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NAIROBI

KENYA NATIONAL AUDIT OFFICE

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
ABSTRACT OF ACCOUNTS OF THE COUNTY COUNCIL OF NYAMBENE
FOR THE YEAR ENDED 30 JUNE 2004



KENYA NATIONAL AUDIT OFFICE

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE ABSTRACT OF ACCOUNTS OF THE COUNTY COUNCIL OF NYAMBENE FOR THE YEAR ENDED 30 JUNE 2004

The attached Abstract of Accounts of the County Council of Nyambene for the year ended 30 June 2004 have been audited under my directions in accordance with Section 23 of the Public Audit Act, 2003.

1. Respective Responsibilities of the Council and the Controller and Auditor General

The Council is responsible for the preparation of Abstracts of Accounts which give a true and fair view of the Council's state of affairs and its operating results. My responsibility is to express an independent opinion on the financial statements based on my audit.

2. Basis of Opinion

The audit was conducted in accordance with the International Standards on Auditing. Those standards require that the audit be planned and performed with a view to obtaining reasonable assurance that the financial statements are free from material misstatements. An audit includes an examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. It also includes an assessment of the accounting principles used and significant estimates made by the Council as well as evaluating the overall financial statements presentation. I believe my audit provides reasonable basis for my opinion.

3. Qualification Points

3.1 Opening Balances, Format and Accuracy of the Accounts

- i) The last audited and certified accounts for the Council are for the five (5) years and eight (8) months ended 30 June 2000. However, as the process of the division of the assets and liabilities between the Council and the County Council of Meru Central has not been finalised, the accuracy of the opening balances for the year 1993/1994 and for the subsequent years, including 2003/2004 could not be confirmed.

- ii) The Council has used an unapproved format in the preparation of its Abstract of Accounts for the year 2003/2004. Further, the Accounts did not balance resulting in a Suspense Account of Kshs.1,648,881.00 as at 30 June 2004. In the absence of the approved format and balanced Accounts it has not been possible to ascertain the accuracy of the Accounts, as a whole, for the year ended 30 June 2004.

3.2 Fixed Assets

The Fixed Assets balances remained the same at Kshs.27,492,942.00 as at 30 June 2003 and 30 June 2004. However, the Council did not provide any professional valuation reports to confirm the assets carrying values. Further, the Council did not maintain a Fixed Assets Register (FAR). In addition, it did not make available for audit review any title or ownership documents or make provisions for depreciation in the Accounts. In the absence of a Fixed Assets Register, professional valuation reports, title documents and provision for depreciation, it has not been possible to confirm the ownership, security, valuation and existence of the Council's assets or that they are fairly stated in the Accounts as at 30 June 2004.

3.3 Renewals Fund

Section 219 (1) of the Local Government Act, Cap.265, provides that local authority may, and if directed by the Minister, shall create adequate renewals fund to provide for the entire or partial replacement of some or all of the assets, which, owing to depreciation or other cause, will require at some future date to be replaced. However, the Council was in breach of the law as it did not make any provision or create reserves for the replacement of its existing capital outlays. It is also not clear how the Council intends to finance replacement of its assets in future.

3.4 Cash and Bank Balances

The Cash and Bank balances increased from Kshs.11,475,950.50 as at 30 June 2003 to Kshs.22,495,282.70 as at 30 June 2004. However, the Council did not constitute a board of survey to count and ascertain the actual cash balance as at 30 June 2004. Further, the Council did not make available for audit review bank balance confirmation certificates. In addition, the council did not prepare monthly bank reconciliations for the respective Cashbooks and bank accounts during the year under review. In the circumstances, the accuracy of the Cash and Bank balances reflected in the Balance Sheet as at 30 June 2004 of Kshs.22,495,282.70 could not be confirmed.

3.5 Debtors

The Council's Balance Sheet shows that Debtors increased from Kshs.21,483,953.75 as at 30 June 2003 to Kshs.28,870,612.10 as at 30 June 2004. However, adequate supporting documentations, schedules or detailed break down were not made in the Accounts. In the absence of the necessary documentations, schedules or explanations it was not possible to ascertain the accuracy of the Debtors balances as at 30 June 2004 and whether they are recoverable.

