

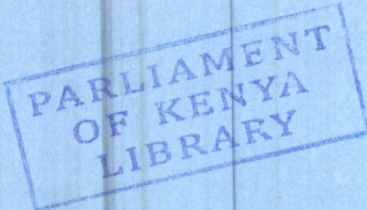
REPUBLIC OF KENYA



Paper laid
By the LDM, Hon.
Aden Duale, MP on
Wednesday, 27/9/17
[Signature]



OFFICE OF THE AUDITOR-GENERAL



REPORT
OF
THE AUDITOR-GENERAL
ON
THE FINANCIAL STATEMENTS OF
TRANSITION AUTHORITY
FOR THE NINE MONTHS
PERIOD ENDED 04 APRIL 2016



TRANSITION AUTHORITY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
APRIL 4, 2016

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

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I. KEY ENTITY INFORMATION AND MANAGEMENT

Background information

The Transition Authority was established through an Act of Parliament, the Transition to Devolved Government Act (TDGA), 2012, with a mandate of facilitating and coordinating the devolution process from the National to the county Governments. Transition Authority Members are responsible for the general policy and strategic direction of the Authority.

Vision Statement

To have a seamless transition for better devolved services.

Mission Statement

To facilitate the realization of a devolved system of government through effective and efficient coordination of the transition process.

Mandate

Transition Authority is a statutory body with the mandate of facilitating and coordinating the process of transition to the devolved system of Government in Kenya as provided for under section 15 of the Sixth Schedule of the Constitution of Kenya 2010.

Core Values

a) Professionalism

The TA is committed to professionalism in all its endeavours and has developed a Code of Ethics. A key component of the agreed upon code is performance standards which will continuously be evaluated and form the basis of annual performance reviews.

b) Independence and Impartiality

TA executes its mandate independently, impartially and in full compliance with the Constitution and all the laws of the Republic of Kenya. It does these through extensive and exhaustive consultation with relevant stakeholders to reach consensus.

c) Accountability

The Authority is a result oriented organization that emphasizes efficiency and financial probity in service delivery

d) Equality, Equity, and Inclusion

The Authority integrates equity, diversity, and inclusion in its operations. To this regard, the rights of the youths, women and marginalized continue to inform both policy and decisions taken by the Authority.

e) **Co-operation**

Transition Authority embraces cooperation with all the stakeholders for effective and efficient delivery of services at devolved level.

Key Management

The Transition Authority day-to-day management is under the following key organs:

- Chairman
- Members
- Chief Executive Officer/ Secretary
- Directors
- Heads of Departments

Fiduciary Management

The key management personnel who held office during the financial year ended 4th April 2016 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Stephen K. Makori
2.	Chief Accountant	Edith Kanini Nzioki

FIDUCIARY OVERSIGHT ARRANGEMENTS

1. Finance and administration committee

Deals with day to today operations on internal financial and administrative issues while ensuring that programmes and activities are implemented as planned and that they are within the budget

2. Audit committee

This is an internal oversight committee responsible for systems and expenditure review and advises management on necessary internal controls aimed at securing and safeguarding the assets of the organization

OVERVIEW

The Transition Authority (TA) is a statutory body with the mandate of facilitating and coordinating the transition to the devolved system of government as provided for under section 15 of the Sixth Schedule of the Constitution of Kenya 2010. The Authority is established under the Transition to Devolved Government Act (TDGA), 2012, and is expected to execute its mandate within three years following the first General Election held on March 4, 2013.

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The transition to a devolved system of government was set in motion following the swearing in of a team to spearhead devolution on July 3, 2012. The team comprises of the chairman and eight other full-time members who were appointed by the President, in consultation with the Prime Minister, and following approval by the National Assembly as provided for in the First Schedule to the Transition to Devolved Government Act, 2012. Listed here below are the Transition Authority full-time members.

a. Full-time members

1. Mr. Kinuthia Wamwangi EBS - Chairman
2. Mrs. Angeline Awino Hongo MBS- Vice Chairperson
3. Ms. Safia Abdi
4. Mrs. Mary Mwangeli Ndeto, HSC
5. Mrs. Jacqueline Akhalemesi Mogeni
6. Mr. Erastus B. I. Nyaga Rweria MBS
7. Mr. Simeon Pkatey Pkiyach
8. Mr. Bakari Garise Omara
9. Dr. Dabar Abdi Maalim

b. Members

1. The Principal Secretary, Office of the President and Secretary to Cabinet.
2. The Principal Secretary in the State department responsible for matters relating to devolution.
3. The Principal Secretary in the State department responsible for finance.
4. The Principal Secretary in the State department responsible for planning.
5. The Attorney-General who shall be an ex-officio member with no right to vote.
6. The secretary appointed under Section 9 of the Transition to Devolved Government Act, 2012, who shall be an ex-officio member with no right to vote.

