sup> November 2017
12	Vumi Ringo	CEC Member, Trade, Tourism, Cooperatives & industrialization	10 <sup>TH</sup> August 2020
13	Esther Mwanyumba	CEC Member, Water, Environment & Sanitation	10 <sup>TH</sup> August 2020

**c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2021 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	CEC Member, Member Finance & Economic Planning	Mr. Andrew Kubo Mlawasi, ACCA
2.	Chief Officer, Finance and Economic Planning	Mrs. Joyce Kambe Mwachia, CPA (K)
3.	Chief Officer, Education, Libraries and VTCs	Mr. Simon Mwachia
4.	Chief Officer, Health Services	Mrs. Philomena Kirote
5.	Chief Officer, Lands, Mining, Housing and Energy	Mr. Reuben Ngeti
6.	Chief Officer, Youth, Sports, Culture and Social Services	Mr. Isaac Makange
7.	Chief Officer, Water, Environment and Sanitation	Mr. Silvanus Mwakoma
8.	Chief Officer, Public Service and Administration	Mrs. Evelyn Shighi
9.	Chief Officer, Public Works and Infrastructure	Mr. Leonard Langat
10.	Director Supply Chain Management	Mr. Patrick Leweri
11.	Director Accounting Services	Mr. Fredrick Nganga

**d) Fiduciary Oversight Arrangements**

The key fiduciary oversight bodies at the County for the year ended 30<sup>th</sup> June, 2021 were:



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1. County Assembly of Taita Taveta County;
2. Senate Committees
3. Development partner oversight bodies
4. County Audit Committee
5. County Budget and Economic Forum (CBEF)

**e) Entity Headquarters**

Office of The Governor  
Mwatate Town, Off Voi – Taveta Highway,  
P.O. Box 1066-80304  
Wundanyi, Kenya

**f) Entity Contacts**

Telephone: 0788186436/0718988717  
Email: [info@taitataveta.go.ke](mailto:info@taitataveta.go.ke)  
Website: [www.taitataveta.go.ke](http://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  
Along Posta Road  
P.O. Box 1067-80304  
Wundanyi, Kenya

**h) Independent Auditors**

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

**i) Principal Legal Adviser**

**COUNTY EXECUTIVE OF TAITA TAVETA**  
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The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

## **2. FORWARD BY THE CECM FINANCE AND ECONOMIC PLANNING**

It is my pleasure to present the County Executive of Taita Taveta financial statements for the year ended 30th June 2021. The financial statements have been prepared in accordance with the provisions of the Public Financial Management Act, 2012 cap 163 which requires the county treasury to prepare annual financial statements at the end of each financial year. 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, Taita Taveta included. Functions and powers exercised by County Executive of Taita Taveta are as articulated in section 5 and 6 of the County Government act 2012 respectively.

### **Financing of the County Governments**

The County Government gets it's financing from the Equitable share from National Government, Conditional grants from Donors & Development Partners and its own Source Revenue collected from various revenue streams. 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 Kshs 302,005,400 from key revenue streams. This was against a target of Kshs 363,000,000 the shortfall was due to the ravaging effects of COVID-19 that saw several businesses, markets and shops closed and curfew on imposed country wide.

The key local revenue sources include; Single Business Permits, Market fees, Agricultural Produce Cess, Hospital cost sharing fees, Sand cess, Land rates, Development plan approvals, Advertising fees, and various other administrative charges.



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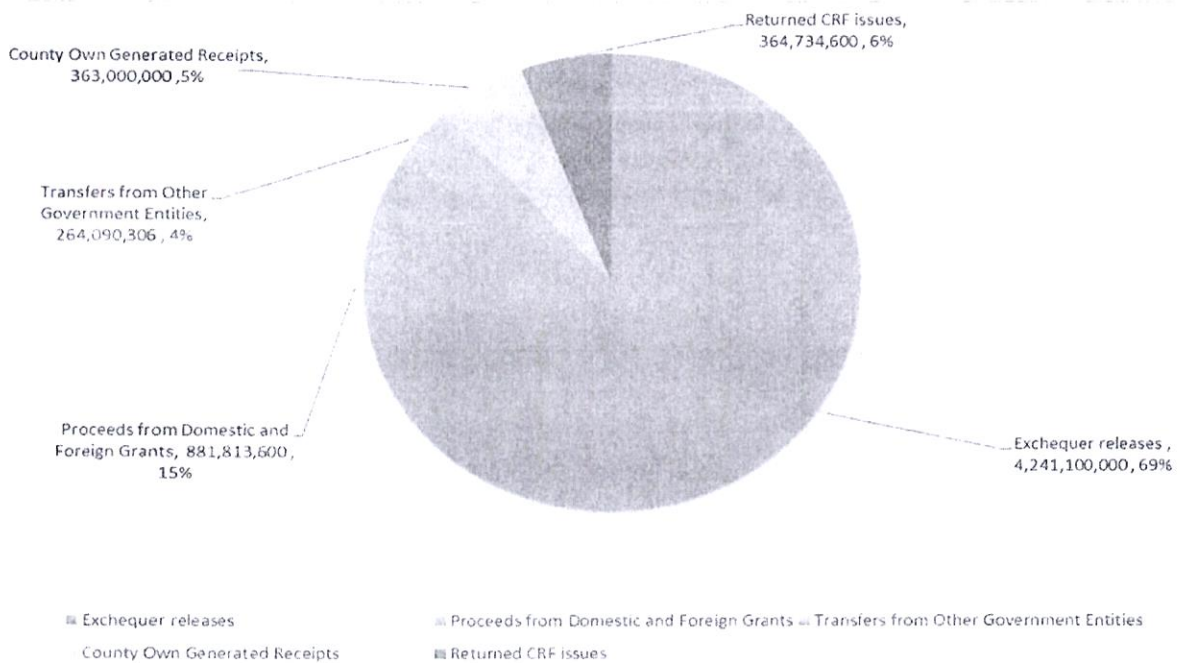
The County has always continued to explore new and innovative ways of increasing its local revenue collections.

**FINANCIAL PERFORMANCE**

**I. Budget Performance Against Actual Amounts**

**a) Revenue**

In the year ended 30<sup>th</sup> June 2021, the County had total projected revenues of KShs **6,114,738,506** consisting of; KShs **363,000,000** from own sources and KShs **5,751,738,506** from other sources, including County Allocation through Exchequer and donor funding for various specific projects in the County Departments of Water, Agriculture, Mwatate Municipality and Health Services. A graphical representation of the revenue budget is as shown below:



**Figure 1: Taita Taveta County revenue sources in FY 2020/2021**

CARA revenues continue to form the largest part of our revenue budget, contributing 69 % towards our budget. Our own generated revenues formed 5% of our budget.

Out of the projected revenue, the County was able to realize KShs **5,897,419,548** in actual revenues, representing 96% performance. This performance was as a result of 100% realization of the County Allocation through Exchequer, 83% on own generated revenues,

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65% Transfers from other government entities and 93% was actualized from Donors and Development Partners.

The table below shows an analysis of revenue performance during the year ended 30<sup>th</sup> June 2021.

Revenue Classification	Revenue Budget (Ksh)	Actual (Ksh)	Realisation (%)
Exchequer releases	4,241,100,000	4,241,100,000	100%
Proceeds from Domestic and Foreign Grants	881,813,600	817,021,537	93%
Transfers from Other Government Entities	264,090,306	172,500,525	65%
County Own Generated Receipts	363,000,000	302,005,400	83%
Returned CRF issues	364,734,600	364,792,086	100%
<b>Total</b>	<b>6,114,738,506</b>	<b>5,897,419,548</b>	<b>96%</b>

**Table 1: Revenue performance in FY 2020/2021**

**b) Payments**

In the year under review, the County Government of Taita Taveta had projected expenditures of Kshs **6,114,738,506** and was able to utilize a total of Kshs. **5,728,698,194** representing an absorption rate of **94%**. The expenditure comprised of KShs **1,797,801,585** spent on development activities while KShs **3,930,896,609** was spent on recurrent activities.

**c). Cash flows**

In the FY 2020/2021, the cash and cash equivalents increased from KShs **307,304,701** as at 30th June 2020 to KShs **437,540,376** as at 30th June 2021. The increase in net cash flow as at the end of financial year under review was as a result of low absorption of some donor funded projects whose works were still ongoing as at the close of the financial year under review. The projects include those in Agriculture, Health, Public Works and Mwatate Municipality, i.e EU Ideas Banana Processing Plant, Agricultural Sector Development Support, Kenya Climate Support Agricultural Programme, Results Based Financing, Kenya Devolution Support Programme, Roads Maintenance Fuel Levy and Mwatate Municipality Urban Support Programme.

**II. 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 unsurrendered imprests through payroll, stoppage of salary for defaulters and sensitizing all County staff on effective imprest management through Circulars and Memos.



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There was a general positive improvement for imprests as at 30<sup>th</sup> June, 2021 as compared to the previous financial year 2019/2020 due to stringent measures that were put in place. The total outstanding imprests in the FY 2020/2021 stood at Kshs. **5,926,155** as compared to Kshs. **6,796,700** in the previous FY 2019/2020.

**III. Pending bills**

As at 30<sup>th</sup> June 2021, the County Government reported pending bills of **Kshs. 744,063,441**. The pending bills were as a result of completion of projects initiated in the previous financial years. The stock of pending bills as at 30<sup>th</sup> June, 2021 will be prioritized and paid in the subsequent financial year 2021/2022. Additionally, to closely monitor and stem the growth of the pending bills the County Government has embraced full E-Procurement cycle which will facilitate in ensuring that all procurements for goods and services are committed against budgeted provisions before execution of activities.

**IV. 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 be updating the Asset Register as a key step in ensuring that the County secure and appropriately manage its assets.

In the year under review, an Assets Disposal Committee was formed to identify, inspect and give recommendation for disposal of obsolete, unserviceable, and surplus assets in various County departments. The exercise was completed and the items identified will be boarded and an advert placed for interested persons to bid for their preferred items.

During the FY 2020/2021 the County continued to perform significantly well in terms of its fiscal parameters, despite the ravaging effects of the COVID-19 global pandemic. The County government realized some key milestones through the implementation of priority flagship projects. This include: Completion and equipping of Moi County Referral Hospital Cancer Centre, completion of a 160 bed capacity Mwatate Isolation Centre at Mwatate Sub County Hospital, completion of Nyangoro Water Project in Mwatate Sub County that is jointly funded by the County Government and the European Union (EU), Completion of Kimwa Water Project in Voi Sub County that is jointly funded by the County Government and the National Disaster Management Authority(NDMA), Completion and equipping of Voi County Fire Station, Construction of a New Modern Mwatate Market, On-going construction of Dawson Mwanyumba Stadium in Taita Sub County, On- going construction of Moi Stadium in Voi Sub County, Ngerenyi High Altitude Training Centre in Mwatate Sub County, and completion of Banana processing plant in Taveta sub-county

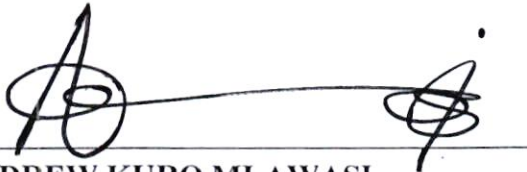


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I take this opportunity to thank H.E. the Governor and the Deputy Governor for their support. I would also want to thank my colleagues, the County Executive Committee Members in charge of other departments who we have worked hand in hand to ensure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

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a long horizontal line and a smaller, circular flourish at the end.

**ANDREW KUBO MLAWASI**

**CECM Finance and Economic Planning**

**County Government of Taita Taveta**

### **3. STATEMENT OF PERFORMANCE AGAINST COUNTY PREDETERMINED OBJECTIVES**

#### **Introduction**

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity's performance against predetermined objectives.

#### **Strategic development objectives**

The County's 2018-2022 CIDP has identified 5 key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the Governor's Manifesto, the National Government's "Big Four", SDGs and the MTP III.

The strategic objectives are a synthesised product of the afore-mentioned planning frameworks that amalgamate the thematic focus and development aspirations in these policy frameworks.

