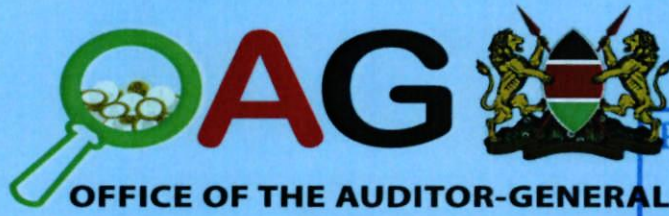
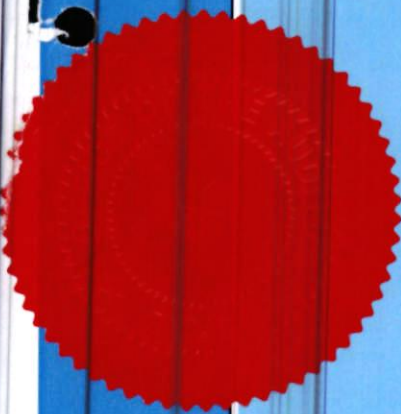


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**REPORT**

**OF**

**THE AUDITOR-GENERAL**

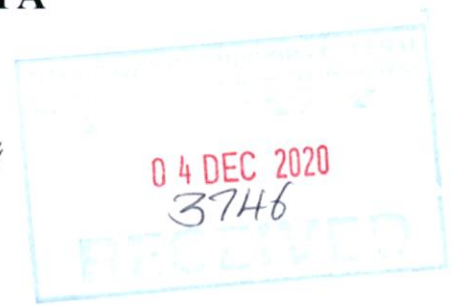
**ON**

**COUNTY EXECUTIVE OF ISIOLO**

**FOR THE YEAR ENDED  
30 JUNE, 2020**



**REPUBLIC OF KENYA**



**COUNTY GOVERNMENT OF ISIOLO**

**ISIOLO COUNTY EXECUTIVE**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2020**

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

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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**1. KEY ENTITY INFORMATION AND MANAGEMENT**

**a) Background Information**

The County is constituted as per the constitution of Kenya is headed by the County Governor, who is responsible for the general policy and strategic direction of the County.

**b) Key Management**

**The County Executive Members:**

	Name	Designation	Date of Holding Office
1	Dr. Mohamed Kuti	Governor	23rd August 2017
2	Dr. Abdi Issa	Deputy Governor	23rd August 2017
3	Mr. Abdi Haji Daud	CEC Finance & Economic Planning and Health Services	23 <sup>rd</sup> January 2020
4	Dr. Lawrence Mwangela	CEC Agriculture, Livestock & Fisheries	9th October 2019
5	Mrs Josephine Eregai	CEC Water and Environment	9th October 2017
6	Mr. Yussuf Dahir	CEC Land, Road & Infrastructure and Public Works	25th February 2020
7	Mr. Abdi Haji Daud	CEC Education, Gender and Youth	23 <sup>rd</sup> January, 2020
8	Ms. Halima Gole	CEC Tourism, Trade, Co-operative and Industrialization	9th October 2019
9	Wario Galma	Health Services	9 <sup>th</sup> October, 2019
9	Dr. Ahmed Galgalo	County Secretary	20th November 2017

**c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2020 and who had direct fiduciary responsibility were:

No.	Designation	Name
1	CEC Finance and Economic Planning	Mr. Abdi Haji Daud
2	Chief Officer Finance & ICT	CPA Peter Ngechu Muhuha
3	Chief Finance Officer	CPA Abdinasir Ali
4	Head of Treasury	CPA Roba Abduba Qanchora

**d) Fiduciary Oversight Arrangements**

The key fiduciary oversight bodies at the County for the year ended 30<sup>th</sup> June 2020 were:

- County Assembly of Isiolo County
- County Assembly Public Accounts Committee and Public Investment Committee
- County Assembly Budget and Appropriations Committee

**e) Isiolo County Executive Headquarters**

P.O. Box 36-60300  
 County Government Offices Building  
 Hospital Road  
 Isiolo, Kenya

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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**f) Isiolo County Executive Contacts**

Telephone: +254 733 227530

E-mail: [info@isiolo.go.ke](mailto:info@isiolo.go.ke)

Website: [www.isiolo.go.ke](http://www.isiolo.go.ke)

**g) Isiolo County Executive Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000, City Square 00200  
Nairobi, Kenya
2. Kenya Commercial Bank- Isiolo Branch
3. Consolidated Bank of Kenya – Isiolo Branch
4. Cooperative Bank – Isiolo Branch
5. National Bank of Kenya – Isiolo Branch

**h) Independent Auditors**

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

**i) Principal Legal Adviser**

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

# ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE

## Reports and Financial Statements

For the year ended June 30, 2020

### 2. FORWARD BY THE CEC

It is my pleasure to present the County Government of Isiolo financial statements for the year ended 30<sup>th</sup> June 2020. The financial statements present the financial performance of the County Government over the past year. The promulgation of the Constitution of Kenya, 2010 under Chapter 11 ushered Kenya into a new system of governance, replacing the centralized system with a devolved system of governance. The devolved system of governance consists of the National Government and 47 County Governments.

#### Financing of the County Governments

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 also finances its operations through own generated revenues. These are revenues collected within the County. They key local revenue sources for Isiolo County included game park fees, business permits, land rates, business plan approval, advertising fees, cess and various other administrative charges. The County continues to explore new and innovative ways of increasing its local revenue collections.

#### Financial Performance

##### I. Revenue

The following is the summary of the County executive operation for the financial year 2019/2020.

**Table 1: Detailed Analysis of Revenue Realization**

S/No	Source of Revenue	Original Budget (Ksh)	Revised Approved Budget FY 2019/20 (Ksh)	Actual Cumulative Receipts (Ksh)	Level of Realization (%)
1	Equitable Share	4,154,000,000	4,241,100,000	4,241,100,000	100%
2	Fuel Levy Fund	120,386,438	120,386,438	120,386,438	100%
3	Grant DANIDA	16,572,474	16,572,474	16,093,750	97%
4	User Forgone Fee	3,472,461	3,472,461	3,472,461	100%
5	Kenya Devolution Support Program – World Bank	30,000,000	30,000,000	30,000,000	100%
6	Grant Construction of County Hq	121,000,000	121,000,000	0	0%
7	Local Own Sources	155,861,338	170,861,338	116,517,654	68%
8	Conditional Allocation For Development Of Youth Polytechnic	10,833,298	10,833,298	10,833,298	100%
9	Universal Health Care (UHC)	-	142,698,094	71,349,047	50%
	World Bank Loan for Transforming Health Systems for Universal Care Project	64,373,437	64,373,437	53,033,354	82%
10					
11	Climate Smart Agricultural Project	170,794,330	170,794,330	144,904,360	85%

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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S/No	Source of Revenue	Original Budget (Ksh)	Revised Approved Budget FY 2019/20 (Ksh)	Actual Cumulative Receipts (Ksh)	Level of Realization (%)
12	Urban Support Project Development	93,968,100	93,968,100	67,209,632	72%
13	Urban Support Project- Recurrent	8,800,000	8,800,000	8,800,000	100%
14	Sweden Agricultural Sector Development Support Programme (ASDSP)	18,540,513	18,540,513	17,867,094	96%
15	Covid 19 fund	-	16,238,000	37,418,000	230%
	<b>Total</b>	<b>4,968,602,389</b>	<b>5,229,638,483</b>	<b>4,938,985,088</b>	<b>94%</b>

The County realized cumulative total revenue amounting to **Ksh. 4,9Billion** against total budget estimated revenue of **Ksh. 5.2 Billion** representing **94%** level of performance. Despite having been provided for in County Allocation of Revenue Act (CARA) 2018/19, the amounts allocated from the National Government as grants for construction of County Headquarter amounting to **Ksh. 121 Million** was not yet released by 30<sup>th</sup> June 2020.

The local revenue collection was **Ksh, 116Million** against target of **Ksh. 170Million** representing performance of **68%**. The underperformance in local revenue realization was as a result of adverse effect of Covid-19 on the economy that adversely impacted on main revenues sources of the County such as game park fees.

The County experienced delay in receiving exchequer release from National Treasury as the equitable share allocation and conditional grants of **Ksh. 628 Million** and **Ksh.364Million** was released on **30th June 2020** in **August 2020** respectively. This hampered effective and timely delivery of services and implementation of key flagship projects. This led to lower fund absorption especially the development funds.

**II. Summary of Funds Utilization**

The County Executive reported overall funds absorption rates at 85% cumulatively for the year ending 30<sup>th</sup> June 2020 with 82% and 88% absorption rates for Development and Recurrent expenditure respectively. The failure to achieve full budget absorption was as a result of non-disbursement of some grant monies and delays in disbursement of exchequer releases.

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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**Table 3: Summary of Funds Utilization and Absorption Rate**

	Budget Category Executive	Approved Budget FY 2019/20(Ksh)	Actual Cumulative Expenditure (Ksh)	Level of Funds Absorption (%)
1	Development	2,414,524,807	1,984,857,955	82%
2	Recurrent	3,318,576,585	2,916,687,144	88%
<b>Total Budget</b>		<b>5,733,101,392</b>	<b>4,901,545,099</b>	<b>85%</b>

The County have limited technical personnel capacity especially quantity surveyors, architectural engineers and work officers thus hampering implementation of construction works. The county therefore relies on experts from other county national government agencies such as KeRRA, KeNHA department to prepare BQs and supervise county projects. This has contributed to delays in project implementation. Currently the County is in the process of recruiting more technical staff in key departments to address the recurring challenges that cause delay in the implementation of the Budget.

**III. Cash flows**

In the FY 2019/2020, we experienced significant cash flow problem due to delayed disbursement of CARA revenue. Equitable Share revenue of Ksh. **634 Million** was not received by 30<sup>th</sup> June 2020 while conditional grants such as for construction of County Headquarters amounting to Ksh. **121 Million**, was not released at all by close of the year.

**IV. Pending bills**

The County Government took over huge amount of pending bills totaling to **Ksh. 1.2 Billion** constituting of **Ksh. 108 Million** from the defunct County Council of Isiolo and Ksh. 1.092 Billion from previous regime (2013-2017). During the year under review the County managed to settle pending bills amounting to **Ksh. 629 Million** owed to suppliers and contractors. Currently, outstanding pending bills for 2013-2017 amount to **Ksh. 571 Million**. It is critical to note that the County has various litigations from the contractors and suppliers owed by the County in Court.

The County formed a task force to verify and validate the reported pending bills with aim of establishing the authenticity of the payables. Our focus as a County is to settle the bills as soon as possible. In every budget cycle, we ensure that part of the allocations is towards settlement of old outstanding pending bills.

**V. Non-Current Assets**

The County has made significant investments in non-current assets since formation of counties in 2013. Additionally; the county inherited some assets from the defunct County Council of Isiolo. However, the process of transfer of non-current assets inherited from local authority as process of verification and validation process by the County Assets and Liabilities Committee (CALC) is nearing completion under the guidance of Inter Government Relation Technical Committee (IGRTC).