3.6 Current Liabilities

The Balance Sheet Current Liabilities balances increased from Kshs.3,125,089.95 in 2002/2003 to Kshs.7,780,526.45 as at 30 June 2004. However, these balances were not supported by Creditors' schedules or control ledgers. Further, the Current Liabilities mainly comprised of un-remitted statutory deductions and salary arrears which could attract penalties, fines and industrial unrests. In the absence of the necessary supporting documentations, it has not been possible to ascertain the accuracy of the indebtedness of the Council.

3.7 Local Authorities Transfer Fund (LATF)

During the year under review, the Council received Kshs.46,148,123.00 as LATF from the Ministry of Local Government. However, the Council did not prepare and present separately complete financial statements for the General Rate Fund (GRF) and LATF as required by Section 9 (c) of the Local Authorities Transfer Fund Act. The Council was therefore in breach of the law. Further, the propriety of the expenses incurred and paid from LATF could not be confirmed.

4. Opinion

In view of the reservations set out in Paragraphs 3.1 to 3.7 above, I am unable to express an opinion in accordance to Section 26 (2) of the Act, that:-

- a) All the information and explanations considered necessary for the audit were received;
- b) The Accounts of the Council have been properly maintained and are in order;
- c) The Balance Sheet give a true and fair view of the state of the financial affairs of the Council as at 30 June 2004;
- d) The Revenue and Expenditure Accounts give a true and fair view of the income and expenditure of the Council for the year ended 30 June 2004;

- e) Due provision has been made for repayment of all monies borrowed by the Council;
- f) Adequate amounts have been set aside for the depreciation and the renewal of the assets of the Council; and
- g) The Accounts comply with Local Government Act, Cap 265.



E.N. MWAI
CONTROLLER AND AUDITOR GENERAL

Nairobi.

7 February 2006



COUNTY COUNCIL OF NYAMBENE

Telegrams: "CONFERU" Nyanbene
Telephone: Mwan 21297 / 21469 / 21343 / 21342
When replying please quote

COUNTY HALL
P.O. BOX 28
MAUA - KENYA

NCC/HNS/2/14/16

Our Ref.

29/12/2004

Your Ref.

Date: 2

The Permanent Secretary
Ministry of Local Government
P. O. Box 30004
NAIROBI

Dear Sir,

REF: 2003/2004 FINAL ACCOUNTS

Forwarded herewith please find a copy of final accounts 2003/2004 as required by L.A.T.F regulations.

[Signature]
STEPHEN KARANI
COUNTY TREASURER

C.C The Permanent Secretary
Ministry of Finance
P.O. Box 30007
NAIROBI

The Coordinator
Local Government Reform Programme
P.O. Box 30004
NAIROBI

The Controller & Audit General
P.O. Box 30084
NAIROBI


The Provincial Local Government Officer
P.O. Box 404
EMBU

The Controller & Audit General
P.O. Box 404
EMBU

CERTIFICATE BY THE COUNCIL

We certify that the following abstract of accounts for Nyambene County Council for the financial year ended 30th June 2004 have been prepared in accordance with section 229(1) of the Local Government Act, (Cap 265) of the Laws of Kenya. The accounts are now available for the audit and approval by the controller and Auditor General.


PETER MUNGANIA
COUNTY CLERK


STEPHEN KARANU
COUNTY TREASURER

NYAMBENE COUNTY COUNCIL
P.O. BOX 28
MAUA

NYAMBENE COUNTY COUNCIL

MINUTE EXTRACT

MINUTE OF FULL COUNCIL MEETING HELD ON 28TH DECEMBER 2004 AT COUNCIL CHAMBERS

PRESENT

CLLR AMOS KIUMIO	- CHAIRMAN
CLLR ISAIAH LINTARI	- VICE CHAIRMAN
CLLR ALBERT KIMATHI	- MEMBER
CLLR ROBERT NTONJIRA	- "
CLLR JOHN KOBIA	- "
CLLR JAMES KANAKE	- "
CLLR JOSEPH BATTOME	- "
CLLR MATHEW KIECHA	- "
CLLR HENRY MWORIA	- "
CLLR JAMES KIREMA	- "
CLLR JULIUS T. KIUNGA	- "
CLLR JAMES KATHATA	- "
CLLR JULIUS KIAYU	- "
CLLR WILSON MANCHA	- "
CLLR PATRICK NKHIRI	- "
CLLR FLORA NCORORO	- "
CLLR JULIUS MURUNGI	- "
CLLR DANIEL BAARIU	- "
CLLR DANIEL BUANTAI	- "
CLLR DAVID M'KIAMBATI	- "
CLLR JACINTA MUTIANIA	- "
CLLR DAVID GATUMA	- "
CLLR PATRICK M'ARITHO	- "
CLLR SEBASTIAN KABIRO	- "
CLLR FRANCIS MWORIA	- "
CLLR KIRIHI ITHALI	- "
CLLR STEPHEN KAUNYANGI	- "
CLLR JOSEPH NTONGAI	- "
CLLR JOSEPH M'IKIBA	- "
CLLR ANN NGECHU	- "
CLLR FRANCIS MUCHIRI	- "
CLLR FUNICE KAMAMI	- "
CLLR MATHEW KIECHA	- MEMBER