The key development objectives in the County Integrated Development Plan(CIDP) 2018-2022 are to:

1. Increase access to clean, quality, affordable and potable water for all households, schools and health facilities. **(WATER)**
2. Ensure quality education through development of ECDE and Library services, equipping of schools and enhanced bursaries allocation **(EDUCATION)**
3. Provide quality infrastructure including improved roads network, ICT, quality housing, Land management and adoption of alternative sources of energy. **(INFRASTRUCTURE)**
4. Invest in quality, accessible and affordable health care services including provision of prerequisite equipment, drugs and health personnel. **(HEALTH)**
5. Improve Food and Nutrition Security and community resilience through provision of adequate extension services, farm inputs, water for irrigation and livestock throughout the County. **(FOOD SECURITY)**
6. Empower Youth, women, and vulnerable members of the community through establishment of small scale cooperatives, talents identification and nurturing and improved access to cheap and affordable credit. **(COMMUNITY EMPOWERMENT).**

#### **Progress on attainment of Strategic development objectives**

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	Promotion of bee keeping in the county	Promote bee keeping in the county	No. of bee hives distributed	140 bee hives and equipment's distributed to farmer groups in Mwatate ward, Bura, Mbololo, Kasighau, Wundanyi, Challa, Mahoo, Mata
	Promotion of livestock breeding programmes	Enhanced breeding and multiplication of quality breeding stock	No. of breeding and multiplication centres operationalized	Bachuma Livestock multiplication centre in operation. 130 heads of Boran and Sahiwal cattle, 270 Galla breeding goats and 13 Dorper breeding sheep raised.
	Enhance market access and value addition of livestock and livestock products	Increased access to market through development of livestock market infrastructures organized producer organization and value addition.	No. of producer organization trained and put into operation	One cooperative – Tagho dairy Cooperative operationalized into commercial milk bulking and cooling centre in Wundanyi ward. Livestock trade and market information disseminated. 15 ranching companies with share holding of 6000 members linked to local and regional market
	Support enabling environment for livestock investment and production	Strengthen institutions through review of policies and bills	No. of policies and bills developed	Effective and efficient service delivery through development and review of appropriate livestock policies and bills. Ranching and Grazing policy developed
	Improve Food and Nutrition Security and community resilience through provision of adequate extension services, farm inputs, water for irrigation and livestock throughout the County.	Improved livestock breeds for enhanced food security	No of livestock inseminated and calves born	1800 cattle inseminated using subsidized semen 720 calves of improved breeds born 1 AI Centre operationalized and maintained (Wundanyi)
		To reduce incidences of	No of livestock vaccinated against	22, 622 vaccinated against vaccine-preventable diseases



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		livestock diseases for increased productivity	vaccine-preventable diseases	52 passive surveillance visits done
		Promote and safeguard human health by ensuring access to safe meat and meat products	No of animals slaughtered and inspected in County slaughterhouses	5,527 cattle, 13,417 small stock and 32 camels slaughtered and inspected 6 county slaughterhouses maintained
		Improved access to extension services	No of field days/farm visits/inspection visits done	27 leather premises inspected and licensed 132 flayers trained and licensed 1,800 farmers trained on livestock improved practices
Education	Ensure quality education through development of ECDE and Library services, equipping of schools and enhanced bursaries allocation	Increased access to early childhood education, secondary, tertiary and university education	Increase in number of ecde teachers employed and ecde centres offering early childhood education. Number of schools that are benefiting from mobile library services Number of children given bursaries	-Ninety-one (91) teachers recruited and posted in various ecde centers in the county.  -Twenty-three schools benefiting from mobile library services.  -Four hundred children (secondary, tertiary and university) benefited from county education fund scholarship and bursaries program

It is worthy to note that some objectives previously set in some sectors were not met as the County Government realigned its priorities by channelling most funds towards the fight against the spread of COVID-19. This led to preparation of a supplementary budget in the Month of April, 2020 that reduced allocations from various budget line in order to get adequate funds for purchase of Personal Protective Equipment, purchase of beds and construction of Isolation Ward. Going forward the County Government will continue looking for strategic partners and revamping its local revenue collection to facilitate in progressive implementation of 2018-2023 CIDP.

#### 4. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

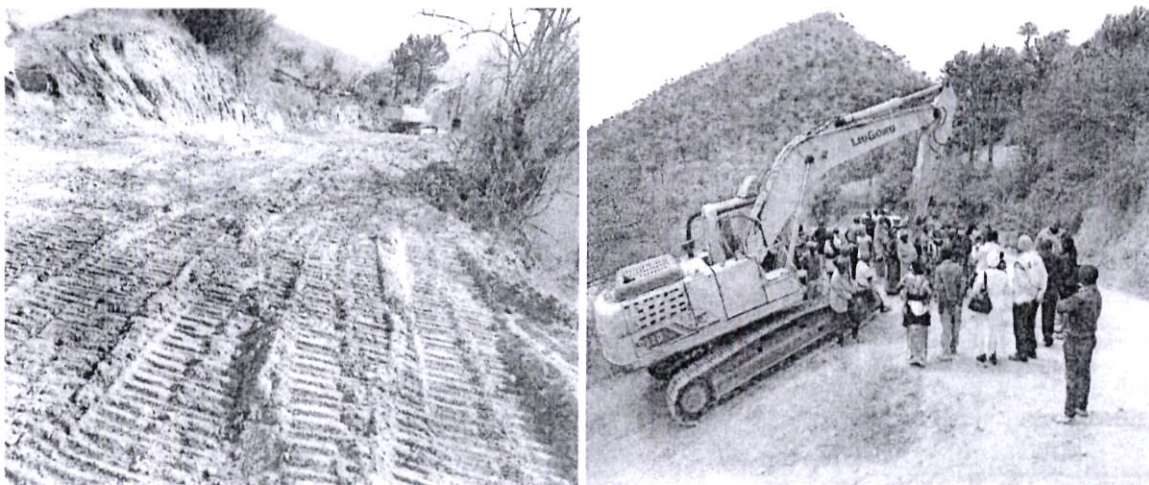
The County Executive of Taita Taveta exists to transform lives. This is our purpose; the driving force behind everything we do. It is what guides us to deliver our strategy, which is founded on five (5) pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

##### a. Sustainability strategy and profile

The County Executive of Taita Taveta has continued to structure its programs towards development projects and activities that depicts high sense of value for money and goes a long way in alleviating the residents suffering and improving their ease of doing business. In the year under review the County Executive commissioned a number of water projects, opened up access roads to remote villages and continued with the construction of social halls in various wards as a strategy for improving decentralization of services through public participation forums at the grassroots.

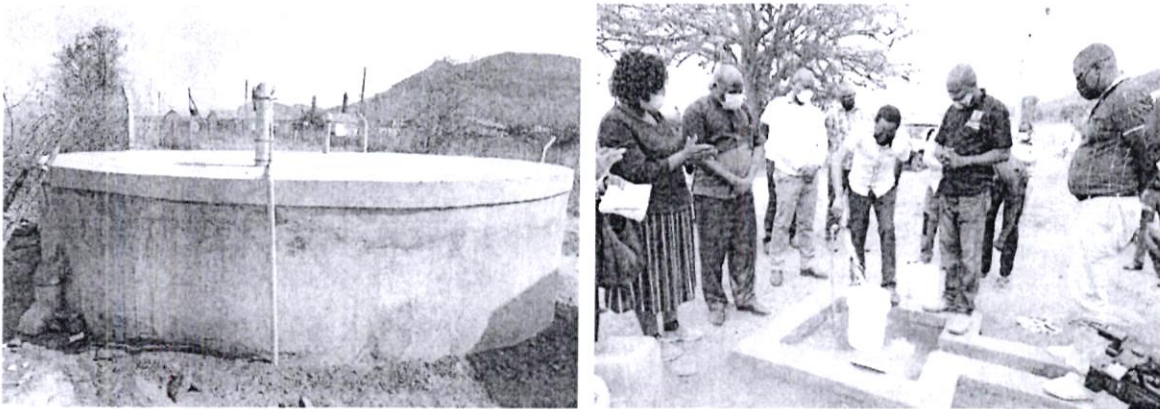
The County Executive has also been in the forefront in engaging donors, potential investors and other strategic partners through Memorandum of Understandings and Agreements on various programs geared towards improving the living standards of the County Residents. Some notable donors include USAID, NDMA, Kenya Red Cross, World Bank and European Union.

To improve on the ease of doing business and security of our markets and residential areas, the County Government continued to maintain its several street lights, drainage and sewerage systems across the County. The County Government has embarked on market infrastructure development within the financial year, with the construction and rehabilitation of markets within the county i.e Mwatate market, Wundanyi market and Kесе market.





*Opening up of Vipalo-Sangeroko road*



*Kaloleni-Birikani water supply*

**b. Environmental performance**

To promote sustainable land use and environmental conservation the County Government undertook various capacity building and provision of materials geared towards environmental protection and sustainable land use.

Some of these activities include, but not limited to promotion of on farm water harvesting structures such as terraces, running tree planting campaigns during rainy seasons, distribution of organic manure, excavation of water pans and desisting of canals in Taveta Sub County. This has greatly contributed in creation of a conducive environment to its residents and increased agricultural productivity through irrigation and control of flood waters. As a strategy in protecting our environment and riparian lands the County Government has developed Taita Taveta Sand Harvesting Act, 2020 to guide in the exploitation of sand as a resource in the construction sector.

**c. Employee welfare**

The County Government revamped its efforts in improving the welfare of its employees as a key ingredient to employee motivation and satisfactory work performance. Some of these activities includes the provision of Comprehensive Medical Cover through National Hospital Insurance Fund (NHIF) to all its cadre of staff.

The County also recruited additional staff through a competitive process by the County Public Service Board for the understaffed departments of Health Services, Education and Libraries,



Revenue Directorate and Public Service and Administration. Through the process casual staff were replaced with long term contracts hence a boost on staff job security.

The County always strive to adhere to the Employment Act, 2007, Salaries and Remuneration Commission circulars and Human Resource manuals in the engagement and management of staff. Also the County continued to undertake staff appraisals and is usually a key tool before any promotion is undertaken.

**d. Market place practices-**

To entrench the spirit of competition in its activities, the County Government during the year under review embraced E-Procurement when sourcing of goods and services. The system enhances openness and transparency as tenders were advertised on the local dailies and also posted on the IFMIS portal hosted at The National Treasury. The same were opened, evaluated, awarded, inspected and received through the system hence sealing loopholes of any collusion that could have occurred.

The County Treasury through its Procurement Directorate trained all the suppliers, contracts and cyber operators' through-out the County to build their capacity on online bidding and submission of tenders. Also the County strived to settle its pending bills as evidenced by creation of a budget line in Finance Department to offset the long outstanding debts.

As a strategy in promoting the growth of its markets, efforts were made to ensure that hawkers were directed to the available slots in the urban markets and all advertisements were registered and licensed by the County Government before undertaking their activities.

Furthermore, the County Government through the Department of Health Services inspected all hotels, eateries and other food outlets in order to safeguard the wellbeing and interests of its residents. This exercise was boosted by recruitment and deployment of additional Public Health officers to various sub-counties.

**e. Community Engagements-**

The County Government through its various Departments and in collaboration with other stakeholders has been engaging in various community initiatives that have helped improved people's living standards. Several public participation exercises were conducted to collect views

and contributions from the County residents on issues such proposed projects, progress reports, budgets, etc having a bearing on service delivery.

During the year under review several specialized medical camps, such as cancer screening, orthopaedic medical camps, were held in various parts of the County. This included a blood donation drive in partnership with Kenya Red Cross Society and The Kenya National Blood Transfusion Service (KNBTS that was aimed at boosting the capacity of the County and the region in meeting blood demands in case of an emergency.

Additionally in a bid to fight the COVID-19 pandemic, the County government has built a 300 bed capacity isolation centre at Mwatate hospital, conducted free COVID-19 testing and mass vaccination to residents in various parts of the County to curb the spread of the disease.



*COVID-19 mass vaccination exercise*



## 5. 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 and Economic planning of the County Government is responsible for the preparation and presentation of the County Executive's financial statements, which give a true and fair view of the state of affairs of the County Executive for and as at the end of the financial year ended on June 30, 2021. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the county Executive; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the county Executive; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Executive's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for finance is of the opinion that the County Executive's financial statements give a true and fair view of the state of the County Executive's transactions during the financial year ended June 30, 2021, 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 Executive, which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

The CEC member for finance confirms that the County Executive has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that



**COUNTY EXECUTIVE OF TAITA TAVETA**  
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the County Executive'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 Executive'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 Executive's financial statements were approved and signed by the CEC member for finance on 28<sup>th</sup> September 2021.