The members of the Authority listed in (b) above, apart from the secretary, may designate an officer from their respective State department to represent them.

Since the Authority's inception in July 2012, the Authority has accomplished various tasks in fulfilment of its mandate. The tasks continue being implemented in consultation and partnerships with the National Assembly, the Senate, County Governments, Government Ministries, Departments and Agencies (MDAs), the Constitutional and Independent offices, including Commission on Implementation of the Constitution (CIC), Commission on Revenue Allocation (CRA), Office of Auditor General, Office of Controller of Budget; development partners and Non- State Actors among others.

Section 14 (b) of the Transition to Devolved Government Act, 2012 provides that in the performance of its functions or the exercise of the powers conferred by this Act, the Authority shall be accountable to the people of Kenya and ensure their participation in the transition process. This has been achieved through consultative engagements with members of the public and stakeholders at large through print and mass media, workshops and forums.

(a) Entity Headquarters

EXTELCOMS House
2ND, 5TH & 8TH Floor.
HAILESELASIE Avenue
Nairobi, KENYA

Entity Contacts

TRANSITION AUTHORITY
P.O. Box 10736-00100
NAIROBI.
Telephone: (+254-0710287080
Landline: 020-2224291/3/4
E-mail: info@transauthority.go.ke
Website: www.transauthority.go.ke

(b) Entity Bankers

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

(c) Independent Auditors

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

(d) Principal Legal Adviser

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

TRANSITION AUTHORITY
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II. FORWARD BY THE CHIEF EXECUTIVE OFFICER

It gives me great pleasure to present the 2015/2016 Transition Authority (TA) Financial Report. The Authority was established following a landmark report by The Taskforce on Devolution. Upon the establishment of the Transition Authority, the members were charged with the responsibility of “facilitating the realization of a devolved system of government through effective coordination of the transition process”.

During this reporting period, there were considerable achievements in the various departments and committees of the Transition Authority. I am confident to state that the Authority worked diligently to deliver desirable results while leveraging opportunities that arose from time to time. Strategically, the Authority adopted and implemented practical approaches, which continue to guide the transition process, while drawing from successful models around the world.

The end of the financial year is a perfect time to take stock. The Transition Authority continued to deliver on its mandate and seek more effective and efficient ways to support devolution. With county governments in place and most process taking off, the Authority has focused more on operational issues.

Key among them is the inventory of assets and liabilities for the defunct local authorities, which has been finalised and reports presented to the county governments and the public for validation. The assets and liabilities will undergo a comprehensive audit before they are transferred to the appropriate level of government.

During the 2015/2016 Financial Year, The Authority’s approved recurrent budget amounted to Kshs.661, 237,500. Under the same period, total expenditure was Kshs 699,655,619.

This expenditure represents an absorption rate of 100%

The funds were utilized as follows

- I. Compensation to employees Kshs 238. Million.
- II. Use of goods and services kshs 270. million

KEY ACHIEVEMENTS

The 2015/2016 Financial Year was generally a successful one for the Transition Authority. Our success has been achieved by focusing intensively on embracing and managing devolution as it rapidly evolves in Kenya.

The Authority continued to collaborate closely with the Commission for the Implementation of the Constitution (CIC) and the Commission on Revenue Allocation (CRA), Office of the Auditor General, Ministry of Devolution and Planning, County Governments and other Government Ministries, Departments and Agencies (MDAs) to ensure a smooth transition to the devolved system.

On the whole, the transition to a devolved system of government has been well received and accepted by the general public in Kenya. Of note were the guidelines developed for the secondment of public officers to the County governments which were gazette on 7th February 2014 and shared with the county governments. These guidelines provide a mechanism to be used in transferring the services of seconded officers to the county governments. They will also safeguard the terms and conditions of service of the seconded staff and ensure the human resource component is effectively managed during the transition period.