IN ATTENDANCE

1. Michael Katheru - Public Relations Officer
2. Peter G. Mungania - County Clerk

3. Jacob Kirari - Accountant
4. Susan Kalaine - Assistant Works Officer
5. Samuel Muroki - Internal Auditor
6. Shadrack Mwitali - AOI Taking Minutes

MIN. NO. FC 48/04 FINAL ACCOUNTS FOR FY 2003/2004

The Council Chairman said that it was appropriate for the Full Council meeting to resolve itself into Finance Staff and General Purposes committee meeting to discuss the final accounts for financial year 2003/04.

It was therefore;

Proposed by Cllr Robert Ntonjira

Seconded by Cllr Florah Nchororo and resolved;

"That the Full Council meeting resolves into finance staff and General Purpose committee for the purpose of discussing finance agendas".

The Council Chairman then welcomed the Finance Staff and General Purpose committee Chairman to lead the council on the discussion of final accounts for financial year 2003/2004. The committee Chairman, Cllr Albert Kimathi welcomed all to finance committee and invited the council Accountant, Mr Kirari to lead the council on the final accounts.

Mr Kirari circulated copies containing details of the accounts for the two previous financial years. Members went through page to page and item by item.

Member noted that some departments were not performing well. Such are Michimuru Tea Farm and markets departments, which was given some inputs would do better

On the divisions spending they recommended that this should stop


They observed that the central government owed the council large sums of money inform of contribution in lieu of rates. They therefore requested the government to release the funds. On the rent defaulters they recommended lists be published in press to make them pay. After some further deliberations;

It was;

Proposed by Cllr. Stephen Kaunyangi

Seconded by Cllr. Daniel Baariu and resolved;

"That the Nyambene County Council final accounts for financial year 2003/2004 and the balance sheet as at 30th June 2004 be and are hereby approved for onward transmission to the Controller General and Ministers concerned.


PETER G. MUNGANIA
 COUNTY CLERK

CONFIRMED BY:

CHAIRMAN: 

SIGN

DATE: 28/12/04

NYAMBENE COUNTY COUNCIL
FINAL ACCOUNTS FOR THE YEAR ENDED JUNE 30TH, 2004

TREASURER'S REPORT

I. INTRODUCTION

These accounts relate to Nyambene County Council for the year ending June 30th, 2004. Nyambene County Council had seven Operational divisions, or responsibility centers, However, one, the veterinary Department was closed with effect from July 1st 1995 and left six operational divisions.

CLERK'S DEPARTMENT

- (a) To provide advice to elected Councillors in policy management of the Council.
- (b) To provide leadership to Council employees, ensuring smooth operations, effective personnel administration and legality of actions.

TREASURER'S DEPARTMENT

- (a) To provide financial advice to Councillors, the County Clerk and other service officers for efficient operations of the Council.
- (b) To establish and operate sound financial systems for the Council.
- (c) To ensure proper recording of financial transactions and adherence to financial control.
- (d) To collect all revenues due to the Council.
- (e) To prepare up-to-date accounts and other financial management reports as required by law.

CIVIC SECTION

-To facilitate the representation of the Public's view to ensure that policies of the council are in accordance with the aspirations of the public.

WORKS DEPARTMENT

- (a) To provide proper planning and development control within the area of the council.
- (b) To ensure general cleanliness in all Council areas
- (c) To maintain all Council roads
- (d) To maintain real property of the Council.

SOCIAL SERVICES (COMMUNITY) DEPARTMENT

To assist in the pre-primary education for low-income groups, and assist social public groups to run properly.

MARKET DEPARTMENT

- (a) To provide market sites for local traders to undertake their business.
- (b) To generate revenues for the council.

2. RESPONSIBILITY CENTRE STATEMENTS

An authority wide summary of receipts and expenditure performance, including corporate receipts (receipts not specific to the operation of any center) is given in page 2 to give the individual center performance in Kenya Shillings.