**Andrew Mlawasi Kubo ACCA**  
**County Executive Committee Member**  
**Finance and Economic Planning**

**COUNTY EXECUTIVE OF TAITA TAVETA**

**Annual Report and Financial Statements**

**For the year ended June 30, 2021.**

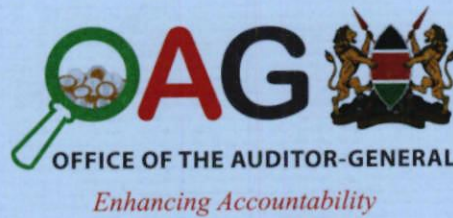
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**6. REPORT OF THE INDEPENDENT AUDITOR ON THE COUNTY EXECUTIVE OF  
OF TAITA TAVETA FOR THE YEAR ENDED 30 JUNE 2021**



# REPUBLIC OF KENYA

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Anniversary Towers  
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NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF TAITA/TAVETA FOR THE YEAR ENDED 30 JUNE, 2021

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### PREAMBLE

I draw your attention to the contents of my report, which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance, which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of the County Executive of Taita/Taveta set out on pages 1 to 48, which comprise the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of



cash flows and summary statements 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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the County Executive of Taita/Taveta as at 30 June, 2021, 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**

The following balances reflected in the financial statements were not supported with sufficient appropriate evidence:

#### **1.0 County Own-Generated Receipts**

The statement of the receipts and payments reflects county own-generated receipts totalling Kshs.302,005,400 as further disclosed in Note 9 to the financial statements. However, the bills issued to customers in relation to the receipts were not provided for audit.

Further, the receipts were recorded through the County Pro-Revenue System in operation from 2016 to 15 January, 2021 after which manual records were used until 19 May, 2021 when the County Executive acquired Local Authority Information Operating Management System (LAIFOMS) software. However, at the time of the audit in November, 2021, no revenue report had been generated from any of the three systems used during the year under review.

In the circumstances, the accuracy and completeness of the county own-generated receipts totalling Kshs.302,005,400 reported in the year under review could not be confirmed.

#### **2.0 Compensation of Employees**

The statement of receipts and payments reflects compensation of employees payments totalling Kshs.2,388,287,824. However, payrolls submitted for audit reflected payments totalling Kshs.2,144,034,512 resulting in an unexplained difference of Kshs.244,253,312 between the two sets of records. Management did not provide a satisfactory explanation for the anomaly.

In the circumstance, the accuracy and completeness of the reported expenditure totalling Kshs.2,388,287,824 could not be confirmed.



### **3.0 Social Security Benefits**

Note 11 and Note 16 to the financial statements reflect Government pension and retirement benefits contributions totalling Kshs.3,200,000 and Kshs.45,348,228 respectively.

However, staff payrolls and the Integrated Financial Information System (IFMIS) ledger records for the year under review reflected pensions and social security deductions totalling Kshs.134,652,349 and Kshs.58,722,069, respectively.

The variances between the identical account balances reflected in the financial statements and the staff payrolls and IFMIS ledger were not reconciled. Consequently, the accuracy and completeness of the pensions balance totalling Kshs.3,200,000 and social security benefits totalling Kshs.45,348,228 reflected in the financial statements for the year under review could not be confirmed.

### **4.0 Acquisition of Assets**

#### **4.1 Construction of Buildings**

The statement of receipts and payments for the year ended 30 June, 2021 reflects expenditure totalling Kshs.922,866,686 on acquisition of assets, as further disclosed in Note 17 to the financial statements. Included in the balance is Kshs.212,685,671 spent on construction of buildings out of which Kshs.4,700,000 relates to payments for supply and installation of one-thousand (1000) stadium seats.

Records provided for audit indicated that the seats were procured through Request for Quotation Procurement Method. Even though the contract was awarded to the lowest evaluated bidder, the Access to Government Procurement Opportunities (AGPO) certificate submitted by the bidder was registered under a different entity in the AGPO website. Further, only five hundred and twenty (520) seats were found at the Stadium during audit verification done on 3 November, 2021. Therefore, the remainder seats totalling 480 purchased at Kshs.2,256,000 had not been delivered to the site.

In view of these issues, the completeness, regularity and propriety of the expenditure totalling of Kshs.4,700,000 incurred on supply, delivery and installation of the stadium seats could not be confirmed.

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

#### **Key Audit Matters**

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



## **Other Matter**

### **1.0 Budget and Budgetary Control**

The summary statement of appropriation - recurrent and development combined for the year ended 30 June, 2021 reflects final receipts budget and actual amounts on comparable basis totalling Kshs.6,114,738,506 and Kshs.5,897,419,548, respectively resulting in a shortfall of revenue totalling Kshs.217,318,958 or 3.6% of the budget. Similarly, the County Executive spent Kshs.5,728,698,194 against an approved budget of Kshs.6,114,738,506 resulting in an under-expenditure of Kshs.386,040,312 or 6% of the budget.

The under-funding and under-expenditure may have constrained delivery of services to the residents of Taita/Taveta County.

### **2.0 Pending Bills**

#### **2.1 Unsupported Pending Bills**

Note 7.10 on other important disclosures and Annex 2 to the financial statements reflect a pending accounts payable balance totalling Kshs.744,063,441 as at 30 June, 2021. However, while the Management had not indicated outstanding bills owed to two (2) suppliers, namely, Kenya Medical Supplies Agency(KEMSA) and Media Max Limited, as at 30 June, 2021, financial records provided for audit reflected claims for unpaid bills totalling Kshs.75,434,649 and Kshs.10,279,800 lodged by the two entities respectively.

Further, The National Treasury vide Circular No. 14/2021 Ref: IGFR/PB/01/J/ (69) dated 28 October, 2021 referred to a report of the Controller of Budget in which the County Government of Taita/Taveta was reported to have accrued debts totalling Kshs.43,251,087 as at 30, June, 2021 out of which Kshs.15,808,025 was interest levied for delay in remitting pension contributions. However, these debts have not been disclosed in the financial statements for the year under review.

In view of these anomalies, the accuracy and completeness of the pending accounts payable balance totalling Kshs.744,063,441 as at 30 June, 2021 could not be confirmed.

### **3.0 Prior Year Matters**

The report for the previous year highlighted unsatisfactory matters in relation to several balances reflected in the financial statements, lawfulness and effectiveness in use of public resources and on internal control. However, contrary to the reporting format prescribed by the Public Sector Accounting Standards Board, the financial statements for the year under review do not contain a report on the progress made in addressing the matters which, therefore, remain unresolved.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness



and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **1.0 Failure to Review Property Valuation Rolls**

Revenue records indicated that the County Executive collected plot rent totalling Kshs.29,664,474 in the year under review. The records further indicated that in Voi Municipality and Taveta Sub-County, Management set the land rates through old land valuation rolls prepared in 2006. Similarly, in Maungu Town and Mwatate and Wundanyi Sub-Counties, the land rates were set in Valuation Rolls prepared by the defunct County Council in 2012.

The use of old rolls in the face of increasing property prices may have resulted in the County Government not collecting optimal levels of land rates. No plausible explanation was provided by Management for the failure to review the land rates.

### **2.0 Irregularities Relating to Compensation of Employees**

Examination of compensation of employees records revealed the following irregularities:

#### **2.1 Untaxed Allowances**

Expenditure records indicated that allowances totalling Kshs.12,844,580 paid to employees were not taxed contrary to Section 37(1) of the Income Tax Act Cap 470.

Management was therefore in breach of the Law.

#### **2.2 Excess Expenditure on Compensation of Employees**

Contrary to Regulation 25(1)(b) of Public Finance Management (County Governments) Regulations, 2015 which sets a threshold of 35% for annual expenditure on personnel emoluments, the wage bill totalling Kshs.2,388,287,824 was equivalent to 40.5% the County Executive's revenue totalling Kshs.5,897,419,548 in the year under review.

The excess expenditure amounted to Kshs.324,190,982 and may have denoted imprudent use of public funds. Further, the expenditure could have provided substantial utility to the residents of Taita/Taveta County had it been used to fund delivery of goods and services.

### **3.0 Delay in Disbursement of Grants**

Records on grants and transfers indicated that capital transfers totalling Kshs.57,634,394 were made to Vocational Training Centres during the year under review. However, examination of the respective records indicated that the funds were not disbursed to the Centres until 1 July, 2021. No satisfactory explanation was provided by Management for the delay which may have constrained the capacity of the Centres to deliver their services in an efficient and effective way.

## 4.0 Implementation of Projects

### 4.1 Insufficient Project Records

Project management records indicated that the County Executive implemented three hundred and three (303) projects in eight (8) Departments at a cost of Kshs.738,017,031.25 in the year under review. Payments totalling Kshs.291,024,171.17 had been made in respect to the Projects as at 30 June, 2021, as indicated in the following table:

	<b>Department</b>	<b>No. of Projects</b>	<b>Contract Sum (Kshs.)</b>	<b>Amount Paid (Kshs.)</b>
1	Water	70	135,837,839.86	44,615,941.15
2	Livestock & Fisheries	22	34,573,768.38	17,412,442.98
3	Youth, Sports, Gender Culture & Social Services	17	49,172,964.61	10,763,841.60
4	Education and Libraries	50	94,993,466.62	9,140,747.00
5	Roads And Public Works	90	165,340,387.72	123,390,841.64
6	Devolution, Public Service & Administration	1	1,872,600.00	1,872,600.00
7	Agriculture	16	148,805,297.00	25,100,321.00
8	Health	37	107,420,707.06	58,727,435.80
	<b>Total</b>	<b>303</b>	<b>738,017,031.25</b>	<b>291,024,171.17</b>

However, the respective project budgets, records on works certified and paid for, site meeting minutes and detailed information on the projects' completion levels were not provided for audit.

In the absence of the sufficient records, the regularity of the disclosed projects expenditure totalling Kshs.291,024,171.17 reported to have been incurred on the projects, and the level of the projects' completion as at 30 June, 2021, could not be confirmed.

### 4.2 Unsatisfactory Implementation of Department of Education Projects

Review of the projects implementation status report as at 30 June, 2021, revealed the following unsatisfactory matters regarding projects implemented by the Department of Education:

- i. Nine (9) projects costing Kshs.14,186,389 included in the budget for the year under review were not implemented;
- ii. two (2) projects approved for implementation at an estimated cost of Kshs.7,6753,904.00 had stalled;
- iii. one (1) project costing Kshs.1,580,124 was at 85% level of completion but the works executed did not conform to the specifications in the Bill of Quantities and the architectural drawings.



- iv. all the (50) projects in the Department were denoted to have been contracted for completion in 120 days but their inception and expected completion dates were not provided for audit. As a result, it was not possible to verify their respective completion levels.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements, 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 matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section 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**

#### **Incomplete Non-Current Assets Register**

The summary of non-current assets register in Annex 6 to the financial statements reflects assets totalling Kshs.4,727,762,693 as at 30 June, 2021. However, the register does disclose the dates the assets were acquired, and their costs and locations.

In the circumstance, internal control, including safekeeping, of the non-current assets of the County Executive may be inadequate.

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

### **Responsibilities of Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the County Executive's ability to continue to sustain its services, disclosing, as applicable,



matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to dissolve the County Executive.

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

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

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the 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 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 provide an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial



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 the 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 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 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.