TA also in conjunction with other stakeholders formed the joint capacity assessment and rationalization of public service (CARPS) programme in accordance with the provisions of Section 7(2)(i) of the Transition to Devolved Government Act 2012 which requires TA to carry out an audit of all existing human resource.

The Authority continued to engage other stakeholders in audit and verification of public assets and liabilities especially the office of the auditor general, CRA and the state department on Devolution. Ultimately, a zero draft report on management, transfer and audit of public assets and liabilities has been prepared and validation processes expected was completed.

Other notable achievements over the period include the costing and transfer of delayed functions.

The Authority continued with consultations and provision of guidance with various stakeholders on

- Preparation of inventory of assets and liabilities
- Preparation and dissemination of human resource audit report
- Provision of advisories on legal issues related to transition e.g Assets and Liabilities, Human Resource, Analysis and Costing of Functions, Planning and Budgeting
- Unbundled and transferred functions to counties as per schedule four of Constitution of Kenya 2010.
- Further unbundling and costing of functions

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- Preparation and facilitation of the transition implementation plans (TIPS) by MDAs and County Governments
- Rationalization and deployment of staff framework
- Preparation of guidelines on classification of urban areas and cities
- Facilitation and coordination of capacity building programmes
- Facilitation and coordination of civic education
- Assessment and classification of urban areas and cities
- Facilitation on establishment of the County Public service Pension Scheme
- Participation in stakeholders meetings

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the Transition Authority is responsible for the preparation and presentation of the Transition Authority's financial statements, which give a true and fair view of the state of affairs of the Transition Authority for and as at the end of the financial year (2015/2016) ended on April 4, 2016. 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 entity; (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 Transition Authority; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the Transition Authority accepts responsibility for the Authority'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 Accounting Officer is of the opinion that the Transition Authority's financial statements give a true and fair view of the state of Authority's transactions during the financial year ended April 4, 2016, and of the Authority's financial position as at that date. The Accounting Officer charge of the Transition Authority further confirms the completeness of the accounting records maintained for the Authority, which have been relied upon in the preparation of the Authority's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the Transition Authority confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity'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 Accounting Officer confirms that the Transition Authority'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 entity's financial statements were approved and signed by the Accounting Officer on _____ 2016.


PRICIPAL SECRETARY


CHIEF ACCOUNTANT

REPUBLIC OF KENYA

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P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON TRANSITION AUTHORITY FOR THE NINE MONTHS PERIOD ENDED 04 APRIL 2016

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of the Transition Authority set out on pages 1 to 9, which comprise the statement of financial assets as at 04 April 2016, and the statement of receipts payments, statement of cash flows and summary statement of appropriation: recurrent for the period 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.

Management's Responsibility for the Financial Statements

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

The 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.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. The audit was conducted in accordance with International Standards of Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

Report of the Auditor-General on the Financial Statements of Transition Authority for the Nine Months Period ended 04 April 2016

considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Opinion

1. Use of Goods and Services

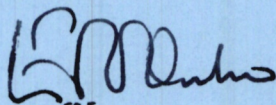
(i) The statement of receipts and payments reflects under use of goods and services expenditure of Kshs.269,232,042 which include an amount of Kshs.12,225,600 in respect of legal services. However, fees paid to lawyers amounting to Kshs.2,650,000 have not been supported with adequate documentation.

(ii) Foreign travel and subsistence expenditure of Kshs.14,479,039 which is disclosed in Note (5) under goods and services includes an amount of Kshs.6,136,884 relating to board members training in Malaysia during the month of January 2016. Relevant information and adequate documentation to support this expenditure have also not been provided for audit review.

In the circumstances, it is not possible to confirm propriety and accuracy of the total unsupported expenditure of Kshs.8,786,884.

Qualified Opinion

In my opinion, except for the effect of the matters described in the basis for the Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Transition Authority as at 04 April 2016, and its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis), and comply with Public Finance Management Act, 2012.