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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**VI. Operational performance**

The County’s operations are structured in terms of departments which are headed by a County Executive Committee member. For seamless service delivery, all departments have to work in unison and synergize. In the table below, we summarize the key activities carried out by each department during the year.

**Table 4: Sectors Key Performance Report**

	<b>Sector</b>	<b>Key Achievements</b>
1	Finance	✓ Ongoing construction of County Head Quarters
2	Road, Land and Urban Planning	✓ Improvement of 386 Kilometers of all seasons passable roads ✓ On-going land titling process in Isiolo town
3	Agriculture, Livestock and Fisheries	✓ Livestock Vaccination of over 5,000 herds ✓ Construction of Purkuk Dam in Oldonyiro ✓ Supported community interest group with Ksh. 60m
4	Cohesion	✓ Civic education on public participation
5	Education	✓ Construction of additional 12 ECD classrooms
6	Tourism	✓ Purchase of 62 Seater bus for game park
7	Water	✓ Laying of piped water for distribution ✓ Drilling of new 8 boreholes
8	Health Services	✓ Upgrading and Equipping of Gafarsa Dispensary Laboratory ✓ Construction of KMTC Hostel
9	Municipal Administration	✓ Cabro paving of 1.8km of road within Isiolo town ✓ On-going construction of Isiolo modern market

**Some Site Images of Some of the Projects implemented during the year**



ECDE Classrooms in Merti Sub County

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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Equipping of ECDC Classrooms



Borehole Drilled in Belgesh



Drilled Borehole in Cherab Ward



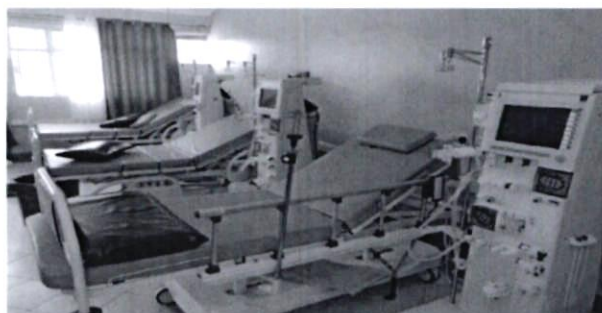
Inter-County Annual Desert Wheel Race in County Cherab Ward Public Participation for 2018/19 Budget

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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**For the year ended June 30, 2020**

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**Isiolo County Modern Market under Construction**



**Medical Equipment at Isiolo County Referral Hospital**



**New KMITC Admin and Classroom Block at ICRH**

**Challenges;**

Despite the notable achievements, the County experienced some challenges during the year ended 30<sup>th</sup> June 2020. This includes:

- i. Delayed disbursement of exchequer releases hampering timely implementation of programs/projects
- ii. Due to effect of Covid 19 pandemic, the county local revenue realization was negatively affected
- iii. IFMIS challenges as a result of poor and erratic internet connectivity. This has in some instance delayed payments to suppliers
- iv. The County also lacks technical personnel capacity especially quantity surveyors, architectural engineers and work officers hampering implementation of construction works forcing county to rely on experts from other national government agencies such as KeRRA and KeNHA to prepare BQs and supervise our projects.
- v. Shift to e-procurement challenges due to capacity gap also posed delay in implementation of projects
- vi. Huge wage bill that hindered recruitment of skilled personnel such as engineers resulting to hiring of consultancy services in implementing of big projects.
- vii. The county paid pending bills of Ksh. 629 Million from previous Regime. This adversely affected in implementation of new development projects

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

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**Conclusion**

Other than the systemic and structural challenges mentioned above, there were no other major challenges, climatic or otherwise encountered in the county. Commendable progress was made during the financial year 2019/20 and the momentum has been created to enable the County to continue on a development trajectory. We have identified gaps and areas to improve on in the subsequent years. The County in the overall has achieved in terms of infrastructure development as it has upgraded its road network in all the wards, has also sank boreholes for both human and livestock water consumption construction of Isiolo market complex, just to mention a few

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

The staff in the entire County is commended for their continued commitment and dedication through hard work in delivering services to the people of Isiolo. We will use the lessons learnt to improve on our service delivery, fast track the County’s flagship projects and deliver on this government’s promises to its people as outlined in the current County Integrated Development Plan and the Governor’s Manifesto of 2017.

Sign.....

**Abdi Haji Daud**

**CEC - FINANCE AND ECONOMIC PLANNING**

CEC Finance  
Isiolo County Government  
P. O. Box 36  
ISIOLO

# ISILOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE

## Reports and Financial Statements

For the year ended June 30, 2020

### 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 entity 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 eight 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", NIUPLAN, 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 of the Isiolo County's 2018-2022 CIDP are to:

- a) Provide quality physical infrastructure in the County
- b) Improve reliability, accessibility and availability of adequate quantities of good quality water supply for all uses and good sanitation.
- c) Ensure Food and nutrition security
- d) Enhancement of Industrial development
- e) Provide adequate and appropriate social amenities
- f) Improve market access for local produce
- g) Enhance land productivity
- h) Provide secure land tenure system

#### Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Department	Objective	Outcome	Indicator	Performance
Lands, Physical Planning, Surveying and Housing, roads and public works	Urban access roads improvement	Wabera, Bulapesa and Burat ward Roads Murramed and graded	Length of the road in KM Murramed and graded	In FY 19/20, a total of 14kms of the following roads were murramed and upgraded Wabera, Bula pesa and Burat
	Urban access roads improvement	Box culvert constructed	No. of box culvert constructed	1 box culvert constructed in the FY 19/20
	Rural access roads improvement	Sericho, Kinna, Garbatulla, Oldonyiro, Ngaremara, Cherab	Length of the road in KM Murramed and graded	In FY 19/20, a total length of 400km was murramed and graded in the said wards

**ISILOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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Department	Objective	Outcome	Indicator	Performance
		ward Roads murramed and graded		
	Land use planning	Spatial Plans developed	No. of Plans developed	2 Part Development plans done in the FY 19/20 Kambi Juu I and Kambi Asharaf -Kinna Township Plan on-going to be completed by end of 2020
	Land survey and land use planning-	Digital Maps developed	No. of digital maps developed in a GIS set up	We have successfully digitally mapped 3 centers in FY 19/20 which include: -Kinna,Isiolo(70% done) and Garbatulla
<b>Health Services</b>	Curative, and Rehabilitative Health services	Reduced Deaths	%Annual Reduction in deaths	There was a reduction of 11% in deaths in FY 19/20
	To improve health status of the individual, household and the community at the County	Increased access to specialised curative diagnostic interventions	% increase of access to specialised diagnostic services	There was an increase of 4 % in access to diagnostic services in the FY 19/20
	Family Reproductive health	Improved reproductive and maternal health	% of deliveries conducted by skilled attendants	There was an increase of deliveries conducted by skilled attendants by 15% in the FY 19/20
	Emergency Preparedness	Ambulances purchased	No. of ambulances purchased	3 ambulances were purchased in the FY 19/20
	Communicable disease	Reduced incidences of communicable diseases	Proportion of children fully immunized	93% of children below 5 yrs. were fully immunized in the FY 19/20
	Sanitation and environmental health	Minimized exposure to water borne diseases	Proportion of households with latrines	38% in the FY 19/20 which is a 2% increase from 36% in the FY 18/19
<b>Agriculture, Livestock, Fisheries and Irrigation</b>	Enhance food and nutrition security	Expanded irrigation crop production	crop acreage under irrigation	1450 ha was under irrigation in the FY 19/20
	Improve market access and linkages for farmers	Farmers accessing ready markets with pre-agreed and sustainable prices	Proportion of farmers accessing ready markets with pre-agreed and sustainable prices	50% of the farmers were able to access ready markets for their produce in the FY 19/20
	Improve livestock productivity	Apiaries established	No. of apiaries established, no. of beehives installed, length of fence erected	1 apiary and 1,400 beehives were installed in the FY 19/20
<b>Tourism, Wildlife and Trade</b>	Increased Tourism Contribution to the County Economy	Income by the county	tourism earnings for the county	11,219,800.00 was realized as tourist earnings for the FY 19/20

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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Department	Objective	Outcome	Indicator	Performance
	Increased contribution of commerce to the county economy	Traders trained on entrepreneurial management	No. of traders trained	2300 traders were trained on entrepreneurial management in the FY 19/20
	Increased contribution of commerce to the county economy	Registered Traders	Number of registered traders	5000 traders were successfully registered in the FY 19/20
<b>Education, Youth Affairs, Gender and Social Services</b>	ECDE Access	ECDE Schools equipped furniture	No. of ECDE Schools equipped furniture	100 ECDE schools were fully equipped in the FY19/20
	ECDE Access	ECDE centres receiving learning materials	No. of ECDE centres receiving learning material	172 ECDE centres received learning materials in the FY 19/20
	VTC Access	Polytechnics Equipped	No. of Polytechnics	We were able to fully equip 4 polytechnics- Uhuru, Merti, Oldonyiro and Sericho in the FY 19/20
	Empowerment training	Youth groups Accessing Revolving Loan	No. of Youth groups accessing revolving loan	47 youth groups were able to access revolving funds in the FY 19/20
		Coaches and referees trained	No. of Coaches and referees trained	30 coaches and referees were successfully trained in the FY 19/20
	Gender Empowerment	Baseline report Survey of GBV.	No. of Baseline reports prepared	1 baseline report published in the FY 19/20
	Gender Empowerment	County Gender policy developed	No. of County Gender policy developed	1 Gender policy in place in the county
	Promotion of Culture and Arts	Cultural festivals	No. of cultural festivals held annually	2 cultural festivals held in the FY 19/20
<b>Water, Energy, Environment, Natural Resources &amp; Climate Change</b>	Rural water supply and storage services	New rural water supplies constructed	No. of new rural water supplies	8 New sources developed for Merti, Fire engine Bh, Biliqo- Marara Checheles, Bulla Mpya, Nomad-Elsmi for FY 19/20
	Rural water supply and storage services	New water Storage tanks Constructed	No. and capacity of tanks constructed	4 storage tanks constructed in the FY 19/20
	Urban Sewerage Services	Extended Isiolo town sewerage system to areas not reached	No. of new HHs accessing the Isiolo town sewer network	1500 HHs were able to access the town sewer network in the FY 19/20
	Environmental Protection	Indigenous tree planted (acacia and neem) in institutions and riparian ecosystem in all wards	No. of indigenous tree seedlings planted	150,000 indigenous tree seedlings have been planted in the FY 19/20
	Environmental Protection	Community trained and sensitized on reducing land degradation	No. of trainings/ community members trained	2 trainings were conducted in the FY 19/20

*Source: County Planning*

## **ISILOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**

### **Reports and Financial Statements**

**For the year ended June 30, 2020**

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#### **Challenges in the implementation of sector programmes for the FY 2019/2020**

- Corona virus/covid-19 pandemic has negatively affected both the way of life and service delivery in the county more so the implementation of projects and programs.
- Inadequate budgetary allocation coupled with delay and inconsistency in disbursement of funds from the National Treasury, which negatively affected implementation of projects on time.
- Inadequate legal/policy and regulatory framework. Most of the devolved functions do not have the prerequisite policy and legal frameworks to facilitate proper execution of their functions, leading to inadequate funding.
- Lack of support for M&E capacity and unclear M&E framework.
- Inadequate linkage between policy, plan, budgeting and M&E processes

# ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE

## Reports and Financial Statements

For the year ended June 30, 2020

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

#### 1. Sustainability Strategy and Profile

The County instituted performance-based management in the County to ensure key county services are delivered and projects implemented on timely basis, and at the right cost. All the County Executive Members, Chief Officers and other senior officers of various departments have signed Performance Contracts.