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

19 May, 2022



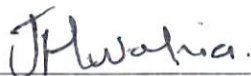
**COUNTY EXECUTIVE OF TAITA TAVETA**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2021.**

**7. FINANCIAL STATEMENTS**

**7.1. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH  
 JUNE 2021.**

	Note	2020/2021 Kshs	2019/2020 Kshs
<b>RECEIPTS</b>			
Exchequer releases	1	4,241,100,000	3,876,365,400
Proceeds from Domestic and Foreign Grants	2	817,021,537	375,197,315
Transfers from Other Government Entities	3	172,500,525	271,023,161
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	302,005,400	296,039,122
Returned CRF issues	10	364,792,086	79,418
<b>TOTAL RECEIPTS</b>		<b>5,897,419,548</b>	<b>4,818,704,415</b>
<b>PAYMENTS</b>			
Compensation of Employees	11	2,388,287,824	2,131,653,372
Use of goods and services	12	920,193,210	869,642,744
Subsidies	13	-	-
Transfers to Other Government Units	14	1,178,531,857	776,612,270
Other grants and transfers	15	106,790,344	133,182,419
Social Security Benefits	16	45,348,228	5,604,912
Acquisition of Assets	17	922,866,686	376,948,877
Finance Costs, including Loan Interest	18	206,311	343,859
Repayment of principal on Domestic and Foreign borrowing	19	-	-
Other Payments	20	166,473,734	436,124,856
<b>TOTAL PAYMENTS</b>		<b>5,728,698,194</b>	<b>4,730,113,309</b>
<b>SURPLUS/DEFICIT</b>		<b>168,721,354</b>	<b>88,591,106</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 10/01/2021 and signed by:



**Chief Officer**  
**Name: CPA Joyce Kambe Mwachia**  
**ICPAK Member Number: 12587**



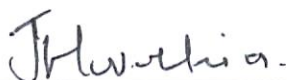
**Head of Accounting Services**  
**Name: CPA Fredrick Nganga**  
**ICPAK Member Number: 15010**

7.2. STATEMENT OF ASSETS AND LIABILITIES AS AT 30<sup>TH</sup> JUNE 2021

FINANCIAL ASSETS	Note	2020/2021 Kshs	2019/2020 Kshs Restated Bal
<b>Cash and Cash Equivalents</b>			
Bank Balances	21A	437,377,232	306,649,141 *
Cash Balances	21B	163,144	655,560
<b>Total Cash and cash equivalents</b>		<b>437,540,376</b>	<b>307,304,701</b>
Accounts receivables – Outstanding Imprests	22 A	5,926,155	6,796,700
<b>TOTAL FINANCIAL ASSETS</b>		<b>443,466,531</b>	<b>314,101,401</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables – Deposits and retentions	23	31,557,140	35,151,425
<b>NET FINANCIAL ASSETS</b>		<b>411,909,390</b>	<b>278,949,975</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	24	278,949,975	245,002,984
Prior year adjustments	25	(35,761,939)	(54,644,115) *
Surplus/Deficit for the year		168,721,354	88,591,106
<b>NET FINANCIAL POSITION</b>		<b>411,909,390</b>	<b>278,949,975</b>

\*Restated Balance as explained in the Note 21A and Note 25

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 10/01/2021 and signed by:



Chief Officer Finance

Name: CPA Joyce Kambe Mwachia

ICPAK Member Number: 12587



Head of Accounting Services

Name: CPA Fredrick Nganga

ICPAK Member Number: 15010



**COUNTY EXECUTIVE OF TAITA TAVETA**  
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**7.3. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2021.**

	Note	2020/2021 Kshs	2019/2020 Kshs
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			Restated Balance
<b>Receipts from operating income</b>			
Exchequer releases	1	4,241,100,000	3,876,365,400
Proceeds from Domestic and Foreign Grants	2	817,021,537	375,197,315
Transfers from Other Government Entities	3	172,500,525	271,023,161
Reimbursements and Refunds	7	-	-
Returns of Equity Holdings	8	-	-
County Own Generated Receipts	9	302,005,400	296,039,122
Returned CRF issues	10	364,792,086	79,417.95
<b>Payments for operating expenses</b>			
Compensation of Employees	11	(2,388,287,824)	(2,131,653,372)
Use of goods and services	12	(920,193,210)	(869,642,744)
Subsidies	13	-	-
Transfers to Other Government Units	14	(1,178,531,857)	(776,612,270)
Other grants and transfers	15	(106,790,344)	(133,182,419)
Social Security Benefits	16	(45,348,227.90)	(5,604,912)
Finance Costs, including Loan Interest	18	(206,311)	(343,858.86)
Other Payments	20	(166,473,734)	(436,124,856)
<b>Adjusted for:</b>			
Changes in receivables	26	870,545	24,309,177
Changes in payables	27	(3,594,285)	6,955,332
Prior year adjustments	25	(35,761,939.00)	(54,644,115) *
<b>Total Adjustments</b>		<b>(38,485,679)</b>	<b>(23,379,606)</b>
<b>Net cash flows from operating activities</b>		<b>1,053,102,362</b>	<b>442,160,378</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	6	-	-
Acquisition of Assets	17	(922,866,686)	(376,948,877)
<b>Net cash flows from investing activities</b>		<b>(922,866,686)</b>	<b>(376,948,877)</b>
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Domestic Borrowings	4	-	-
Proceeds from Foreign Borrowings	5	-	-
Repayment of principal on Domestic and Foreign borrowing	19	-	-

**COUNTY EXECUTIVE OF TAITA TAVETA**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2021.**

Net cash flow from financing activities

-	-
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**NET INCREASE IN CASH AND CASH EQUIVALENT**

**130,235,675      65,211,500**

Cash and cash equivalent at BEGINNING of the year

**21      307,304,700      242,093,200 \***

Cash and cash equivalent at END of the year

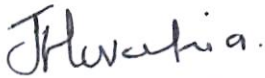
**24      437,540,376      307,304,700**

As per statement of assets

**437,540,376      307,304,701**

\*Restated Balance as explained in the Note 21A and Note 25

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 07/01/2021 and signed by:



Chief Officer Finance

Name: CPA Joyce Kambe Mwachia

ICPAK Member Number: 12587



Head of Accounting Services

Name: CPA Fredrick Nganga

ICPAK Member Number 15010



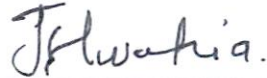
7.4. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item		Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget utilization difference	% of Utilization
		Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
		a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>							
Exchequer releases	1	4,399,350,000	(158,250,000)	4,241,100,000	4,241,100,000	-	100%
Proceeds from Domestic and Foreign Grants	2	851,804,217	30,009,383	881,813,600	817,021,537	64,792,063	93%
Transfers from Other Government Entities	3	166,515,306	97,575,000	264,090,306	172,500,525	91,589,781	65%
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	363,000,000	-	363,000,000	302,005,400	60,994,600	83%
Returned CRF issues	10	-	364,734,600	364,734,600	364,792,086	(57,486)	100%
<b>TOTAL</b>		<b>5,780,669,523</b>	<b>334,068,983</b>	<b>6,114,738,506</b>	<b>5,897,419,548</b>	<b>217,318,958</b>	<b>96%</b>
<b>PAYMENTS</b>							
Compensation of Employees	11	2,311,410,824	144,765,004	2,456,175,828	2,388,287,824	67,888,004	97%
Use of goods and services	12	940,080,043	60,641,141	1,000,721,184	920,193,210	80,527,974	92%
Subsidies	13	-	-	-	-	-	0%
Transfers to Other Government Units	14	1,180,496,305	50,000,000	1,230,496,305	1,178,531,857	51,964,448	96%
Other grants and transfers	15	218,133,502	(22,875,629)	195,257,873	106,790,344	88,467,529	55%
Social Security Benefits	16	46,500,000	6,000,000	52,500,000	45,348,228	7,151,772	86%
Acquisition of Assets	17	939,686,590	57,238,467	996,925,057	922,866,686	74,058,371	93%
Finance Costs, including Loan Interest	18	1,000,000	(200,000)	800,000	206,311	593,689	26%
Repayment of principal on Domestic and Foreign borrowing	19	-	-	-	-	-	0%
Other Payments	20	143,362,259	38,500,000	181,862,259	166,473,734	15,388,525	92%
<b>TOTAL</b>		<b>5,780,669,523</b>	<b>334,068,983</b>	<b>6,114,738,506</b>	<b>5,728,698,194</b>	<b>386,040,312</b>	<b>94%</b>
<b>SURPLUS/(DEFICIT)</b>					<b>168,721,354</b>	<b>(168,721,354)</b>	

COUNTY EXECUTIVE OF TAITA TAVETA  
Annual Report and Financial Statements  
For the year ended June 30, 2021.

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The County Executive's financial statements were approved on 10/01/2021 and signed by:



**Chief Officer Finance**

**Name: CPA Joyce Kambe Mwachia**

**ICPAK Member Number: 12587**



**Head of Accounting Services**

**Name: CPA Fredrick Nganga**

**ICPAK Member Number 15010**



COUNTY EXECUTIVE OF TAITA TAVETA  
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 For the year ended June 30, 2021.

7.5. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

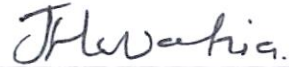
Receipt/Expense Item		Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget utilization difference	% of Utilization
		Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
		a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>							
Exchequer releases	1	3,399,957,220	(214,848,226)	3,185,108,994	3,249,916,537	(64,807,543)	102%
Proceeds from Domestic and Foreign Grants	2	45,000,000	-	45,000,000	30,867,881	14,132,119	69%
Transfers from Other Government Entities	3	5,296,305	97,575,000	102,871,305	41,378,133	61,493,172	40%
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	363,000,000	-	363,000,000	302,005,400	60,994,600	83%
Returned CRF issues	10	-	364,734,600	364,734,600	364,792,086	(57,486)	100%
<b>TOTAL</b>		<b>3,813,253,525</b>	<b>247,461,374</b>	<b>4,060,714,899</b>	<b>3,988,960,037</b>	<b>71,754,862</b>	<b>98%</b>
<b>PAYMENTS</b>							
Compensation of Employees	11	2,311,410,824	144,765,004	2,456,175,828	2,388,287,824	67,888,004	97%
Use of goods and services	12	792,580,043	58,341,141	850,921,184	842,913,669	8,007,515	99%
Subsidies	13	-	-	-	-	-	0%
Transfers to Other Government Units	14	505,296,305	47,000,000	552,296,305	553,929,452	(1,633,147)	100%
Other grants and transfers	15	26,039,458	(11,758,958)	14,280,500	6,751,434	7,529,066	47%
Social Security Benefits	16	46,500,000	6,000,000	52,500,000	45,348,228	7,151,772	86%
Acquisition of Assets	17	76,683,637	(5,385,813)	71,297,824	34,188,142	37,109,682	48%
Finance Costs, including Loan Interest	18	-	-	-	166,968	(166,968)	0%
Repayment of principal on Domestic and Foreign borrowing	19	-	-	-	-	-	0%
Other Payments	20	54,743,258	8,500,000	63,243,258	59,310,893	3,932,365	94%
<b>TOTAL</b>		<b>3,813,253,525</b>	<b>247,461,374</b>	<b>4,060,714,899</b>	<b>3,930,896,609</b>	<b>129,818,290</b>	<b>97%</b>
<b>SURPLUS/(DEFICIT)</b>					<b>58,063,428</b>	<b>(58,063,428)</b>	

Annual Report and Financial Statements

For the year ended June 30, 2021.

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The County Executive's financial statements were approved on 10/01/2021 and signed by:



Chief Officer Finance

Name: CPA Joyce Kambe Mwachia

ICPAK Member Number: 12587



Head of Accounting Services

Name: CPA Fredrick Nganga

ICPAK Member Number: 15010



**Annual Report and Financial Statements**  
**For the year ended June 30, 2021.**

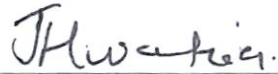
**7.6. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT**

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 %
<b>RECEIPTS</b>							
Exchequer releases	1	999,392,780	56,598,226	1,055,991,006	991,183,463	64,807,543	94%
Proceeds from Domestic and Foreign Grants	2	806,804,217	30,009,383	836,813,600	786,153,656	50,659,944	94%
Transfers from Other Government Entities	3	161,219,001	-	161,219,001	131,122,392	30,096,609	81%
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	-	-	-	-	-	0%
Returned CRF issues	10	-	-	-	-	-	0%
<b>TOTAL</b>		<b>1,967,415,998</b>	<b>86,607,609</b>	<b>2,054,023,607</b>	<b>1,908,459,511</b>	<b>145,564,096</b>	<b>93%</b>
<b>PAYMENTS</b>							
Compensation of Employees	11	-	-	-	-	-	0%
Use of goods and services	12	147,500,000	2,300,000	149,800,000	77,279,541	72,520,459	52%
Subsidies	13	-	-	-	-	-	0%
Transfers to Other Government Units	14	675,200,000	3,000,000	678,200,000	624,602,405	53,597,595	92%
Other grants and transfers	15	192,094,044	(11,116,671)	180,977,373	100,038,910	80,938,463	55%
Social Security Benefits	16	-	-	-	-	-	0%
Acquisition of Assets	17	863,002,953	62,624,280	925,627,233	888,678,544	36,948,689	96%
Finance Costs, including Loan Interest	18	1,000,000	(200,000)	800,000	39,343	760,657	5%
Repayment of principal on Domestic and Foreign borrowing	19	-	-	-	-	-	0%
Other Payments	20	88,619,001	30,000,000	118,619,001	107,162,841	11,456,160	90%
<b>TOTAL</b>		<b>1,967,415,998</b>	<b>86,607,609</b>	<b>2,054,023,607</b>	<b>1,797,801,585</b>	<b>256,222,022</b>	<b>88%</b>
<b>SURPLUS/(DEFICIT)</b>					<b>110,657,927</b>	<b>(110,657,927)</b>	

Annual Report and Financial Statements  
For the year ended June 30, 2021.