FCPA Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

14 March 2017

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V. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015-2016 Kshs	2014-2015 Kshs
RECEIPTS			
Transfers from other government entities	1	661,237,500.00	760,000,000.00
Reimbursements and Refunds	2	40,059,564.00	-
Other Receipts	3	<u>-</u>	<u>77,000.00</u>
TOTAL RECEIPTS		<u>701,297,064.00</u>	<u>760,077,000.00</u>
PAYMENTS			
Compensation of Employees	4	237,743,366.00	324,638,893
Use of goods and services	5	269,232,042.00	405,945,379
Other grants and transfers	6	-	1,396,764
Social Security Benefits	7	190,990,465.00	2,210,300
Acquisition of Assets	8	<u>1,689,746.00</u>	<u>23,085,199</u>
TOTAL PAYMENTS		<u>699,655,619.00</u>	<u>757,276,536</u>
SURPLUS/DEFICIT		<u>1,641,445.00</u>	<u>2,800,464</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2016 and signed by:



 PRINCIPAL SECRETARY



 CHIEF ACCOUNTANT

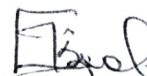
VI. STATEMENT OF FINANCIAL ASSETS

	Note	2015-2016	2014-2015
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	9	<u>2,824,717.00</u>	<u>1,183,272</u>
Receivables			
Outstanding Imprests	10	<u>-</u>	<u>1,617,192</u>
TOTAL FINANCIAL ASSETS		<u>2,824,717.00</u>	<u>2,800,464</u>
REPRESENTED BY			
Fund balance brought forward		1,183,272.00	
Surplus/Deficit for the year		1,641,445.00	2,800,464
Prior year adjustments		-	-
NET FINANCIAL POSITION		<u>2,824,717.00</u>	<u>2,800,464</u>
			-

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2016 and signed by:



PRINCIPAL SECRETARY



CHIEF ACCOUNTANT

TRANSITION AUTHORITY
Reports and Financial Statements
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VII. STATEMENT OF CASHFLOW

	Note	2015-2016 Kshs	2014-2015 Kshs
Receipts for operating income			
Transfers from National Treasury	1	661,237,500	758,000,000.00
Reimbursements and Refunds	2	40,059,564	2,000,000.00
Other Revenues	3	-	77,000.00
Payments for operating expenses			
Compensation of Employees	4	(237,743,366.05)	(324,638,893)
Use of goods and services	5	(269,232,042.45)	(405,945,379)
Other grants and transfers	6	-	(1,396,764)
Social Security Benefits	7	(190,990,464.90)	(2,210,300)
Adjusted for:			
Adjustments during the year			
Net cashflow from operating activities		3,331,191	25,885,663.30
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8	(1,689,746)	(23,085,199)
Net cash flows from Investing Activities		<u>(1,689,746)</u>	<u>(23,085,199)</u>
NET INCREASE IN CASH AND CASH EQUIVALENT		1,641,445	2,800,464
Cash and cash equivalent at BEGINNING of the year		1,183,272	-
Cash and cash equivalent at END of the year		<u>2,824,717</u>	<u>2,800,464</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2016 and signed by:



 PRINCIPAL SECRETARY




 CHIEF ACCOUNTANT

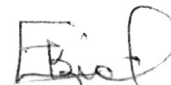
VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfer from National Treasury	687,000,000	-	661,237,500	661,237,500		100%
Transfers from Counties	40,059,564		40,059,564	40,059,564		
PAYMENTS						
Compensation of Employees	237,743,366		237,743,366	237,743,366		100%
Use of goods and services	269,232,043		269,232,043	269,232,043		100%
Transfers to Other Government Units	-		-	-		100%
Social Security Benefits	190,990,465		190,990,465	190,990,465		100%
Acquisition of Assets	1,689,746		1,689,746	1,689,746		100%
TOTALS	699,655,619		699,655,619	699,655,619		

The entity financial statements were approved on _____ 2016 and signed by:



PRINCIPAL SECRETARY



CHIEF ACCOUNTANT

IX. 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 and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

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

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the Transition Authority.

2. Recognition of revenue and expenses

The Transition Authority recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the Transition Authority. In addition, the Transition Authority recognises all expenses when the event occurs and the related cash has actually been paid out by the Transition Authority.

3. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held at the Central Bank of Kenya and at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

4. 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 Transition Authority's budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the Transition Authority's

actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

5. Related parties

The authority regards a related party as a person with the ability to exert control individually or jointly or to exercise significant influence over the Authority or vice versa. Members of key management are regarded as related parties and comprise the Board members, Chief executive officer and the Directors.