#### 2. Environmental performance

County Government approach in managing Environment is guided by Environmental and social management systems (ESMS). The system commits the County in operating in an environmentally and socially sound sustainable way.

##### Successes

- The document guides all County projects through Compliance with relevant laws.
- Good working relationship with relevant Government agencies E.g NEMA.
- Positive relations with external stakeholders such as donors and the local community.
- keeping employees informed about their environmental roles and responsibilities

##### Shortcomings

- Inadequate skilled personnel in environment department
- Inadequate financial resources.

##### Effort to manage bio-diversity

- Gazettement of County Environmental Committee that addresses environmental matters within the County.
- County Government is in the process of enacting Community Conservancy bill 2020 and Wildlife and conservation management bill all geared toward managing bio-diversity.

#### 3. Employee Welfare

Give account of the policies guiding the hiring process and whether they consider the gender ratio, whether they take in stakeholder engagement and how often they are improved. Explain efforts made in improving skills and managing careers, appraisal and rewards systems. The organization should also disclose their policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA)

- 1) Policies and Legislations guiding hiring process
  - a) Constitution of Kenya, 2010 – standards, values and principles set out in Article 10, 27, 54 (2), 55 (c), 56 (c), 232 and Chapter 6.
  - b) Public Service Commission Act, 2017.
  - c) Public Service (Values and Principles) Act 2012.
  - d) County Government Act, 2012, 65 (1).
  - e) Human Resource Policies and Procedures Manual, 2018 Section D.
  - f) Public Service Commission Act, 2017.
  - g) Public Service Commission Regulations 2020.
  - h) Employment Act, 2007

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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- i) Formulation of County Staff Establishment underway to guide optimal staffing levels.

Compliance with above Legislations, Regulations and Polices has ensured consideration of gender ratio and stakeholders engagement in the hiring process.

- 2) Efforts made in improving skills, managing careers, appraisal and reward system.

- a) Training Needs Analysis (TNA) has continued being undertaken to guide in determining available and missing skills. This enables identification of skills gaps and nomination of officers for training.
- b) Establishment of County Human Resource Training and Development Committee to manage and coordinate training of staff in the County Public Service.
- c) Working in collaboration with Kenya School of Government to facilitate trainings including: -
  - Senior Management Course
  - Strategic Leadership Development Programme
- d) Conducting induction training for newly recruited officers.
- e) Roll out of Performance Contracts and Staff Performance Appraisal.

The top management (County Executive Committee Members and County Chief Officers) have signed performance contracts with H.E the Governor. The same has been cascaded down through staff performance appraisals.

- f) Performance Management Committee was established to ensure institutionalization of the same in the County Public Service.
- g) In Career Management, the County Public Service Board established County Human Resource Management Advisory Committee to examine and recommend cases for;
  - Promotions
  - Re-designations
  - Acting Appointments
  - Confirmation in Appointment

Eligible cases have been dispensed with and when they are due.

- h) The County Public Service Board also adopted schemes of service and other career progression guidelines from the National Government to manage promotions and re-designations.
- i) Human Resource Policies and Procedures Manual have been developed to guide in the management of Human Resource in the County Public Service.
- j) Officers who have continued discharging their duties exceedingly well have been considered for awards.

- 3) Policy on Safety and Compliance with Occupational Safety and Health Act, 2007.

The County Government has continued to comply with provisions of the Occupational Safety and Health Act 2007 by ensuring:

- Provision of clean, adequate and habitable workplaces.
- Procured an insurance policy as per provisions of Work Injury Benefits Act, 2007

# ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE

## Reports and Financial Statements

For the year ended June 30, 2020

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- Provision of Comprehensive Medical Cover for County Public Officers through National Hospital Insurance Fund.

#### 4. **Market place practices-**

The County Government of Isiolo has a vibrant internal directorate fully staffed and an active audit committee which looks on matters of Accountability and good governance practice.

#### 5. **Community Engagements-**

The community is engaged during various County processes such as: Preparation of Isiolo County Vision 2030, 2018-2022 CIDP Development process, County Strategy Paper, Budget Review and Outlook Paper, Budgeting and during various policy formulation.

## ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE

### Reports and Financial Statements

For the year ended June 30, 2020

#### 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 of the County Government is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the financial year ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Government; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the County Government; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Government's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for finance is of the opinion that the County Government's financial statements give a true and fair view of the state of the County Government's transactions during the financial year ended June 30, 2020, and of its financial position as at that date. The CEC member for finance further confirms the completeness of the accounting records maintained for the County Government which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

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

#### Approval of the Financial Statements

The County Government's financial statements were approved and signed by the CEC member for finance on 2/9/2020 2020.

  
\_\_\_\_\_  
CEC Finance  
Isiolo County Government  
P. O. Box 36  
ISIOLO

County Executive Committee Member – Finance

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**

**Reports and Financial Statements**

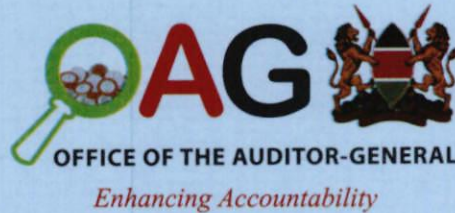
**For the year ended June 30, 2020**

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**6. REPORT OF THE OFFICE OF THE AUDITOR GENERAL ON THE ISIOLO  
COUNTY GOVERNMENT EXECUTIVE**

# REPUBLIC OF KENYA

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NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF ISIOLO FOR THE YEAR ENDED 30 JUNE, 2020

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### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of County Executive of Isiolo set out on pages 1 to 32, which comprise the statement of assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly in all material aspects, the financial position of the County Executive of Isiolo as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the County Governments Act, 2012.

#### Basis for Qualified Opinion

##### 1. Unconfirmed Balances

###### 1.1 Pending Bills

Disclosure 7.10.1 of other important disclosures to the financial statements reflects pending accounts payables totalling Kshs.1,093,858,809 as at 30 June, 2020.

However, the creditors ledger was not provided for audit. Further, contrary to Regulation 99(3), Regulation 104(1) and Regulation 117(3) of the Public Finance Management (County Governments) Regulations, 2015, pending bills totalling Kshs.664,841,701 reported to have been incurred during the year were not supported with relevant records including payment vouchers.

In the absence of sufficient and appropriate evidence, the occurrence, validity, accuracy and completeness of the pending accounts payable balance totalling to Kshs.1,093,858,809 as at 30 June, 2020 could not be confirmed.

In addition, failure to settle the bills during the year they relate to has distorted the view presented by the financial statements. Had the bills been paid during the year, the surplus amounting to Kshs.37,439,987 reflected in the financial statements would have resulted to a deficit of Kshs.1,056,418,822. Further, payment of the bills during the 2020/21 financial year is likely to use up budgetary allocations for the year and thereby constrain provision of services to the residents, and funding for new development projects.

## **1.2 Fixed Assets**

Annex 5 to the financial statements reflects Kshs.16,996,458,076 in respect to historical cost of fixed assets. However, as in previous years, Management had, as at 30 June, 2020, not incorporated various assets and liabilities amounting to Kshs.14,155,106,914 and Kshs.158,259,036 respectively from the defunct County Council of Isiolo.

In addition, out of aggregate assets worth Kshs.16,996,458,076 on record, the County Executive had only insured motor vehicles worth Kshs.356,627,304. As a result, assets worth Kshs.16,639,830,772 were not insured and were therefore exposed to risk of loss or damage on occurrence of unfavorable events. Further, the County Executive did not maintain an inventory of its assets as required in Section 149(2) of the Public Finance Management Act, 2012 and Section 160(1) of the Public Procurement and Asset Disposal Act, 2015.

In view of these anomalies, the valuation and completeness of the fixed assets balance totalling Kshs.16,996,458,076 as at 30 June, 2020 has not been confirmed. In addition, the absence of proper records has put the assets at the risk of misuse and loss.

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

## **Key Audit Matters**

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

## **Other Matter**

### **1.0 Budgetary Control and Performance**

The summary statement of appropriation: recurrent and development combined for the year ended 30 June, 2020 reflects final receipts budget and actual on comparable basis totalling Kshs.5,733,101,393 and Kshs.4,938,985,086 respectively, resulting to an under-funding of Kshs.794,116,307 or 14% of the budget. Similarly, the County Executive spent Kshs.4,901,545,099 against an approved budget of Kshs.5,733,101,393 resulting to an

under-expenditure of Kshs.831,556,293 or 15% of the budget. The revenue and expenditure shortfalls constrained implementation of planned activities and may have impacted negatively on service delivery to the residents of Isiolo County.

## 2.0 Delayed Exchequer Receipts and Cash Transfers

Exchequer receipts totalling Kshs.522,020,840 were received after 30 June, 2020 as follows:

<b>Date</b>	<b>Reference No.</b>	<b>Amount (Kshs.)</b>
2 July, 2020	FT20184X97PH	8,800,000
2 July, 2020	FT2018447LH1	30,096,609
2 July, 2020	FT20184L3TQD	30,000,000
2 July, 2020	FT20184MZ1L9	67,209,631
6 July, 2020	FT20188V59BJ	21,180,000
5 August, 2020	FT20218GRG98	364,734,600
<b>Total</b>		<b>522,020,840</b>

Out of this balance Kshs.30,000,000 was transferred to the County Assembly on 02 July, 2020 after the end of the financial year under review.

The late receipts and transfers delayed implementation of programmes and activities planned for the year under review.

## 3.0 Previous Year's Issues

The audit report for the previous financial year (2018/2019) had highlighted unsatisfactory issues relating to use of goods and services, domestic travel and subsistence, management of fixed assets and human resource, pending bills, and on the presentation of financial statements, among other anomalies.

However, as indicated in the report on progress on follow up on prior year issues reflected in Note 8 of other important disclosures to the financial statements, these issues had not been resolved as at 30 June, 2020.