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The County Executive's financial statements were approved on 10/01/2021 and signed by:



Chief Officer Finance

Name: CPA Joyce Kambe Mwachia

ICPAK Member Number: 12587



Head of Accounting Services

Name: CPA Fredrick Nganga

ICPAK Member Number: 15010



## 7.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Program	Sub Program	Description	Approved Budget	Actual Payments	Variance
3260			0	0	0
	0	Default - Non Programmatic	0	0	0
<b>101003260</b>		<b>Administration Planning and Support Services</b>	<b>64,729,287.00</b>	<b>49,265,494.00</b>	<b>15,463,793.00</b>
	101013260	Administration Planning and Support Services	64,729,287.00	49,265,494.00	15,463,793.00
<b>102003260</b>		<b>Development programme</b>	<b>344,430,346.00</b>	<b>335,169,726.30</b>	<b>9,260,619.70</b>
	102013260	Development programme	344,430,346.00	335,169,726.30	9,260,619.70
<b>103003260</b>		<b>Infrastructure Development programme</b>	<b>4,000,000.00</b>	<b>2,699,850.00</b>	<b>1,300,150.00</b>
	103013260	Infrastructure Development programme	4,000,000.00	2,699,850.00	1,300,150.00
<b>104003260</b>		<b>Agricultural Development Programme</b>	<b>417,898,191.00</b>	<b>398,868,153.15</b>	<b>19,030,037.85</b>
	104013260	Agricultural Development Programme	417,898,191.00	398,868,153.15	19,030,037.85
<b>105003260</b>		<b>Livestock and Fisheries Development</b>	<b>26,240,000.00</b>	<b>7,907,664.00</b>	<b>18,332,336.00</b>
	105013260	Livestock and Fisheries Development	26,240,000.00	7,907,664.00	18,332,336.00
<b>301003260</b>		<b>General Administration and support services programme</b>	<b>20,945,923.00</b>	<b>17,568,534.80</b>	<b>3,377,388.20</b>
	301013260	General Administration and support services programme	20,945,923.00	17,568,534.80	3,377,388.20
<b>302003260</b>		<b>Trade Development programme.</b>	<b>31,050,000.00</b>	<b>30,555,252.00</b>	<b>494,748.00</b>
	302013260	Trade Development programme.	31,050,000.00	30,555,252.00	494,748.00
<b>401003260</b>		<b>Administration and Support Services</b>	<b>235,824,311.00</b>	<b>209,559,160.50</b>	<b>26,265,150.50</b>
	401013260	Administration and Support Services	235,824,311.00	209,559,160.50	26,265,150.50
<b>402003260</b>		<b>Health Development Programme</b>	<b>211,095,024.00</b>	<b>202,181,579.75</b>	<b>8,913,444.25</b>
	402013260	Health Development Programme	211,095,024.00	202,181,579.75	8,913,444.25
<b>501003260</b>		<b>General Administration, Planning and Support services</b>	<b>154,720,795.00</b>	<b>131,005,759.00</b>	<b>23,715,036.00</b>
	501013260	General Administration, Planning and Support services	154,720,795.00	131,005,759.00	23,715,036.00
<b>502003260</b>		<b>Early childhood Education and Youth Training Development Programme</b>	<b>132,797,100.00</b>	<b>104,272,718.60</b>	<b>28,524,381.40</b>
	502013260	Early childhood Education & Youth Training Development Programme	132,797,100.00	104,272,718.60	28,524,381.40
<b>701003260</b>		<b>General Administration support services</b>	<b>3,071,963,565.00</b>	<b>3,059,872,672.80</b>	<b>12,090,892.20</b>
	701013260	General Administration support services	3,071,963,565.00	3,059,872,672.80	12,090,892.20

COUNTY EXECUTIVE OF TAITA TAVETA  
 Annual Report and Financial Statements  
 For the year ended June 30, 2021.

702003260		<b>County Assembly Infrastructure improvement</b>	<b>52,000,000.00</b>	<b>28,212,752.00</b>	<b>23,787,248.00</b>
	702013260	County Assembly Infrastructure improvement	52,000,000.00	28,212,752.00	23,787,248.00
703003260		<b>Decentralised Infrastructure development programme</b>	<b>5,000,000.00</b>	<b>3,999,464.00</b>	<b>1,000,536.00</b>
	703013260	Decentralised Infrastructure development programme	5,000,000.00	3,999,464.00	1,000,536.00
704003260		<b>General Administration and Management of County Affairs</b>	<b>116,088,977.00</b>	<b>103,414,988.95</b>	<b>12,673,988.05</b>
	704013260	General Administration and Management of County Affairs	116,088,977.00	103,414,988.95	12,673,988.05
705003260		<b>Leadership Development Programme</b>	<b>10,640,000.00</b>	<b>5,158,099.50</b>	<b>5,481,900.50</b>
	705013260	Leadership Development Programme	10,640,000.00	5,158,099.50	5,481,900.50
706003260		<b>General Administration, Planning, Internal Audit &amp; Support Services</b>	<b>356,642,917.00</b>	<b>319,039,823.75</b>	<b>37,603,093.25</b>
	706013260	General Administration, Planning, Internal Audit & Support Services	356,642,917.00	319,039,823.75	37,603,093.25
707003260		<b>Treasury Development Programme</b>	<b>133,300,000.00</b>	<b>129,915,807.00</b>	<b>3,384,193.00</b>
	707013260	Treasury Development Programme	133,300,000.00	129,915,807.00	3,384,193.00
1001003260		<b>Water and irrigation Development Programme</b>	<b>491,947,516.00</b>	<b>403,887,511.63</b>	<b>88,060,004.37</b>
	1001013260	Water and irrigation Development Programme	491,947,516.00	403,887,511.63	88,060,004.37
1002003260		<b>General Administration, Support and Support Services</b>	<b>15,894,925.00</b>	<b>15,770,420.00</b>	<b>124,505.00</b>
	1002013260	General Administration, Support and Support Services	15,894,925.00	15,770,420.00	124,505.00
1003003260		<b>Natural Resources Support Programme</b>	<b>217,529,629.00</b>	<b>170,372,762.00</b>	<b>47,156,867.00</b>
	1003013260	Natural Resources Support Programme	217,529,629.00	170,372,762.00	47,156,867.00
		<b>Grand Total</b>	<b>6,114,738,506.00</b>	<b>5,728,698,194</b>	<b>386,040,312</b>

*(NB: This statement is a disclosure statement indicating the utilisation in the same format at the County budgets which are programmatic)*



## **7.8. SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

The 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 County Executive 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 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 Executive recognises all receipts from the various sources when the event occurs, and the Executive has actually received the related cash.

## **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i) 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.

**ii) 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 Executive

**iii) 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 Executive 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 County Executive or any other debt the County Executive may take on will be treated on cash basis and recognized as receipts during the year of receipt.

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**



**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 2020, there were no instances of non-compliance with terms and conditions, which have resulted in cancellation of external assistance loans. The amount of undrawn external assistance for the year is detailed in the notes to the financial statements.

**iv) 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.

**v) 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 County Executive recognises all expenses when the event occurs and the related cash has actually been paid out.

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i) Compensation of employees**

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

**ii) 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.

**iii) Interest on borrowing**

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

**iv) 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.

**v) 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 County Executive in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the County Executive 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.

##### **a) Third Party Payments**

This relates to payments done directly to supplier on behalf of the county Executive s such as; national government may fund the operation of health or education program, a donor may pay directly for construction of a given market etc. Details of payments by third parties on behalf of the county Executive is detailed in the notes to this financial statement.

#### **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.

##### **a) 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 2021, this amounted to KShs 31,557,140 compared to KShs 35,151,425 in prior period as indicated on note 23

#### **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **6. Accounts Receivable**

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

**7. Accounts Payable**

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

**8. Non-current assets**

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the County Executive's 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 County Executive at the end of the year.

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**



Pending bills 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. Contingent Liabilities**

Section 185 (2) (i) of the PFM Act requires the County Government to report on the payments made, or losses incurred, by the county government to meet contingent liabilities as a result of loans during the financial year, including payments made in respect of loan write-offs or waiver of interest on loans

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
  - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
  - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, and indemnities. Letters of comfort/ support, insurance, Public Private Partnerships. The County Executive does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. Annex 7 of this financial statement is a register of the contingent liabilities in the year.

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**11. Contingent Assets**

The County Executive does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the County Executive in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**12. Budget**

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County Executive'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 26<sup>th</sup> June 2020 for the period 1<sup>st</sup> July 2020 to 30 June 2021 as required by law. There was - number of supplementary budgets passed in the year. A high-level assessment of the County Executive's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

**13. Comparative figures**

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

**14. 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.

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**15. 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.

**16. 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.

**7.9. NOTES TO THE FINANCIAL STATEMENTS**

**1. EXCHEQUER RELEASES**

<b>1. EXCHQUER RELEASES</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>KShs</b>	<b>KShs</b>
Exchequer Releases	<b>4,241,100,000</b>	<b>3,876,365,400</b>

**1A. Equitable Share**

Equitable share

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>KShs</b>	<b>KShs</b>
Total Equitable Share for quarter 1	-	737,951,400
Total Equitable Share for quarter 2	1,399,563,000	763,398,000
Total Equitable Share for quarter 3	1,060,275,000	1,208,713,500
Total Equitable Share for quarter 4	1,781,262,000	1,166,302,500
<b>Total</b>	<b>4,241,100,000</b>	<b>3,876,365,400</b>

**1B: Level 5 Hospitals Allocation**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>KShs</b>	<b>KShs</b>
Transfers for level 5 hospitals	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



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

**2. PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>KShs</b>	<b>KShs</b>
<b>Proceeds from Domestic and foreign grants received through exchequer</b>		
DANIDA - Universal Healthcare in Devolved Units Programme	12,060,000	16,608,750
World Bank – THUSCP	37,651,634	56,942,903
National Agricultural & Rural Inclusive Growth Project (NARIGP)	-	-
Kenya Devolution Support Programme	45,000,000	30,000,000
Youth Polytechnic support grant	57,634,894	55,638,298
Abolishment of user fees in health centres and dispensaries	5,296,305	5,296,305
Kenya Urban Support Programme(UDG)	7,384,101	35,761,940
Kenya Urban Support Programme(UIG)	20,571,576	8,800,000
Agriculture Sector Development Support Project (ASDSP)	12,707,755	16,633,655
Kenya Climate Smart Agriculture Project (KCSAP)	268,715,271	104,500,024
Water Sector Trust Fund Project (WSTF)	350,000,001	45,015,440
<b>Sub total</b>	<b>817,021,537</b>	<b>375,197,315</b>
<b>Proceeds from domestic and foreign grants received directly by the county</b>		
Covid-19 Donations	-	-
Others	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>817,021,537</b>	<b>375,197,315</b>

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

**3. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>KShs</b>	<b>KShs</b>
<b>Transfers from Central Government entities</b>		
Road maintenance levy fund	131,122,392	147,048,631
Covid-19 Fund	-	37,704,000
National Government Grant - Health Professionals Allowances	-	34,575,000
NHIF Refunds	41,378,133	51,695,530
<b>Transfers from Counties</b>		
<b>TOTAL</b>	<b>172,500,525</b>	<b>271,023,161</b>

**4. PROCEEDS FROM DOMESTIC BORROWINGS**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Borrowing within General Government	-	-
Borrowing from Monetary Authorities (Central Bank)	-	-
Other Domestic Depository Corporations (Commercial Banks)	-	-
Borrowing from Other Domestic Financial Institutions	-	-
Borrowing from Other Domestic Creditors	-	-
Domestic Currency and Domestic Deposits	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



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**5. PROCEEDS FROM FOREIGN BORROWINGS**

Description	2020/2021	2019/2020
	Kshs	Kshs
Foreign Borrowing – Draw-downs Through Exchequer	-	-
Foreign Borrowing - Direct Payments	-	-
Foreign Currency and Foreign Deposits	-	-
<b>Total</b>	-	-

**6. PROCEEDS FROM SALE OF ASSETS**

Description	2020/2021	2019/2020
	Kshs	Kshs
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from Sale of Certified Seeds and Breeding Stock	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Receipts from the Sale of Inventories, Stocks and Commodities	-	-
Disposal and Sales of Non-Produced Assets	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
<b>Total</b>	-	-