A detailed performance statement for the Year to June 30th, 2004 is summarized in a summary recurrent Account on Page 3 to give a one page clear picture of the operations of the authority for year.

3. BALANCE SHEET

A balance sheet as at June 30th, 2004 is included in the accounts. The transfer of all assets and liabilities from the parent County Council has not been finalized. However, fixed assets within the County area, and already passed over to the Council from the parent County Council; have been taken on historical book values, as no professional valuer has been hired to determine their current market value, and in case of bank balances, external evidence.

4. ACCOUNTANCY SERVICES

Account Services have been provided by the Council Accountant

5. LOCAL AUTHORITIES TRANSFER FUND ACCOUNT

In February 2000, the Council started operating the Local Authorities Transfer Fund Account (LATF) with the funds from the Kenya Government. The use put to these funds for financial year ended June 20th 2004 is shown in a separate sheet of paper.



STEPHEN KARANU
COUNTY TREASURER

NYAMBENE COUNTY COUNCIL

**FINAL ACCOUNTS FOR THE YEAR 2003/2004
BALANCE SHEET AS AT JUNE 30TH 2004**

	FY:2002/2003		FY:2003/2004	
	AMOUNT	AMOUNT	AMOUNT	AMOUNT
Fixed Assets		27,492,942.50		27,492,942.50
Cash in Hand	-	-	40,445.00	-
Current A/C - Consolidated	28,773.00		415,028.00	
Current A/C - KCB	(34,838.65)		287,770.25	
Current A/C - BBK	19,625.50		382,717.45	
Service Charge A/C -BBK	67,984.80		66,760.55	
LATF A/C -bbk	11,394,405.85		21,302,561.45	
Debtors	18,636,134.95		22,100,199.95	
Other Debtors:				
-Staff	1,546,083.65		2,866,927.90	
-Divisions	1,301,735.15		3,332,984.25	
Civic			570,500.00	
Total Current Assets	32,959,903.80		51,365,894.80	
Less				
Current Liabilities				
Statutory creditors				
Staff	865,737.60		6,957,926.45	
Others	1,466,352.35		135,500.00	
Civic	793,000.00		687,100.00	
	3,125,089.95		7,780,526.45	
Net C/ Assets		29,834,813.85		43,585,368.35
Suspense A/C		1,518,509.80		
Authority Net Worth		58,846,266.15		71,078,310.85
Represented by:				
Authority Equity		12,513,701.30		12,513,701.30
General fund B/F	8,600,461.80		(9,003,318.95)	
General fund surplus this yr	(17,603,780.75)	(9,003,318.95)	(17,603,780.75)	(9,003,318.95)
LATF Surplus Dr/F	24,200,004.85		53,585,703.80	
LATF this yr	19,384,798.95	53,585,703.80	10,583,163.15	64,168,866.95
Service charge		1,190,180.00		1,190,180.00
RCCO		560,000.00		560,000.00
Suspense			-	1,648,881.55
TOTAL		58,846,266.15		71,078,310.85

NYAMBENE COUNTY COUNCIL
FINAL ACCOUNTS FOR THE YEAR 2003/2004
LATF ACCOUNT
INCOME & EXPENDITURE STATEMENT FY: 2003/2004

	AMOUNT	AMOUNT	AMOUNT
Allocation received this year		46,148,123.00	
Less			
Payments			
Repair & Maintenance of grader	4,399,826.10		
Culvert Moulding	1,468,022.00		
Grading & Murraming of Roads	3,718,003.50		
Market Murraming & Sanitation	135,875.00		
Completion of Chairman's Office	-		
Purchase of pipes for water proj	2,915,014.30		
contribution to GRF	16,082,137.95		
bridges completion	606,910.00		
leaders training	88,000.00		
Connstruction of c/hotel	204,000.00		
Debt Resolution	5,947,171.00		
Total expenditure		<u>35,564,959.85</u>	
Net surplus		-	10,583,163.15