## 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 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 Report on Implementation of Projects**

The summary statement of appropriation-development, reflects an approved development budget totalling Kshs.2,414,524,807. However, the Project Implementation Status Report as at 30 June, 2020 reflected a development budget totalling Kshs.2,269,420,277 resulting to an unexplained variance of Kshs.145,104,530.

Further, the report indicated that out of one hundred and seventy (170) projects budgeted to be implemented during the financial year under review at a cost of Kshs.2,269,420,277, only one hundred and fifty-five (155) projects costing Kshs.1,328,926,521 were completed. Thirteen (13) projects budgeted at Kshs.751,150,416 were indicated as ongoing and two (2) projects budgeted at Kshs.7,536,047 had not started.

No adequate explanation was provided by Management for the failure to initiate or complete all the projects.

Delay in completion of the projects denied the residents of Isiolo County public services earmarked for their use.

### **2.0 Irregular Bank Accounts Operated in Commercial Banks**

The statement of assets and liabilities as at 30 June, 2020 reflects Kshs.467,783,273 in respect to bank balances as at 30 June, 2020. Examination of records on the bank accounts operated by the County Executive revealed the following anomalies:

#### **2.1 Foreign Currency Accounts**

Management operates two revenue dollar accounts in two commercial banks in Isiolo Town even though Section 76(2) of the Public Finance Management (County Governments) Regulations, 2015 requires all foreign currency denominated bank accounts operated by public entities be kept at the Central Bank of Kenya, unless exempted by the Cabinet Secretary for Finance.

#### **2.2 Kenya Shilling Accounts**

Other records indicated that Management operated thirty-three (33) bank accounts in several commercial banks during the year under review. The accounts were for public health facilities in the County and held balances totalling Kshs.19,492,883 as at 30 June, 2020. However, proof for permission, if any, granted by the County Treasury to Management to operate the bank accounts was not presented for audit. Therefore, Management may have breached the law on banking of public funds prescribed in Regulation 82(4) of the Public Finance Management (County Governments) Regulations, 2015.

### **3.0 Irregular Lease of Offices**

Expenditure records examined indicated that a sum of Kshs.3,000,000 was spent on rent for leased offices for the Department of Tourism and the Office of the Governor. However, records on the leases indicated that they were procured without competitive bidding. No

justification was provided by Management for the action that contravened Section 103(2) (a) of the Public Procurement and Asset Disposal Act, 2015.

Therefore, Management was in breach of the law.

#### **4.0 Misappropriation of Recurrent Budget**

Examination of recurrent vote expenditure records indicated that a sum of Kshs.4,920,000 was spent on purchase of six (6) solar driven vaccine fridges and accessories for Isiolo County Referral Hospital. However, contrary to the requirements of Section 47(1) of the Public Finance Management (County Governments) Regulations, 2015, Management did not request the County Treasury for authority before reallocating the funds.

#### **5.0 Undelivered Tourist Bus**

The statement of receipts and payments reflects Kshs.699,653,990 in respect to acquisition of assets, as disclosed in Note 17 to the financial statements. The balance includes Kshs.20,752,442 spent on purchase of vehicles and other transport equipment out of which Kshs.3,052,442 was paid to a firm for delivery of a tourist bus, being the balance from the contract sum of 15,141,334 due for payment in the previous financial year.

Although the full contract amount was paid during the year under review, the bus had not been delivered to the County Executive as at the time of audit in October, 2020. As a result, it was not possible to confirm why the County Executive paid for the bus before it was delivered, inspected and accepted and taken on charge as prescribed in Section 48(4)(a) and (b) of the Public Procurement and Asset Disposal Act, 2015.

There is risk that the bus may not be delivered, or, if delivered, may not conform to the contract specifications. Further, by paying for the purchase before it was delivered, Management may have funded the vendor to acquire the bus and make profit out of public funds. In the circumstances no value for money was obtained on expenditure totalling Kshs.15,141,334 incurred on purchase of the bus.

#### **6.0 Debts Paid from a Revenue Account**

Examination of revenue records indicated that a sum of Kshs.4,036,687 was directly paid to two (2) firms from a revenue account held in a commercial bank. The payment contravened Regulations 63(4), 63(7) and 63(80) of the Public Finance Management (County Governments) Regulations, 2015. The provision prohibits public entities from using revenue receipts before they are deposited into the County Revenue Account.

Management explained that the payments were done pursuant to a Garnishee Order issued by the Court to the County Executive in August, 2018 but a counter order to stop further payments had since been issued. However, no reasons were given for failure to pay the debt that prompted the issuance of the Garnishee Order.

As a result, Management's inaction resulted in irregular use of revenue receipts.

## **7.0 Hire of Temporary Workers Without Authority**

Expenditure records indicated that basic wages totalling Kshs.53,400,278 were paid to temporary employees during the year under review. However, the staffing needs of the County Executive were not documented in a staff establishment and there was no evidence that the County Service Board had authorized Management to hire temporary workers. As a result, the validity of the recruitment and the expenditure totalling Kshs.53,400,278 spent on the workers could not be confirmed.

## **8.0 Irregular Variation of Road Contract**

Examination of civil works records indicated that a total of Kshs.79,022,065 was spent on construction and upgrading of urban access roads and high mast lighting in Isiolo Municipality in the year under review. Although the Bills of Quantities had set the width of road drainage structure at 275 millimeters, physical verification conducted in October, 2020 confirmed that the width of the structure built was 200 millimeters or 75 millimeters short of the measure procured. Management did not explain why the road designs were varied and further, did not indicate whether the cost of the works was reduced in line with the variation. The residents reported flooding of the roads during the rainy seasons and attributed this to the narrow drainage system.

In the circumstance, the validity of the variations made in the works could not be confirmed. Further, value for money may not have been attained on the payments totalling Kshs.79,022,065 incurred on the civil works projects.

## **9.0 Failure to Prepare and Publish Contract Awards**

As in the previous year, Management did not prepare, publish and publicize all contract awards as required in Section 138(1) and (2) of the Public Procurement and Asset Disposal Act, 2015.

Further, monthly progress reports on implementation of procurement contracts were not presented for audit review. As a result, there was no confirmation that Management monitored implementation of contracts regularly as required in Section 152 of the Public Procurement and Asset Disposal Act, 2015.

Consequently, Management is in breach of the law.

## **10.0 Failure to Prepare Quarterly Reports**

As in the previous year, no evidence was presented for audit to confirm whether Management prepared quarterly cash flow projections and procurement plans as required in Regulation 43(3) and Regulation 43(4) of the Public Finance Management (County Governments) Regulations, 2015. Further, the County Treasury did not publish and publicize quarterly liquidity position reports on the impact of revenue collection efforts, spending and County public debt operations as well as the cash position of the County Executive as required by Regulation 45(6).

In the circumstance, Management breached the law on transparent and accountable use of public resources.

## **11.0 Outstanding Imprests**

Imprests records reflected a balance of Kshs.50,036,443 as at 30 June, 2020. Examination of the balance indicated that the imprests were issued between August, 2016 and May, 2018 and had therefore, been outstanding for more than two (2) years as at 30 June, 2020. The delay in surrender of the imprests contravened Regulation 93(5) of the Public Finance Management (County Governments) Regulations, 2015. The Regulation requires a holder of a temporary imprest to account or surrender the imprest within seven (7) working days after returning to the duty station.

No explanation was provided by Management for the failure to recover the outstanding imprests from the defaulters.

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, except for the matters described in the Conclusion on Effectiveness of Internal Controls section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls were not operating in an effective way.

### **Basis for Conclusion**

#### **1.0 Lack of an Approved Staff Establishment**

Review of the personnel records indicated that the County Executive did not have an approved staff establishment structure. It was, therefore, not clear how staffing requirements were determined and whether the resources allocated to the function were used in an optimal way.

#### **2.0 Lack of Information, Communication and Technology (ICT) Policy**

As similarly reported in previous years, Management had as at 30 June, 2020 not established a policy on use of Information and Communication Technology (ICT). The policy would have included data security and disaster recovery plans. Further, the authorized organization structure for the ICT Unit was not presented for audit and its existence could, therefore, not be confirmed.

In addition, the County Executive did not have an Information Technology (IT) Steering Committee or Strategic Committee to provide leadership and oversight on acquisition and use of ICT resources.

In the circumstance, the security and reliability of the County Executive's data and the Management Information System, and oversight on investment and use of ICT resources, could not be confirmed.

### **3.0 Lack of Risk Management Policy for Internal Audit**

The County Executive did not have a Risk Management Policy contrary to Regulation 153(1)(b) of the Public Finance Management (County Governments) Regulations, 2015 which requires that internal auditors shall have a duty to give reasonable assurance through the Audit Committee on the state of risk management, control and governance within the organization.

In the circumstance, it was not possible to confirm how operational and other risks faced by the County Executive were identified, monitored and controlled during the year under review.

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

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

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the County Executive's 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 continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the County Executive to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
Nancy Gathungu  
**AUDITOR-GENERAL**

**Nairobi**

**22 October, 2021**

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**

**Reports and Financial Statements**

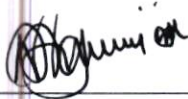
**For the year ended June 30, 2020**

**7. FINANCIAL STATEMENTS**

**7.1. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2020**

	Note	2019/2020 Kshs	2018/2019 Kshs
<b>RECEIPTS</b>			
Exchequer releases	1	4,241,100,000	3,925,000,000
Proceeds from Domestic and Foreign Grants	2	337,908,189	193,665,153
Transfers from Other Government Entities	3	243,459,244	307,970,478
County Own Generated Receipts	9	116,517,653	161,767,323
Returned CRF issues	10		379,410,647
<b>TOTAL RECEIPTS</b>		<b>4,938,985,086</b>	<b>4,967,813,602</b>
<b>PAYMENTS</b>			
Compensation of employees	11	1,437,609,921	1,360,085,959
Use of goods and services	12	613,693,656	1,016,995,650
Transfers to Other Government Units	14	1,190,132,644	906,036,276
Other grants and transfers	15	320,625,180	454,380,413
Social Security Benefits	16	10,578,796	33,443,476
Acquisition of Assets	17	699,653,990	1,090,967,124
Other Payments	20	629,250,912	-
<b>TOTAL PAYMENTS</b>		<b>4,901,545,099</b>	<b>4,861,908,897</b>
<b>SURPLUS/DEFICIT</b>		<b>37,439,987</b>	<b>105,904,705</b>

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 2/9/2020 and signed by:



Chief Officer - Finance  
Name: Peter Ngechu Muhuha  
ICPAK Member Number: 7629



Head of Treasury 04/12/2020  
Name: Jackline Wanjira Njue  
ICPAK Member Number: 132147

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**7.2. STATEMENT OF ASSETS AND LIABILITIES AS AT 30<sup>th</sup> JUNE 2020**