**7. REIMBURSEMENTS AND REFUNDS**

Description	2020/2021	2019/2020
	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	-	-
NHIF Funds	-	-
<b>Total</b>	-	-

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

**8. RETURNS OF EQUITY HOLDINGS**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Returns of Equity Holdings in Domestic Organisations	-	-
Returns of Equity Holdings in International Organisations	-	-
<b>Total</b>	-	-

**9. COUNTY OWN GENERATED RECEIPTS**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest received	-	-
Profits and Dividends	-	-
Rent	468,679	1,369,826
Plan approvals	4,831,509	-
Property Income	-	-
Sales of Market Establishments	-	-
Receipts from Administrative Fees and Charges	-	-
Receipts from Administrative Fees and Charges - Collected as AIA	-	-
Receipts from Sales by Non-Market Establishments	-	-
Receipts from Sale of Incidental Goods	-	-
Fines, Penalties and Forfeitures	1,021,906	1,067,913
Receipts from Voluntary transfers other than grants	-	-
Business permits	37,590,205	28,879,183
Liquor License	5,781,900	-
Cess	75,323,091	28,907,014
Poll rates	-	-
Plot rents	29,664,474	19,098,585
Administrative Service fees	6,876,617	3,563,435
Mining Cess	30,548,383	35,044,529
Lease / rental of council's Infrastructure assets	-	-
Medium term loans (1-3 yr repayment)	-	-
Long term loans (over 3 yr repayment)	-	-
Transfers from reserve funds	-	-
Donations	-	-
Fund raising events	-	-
Market/trade Centre fees	13,916,783	26,162,199
Vehicle parking fees	22,980,593	20,284,433
Housing	-	-



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Social premises use charges	749,900	1,537,200
School fees	-	-
Other education-related receipts	-	-
Public health services	-	-
Public health facilities operations	41,153,014	50,299,006
Environment & conservancy Administration	5,528,850	5,474,400
Slaughterhouses' administration	3,220,280	3,226,290
Water supply administration	637,000	25,000
Sewerage administration	-	-
Other health & sanitation receipts	54,550	-
Technical services fees	2,856,297	5,993,410
External services fees	-	-
Other miscellaneous receipts	18,801,369	65,106,698
<b>TOTAL</b>	<b>302,005,400</b>	<b>296,039,122</b>

**10. RETURNED CRF ISSUES**

Description	2020/2021	2019/2020
	Kshs	Kshs
Recurrent account	19,392	79,417.95
Development account	38,095	-
County Revenue Funds	364,734,600	
<b>Total</b>	<b>364,792,086</b>	<b>79,418</b>

**COUNTY EXECUTIVE OF TAITA TAVETA**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**11. COMPENSATION OF EMPLOYEES**

Description	2020/2021	2019/2020
	Kshs	Kshs
Basic salaries of permanent employees	2,316,323,946	1,914,438,329
Basic wages of temporary employees	4,591,281	195,997,687
Personal allowances paid as part of salary	64,172,598	3,531,380
Personal allowances paid as reimbursements	-	-
Personal allowances provided in kind	-	-
Pension and other social security contributions	3,200,000	17,685,976
Compulsory national social security schemes	-	-
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
<b>Total</b>	<b>2,388,287,824</b>	<b>2,131,653,372</b>

**12. USE OF GOODS AND SERVICES**

Description	2020/2021	2019/2020
	Kshs	Kshs
Utilities, supplies and services	49,256,362	43,182,035
Communication, supplies and services	3,684,065	10,294,498
Domestic travel and subsistence	162,390,145	227,237,849
Foreign travel and subsistence	-	4,376,110
Printing, advertising and information supplies & services	17,304,658	19,680,893
Rentals of produced assets	39,736,197	26,343,840
Training expenses	11,987,296	24,418,170
Hospitality supplies and services	51,170,128	48,600,005
Insurance costs	92,899,240	48,632,507
Specialised materials and services	252,375,332	207,829,509
Office and general supplies and services	69,751,112	29,369,578
Other operating expenses	39,783,407	84,028,200
Routine maintenance – vehicles and other transport equipment	19,219,659	12,745,056
Fuel Oil and Lubricants	95,074,355	70,031,946
Routine maintenance – other assets	15,561,254	12,872,551
<b>Total</b>	<b>920,193,210</b>	<b>869,642,744</b>



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

**13. SUBSIDIES**

Description	2020/2021	2019/2020
	Kshs	Kshs
Subsidies to Public Corporations	-	-
Subsidies to Private Enterprises	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**14. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2020/2021	2019/2020
	Kshs	Kshs
<b>Transfers to Central government entities</b>	-	-
Taita Taveta County Assembly	681,965,352	608,852,400
<b>Transfers to Other Counties Entities</b>	-	-
Taita Taveta County Mortgage Account	29,102,405	40,851,670
Taita Taveta County Education Fund	100,000,000	30,192,570
Taita Taveta County Emergency Account	7,500,000	51,700,190
Tevevo Water & Sanitation	350,000,000	45,015,440
Mwatate Municipality UDG Account	7,384,100	-
Mwatate Municipality UIG Account	2,580,000	-
<b>TOTAL</b>	<b>1,178,531,857</b>	<b>776,612,270</b>

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

**15. OTHER GRANTS AND PAYMENTS**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Scholarships and other educational benefits	-	3,200,000
Emergency relief and refugee assistance	300,000	4,671,040
Subsidies to small businesses, cooperatives, and self employed	-	-
Donations	2,219,000	1,440,000
Other current transfers, grants	46,636,950	63,009,566
Capital Transfer - Other (Budg	57,634,394	60,861,813
<b>TOTAL</b>	<b>106,790,344</b>	<b>133,182,419</b>

**16. SOCIAL SECURITY BENEFITS**

<b>Description</b>	<b>2020/2021</b>	<b>2019/2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Government pension and retirement benefits	45,348,228	5,604,912
Social security benefits in cash and in kind	-	-
Employer Social Benefits in cash and in kind	-	-
<b>Total</b>	<b>45,348,228</b>	<b>5,604,912</b>



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

**17. ACQUISITION OF ASSETS**

Description	2020/2021	2019/2020
	Kshs	Kshs
<b>Non-Financial Assets</b>	-	-
Purchase of Buildings	-	-
Construction of Buildings	212,685,671	10,444,780
Refurbishment of Buildings	19,212,602	981,525
Construction of Roads	63,189,974	42,663,488
Construction and Civil Works	256,437,823	95,369,498
Overhaul and Refurbishment of Construction and Civil Works	-	51,601,711
Purchase of Vehicles and Other Transport Equipment	21,676,000	43,810,000
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	13,297,442	13,430,247
Purchase of Office Furniture and General Equipment		
Purchase of ICT Equipment	478,000	1,281,150
Purchase of Specialised Plant, Equipment and Machinery	41,955,726	30,313,801
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	2,819,484
Purchase of Certified Seeds, Breeding Stock and Live Animals	54,753,000	5,999,925
Research, Studies, Project Preparation, Design & Supervision	209,101,218	67,082,021
Rehabilitation of Civil Works	30,079,231	11,151,248
Acquisition of Strategic Stocks and commodities	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
<b>Financial Assets</b>		
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
<b>Total</b>	<b>922,866,686</b>	<b>376,948,877</b>

**COUNTY EXECUTIVE OF TAITA TAVETA**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**18. FINANCE COSTS, INCLUDING LOAN INTEREST**

Description	2020/2021	2019/2020
	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	206,311	343,859
<b>Total</b>	<b>206,311</b>	<b>343,859</b>

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

Description	2020/2021	2019/2020
	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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**20. OTHER PAYMENTS**

Description	2020/2021	2019/2020
	Kshs	Kshs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Other expenses	166,473,734	436,124,856
<b>Total</b>	<b>166,473,734</b>	<b>436,124,856</b>



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

**21. CASH AND BANK BALANCES**

**21A. BANK BALANCES**

Description	Account Number	Amount in bank account currency	Indicate whether recurrent or development, deposits, receipts, etc	2020/2021	2019/2020
Name of Bank, Account No. & Currency			Kshs	Kshs	Kshs
					Restated Bal
Taita Taveta County Revenue Fund Account - Cbk	1000171855	Kshs	CRF	158,612,272	42,056,002
Taita Taveta County -Revenue Collection Account No:	1140754017	Kshs	Revenue	1,393,618	2,696,582
Taita Taveta County Recurrent Account - Cbk		Kshs	Recurrent	42,085	16,168
Taita Taveta County Village Polytechnic	1000368519	Kshs	Project	502	2
Taita Taveta County -Result Based Financing	1000291745	Kshs	Project	23,213,057	38,883,884
Taita Taveta County -Kenya Climate Smart Agriculture Project-CBK	1000365455	Kshs	Project	0	-
Taita Taveta County- Agriculture Sector Support Project-CBK		Kshs	Project	-	-
Taita Taveta Eu Ideas Banana Process-CBK	1000399473	Kshs	Project	9	9
Mwatate Municipality Urban Grant-Dev	1000386835	Kshs	Project	-	35,761,939
Mwatate Municipality Urban Inst Gr-Rec	1000370858	Kshs	Project	1	1
Taita Taveta County Public Service Board	1152450379	Kshs	Imprest	2,547,457	2,028,207
Taita Taveta County - Moi Hospital	1145667961	Kshs	Facility Operations	2,092,540	4,023,949
Taita Taveta County - Mwatate Hospital	1145668054	Kshs	Facility Operations	820,531	179,875
Taita Taveta County - Wesu NHIF Hospital	1174149914	Kshs	Facility Operations	490	296,793
Taita Taveta County - Wundanyi Hospital	1145668178	Kshs	Facility Operations	130,452	305,155
Taita Taveta County - Taveta Hospital	1145668097	Kshs	Facility Operations	902	317
Taita Taveta County Education Imprest Account	1152721747	Kshs	Imprest	2,620	2,911
Taita Taveta County - Moi Hospital Revenue Collection a/c	1197838384	Kshs	Revenue	2,585	3,650
Taita Taveta County -Taveta Hospital Revenue Collection a/c	1197838996	Kshs	Revenue	2,235	2,235



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Taita Taveta County - Wesu Hospital Maternity Acc	1145668135	Kshs	Facility Operations	0	198
Taita Taveta County Revenue Imprest Account no:	1205281940	Kshs	Imprest	1,999,713	2,972,984
Taita Taveta County -CHMT Danida Acc	1167689542	Kshs	Project Operations	22,464,567	4,559,660
Taita Taveta County Treasury Imprest Account	1172668035	Kshs	Imprest	32,270,626	39,007
Taita Taveta County- Mpesa Revenue Collection statement	899131	Kshs	Revenue	1,648,046	658,948
Taita Taveta County -Kenya Devolution Support Programme		Kshs	Project Operations	22,909,196	30,001,933
Taita Taveta County Development Account - Cbk		Kshs	Development	140,888	9,906
Taita Taveta County Road Maintenance Levy Account	1000268767	Kshs	Project	24,236,932	18,411,043
Taita Taveta County Deposit Account No.	1000251174	Kshs	Deposits	39,774,548	3,112,530
Taita Taveta Eu Ideas Banana Process-KCB	1252445024	Kshs	Project Operations	5,325,057	26,666,273
TTC Agriculture Sector Development Support Project-Coop	01141222798000	Kshs	Project Operations	19,423,346	20,134,555
KCSAP TAITA TAVETA-Coop		Kshs	Project Operations	76,023,674	67,974,563
Taita Taveta County -Water & Sanitation	1000392867	Kshs	Project Operations	1	-
Taita Taveta County Hospitals Revenue	1261095480	Kshs	Revenue	14	115
Moi Sub County Hosp Nhif Imprest	1273743377	Kshs	Project Operations	1,145,172	2,577,134
Mwatate Sub County Hosp Nhif Imprest	1273743660	Kshs	Project Operations	224,593	845,790
Wesu Sub County Hosp Nhif Imprest	1273743164	Kshs	Project Operations	13,982	2,426,478
Mwambirwa Sub County Hosp Maternity	1154162273	Kshs	Project Operations	302,728	345
Wundanyi Sub County Hosp Nhif Imprest	1273741625	Kshs	Project Operations	92,630	-
Taveta Hospital Nhif Imprest Account	1273741056	Kshs	Project Operations	14,589	-
Taita Taveta County Revenue Collection -Equity	0790280132509	Kshs	Revenue	26,228	-
Taita Taveta County RIG Operations Account	0790280132560	Kshs	Project Operations	479,350	-
<b>Total</b>				<b>437,377,232</b>	<b>306,649,141</b>

*\*Restated Balances:* The Restated Bank Balance is as a result of exclusion of Mwatate Municipality KUSP UIG Acc No 12559752836 & Mwatate Municipality KUSP UDG Acc No. 1264488491 which had a Bank balance of Kshs 497,097 and Kshs 37,735,201 respectively. The Mwatate Municipality Expenditure Account were wrongly reported in the Taita Taveta County Executive Financial Statements. However, they are supposed to be report as separate entity.