nyambene county council FINAL ACCOUNTS

DEPARTMENT PERFORMANCE FY: 2003/2004 ENDED 30TH JUNE 2004

FY 2002/2003									
	TOTAL EXP	TOTAL	SURPLUS/	PERSONNEL	OPERATION	MAINTENANCE	TOTAL EXP	TOTAL	SURPLUS/
		RECEIPT	LOSS					RECEIPT	LOSS
	KSH	KSH	KSH	KSH	KSH	KSH	KSH	KSH	KSH
clerks' Dept	5,976,508.35	61,200.00	(5,915,308.35)	3,810,710.45	1,189,259.45	255,162.40	5,255,132.30	26,200.00	(5,228,932.30)
Civic Section	9,874,980.00	-	(9,874,980.00)	5,292,000.00	176,261.00	-	5,468,261.00	-	(5,468,261.00)
Finance Dept	7,224,875.05	7,647,963.00	423,087.95	3,855,682.70	1,209,557.30		5,065,240.00	8,470,061.20	3,404,821.20
Works Dept	4,844,099.10	2,272,410.65	(2,571,688.45)	2,657,157.05	231,579.40	156,798.20	3,504,534.65	4,335,220.20	1,280,905.60
Market Dept	12,031,441.20	9,552,497.30	135,876.80	7,688,083.75	111,385.00	312,834.00	8,112,302.75	8,811,251.00	698,948.25
Tea Farm Dept	504,458.00	551,531.00	47,073.00	468,122.40	151,150.00	-	619,272.40	655,508.75	36,236.35
Other 791 & 792	-	2,766,970.00	2,766,970.00					181,250.00	181,250.00
Income code A	Rates income								
Totals	40,456,361.70	22,852,571.95	(17,603,780.75)	23,771,756.35	3,069,192.15	724,794.60	28,024,743.10	23,819,590.20	(4,205,152.90)

**SUMMARY OF ACTUAL RECURRENT INCOME RECEIVED FY 2003/2004 AS
AT 30TH JUNE 2004-INCOME**

CODE	DESCRIPTION	FY 2002/2004	2003/2004
		AMOUNT (KSHS)	AMOUNT (KSHS)
	Sale of Minutes	61,200.00	26,200
719	Single Business permits	7,587,075.00	8,369,700.00
785	Miscellaneous Income	60,805.00	100,361.20
786	Telephone - Re-charge	84.00	-
790	Government Contribution in lieu of Rate		1,339,879
791	Leopard Rock Rent	360,000.00	180,000.00
792	Housing Income	6,970.00	1,250.00
800	Produce Cess	1,240,575.65	2,453,340.00
801	Produce Cess	30,785.00	42,250.00
805	Sales of trees and nurseries	859,900.00	1,716,000.00
701	Hire of Council Lorries	67,000.00	76,200.00
701	Market stall Rent	878,621.30	1,096,056.00
702	Market plot rent	8,136,052.00	6,709,176.00
704	Barter Market fees	169,990.00	163,880.00
721	Sale of plan & survey fees	58,375.00	8,965.00
722	Stock sales	551,531.00	655,508.75
737	Tea income: Bonus & monthly income	235,900.00	104,300.00
	Plot application form	141,150.00	652,680.00
	Stage collection		123,850.00
	Sand Cess		
	Total Income	20,446,013.95	23,819,590.20

GRF SUMMARY OF RECURRENT EXPENDITURE FOR FY 2003/2004 ENDED 30TH JUNE 2004

	CLERKS DEPT	CIVIC SECTION	FINANCE DEPT	WORKS DEPT	MARKET DEPT	TEA FARM DEPT	TOTALS
	Personnel:015	26,058.95	54394.20	29659.6	127,734.80	32,366.40	323666.40
001	Salaries & Wages	2,148,557.50	206,761.50	1,499,807.00	4,432,161.15	251,280.00	10,263,779.60
003	NSSF	50,590.00	42,953.00	47,337.00	142,527.00	9,384.00	283,408.00
004	Provident Fund	450,504.00	352,352.00	286,656.00	849,661.00	37,092.00	1,939,153.00
005	Severnuation Fund		82,054.00	792,000.00		82,05.00	
012	House Allowance	1,135,000.00	1,144,000.00		2,136,000.00	138,000.00	5,207,000.00
1-02	Clr Allowance						5,637,140.20
	Sub-Total	3,810,710.45	5,292,000.00	3,855,682.00	2,657,157.05	7,688,083.75	468,122.40
	Operations						23,676,630.15
014	Travel & Subsistence	362,699.00	176,261.00	105,040.00	107,038.40	34,950.00	151,350.00
016	Training & Courses	38,160			7,100.00		45,260.00
031	Purchase & Statement	170,240.30		72,596	4,000.00	27,500.00	250,589.30
032	Postal & Telecom.	249,290.25					245,319.25
033	Council Insurances			816,369.00			816,369.00
034	Accountancy & audit						
035	Bank charges			80,384			87,989.70
036	Legal Fees			123,800.00			123,800.00
037	Clothing & Uniform						
043	Water & Electricity	22,183.90					22,183.90
052	Petrol oils & tyres	156,846.00		11,368.00	98,841.00	48,935.00	314,590.20
061	Purchase & Equip. tools	23,415.00		17,700.00			41,115.00
081	Legal / Allegal Expense	50,000.00		4,000.00			50,000.00
082	Publicity & Entertainment	116,425.00					116,425.00
085	Trees & Nurseries						
	Sub-Total	1,189,259.45	176,261.00	1,209,551.30	231,579.40	111,385.00	151,130.00
	Maintenance						3,073,279.75
041	Building maintenance	1,400.00		28,020.00			29,420.00
046	Mkt repair & fencing				52,500.00		52,500.00
047	Toilet construction						
051	Vehicle repair & maint	215,666.00		128,775.40	260,334.00		610,742.80
064	Repair of plants equip	1,140.40		4,000.00			32,396.40
054	Road grading & Murrum	18,950.00					4,000.00
	Sub- Total	255,162.40	5,055,246.00	156,798.40	312,234.00	619,272.40	728,959.20
	Grand Total	28,024,743.10					