	Note	2019/2020 Kshs	2018/2019 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	21A	467,783,273	505,117,724
Cash Balances	21B	-	-
<b>Total Cash and cash equivalents</b>		<b>467,783,273</b>	<b>505,117,724</b>
Accounts receivables – Outstanding Imprests	22	50,036,443	2,848,319
<b>TOTAL FINANCIAL ASSETS</b>		<b>517,819,716</b>	<b>507,966,043</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables – Deposits and retentions	20	-	27,586,314
<b>NET FINANCIAL ASSETS</b>		<b>517,819,716</b>	<b>480,379,729</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	21	480,379,729	753,885,671
Prior year adjustment			(379,410,647)
Surplus for the year		37,439,987	105,904,705
<b>NET FINANCIAL POSITION</b>		<b>517,819,716</b>	<b>480,379,729</b>

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 2/9/2020 and signed by:



Chief Officer - Finance  
Name: Peter Ngechu Muhuha  
ICPAK Member Number: 7629



Head of Treasury 04/12/2020  
Name: Jackline Wanjira Njue  
ICPAK Member Number: 132147

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**7.4. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2020**

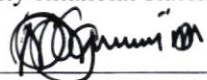
Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget utilization difference	% of Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Exchequer releases	4,154,000,000	87,100,000	4,241,100,000	4,241,100,000	-	100%
Proceeds from Domestic and Foreign Grants	255,692,197	327,103,197	582,795,394	337,908,189	244,887,205	58%
Transfers from Other Government Entities	403,048,854	210,271,672	613,320,526	243,459,244	369,861,282	40%
County Own Generated Receipts	155,861,338	15,000,000	170,861,338	116,517,653	54,343,685	68%
Returned CRF issues	-	125,024,134	125,024,134	-	125,024,134	0%
<b>TOTAL</b>	<b>4,968,602,389</b>	<b>764,499,003</b>	<b>5,733,101,392</b>	<b>4,938,985,086</b>	<b>794,116,306</b>	<b>86%</b>
<b>PAYMENTS</b>						
Compensation of Employees	1,538,318,751	(76,007,703)	1,462,311,048	1,437,609,921	24,701,127	98%
Use of goods and services	768,073,634	28,158,098	796,231,732	613,693,656	182,538,076	77%
Transfers to Other Government Units	1,075,673,372	415,579,867	1,491,253,239	1,190,132,644	301,120,595	80%
Other grants and transfers	208,753,066	145,425,000	354,178,066	320,625,180	33,552,886	91%
Social Security Benefits	35,044,784	-	35,044,784	10,578,796	24,465,988	30%
Acquisition of Assets	678,507,667	255,536,200	934,043,867	699,653,990	234,389,877	75%
Other Payments	660,038,656	-	660,038,656	629,250,912	30,787,744	95%
<b>TOTAL</b>	<b>4,964,409,930</b>	<b>768,691,462</b>	<b>5,733,101,392</b>	<b>4,901,545,099</b>	<b>831,556,293</b>	<b>85%</b>
<b>Surplus/ Deficit</b>	<b>4,192,459</b>	<b>(4,192,459)</b>	<b>-</b>	<b>37,439,987</b>	<b>(37,439,987)</b>	

The changes from the Original budget to the Final budget were due to supplementary budgets.


The over utilization of 120% on Transfers to other government entities was due to the transfers to the County Assembly

The underutilization of 44% on Acquisition of assets was due to prolonged procurement procedures and delay in release of exchequer. In addition, Ksh. 121Million for construction of County HQ was not received from the National Government.

The entity financial statements were approved on 2/9/ 2020 and signed by:



Chief Officer - Finance  
Name: Peter Ngechu Muhuha  
ICPAK Member Number: 7629



Head of Treasury 04/12/2020  
Name: Jackline Wanjira Njue  
ICPAK Member Number: 132147

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**7.3. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2020**

	Note	2019/2020 Kshs	2018/2019 Kshs
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Receipts from operating income</b>			
Exchequer releases	1	4,241,100,000	3,925,000,000
Proceeds from Domestic and Foreign Grants	2	337,908,189	193,665,153
Transfers from Other Government Entities	3	243,459,244	307,970,478
County Own Generated Receipts	4	116,517,653	161,767,323
Returned CRF issues	5		379,410,647
		<b>4,938,985,086</b>	<b>4,967,813,602</b>
<b>Payments for Operating Expenses</b>			
Compensation of Employees	6	1,437,609,921	1,360,085,959
Use of goods and services	7	613,693,656	1,016,995,650
Transfers to Other Government Units	8	1,190,132,644	906,036,276
Other grants and transfers	9	320,625,180	454,380,413
Social Security Benefits	10	10,578,796	33,443,476
Other Payments	12	629,250,912	-
		<b>4,201,891,109</b>	<b>3,770,941,773</b>
<b>Adjusted for:</b>			
Changes in receivables		(47,188,123)	24,532,949
Changes in payables		(27,586,315)	27,586,316
Adjustments during the year			(379,410,647)
<b>Total Adjustments</b>		<b>(74,774,438)</b>	<b>(327,291,384)</b>
<b>Net cash flows from operating activities</b>		<b>662,319,539</b>	<b>869,580,445</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Assets	11	(699,653,990)	(1,090,967,124)
<b>Net cash flows from investing activities</b>		<b>(699,653,990)</b>	<b>(1,090,967,124)</b>
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>			
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(37,334,451)</b>	<b>(221,386,679)</b>
<b>Cash and cash equivalent at Beginning of the year</b>		<b>505,117,724</b>	<b>726,504,403</b>
<b>Cash and cash equivalent at END of the year</b>		<b>467,783,273</b>	<b>505,117,724</b>

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 2/9/ 2020 and signed by:



Chief Officer - Finance  
Name: Peter Ngechu Muhuha  
ICPAK Member Number: 7629



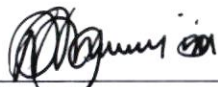
Head of Treasury 04/12/2020  
Name: Jackline Wanjira Njue  
ICPAK Member Number: 132147

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

**7.5. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2020**

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	2,409,320,000	50,518,000	2,459,838,000	2,459,838,000	-	100%
Proceeds from Domestic and Foreign Grants	148,301,475	189,719,854	338,021,329	195,986,749	142,034,580	58%
Transfers from Other Government Entities	233,768,335	121,957,570	355,725,905	141,206,362	214,519,543	40%
County Own Generated Receipts	90,399,576	8,700,000	99,099,576	67,580,239	31,519,337	68%
Returned CRF issues	-	125,024,134	125,024,134	-	125,024,134	0%
<b>TOTAL</b>	<b>2,881,789,386</b>	<b>495,919,558</b>	<b>3,377,708,944</b>	<b>2,864,611,350</b>	<b>513,097,594</b>	<b>85%</b>
<b>PAYMENTS</b>						
Compensation of Employees	1,538,318,751	(76,007,703)	1,462,311,048	1,437,609,921	24,701,127	98%
Use of goods and services	766,073,634	30,158,098	796,231,732	613,693,656	182,538,076	77%
Transfers to Other Government Units	588,057,965	47,291,724	635,349,689	511,367,965	123,981,724	80%
Other grants and transfers	208,753,066	145,425,000	354,178,066	320,625,180	33,552,886	91%
Social Security Benefits	35,044,784	-	35,044,784	10,578,796	24,465,988	30%
Acquisition of Assets	31,340,042	4,121,224	35,461,266	22,811,626	12,649,640	64%
Other Payments	-	-	-	-	-	0%
<b>TOTAL</b>	<b>3,167,588,242</b>	<b>150,988,343</b>	<b>3,318,576,585</b>	<b>2,916,687,144</b>	<b>401,889,441</b>	<b>88%</b>
<b>Surplus/Deficit</b>	<b>(285,798,856)</b>	<b>344,931,215</b>	<b>59,132,359</b>	<b>(52,075,794)</b>	<b>111,208,153</b>	

The entity financial statements were approved on 2/9/ 2020 and signed by:



Chief Officer - Finance  
 Name: Peter Ngechu Muhuha  
 ICPAK Member Number: 7629



Head of Treasury 04/12/2020  
 Name: Jackline Wanjira Njue  
 ICPAK Member Number: 132147

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

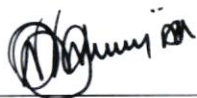
**7.6. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2020**

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	1,744,680,000	36,582,000	1,781,262,000	1,781,262,000	-	100%
Proceeds from Domestic and Foreign Grants	107,390,722	137,383,343	244,774,065	141,921,440	102,852,625	58%
Transfers from Other Government Entities	169,280,519	88,314,102	257,594,621	102,252,882	155,341,739	40%
County Own Generated Receipts	65,461,762	6,300,000	71,761,762	48,937,414	22,824,348	68%
Returned CRF issues	-	-	-	-	-	0%
<b>TOTAL</b>	<b>2,086,813,003</b>	<b>268,579,445</b>	<b>2,355,392,448</b>	<b>2,074,373,736</b>	<b>281,018,712</b>	<b>88%</b>
<b>PAYMENTS</b>						
Compensation of Employees	-	-	-	-	-	0%
Use of goods and services	2,000,000	(2,000,000)	-	-	-	0%
Transfers to Other Government Units	487,615,407	368,288,143	855,903,550	678,764,679	177,138,871	79%
Other grants and transfers	-	-	-	-	-	0%
Social Security Benefits	-	-	-	-	-	0%
Acquisition of Assets	647,167,625	251,414,976	898,582,601	676,842,364	221,740,237	75%
Other Payments	660,038,656	-	660,038,656	629,250,912	30,787,744	95%
<b>TOTAL</b>	<b>1,796,821,688</b>	<b>617,703,119</b>	<b>2,414,524,807</b>	<b>1,984,857,955</b>	<b>429,666,852</b>	<b>82%</b>
<b>Surplus/Deficit</b>	<b>289,991,315</b>	<b>(349,123,674)</b>	<b>(59,132,359)</b>	<b>89,515,781</b>	<b>(148,648,140)</b>	

The changes from the Original budget to the Final budget were due to supplementary budgets.