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**21B. CASH IN HAND**

Description	2020/2021	2019/2020
	Kshs	Kshs
Cash in Hand – Held in domestic currency	163,144	655,560
Cash in Hand – Held in foreign currency	-	-
<b>Total</b>	<b>163,144</b>	<b>655,560</b>

Cash in hand should also be analysed as follows:

Description	2020/2021	2019/2020
	Kshs	Kshs
Mwatate Sub County Hospital	-	6,860
Mwatate Sub County Hospital : Public Health Office	-	-
Mwatate Sub County Revenue Office	-	5,450
Mwatate Sub County Livestock & Fisheries	700	-
Wundanyi Sub County Hospital	-	-
Wundanyi Sub County Hospital: Public Health Office	-	3,600
Wundanyi Sub County Revenue Office	-	-
Wundanyi Sub County Trade Dept	-	-
Wundanyi Sub County Livestock & Fisheries Dept	-	-
Taveta Sub County Fisheries Dept	-	-
Taveta Sub County Hospital	46,920	-
Taveta Sub County Livestock Dept	-	-
Taveta Sub County Revenue Office	-	37,550
Taveta Sub County Veterinary Office	-	-
Voi Sub County Hospital	-	-
Voi Sub County Livestock Dept	1,640	-
Voi Sub County Revenue Office	113,884	29,620
Voi Sub County Veterinary Office	-	3,050
Voi Sub County Hospital: Public Health Office	-	-
Taveta Sub County Public Health	-	2,000
Moi County Referral Hosp Mpesa 593856	-	338,230
Taveta Sub County Hospital Mpesa 593863	-	96,388
Wundanyi sub County Hospital Mpesa 899131	-	19,140
Wesu Sub County Hospital Mpesa 593858	-	60,770
Mwatate Sub county Hospital Mpesa 593948	-	52,902
<b>Total</b>	<b>163,144</b>	<b>655,560</b>

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

**22. ACCOUNTS RECEIVABLE**

Description	2020/2021	2019/2020
	Kshs	Kshs
Government Imprests	5,926,155	6,796,700
Clearance Accounts	-	-
<b>Total</b>	<b>5,926,155</b>	<b>6,796,700</b>

Name of Officer or Institution	Admin Code	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
County Assembly	3261	-	-	-
Public Service & Administration	3262	800,000	-	800,000
Office of the Governor	3263	565,400	-	565,400
Finance and Planning	3264	1,072,500	-	1,072,500
Agriculture Livestock & Fisheries	3265	338,000	-	338,000
Water and Irrigation	3267	-	-	-
Education and Libraries	3268	400,000	-	400,000
Health	3269	681,390	-	681,390
Trade, Tourism & Cooperative Development	3270	1,331,500	-	1,331,500
County Public Service Board	3271	-	-	-
Infrastructure and Public Works	3272	173,965	-	173,965
Lands Environment and Natural Resources	3273	300,000	-	300,000
Mining & ICT	3275	-	-	-
Youth, Gender & Sports	3276	263,400	-	263,400
<b>Total</b>		<b>5,926,155</b>	<b>-</b>	<b>5,926,155</b>



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

23. ACCOUNTS PAYABLE

Description	2020/2021	2019/2020
	Kshs	Kshs
Deposits	31,557,140	35,151,425
<b>Total</b>	<b>31,557,140</b>	<b>35,151,425</b>

24. FUND BALANCE BROUGHT FORWARD

Description	2020/2021	2019/2020
	Kshs	Kshs
Bank accounts	344,881,439	241,600,980
Cash in hand	655,560	492,220
Accounts Receivables	6,796,700	31,105,877
Accounts Payables	(35,151,425)	(28,196,093)
<b>Total</b>	<b>317,182,273</b>	<b>245,002,984</b>

25. PRIOR YEAR ADJUSTMENTS

A prior period adjustment really applies to the correction of an error in the financial statements of a prior period.

	Balance b/f FY 2020/2021 as per Financial statements	Adjusted Balance b/f FY 2019/2020
Description of the error	Kshs	Kshs
		<b>Restated balance</b>
Adjustments on cash in hand	-	(492,220)
Taita Tvt County MTT MUNI.KUSP.UDG-KCB 1259752836	-	(497,097) *
Taita Tvt County MTT MUNI.KUSP.UIG-KCB 1264488491	(35,761,939)	(37,735,201) *
Adjustments on payables		
Adjustments on receivables	-	(15,919,597)
<b>Total</b>	<b>(35,761,939.00)</b>	<b>(54,644,115)</b>

\***Restated Balances:** The Restated Bank Balance is as a result of exclusion of Mwatate Municipality KUSP UIG Acc No 12559752836 & Mwatate Municipality KUSP UDG Acc No. 1264488491 which had a Bank balance of Kshs 497,097 and Kshs 37,735,201 respectively.

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The Mwatate Municipality Expenditure Account were wrongly reported in the Taita Taveta County Executive Financial Statements. However, they are supposed to be report as separate entity.

**26. INCREASE/ (DECREASE) IN IN ACCOUNT RECEIVABLES**

Description	2020/2021	2019/2020
	KShs	KShs
Outstanding Imprest as at 1st July 2020 (A)	6,796,700	31,105,877
Outstanding Imprest as at 30th June 2021 (B)	5,926,155	6,796,700
Net changes in account receivables C=(A)-(B)	<b>870,545</b>	<b>24,309,177</b>

**27. INCREASE/ (DECREASE) IN ACCOUNTS PAYABLES**

Description	2020/2021	2019/2020
	KShs	KShs
Deposit and Retentions as at 1st July 2020 (A)	35,151,425	28,196,093
Deposit and Retentions as at 30th June 2021 (B)	31,557,140	35,151,425
Net changes in account receivables C= (B)-(A)	(3,594,285)	6,955,332



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**7.10. OTHER IMPORTANT DISCLOSURES**

**1. Pending Accounts Payable (See Annex 2)**

	Balance b/f FY 2019/2020	Additions for the period	Paid during the year	Balance c/f FY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Construction of buildings	227,703,959	36,841,990.31	155,080,777.55	109,465,171.76
Construction of civil works	177,618,360	101,711,113.55	78,562,152.33	200,767,321.22
Supply of goods	141,117,539	31,244,498.00	7,128,398.55	165,233,638.45
Supply of services	210,295,994	68,305,150.14	10,003,834.94	268,597,309.20
<b>Total</b>	<b>756,735,852</b>	<b>238,102,752.00</b>	<b>250,775,163.37</b>	<b>744,063,440.63</b>

**2. Pending Staff Payables (See Annex 3)**

	Balance b/f FY 2019/2020	Additions for the period	Paid during the year	Balance c/f FY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Senior management	-	-	-	-
Middle management	-	-	-	-
Unionisable employees	-	-	-	-
Others	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**OTHER IMPORTANT DISCLOSURES (Continued)**

**3. Other Pending Payables (See Annex 4)**

	Balance b/f FY 2019/2020	Additions for the period	Paid during the year	Balance c/f FY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government entities	-	-	-)	-
Amounts due to County Government entities	-	-	-	-
Amounts due to third parties	-	-	-	-
<b>Total</b>	-	-	-	-

*(Provide explanations for the prior year adjustments made, their nature and effect on the fund balance of the County)*

**4. External Assistance**

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
External assistance received in cash	-	-
External assistance received as loans and grants	-	-
External assistance received in kind- as payment by third parties	-	-
<b>Total</b>	-	-



**OTHER IMPORTANT DISCLOSURES (Continued)**

**a) External assistance relating to loans and grants**

	<b>FY 2020/2021</b>	<b>FY 2019/2020</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
External assistance received as loans	-	-
External assistance received as grants	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**b) Undrawn external assistance**

	<b>Purpose for which the undrawn external assistance may be used</b>	<b>FY 2020/2021</b>	<b>FY 2019/2020</b>
<b>Description</b>		<b>Kshs</b>	<b>Kshs</b>
Undrawn external assistance - loans		-	-
Undrawn external assistance - grants		-	-
<b>Total</b>		<b>-</b>	<b>-</b>

**c). Classes of providers of external assistance**

	<b>FY 2020/2021</b>	<b>FY 2019/2020</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*(Provide details for external assistance e, g. Economic development or welfare objective, Emergency relief, Trading activities etc.)*

**OTHER IMPORTANT DISCLOSURES (Continued)**

**d. Non-monetary external assistance**

	<b>FY 2020/2021</b>	<b>FY 2019/2020</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
Goods	-	-
Services	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*This may occur when goods such as vehicles, computers, medical equipment, food aid etc are contributed to a county by donors, NGO etc.*

*N/B: Disclose the basis on which the value of goods and services were determined ( This may be by : depreciated historical cost of physical assets, price attached on the goods, an assessment of value by the management of transferor, recipient on Third Party, Fair value measurement.*

**e. Purpose and use of external assistance.**

<b>PAYMENTS MADE BY THIRD PARTIES</b>	<b>FY 2020/2021</b>	<b>FY 2019/2020</b>
Compensation of Employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to Other Government Units	-	-
Other grants and transfers	-	-
Social Security Benefits	-	-
Acquisition of Assets	-	-
Finance Costs, including Loan Interest	-	-
Repayment of principal on Domestic and Foreign borrowing	-	-
Other Payments	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

*N/B The above sub-classification will be adopted based on the purpose of the external assistance and how the external assistance was used.*



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**OTHER IMPORTANT DISCLOSURES (Continued)**

**f. External Assistance paid by Third Parties on behalf of the County Executive by Source**

*This relates to external assistance paid directly by third parties to settle obligations on behalf of the County Executive.*

	<b>FY 2020/2021</b>	<b>FY 2019/2020</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**5. Payments by Third Party on Behalf of the County Executive**

This relates to payments done directly to supplier on behalf of the county Executive such as national government may fund the operation of health or education program, a donor may pay directly for construction of a given market etc.

**5.1 Classification by Source**

	<b>FY 2020/2021</b>	<b>FY 2019/2020</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**OTHER IMPORTANT DISCLOSURES (Continued)**

**5.2 Classification of payments made by Third Parties by Nature of expenses**

<b>PAYMENTS MADE BY THIRD PARTIES</b>	<b>FY 2020/2021</b>	<b>FY 2019/2020</b>
Compensation of Employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to Other Government Units	-	-
Other grants and transfers	-	-
Social Security Benefits	-	-
Acquisition of Assets	-	-
Finance Costs, including Loan Interest	-	-
Repayment of principal on Domestic and Foreign borrowing	-	-
Other Payments	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

*N/B The above subclassification will be adopted based on the appropriate county's operations*

**6. 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 Executive:

- i) 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.
- ii) County Ministries and Departments.
- iii) The National Government.
- iv) Other County Governments Entities and
- v) State Corporations and Semi-Autonomous Government Agencies.



**OTHER IMPORTANT DISCLOSURES (Continued)**

**Related party transactions**

Description	2020/2021	2019/2020
	Kshs	Kshs
Key Management Compensation(Governors, CEC Members and C.Os)		
<b><u>Transfers to related parties</u></b>		
Transfer to the County Assembly	681,965,352	608,852,400
Transfers to other County Government Entities	146,566,505	122,744,430
Transfers to Development Projects	106,790,344	133,182,419
Transfers to non-reporting entities e.g schools and welfare		
Transfers to County Water Service Providers	350,000,000	45,015,440
Expenses paid on behalf of County Water Service Providers		
<b>Total Transfers to related parties</b>	<b>1,285,322,201</b>	<b>909,794,690</b>
<b><u>Transfers from related parties</u></b>		
Transfers from the Exchequer	-	-
Transfers from MDAs	-	-
Transfers from SCs and SAGAs- National Government	-	-
(Insert any other transfers received)	-	-
<b>Total Transfers from related parties</b>	<b>-</b>	<b>-</b>

**7. 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.

**OTHER IMPORTANT DISCLOSURES (Continued)**

<b>Entity</b>	<b>Date Established</b>	<b>Location</b>	<b>Accounting Officer responsible</b>
Emergency Fund	2014	Mwatate	Joyce Mwachia
Education Fund	2015	Wundanyi	Simon Mwachia
Car Loan & Mortgage Fund	2015	Wundanyi	Joyce Mwachia
Datu Sawazisha Fund	2015	Wundanyi	Christine Mwakera

**8. Disclosure of Balances in Revenue Collection Accounts**

County Government Own source revenue is recognized in the financial statements when it has been swiped to CRF. Revenue collection account balances need to be disclosed at the end of the reporting period as below. Revenue collection accounts should be swept to CRF on reporting dates.