Key management compensation:

	2015/2016	2014/2015
Members	50,350,000	69,467,412.00
Directors	<u>5,200,000</u>	<u>10,400,412.00</u>
TOTAL	<u>55,550,000</u>	<u>79,867,412.00</u>

N.B: Please note that the amount of Ksh55,550,000 disclosed above relates salaries paid to top management staff of the organisation. These were paid through the monthly payrolls and forms part of the employee related costs figure of Ksh. 237,743,366.00 on note number 5.

6. Comparative figures

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

7. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended April 4, 2016.

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Reports and Financial Statements
For the year ended April 4, 2016

NOTES TO THE FINANCIAL STATEMENTS

	2015-2016 Kshs	2014-2015 Kshs.
1. EXCHEQUER RELEASES		
Description and reference of the transfer		
1st quarter transfer	171,750,000	171,750,000
2nd quarter transfer	171,750,000	171,750,000
3rd quarter transfer	171,750,000	171,750,000
4th quarter transfer	<u>145,987,500</u>	<u>242,750,000</u>
Total	<u>661,237,500</u>	<u>760,000,000</u>
2. REIMBURSEMENTS AND REFUNDS		
Reimbursement from Individuals and Private Organizations	<u>40,059,564</u>	<u>-</u>
Total	<u>40,059,564</u>	<u>-</u>
3. OTHER RECEIPTS		
Receipts from Administrative Fees and Charges – sale of tender documents	<u>-</u>	<u>77,000</u>
Total	<u>-</u>	<u>77,000</u>
4. COMPENSATION OF EMPLOYEES		
Basic salaries of permanent employees	183,722,008	229,896,154
Personal allowances paid as part of salary	<u>54,021,358.</u>	<u>94,742,738</u>
Total	<u>237,743,366.</u>	<u>324,638,893</u>

5. USE OF GOODS AND SERVICES

	2015-2016	2014-2015
	Kshs	Kshs
Utilities, supplies and services	-	81,600
Communication, supplies and services	7,500,997.40	11,652,583
Domestic travel and subsistence	87,784,887.60	89,079,348
Foreign travel and subsistence	14,479,039.00	11,024,380
Printing, advertising and information supplies & services	26,618,488.70	56,478,872
Rentals of produced assets	16,807,800.00	29,981,448
Training expenses	10,822,392.80	16,650,730
Hospitality supplies and services	27,113,353.80	42,474,648
Insurance costs	2,023,248.15	27,698,824
Specialized materials and services	-	274,001
Office and general supplies and services	8,960,664.00	16,879,556
Hire of Transport	-	7,197,000
Routine maintenance – vehicles and other transport equipment	4,081,829.80	7,799,079
Overhaul of Vehicles	-	1,459,736
Routine maintenance – other assets	5,925,733.00	4,650,737
Legal services	12,225,600.00	10,925,765
Contracted Professional Services	40,377,747.40	50,949,919
Fuel Oil and Lubricants	<u>4,510,260.00</u>	<u>20,687,153</u>
Total	<u>269,232,043</u>	<u>405,945,379</u>

6. OTHER GRANTS AND OTHER PAYMENTS

Membership fees and dues, Subscriptions to Intl.Orgs	<u>-</u>	<u>1,396,764</u>
Total	<u>-</u>	<u>1,396,764</u>

7. SOCIAL SECURITY BENEFITS

Government pension and retirement benefits	<u>190,990,465</u>	<u>2,210,300</u>
Total	<u>190,990,465</u>	<u>2,210,300</u>

TRANSITION AUTHORITY
Reports and Financial Statements
For the year ended April 4, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2015 - 2016 kshs	2014 - 2015 kshs
Purchase of Office Furniture and General Equipment	681,000	8,896,419
Purchase of Specialized Plant, Equipment and Machinery	<u>1,008,746</u>	<u>14,188,780</u>
Total	<u>1,689,746</u>	<u>23,085,199</u>

9. BANK ACCOUNTS

Name of Bank, Account No. & currency	Amount in bank account currency	Exec rate	2015 - 2016 Kshs	2014 - 2015 Kshs
Central Bank of Kenya. - 1000244658		-	<u>2,824,717</u>	<u>1,183,272</u>
Total			<u>2,824,717</u>	<u>1,183,272</u>

10. RECEIVABLES

	2015 - 2016 Kshs	2014 - 2015 Kshs
Outstanding imprests	<u>-</u>	<u>1,617,192</u>
	<u>-</u>	<u>1,617,192</u>