The underutilization of 43% on acquisition of Assets resulted from reallocation of development funds towards payment of pending bills

The entity financial statements were approved on 2/9/ 2020 and signed by:



Chief Officer - Finance  
 Name: Peter Ngechu Muhuha  
 ICPAK Member Number: 7629



Head of Treasury  
 Name: Jackline Wanjira Njue  
 ICPAK Member Number: 132147

**ISILOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

**7.7 BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES FOR  
THE YEAR ENDED 30<sup>th</sup> JUNE 2020**

Program	Sub Program	Description	Approved Budget	Actual Payments	Variance
<b>101003510</b>		<b>Livestock resource management and development</b>	<b>87,566,574</b>	<b>83,840,449</b>	<b>3,726,125</b>
	101023510	Livestock Production	86,876,574	83,150,449	3,726,125
	101083510	livestock infrastructure development	690,000	690,000	-
<b>103003510</b>		<b>Administrative, planning, and support services</b>	<b>49,531,638</b>	<b>41,832,634</b>	<b>7,699,004</b>
	103013510	Administration and Support Services	49,531,638	41,832,634	7,699,004
<b>104003510</b>		<b>Crop Productivity Improvement</b>	<b>247,799,142</b>	<b>191,187,414</b>	<b>56,611,728</b>
104043510	104043510	Agriculture Sector Development Support Project (ASDSP)	25,540,573	19,919,886	5,620,687
	104053510	Administration Climate Change Mitigation	222,258,569	169,767,528	52,491,041
<b>105003510</b>		<b>Veterinary Services</b>	<b>35,889,251</b>	<b>24,554,712</b>	<b>11,334,539</b>
	105013510	Veterinary Support Services	35,889,251	24,554,712	11,334,539
<b>107003510</b>		<b>Housing and urban development and public works</b>	<b>25,556,220</b>	<b>19,110,679</b>	<b>6,445,541</b>
	107013510	Administration and Planning Services	25,556,220	19,110,679	6,445,541
<b>109003510</b>		<b>Land Survey and land use planning</b>	<b>41,436,084</b>	<b>29,430,233</b>	<b>12,005,851</b>
	109013510	Administration and planning services	23,610,764	16,544,433	7,066,331
	109023510	County Land Survey and Mapping	17,825,320	12,885,800	4,939,520
<b>204003510</b>		<b>Road improvement, accessibility, Logistic and connectivity</b>	<b>268,172,267</b>	<b>250,274,084</b>	<b>17,898,183</b>
	204013510	Administration and planning services	10,440,117	5,891,792	4,548,325
	204023510	Road Improvement	257,732,150	244,382,292	13,349,858
<b>206003510</b>		<b>KUSP</b>	<b>237,936,200</b>	<b>130,320,783</b>	<b>107,615,417</b>
	206013510	urban institutional support	50,000,000	36,749,850	13,250,150
	206023510	Urban Development	187,936,200	93,570,933	94,365,267
<b>207003510</b>		<b>Municipal Administration</b>	<b>137,273,758</b>	<b>124,074,574</b>	<b>13,199,184</b>
	207013510	General Administration and Planning	34,949,111	25,535,449	9,413,662
	207023510	Infrastructural Development	102,324,647	98,539,125	3,785,522
<b>301003510</b>		<b>Trade development and promotion</b>	<b>19,550,746</b>	<b>6,654,029</b>	<b>12,896,717</b>
	301013510	Trade Promotion	17,550,746	4,918,634	12,632,112
	301023510	Trade Extension Infrastructure	2,000,000	1,743,270	256,730
<b>304003510</b>		<b>Tourism Promotion</b>	<b>120,318,997</b>	<b>120,318,997</b>	<b>-</b>
	304023510	Tourism Development	120,318,997	120,318,997	-
<b>401003510</b>		<b>Health Preventive and Promotive Services</b>	<b>168,153,201</b>	<b>146,231,393</b>	<b>21,921,808</b>

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

<b>Program</b>	<b>Sub Program</b>	<b>Description</b>	<b>Approved Budget</b>	<b>Actual Payments</b>	<b>Variance</b>
	401023510	Preventive and Promotive Health Services	129,522,002	108,635,499	20,886,503
	401033510	Capital grants support Services DanidaResponse	16,572,474	15,537,169	1,035,305
	401053510	Health Infrastructure Projects	22,058,725	22,058,725	-
<b>402003510</b>		<b>Health Curative Services</b>	<b>1,119,668,874</b>	<b>1,009,185,609</b>	<b>110,483,265</b>
	402033510	Administration Support Services	884,746,733	850,828,118	33,918,615
	402043510	SP4 Administration Support services (Medical Services)	16,500,000	16,500,000	-
	402093510	Other Capital grants and Transfers uhc	218,422,141	141,857,492	76,564,649
<b>403003510</b>		<b>Curative Health Services</b>	<b>93,774,226</b>	<b>71,080,547</b>	<b>22,693,679</b>
	403013510	Curative and Rehabilitative Health Services	86,411,350	64,394,473	22,016,877
	403053510	Curative Infrastructure Support	7,362,876	6,686,074	676,802
<b>501003510</b>		<b>General Administration, Planning and Support Services.</b>	<b>183,846,531</b>	<b>161,891,985</b>	<b>21,954,546</b>
	501013510	Administration planning support services	148,846,531	144,391,985	4,454,546
	501033510	Bursary services	35,000,000	17,500,000	17,500,000
<b>502003510</b>		<b>Early Childhood Development</b>	<b>40,815,568</b>	<b>17,376,736</b>	<b>23,438,832</b>
	502013510	ECDE Classroom Infrastructure	30,815,568	10,385,736	20,429,832
	502033510	ECD Feeding Programme	10,000,000	6,991,000	3,009,000
<b>503003510</b>		<b>Technical and Vocational Training</b>	<b>10,833,297</b>	<b>10,832,811</b>	<b>486</b>
	503053510	Youth Polytechnic Infrastructure	10,833,297	10,832,811	486
<b>504003510</b>		<b>Sports development and Youth</b>	<b>76,191,996</b>	<b>70,325,621</b>	<b>5,866,375</b>
	504013510	Sports Academy Centre Empowerment	58,742,170	58,742,170	-
	504023510	Youth supports	17,449,826	11,583,451	5,866,375
<b>505003510</b>		<b>Culture and Social Services</b>	<b>30,799,877</b>	<b>24,202,557</b>	<b>6,597,320</b>
	505013510	Culture Development	30,799,877	24,202,557	6,597,320
<b>701003510</b>		<b>County Governance and Coordination</b>	<b>10,899,703</b>	<b>8,864,758</b>	<b>2,034,945</b>
	701033510	Deputy governor administration affairs	10,899,703	8,864,758	2,034,945
<b>708003510</b>		<b>Governors Delivery Unit</b>	<b>11,254,000</b>	<b>4,861,192</b>	<b>6,392,808</b>
	708013510	Governors Delivery Unit	11,254,000	4,861,192	6,392,808
<b>709003510</b>		<b>Administration and support services</b>	<b>949,196,550</b>	<b>777,759,286</b>	<b>171,437,264</b>
	709013510	Personnel Services	78,309,950	67,536,366	10,773,584
	709083510	Administrative Infrastructure support	870,886,600	710,222,921	160,663,679
<b>710003510</b>		<b>Public financial management</b>	<b>79,614,025</b>	<b>72,830,657</b>	<b>6,783,368</b>
	710013510	Administrative Services	79,614,025	72,830,657	6,783,368
<b>711003510</b>		<b>Economic Planning and Coordination Services</b>	<b>52,872,119</b>	<b>48,557,552</b>	<b>4,314,567</b>
	711013510	Administrative Affairs	29,954,388	26,648,542	3,305,846

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

Program	Sub Program	Description	Approved Budget	Actual Payments	Variance
	711023510	Economic Policy and County Development Plans	7,017,731	6,395,700	622,031
	711043510	County Development Stakeholders Forums	6,900,000	6,553,660	346,340
	711053510	County Baseline Surveys on County Development Indicators	9,000,000	8,959,650	40,350
<b>712003510</b>		<b>Cohesion and Peace Building</b>	<b>64,168,618</b>	<b>61,175,313</b>	<b>2,993,305</b>
	712013510	Administrative Affairs	64,168,618	61,175,313	2,993,305
<b>713003510</b>		<b>County Governance and Coordination Affairs</b>	<b>337,114,900</b>	<b>282,559,292</b>	<b>54,555,608</b>
	713013510	County Governance	337,114,900	282,559,292	54,555,608
<b>716003510</b>		<b>County Devolved Administrative Affairs</b>	<b>23,598,051</b>	<b>16,962,346</b>	<b>6,635,705</b>
	716013510	Devolved Administrative Affairs	23,598,051	16,962,346	6,635,705
<b>719003510</b>		<b>Town administration, planning and support services</b>	<b>123,033,895</b>	<b>87,029,538</b>	<b>36,004,357</b>
	719023510	General Administration Support Services	123,033,895	87,029,538	36,004,357
<b>723003510</b>		<b>County Public Service</b>	<b>51,767,465</b>	<b>49,052,083</b>	<b>2,715,382</b>
	723023510	Administration Support Services	51,767,465	49,052,083	2,715,382
<b>725003510</b>		<b>Special programmes</b>	<b>285,254,182</b>	<b>278,382,982</b>	<b>6,871,200</b>
	725013510	Administration & Planning	23,755,802	21,092,102	2,663,700
	725023510	Disaster management	261,498,380	257,290,880	4,207,500
<b>726003510</b>		<b>KDSP (Kenya Devolution Support Programme) Conditional Grant</b>	<b>30,000,000</b>	<b>15,100,000</b>	<b>14,900,000</b>
	726013510	Kenya Devolution Support	30,000,000	15,100,000	14,900,000
<b>902003510</b>		<b>County Empowerment support</b>	<b>27,000,000</b>	<b>25,000,000</b>	<b>2,000,000</b>
	902013510	Youth and Women Empowerment support Services	13,000,000	11,000,000	2,000,000
	902023510	Women Empowerment support services	8,000,000	8,000,000	-
	902033510	PLWD Empowerment Support Services	6,000,000	6,000,000	-
<b>1001003510</b>		<b>Water Administration, Planning and Support</b>	<b>60,932,949</b>	<b>50,127,813</b>	<b>10,805,136</b>
	1001013510	Administration and Planning Support Services	60,932,949	50,127,813	10,805,136
<b>1002003510</b>		<b>Water Supply and Storage Services</b>	<b>90,354,639</b>	<b>65,718,188</b>	<b>24,636,451</b>
	1002023510	Water Supply and Storage	87,854,639	63,218,388	24,636,251
	1002043510	Water Policy Development and Management	2,500,000	2,499,800	200
<b>1003003510</b>		<b>Environment and Natural resources</b>	<b>42,170,691</b>	<b>26,930,379</b>	<b>15,240,312</b>
	1003013510	Administration and Support Services	23,739,062	19,605,450	4,133,612
	1003023510	Environmental Conservation	18,431,629	7,324,929	11,106,700
		<b>Transfer to Other Entities</b>	<b>498,755,158</b>	<b>497,907,873</b>	<b>847,285</b>
		<b>Grand Total</b>	<b>5,733,101,392</b>	<b>4,901,545,099</b>	<b>831,556,293</b>

### **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 entity all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented.

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

#### **2. Reporting entity**

The financial statements are for the Isiolo County Government executive. The financial statements encompass the reporting entity as specified under section 164 of the PFM Act 2012.

#### **3. Recognition of receipts and payments**

##### **a) Recognition of receipts**

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

##### **Tax receipts**

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

##### **Transfers from the Exchequer**

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

## ISILOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE

### Reports and Financial Statements

For the year ended June 30, 2020

#### SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### **External Assistance**

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

##### **Donations and grants**

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the County 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 Isiolo County Executive or any other debt the County Government may take on will be treated on cash basis and recognized as receipts during the year of receipt.