<b>Name of Bank, Account No. &amp; currency</b>	<b>Amount in bank account currency*</b>	<b>Ex. rate (if in foreign currency)</b>	<b>2020/2021</b>	<b>2019/2020</b>
			<b>KShs</b>	<b>KShs</b>
Taita Taveta County -Revenue Collection A/c	1140754017		1,393,618	2,696,582
Taita Taveta County Hospitals Revenue	1261095480		902	115
Moi Hospital Revenue Collection a/c	1197838384		2,585	3,650
Taveta Hospital Revenue collection a/c	1197838996		2,235	2,235
Taita Taveta County- Mpesa Revenue Collection	899131		1,648,046	658,948
<b>Total</b>			<b>3,047,386</b>	<b>3,361,530</b>



**OTHER IMPORTANT DISCLOSURES (Continued)**

**9. Leasing of Medical Equipment**

Amounts relating to leased medical equipment is included in the County Allocation Revenue Act and is budgeted for by the Counties. This amount is deducted at source and therefore not included in the exchequer. Since this is not a cash item, it is not included in the statement of receipts and payments In the year 2020/21 amounts relating to leased medical equipment was Kshs - (2019/2020 Kshs -)

**10. Contingent Liabilities**

<b>Contingent liabilities</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Court case - against the entity	-	-
Bank guarantees in favour of subsidiary	-	-
contingent liabilities arising from PPPs	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*(Give details- Update ANNEX 8 Contingent liabilities register)*

**11. Covid- 19 Funds**

<b>Covid -19 Funds</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Receipts</b>		
Receipts from the National Government to fight (Note 3)	-	-
Other donations for Covid-19 received directly (Note 2)	-	-
Others (Specify)	-	-
<b>Total Receipts</b>	<b>-</b>	<b>-</b>
<b>Payments</b>		
Purchase of Covid 19 materials- masks, sanitizers etc	-	-
Purchase of beds and ICU units		
Subsidies to the community	-	-
Payment of hospital bills	-	-
Donations to schools and other institutions	-	-
Other expenses (specify)	-	-
<b>Total payments</b>	<b>(-)</b>	<b>(-)</b>
<b>Balance in the covid 19 Fund</b>	<b>-</b>	<b>-</b>

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**7.11. PROGRESS ON FOLLOW UP ON PRIOR YEAR AUDITOR'S  
RECOMMENDATIONS**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

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	Unconfirmed Balances		Fredrick Nganga	Resolved	30 <sup>th</sup> June 2021
2.0	Unsupported Expenditure		Fredrick Nganga	Resolved	30 <sup>th</sup> June 2021
3.0	Failure to Return CRF issues		Samson Mnene	Resolved	30 <sup>th</sup> June 2021
4.0	Outstanding Imprest		Godfrey Kalaghe	Resolved	30 <sup>th</sup> June 2021
5.0	Underperformance of Revenue Collection System		Fredrick Nganga	Resolved	30 <sup>th</sup> June 2021



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**ANNEXES**

**ANNEX 1 – ANALYSIS OF TRANSFERS FROM THE EXCHEQUER**

Period (2020/21)	Quarter 1 (Kshs)	Quarter 2 (Kshs)	Quarter 3 (Kshs)	Quarter 4 (Kshs)	Total (Kshs)
Equitable Share	-	1,399,563,000	1,060,275,000	1,781,262,000	4,241,100,000
Level 5 Hospitals	-	-	-	-	-
DANIDA - Universal Healthcare in Devolved Units Programme	-	6,030,000	-	6,030,000	12,060,000
World Bank – THUSCP	-	-	18,957,103	18,694,531	37,651,634
National Agricultural & Rural Inclusive Growth Project (NARIGP)	-	-	-	-	-
Kenya Devolution Support Programme	-	-	45,000,000	-	45,000,000
Youth Polytechnic support grant	-	-	28,817,447	28,817,447	57,634,894
Abolishment of user fees in health centres and dispensaries	-	-	-	5,296,305	5,296,305
Kenya Urban Support Programme(UDG)	-	-	-	7,384,101	7,384,101
Kenya Urban Support Programme(UIG)	-	-	-	20,571,576	20,571,576
Agriculture Sector Development Support Project (ASDSP)	-	-	12,526,713	181,042	12,707,755
Kenya Climate Smart Agriculture Project (KCSAP)	-	120,546,485	-	148,168,787	268,715,271
Water and Sanitation Development Project (WSDP)	-	239,441,312	-	110,558,689	350,000,001
<b>Total</b>	-	<b>1,765,580,797</b>	<b>1,165,576,263</b>	<b>2,126,964,477</b>	<b>5,058,121,537</b>

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ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Date Contracted	Original Amount	balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
			a	b	c	d=a+b-c	
<b>Construction of buildings</b>							
Education & Libraries		22,821,347.25	22,821,347.25	5,576,406.00	2,708,965.00	25,688,788.25	
Health Services		29,847,533.30	29,847,533.30	21,143,607.11	23,985,234.00	27,005,906.41	
Other Departments		175,035,078.45	175,035,078.45	10,121,977.20	128,386,578.55	56,770,477.10	
<b>Sub-Total</b>		<b>227,703,959.00</b>	<b>227,703,959.00</b>	<b>36,841,990.31</b>	<b>155,080,777.55</b>	<b>109,465,171.76</b>	
<b>Construction of civil works</b>							
Public Works		35,127,831.36	35,127,831.36	52,658,995.20	7,556,872.33	80,229,954.23	
Water and Sanitation & Trade Departments		41,954,613.45	41,954,613.45	27,088,768.65	17,098,545.00	51,944,837.10	
Other Departments		100,535,915.19	100,535,915.19	21,963,349.70	53,906,735.00	68,592,529.89	
<b>Sub-Total</b>		<b>177,618,360.00</b>	<b>177,618,360.00</b>	<b>101,711,113.55</b>	<b>78,562,152.33</b>	<b>200,767,321.22</b>	
<b>Supply of goods</b>							
Youth Gender Sports & Tourism		25,784,207.00	25,784,207.00	6,508,050.00	2,300,653.00	29,991,604.00	
Agriculture		65,098,464.00	65,098,464.00	10,654,390.00	3,598,632.00	72,154,222.00	
Other Departments		50,234,868.00	50,234,868.00	14,082,058.00	1,229,113.55	63,087,812.45	
<b>Sub-Total</b>		<b>141,117,539.00</b>	<b>141,117,539.00</b>	<b>31,244,498.00</b>	<b>7,128,398.55</b>	<b>165,233,638.45</b>	
<b>Supply of services</b>							
Health Services		76,998,654.00	76,998,654.00	24,039,986.00	2,650,800.00	98,387,840.00	
Governor's Office		73,047,731.00	73,047,731.00	35,900,500.00	4,888,750.00	104,059,481.00	
Other Departments		60,249,609.00	60,249,609.00	8,364,664.14	2,464,284.94	66,149,988.20	
<b>Sub-Total</b>		<b>210,295,994.00</b>	<b>210,295,994.00</b>	<b>68,305,150.14</b>	<b>10,003,834.94</b>	<b>268,597,309.20</b>	
<b>Grand Total</b>		<b>756,735,852.00</b>	<b>756,735,852.00</b>	<b>238,102,752.00</b>	<b>250,775,163.37</b>	<b>744,063,440.63</b>	
<i>Note: Pending bills comprise goods and services rendered and invoiced but not yet settled and does not include commitments</i>							



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ANNEX 3 – ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2020/2021	Outstanding Balance 2019/2020	Comments
			a	b	c=a-b		
<b>Senior Management</b>							
1.							
2.							
<b>Sub-Total</b>							
<b>Middle Management</b>							
3.							
4.							
<b>Sub-Total</b>							
<b>Unionisable Employees</b>							
5.							
6.							
<b>Sub-Total</b>							
<b>Others (specify)</b>							
7.							
8.							
<b>Sub-Total</b>							
<b>Grand Total</b>							

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ANNEX 4 – ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2020/2021	Outstanding Balance 2019/2020	Comments
			a	b	c=a-b		
<b>Amounts due to National Govt Entities</b>							
1.							
2.							
<b>Sub-Total</b>							
<b>Amounts due to County Govt Entities</b>							
3.							
4.							
<b>Sub-Total</b>							
<b>Amounts due to Third Parties</b>							
5.							
<b>Sub-Total</b>							
<b>Others (specify)</b>							
6.							
<b>Sub-Total</b>							
<b>Grand Total</b>							



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**ANNEX 5 – ANALYSIS OF ACCOUNTS RECEIVABLES**

*(a) Government Imprest*

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>KShs</i>	<i>KShs</i>	<i>KShs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<b>Total</b>		-	-	-

*(b) Accounts Receivables (Outstanding Debtors)*

<b>Description</b>	<b>Balance b/f</b>	<b>Additions for the period</b>	<b>Paid during the year</b>	<b>Balance c/f</b>
	<b>FY 2019/2020</b>			<b>FY 2020/2021</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Samrudha Resource Ltd ( Mining Cess)	19,883,301.00	8,872,099	-	28,755,400
		-		
		-		
<b>Total</b>	<b>19,883,301.00</b>	<b>8,872,099</b>	<b>-</b>	<b>28,755,400</b>

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ANNEX 6 – SUMMARY OF NON-CURRENT ASSET REGISTER

Asset class	Historical Cost b/f	Additions during the year	Disposals during the year	Transfers in/(out) during the year	Historical Cost c/f
	(KShs ) 2019/2020	(KShs )	(KShs )	(KShs)	(KShs ) 2020/2021
Land	2,242,408,724	-	-	-	2,242,408,724
Buildings and structures	352,633,782	231,898,274	-	-	584,532,056
Transport equipment	191,516,070	21,676,000	-	-	213,192,070
Office equipment, furniture and fittings	47,287,395	13,297,442	-	-	60,584,837
ICT Equipment	21,563,806	478,000	-	-	22,041,806
Machinery and Equipment	136,864,415	41,955,726	-	-	178,820,141
Heritage and cultural assets	-	-	-	-	-
Biological assets	30,519,534	54,753,000	-	-	85,272,534
Intangible assets	151,674,366	209,101,218	-	-	360,775,584
Infrastructure assets- Roads, Rails	630,427,915	349,707,028	-	-	980,134,943
Work in progress	-	-	-	-	-
<b>Total</b>	<b>3,804,896,007.00</b>	<b>922,866,686</b>	<b>-</b>	<b>-</b>	<b>4,727,762,693</b>



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**ANNEX 7 – INTER-ENTITY TRANSFERS**

Ref	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Amount transferred KShs	Amount Confirmed as received KShs
1	Taita Taveta County Assembly	68,000,000	177,097,168	196,017,875	240,850,309	681,965,352	681,965,352
2	Taita Taveta County Mortgage Fund	8,329,340	15,300,000	5,473,065	-	29,102,405	29,102,405
3	Taita Taveta County Education Fund	-	40,000,000	40,000,000	20,000,000	100,000,000	100,000,000
4	Taita Taveta County Emergency Fund	-	7,500,000	-	-	7,500,000	7,500,000
5	Tevevo Water & Sanitation	-	175,000,000	-	175,000,000	350,000,000	350,000,000
6	Mwatate Municipality	-	1,830,000.00	750,000.00	7,384,100.00	9,964,100	9,964,100
	<b>Total</b>	<b>76,329,340</b>	<b>416,727,168</b>	<b>242,240,940</b>	<b>443,234,409</b>	<b>1,178,531,857</b>	<b>1,178,531,857</b>

**Director of Finance**  
**County Executive**

**Director of Finance**  
**County Assembly/fund/project**

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*(NB: This appendix must be agreed and signed by the issuing and receiving party)*

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**ANNEX 8 Contingent liabilities register**

	Nature of contingent liability	Payable to	Currency	Estimated Amount Kshs	Expected date of payment	Remarks
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						



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**ANNEX9 – BANK RECONCILIATION/FO 30 REPORT**

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*(Attach FO 30 Reports from IFMIS)*