**NYAMBENBE COUNTY COUNCIL
DEBTORS SCHEDULE FY:2003/2004**

DEBTORS	AMOUNT	AMOUNT	AMOUNT
1. Government contributions in lieu of rates B/F Add this year's provision Less this years payment Balance C/F	12,287,784.00 <u>2,400,000.00</u> 14,687,784.00 1,339,879		
2. Outstanding plot rents B/F Add this years provision Less this years payments Balance C/F	6,348,350.95 <u>3,500,000.00</u> <u>1,096,056.00</u>	9,848,350.95 <u>8,752,294.95</u>	22,100,188.95
3. Advances to staff. B/F Add this year	1,461,944.90 <u>1,086,547.00</u>	2,548,491.90	
4. Interest recoveries B/F Add this year C/F	789.70 <u>75,600.00</u>	114,389.70	
5. General recoveries B/F Add this year C/F Civic Advance	45,349.05 158,697.25	204,046.30	2,866,927.90 570,500.00
6. Other debtors Tigania Division Tigania West Division Ntonyiri Division	1,309,472.15 980,700.00 362,812.10 680,000.00	3,332,984.25	3,332,984.25
GRAND TOTAL			28,870,612.10

NYAMBENE COUNTY COUNCIL			
CREDITORS	AMOUNT	AMOUNT	AMOUNT
1. Mwireri Sacco B/f	1,466,352.35		
Add this year cont.	<u>1,311,735.30</u>		
Less this year payment LATF	2,778,087.65		
Balance c/f		778,087.65	
2. Statutory Creditors		4,586,078.20	
3. Other Salary Creditors		1218,260.60	
4. Cllrs. Savings – Welfare less this payment LATF			
Balance C/F	648,000.00	240,000.00	
5. Other councillor's Credit		<u>687,100.00</u>	7,645,026.45
6. After creditors		<u>135,500.00</u>	

STATUTORY CREDITORS

PAYE Kshs. 227,646
 NSSF KShs. 567,164
 NHIF Kshs. 187,120
 LADP KShs. 3,508,868.20
 SF KShs. 97,280.00

OTHERS

ALGAK KSHS 130,500
 ALGE KSHS. 5,000

**NYAMBENE COUNTY COUNCIL
CIVIL ALLOWANCES 2003/2004**

DESCRIPTION	AMOUNT
Chairman – Kshs. 17,000 x 1 x 12	204,000.00
V/Chairman – Kshs. 15,000 x 1 x 12	180,000.00
Committee C/Chairmen – Kshs. 13,000 x 5 x 12	780,000.00
Other councillors – Kshs. 12,000 x 28 x 12	4,032,000.00
Total provision for this year	5,196,000.00
Allowance for public officer	96,000.00

Kshs. 5,292,000.00

NOTES ON THE ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting Concepts

The accounts have been prepared under historical cost convention

(b) Income & Expenditure recognition

Income and expenditure are recognized in our books as they accrue -- that is in regard to accrual / matching concept

(c) No depreciation has been provided on our Assets

- Our Assets have been shown in the balance sheet on historical cost because the Council intend to open Asset replacement fund for renewal of assets in future.