##### **Undrawn external assistance**

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for projects currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. During the year ended 30th June 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

##### **County Own Generated Receipts**

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

##### **Returns to CRF Issues**

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

##### **b) Recognition of payments**

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

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**

**Reports and Financial Statements**

**For the year ended June 30, 2020**

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**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Compensation of employees**

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

**Use of goods and services**

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

**Interest on borrowing**

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

**Repayment of borrowing (principal amount)**

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

**Acquisition of fixed assets**

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

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

**4. In-kind contributions**

In-kind contributions are donations that are made to the Isiolo 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 Isiolo 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.

## **ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**

### **Reports and Financial Statements**

**For the year ended June 30, 2020**

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

##### **5. Third Party Payments**

This relates to payments done directly to supplier on behalf of the county governments 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 government are detailed in the notes to this financial statement.

##### **6. Cash and cash equivalents**

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

##### **Restriction on cash**

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

There were no other restrictions on cash during the year

##### **7. 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.

##### **8. 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.

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**9. 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 Isiolo County Executive fixed asset register a summary of which is provided as a memorandum to these financial statements.

**10. 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 Isiolo County Executive at the end of the year. Pending bill form a first charge to the subsequent year budget and when they are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

**11. Contingent Liabilities**

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 Isiolo County Executive; 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 Entity 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 6 of this financial statement is a register of the contingent liabilities in the year.

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

## **ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**

### **Reports and Financial Statements**

**For the year ended June 30, 2020**

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

##### **12. Contingent Assets**

The Entity 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 Isiolo 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.

##### **13. 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 Isiolo County Executive 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 30<sup>th</sup> June 2019 for the period 1<sup>st</sup> July 2019 to 30 June 2020 as required by law. There was three (3) number of supplementary budgets passed in the year. A high-level assessment of the Isiolo 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.

##### **14. Comparative figures**

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

##### **15. 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.

##### **16. 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.

##### **17. 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.

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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**7.9 NOTES TO THE FINANCIAL STATEMENTS**

**1. EXCHEQUER RELEASES**

	<b>2019/2020</b>	<b>2018/2019</b>
<b>Exchequer Releases</b>	<b>Kshs</b>	<b>Kshs</b>
Total Exchequer Releases for quarter 1	737,951,400	471,000,000
Total Exchequer Releases for quarter 2	849,005,194	984,569,954
Total Exchequer Releases for quarter 3	493,560,778	1,155,623,128
Total Exchequer Releases for quarter 4	2,741,950,061	1,815,442,549
<b>Cumulative Amount</b>	<b>4,822,467,433</b>	<b>4,426,635,631</b>

The above comprises transfers from the Exchequer from CARA, comprising of equitable share, Level 5 and donor funds released through the exchequer. Exchequer releases are as follows:  
(The totals of A, B and C below should equal the total exchequer releases).

**1A. Equitable Share**

Equitable share

	<b>2019/2020</b>	<b>2018/2019</b>
<b>Exchequer Releases</b>	<b>Kshs</b>	<b>Kshs</b>
Total Exchequer Releases for quarter 1	737,951,400	471,000,000
Total Exchequer Releases for quarter 2	763,398,000	890,055,749
Total Exchequer Releases for quarter 3	381,699,000	1,079,375,000
Total Exchequer Releases for quarter 4	2,358,051,600	1,484,569,251
<b>Cumulative Amount</b>	<b>4,241,100,000</b>	<b>3,925,000,000</b>

**1B: Level 5 Hospitals Allocation**

<b>Description</b>	<b>2019/2020</b>	<b>2018/2019</b>
	<b>KShs</b>	<b>KShs</b>
Transfers for level 5 hospitals-User foregone fees	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

**1C: Donor Funds released through Exchequer Releases as per CARA**

Description	2019/2020	2018/2019
	KShs	KShs
DANIDA – Universal Healthcare in Devolved Units Programme	16,093,750	17,509,974
World Bank – THUSCP	53,033,354	35,293,333
National Agricultural & Rural Inclusive Growth Project (NARIGP)	-	-
Fuel Levy	120,386,438	126,506,590
Kenya Devolution Support Programme	30,000,000	-
Youth Polytechnic support grant	10,833,298	-
Abolishment of user fees in health centres and dispensaries	3,472,461	3,472,461
Kenya Urban Support Programme IDG	8,800,000	41,200,000
Kenya Urban Support Programme UDG	67,209,631	93,968,100
Agriculture Sector Development Support Project (ASDSP)	17,867,094	8,020,256
Kenya Climate Smart Agriculture Project (KCSAP)	144,904,360	32,966,823
UHC	71,349,047	138,186,234
COVID-19	37,418,000	-
<b>Total</b>	<b>581,367,433</b>	<b>497,123,771</b>

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

Name of Donor	Date received	Amount in Foreign Currency	2019/2020	2018/2019
			Kshs	Kshs
<b>Grants Received from Bilateral Donors (Foreign Governments)</b>				
DANIDA		-	16,093,750	17,509,974
Health Care		-	53,033,354	-
KDSP			30,000,000	-
SIDA-ASDSP			17,867,094	8,020,256
Climate SMART			144,904,360	32,966,823
KUSP UDG			67,209,630	93,968,100
KUSP IDG		-	8,800,000	41,200,000
FAO, Livestock Grant		-	-	-
<b>Grants Received from Multilateral Donors (International)</b>				
(Insert name of donor)		-	-	-
<b>TOTAL</b>		-	<b>337,908,189</b>	<b>193,665,153</b>

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

	2019/2020	2018/2019
	Kshs	Kshs
<b>Transfers from Central government entities</b>		
Fuel levy	120,386,438	126,506,590
Village Polytechnic	10,833,298	-
User Fees	3,472,461	3,472,461
Universal Health	71,349,047	142,698,094
Covid funds	37,418,000	-
Health care	-	35,293,333
Development of Youth polytechnic conditional grant	-	-
<b>Total</b>	<b>243,459,244</b>	<b>307,970,478</b>

**4. PROCEEDS FROM DOMESTIC BORROWINGS**

	2019 - 2020	2018 - 2019
	KShs	KShs
Borrowing within General Government	-	-
Borrowing from Monetary Authorities (Central Bank)	-	-
Other Domestic Depository Corporations (Commercial Banks)	-	-
Borrowing from Other Domestic Financial Institutions	-	-
Borrowing from Other Domestic Creditors	-	-
Domestic Currency and Domestic Deposits	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**5. PROCEEDS FROM FOREIGN BORROWINGS**

	2019 - 2020	2018 - 2019
	KShs	KShs
Foreign Borrowing – Draw-downs Through Exchequer	-	-
Foreign Borrowing - Direct Payments	-	-
Foreign Currency and Foreign Deposits	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**6. PROCEEDS FROM SALE OF ASSETS**

	2019 - 2020	2018 - 2019
	KShs	KShs
Receipts from the Sale of Buildings	-	-
Receipts from Sale of Vehicles and Transport Equipment	-	-
Receipts from Sale of Plant Machinery and Equipment	-	-
Receipts from Sale of Certified Seeds and Breeding Stock	-	-
Receipts from Sale of Strategic Reserves Stocks	-	-
Receipts from Sale of Inventories, Stocks and Commodities	-	-
Disposal and Sales of Non-Produced Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**7. REIMBURSEMENTS AND REFUNDS**

	2019 - 2020	2018 - 2019
	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& Private Organisations	-	-
Reimbursement from Local Government Authorities	-	-
Reimbursement from Statutory Organisations	-	-
Reimbursement within Central Government	-	-
Reimbursement Using Bonds	-	-
<b>Total</b>	-	-

**8. RETURNS OF EQUITY HOLDINGS**

	2019 - 2020	2018 - 2019
	KShs	KShs
Returns of Equity Holdings in Domestic Organisations	-	-
Returns of Equity Holdings in International Organisations	-	-
<b>Total</b>	-	-

**9. COUNTY OWN GENERATED RECEIPTS**

Receipts	2019/2020	2018/2019
	Kshs	Kshs
Receipt from admin fees	2,634,626	229,792
Land rates and rents current year	10,700,516	7,318,958.82
Penalties rates and rents	-	582,642
Other property charges	21,685,718	1,452,162
Land rates and rent arrears	-	7,282,705
Livestock auction	-	3,514,666
Sand cess	13,059,661	12,473,389
Other cess on produce	-	982,630
Other miscellaneous receipt	-	138,915
Mirra export	-	2,336,050
Miscellaneous charges	-	1,078,359
SPB fees/promotions	-	6,443,604
Liquor license/application	-	2,801,563
Public works/ other charges	60,700	290,000
Stand premium	-	83,560
Clearance and concepts	-	182,000
Transfer/approvals	-	600,000
Public health/veterinary inspection/hides	9,230,784	1,551,180
Weight and measures	-	65,000
Tractor hire	-	211,395
Livestock, fisheries development	-	16,630
Game gate	38,353,673	92,456,619
Market stall rent-kiosks and stall	-	124,400
Street parking fees	3,688,879	4,572,267
Hospital cost sharing	-	7,842,485
Slaughter fees	9,507,983	1,436,440
Building plan approvals	-	351,702

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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<b>Receipts</b>	<b>2019/2020</b>	<b>2018/2019</b>
Park royalties		1,235,717
Branding	756,672	5,000
Game gate	-	3,784,847
Water supply		10,000
External Services Fees- Agricultural training centre	6,838,441	312,646
<b>TOTAL</b>	<b>116,517,653</b>	<b>161,767,323</b>

**10. RETURNED CRF ISSUES**

	<b>2019/2020</b>	<b>2018/2019</b>
	<b>Kshs</b>	<b>Kshs</b>
Balance B/f from CRF	-	281,889,203
Balance B/f from Recurrent Ac-	-	3,883,916
Balance B/f from Recurrent Ac-	-	23,272
Balance B/f from Recurrent Ac-	-	1,134,782
Balance B/f from Development Ac	-	72,014
Balance B/f from Development Ac	-	64,500,000
Balance BF- Danida- County health Services A/C	-	1,547,840
Balance BF- Fuel Levy Fund Account	-	192,921
Conditional Allocation for Development of Youth Polytechnic	-	26,166,698
<b>Total</b>	<b>-</b>	<b>379,410,647</b>

**11. COMPENSATION OF EMPLOYEES**

	<b>2019/2020</b>	<b>2018/2019</b>
	<b>Kshs</b>	<b>Kshs</b>
Basic salaries of permanent employees	968,029,433	889,721,217
Basic wages of temporary employees	53,400,278	32,055,206
Personal allowances paid as part of salary	395,804,360	404,995,067
Compulsory national social security schemes	20,375,850	32,385,920
Compulsory national health insurance schemes	-	928,549
<b>Total</b>	<b>1,437,609,921</b>	<b>1,360,085,959</b>

**12. USE OF GOODS AND SERVICES**

	<b>2019/2020</b>	<b>2018/2019</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, Supplies and Services	13,074,993	13,341,595
Communication, Supplies and Services	9,154,057	15,078,500
Domestic Travel and Subsistence, and Other Transportation Costs	102,054,280	134,236,922
Foreign Travel and Subsistence, and other transportation costs	3,775,968	22,017,996
Printing, Advertising and Information Supplies and Services	11,979,374	31,174,036
Rentals of Produced Assets	45,636,894	83,129,898
Training Expenses	13,739,170	24,682,411
Hospitality Supplies and Servi	162,067,256	206,400,596
Insurance Costs	36,621,389	62,265,058
Specialised Materials and Supp	97,156,152	217,784,683
Office and General Supplies and Services	12,658,880	30,807,973
Fuel Oil and Lubricants	39,521,485	52,666,021
Other Operating Expenses	47,147,300	73,552,294
Routine Maintenance - Vehicles	16,835,605	37,629,082
Routine Maintenance - Other Assets	2,270,853	12,228,585
<b>Total</b>	<b>613,693,656</b>	<b>1,016,995,650</b>

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

**13. SUBSIDIES**

Description	2019 - 2020	2018 - 2019
	KShs	KShs
Subsidies to Public Corporations	-	-
<i>See list attached</i>	-	-
(insert name)	-	-
Subsidies to Private Enterprises	-	-
<i>See list attached</i>	-	-
(insert name)	-	-

**14. TRANSFER TO OTHER GOVERNMENT UNITS**

Description	2019/2020	2018/2019
	Kshs	Kshs
Transfers to County Assembly- ANNEX	497,900,000	498,000,000
Current grants	73,591,451	70,603,405
Capital grants	58,609,345	2,022,100
Other current transfers	560,031,848	47,744,295
Other capital grants	-	287,666,476
<b>TOTAL</b>	<b>1,190,132,644</b>	<b>906,036,276</b>

**15. OTHER GRANTS AND TRANSFERS**

Description	2019/2020	2018/2019
	Kshs	Kshs
Scholarships and other educational benefits	17,500,000	-
Emergency relief and refugee assistance	303,012,680	385,198,373
Other current transfers, grants	112,500	69,182,040
Other capital grants and transfers	-	-
<b>TOTAL</b>	<b>320,625,180</b>	<b>454,380,413</b>

**16. SOCIAL SECURITY BENEFITS**

	2019/2020	2018/2019
	Kshs	Kshs
Government pension and retirement benefits	10,578,796	33,443,476
Social security benefits in cash and in kind	-	-
Employer Social Benefits in cash and in kind	-	-
<b>Total</b>	<b>10,578,796</b>	<b>33,443,476</b>

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**17. ACQUISITION OF ASSETS**

	2019/2020	2018/2019
	Kshs	Kshs
<b>Non-Financial Assets</b>	-	-
Purchase of Buildings	-	-
Construction of Buildings	42,294,373	176,170,502
Refurbishment of Buildings	3,313,632	2,283,954
Construction of Roads	215,473,204	142,575,356
Construction and Civil Works	338,177,222	525,298,609
Overhaul and Refurbishment of Construction and Civil Works	23,208,443	4,738,473
Purchase of Vehicles and Other Transport Equipment	20,752,442	36,574,084
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	538,160
Purchase of Office Furniture and General Equipment	7,150,500	23,869,087
Purchase of ICT Equipment	-	-
Purchase of Specialised Plant, Equipment and Machinery	25,787,522	140,084,772
Rehabilitation and Renovation of Plant, Machinery and Equip.	915,352	-
Purchase of Certified Seeds, Breeding Stock and Live Animals	-	3,499,861
Research, Studies, Project Preparation, Design & Supervision	22,581,300	30,147,050
Rehabilitation of Civil Works	-	5,187,217
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>699,653,990</b>	<b>1,090,967,125</b>

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

	2019 - 2020	2018 - 2019
	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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

	2019 - 2020	2018 - 2019
	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>

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**

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**20. OTHER PAYMENTS**

	2019/2020	2018/2019
	Kshs	Kshs
Pending Bills paid through court order from Revenue a/c	-	-
Bank charges revenue Accounts	-	-
Pending Bills paid during FY 2019-20	629,250,912	-
<b>Total</b>	<b>629,250,912</b>	<b>-</b>

**21. CASH AND BANK BALANCES**

**21A. BANK BALANCES**

	Indicate whether recurrent or development, deposits, receipts, etc	2019/2020	2018/2019
Name of Bank, Account No. & Currency		Kshs	Kshs
CBK County Revenue Fund 1000171715	Revenue	198,102,667	71,123,354
CBK County Recurrent 1000171405	Recurrent	13,966	391,822
CBK County Development 1000171367	Development	7,534,011	48,133,540
CBK Isiolo County Health Services 1000270721	Grant	22,448,326	89,335,620
CBK Isiolo County Fuel Levy 1000293427	Grant	140,829	92,443,055
CBK Isiolo County Village Poly Proj 1000369377	Grant	2,215,956	5,902,684
CBK Isiolo County AGR SEC DEV S.PRG II 1000371307	Grant	19,481,224	13,634,416
CBK Isiolo County Kenya Climate Smart Agr 1000371315	Grant	55,570,052	37,829,823
CBK Isiolo County Urban Development 1000392266	Grant	77,111,158	93,868,100
CBK Isiolo County Urban Institutional 1000392274	Grant	10,418,702	-
CBK Isiolo County Livestock Support 1000392298	Grant	243,151	1,140,900
CBK Isiolo County UHC Funds 1000408898	Grant	-	-
CBKL Revenue Collection account 10111203000081	Revenue	14,900,000	550,590
CBKL Revenue Dollar account 10112200000004	Revenue	-	1,405,400
Co op Bank Revenue Collection Acc 0114143792300	Revenue	600	610,518
Co op Bank Revenue Dollar Collection Acc 02120437923000	Revenue	-	563,000
KCB Revenue Collection Acc 1140770330	Revenue	-	800
NBK Revenue Collection Acc 01040204720700	Revenue	21,771,085	20,990,175
KCB ImprestAcc 1140761072	Imprest	595	700
KCB ASDP Acc 1224687353	Grant	2,395,980	105,219
KCB Bursary Fund Acc 1182179509	Fund	15,942,088	2,455,229
<b>Health Facilities Accounts</b>			
APU Dispensary 1141437139200	FIF	1,130	38,581
Badana Dispensary 1141437161300	FIF	216,173	25,552.20
Barambate Dispensary 1141437217700	FIF	142,880	86,091.50
Basa Dispensary 11414371669700	FIF	77,130	11,567.50

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	Indicate whether recurrent or development, deposits, receipts, etc	2019/2020	2018/2019
Name of Bank, Account No. & Currency		Kshs	Kshs
Biliqo Marara Dispensary 1141437938500	FIF	254,121	391,052.25
Bisan Biliqo Dispensary 1141437162200	FIF	40,537	2,910.50
Boji Dispensary 1141437183300	FIF	141,779	108,562.75
Bulesa Dispensary 1141437170000	FIF	147,882	120,828.50
CHMCT - Department of Health 1141134217800	FIF	41,968	14,643,228
Daaba Dispensary 1141437420401	FIF	210,512	216,991.25
Duse Dispensary 1141611484200	FIF	151,913	3,735.25
Eldera Dispensary 1141437189200	FIF	704,253	594,134
Eremet Dispensary 1141437138400	FIF	406,617	2,464.50
Escort Dispensary 1141437542400	FIF	155,423	217,721.25
Gafarsa Dispensary 1141437241600	FIF	536,495	1,338,655.75
Garbatulla District Hospital	FIF	1,987,965	
GK Prison Dispensary 1141437139500	FIF	275,043	247,930.50
Iresa boru Dispensary 1141437237700	FIF	88,646	98,869.50
Isiolo District Hospital	FIF	9,469,405	
Isiolo Samburu Complex Dispensary 1141437139300	FIF	222,951	426,612.50
Kinna Health Centre 1141437143300	FIF	1,034,798	1,158,175.50
Kipsing Dispensary 1141437139800	FIF	90,207	1,779,152.50
Korbasa Dispensary 1141437170800	FIF	446,726	305,367.50
Kulamawe Dispensary 1141437143900	FIF	106,673	110,024.50
Malka Galla Dispensary 1141437169900	FIF	197,264	230,889
Malkadaka Dispensary 1141437228800	FIF	121,827	237,470.50
Mataarba Dispensary 1141437929600	FIF	191,525	20,286.25
Merti Health Centre 1141437138100	FIF	171,842	232,096.50
Modogashe Dispensary 1141437170500	FIF	281,993	236,295
Muchuro Dispensary 1141437239200	FIF	150,161	26,092.75
Oldonyiro Dispensary 1141437142800	FIF	491,832	109,531.50
Rapsu Dispensary 1141437147300	FIF	223,106	328,997.50
Sericho Health Centre 1141437171800	FIF	712,106	1,282,910.50
<b>Total</b>		<b>467,783,273</b>	<b>505,117,724</b>

**21B. CASH IN HAND**

	2019 – 2020	2018 – 2019
	KShs	KShs
Cash in Hand – Held in domestic currency	-	-
Cash in Hand – Held in foreign currency	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**22. ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS (Annex 7)**

Description	2019 - 2020	2018 - 2019
	KShs	KShs
Government Imprests	50,036,443	2,848,319
Clearance accounts	-	-
<b>Total</b>	<b>50,036,443</b>	<b>2,848,319</b>

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**23. ACCOUNTS PAYABLE**

	2019 - 2020	2018 - 2019
	KShs	KShs
Deposits	-	-
Other Liabilities	-	27,586,315
<b>Total</b>	<b>-</b>	<b>27,586,315</b>

**24. FUND BALANCE BROUGHT FORWARD**

	2019/2020	2018/2019
	Kshs	Kshs
Bank accounts	505,117,724	726,504,403
Cash in hand	-	-
Accounts Receivables	2,848,319	27,381,268
Accounts Payables	(27,586,314)	-
<b>Total</b>	<b>480,379,729</b>	<b>753,885,671</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 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
	-	-	-

**26. CHANGES IN RECEIVABLES**

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July 2019 (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

**27. CHANGES IN ACCOUNTS PAYABLES – DEPOSITS AND RETENTIONS**

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> July 2019 (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

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**7.10 OTHER IMPORTANT DISCLOSURES**

**1. PENDING ACCOUNTS PAYABLE (Annex 2)**

	Balance b/f FY 2018/2019	Additions for the period	Paid during the year	Balance c/f FY 2019/2020
Description	Kshs	Kshs	Kshs	Kshs
Construction of buildings	47,818,311	64,089,665	18,783,163	93,124,813
Construction of civil works	99,070,991	116,360,463	129,688,983	85,742,471
Supply of goods	315,446,505	261,101,346	298,179,932	278,367,919
Supply of services	595,932,213	223,290,227	182,598,834	636,623,606
<b>Total</b>	<b>1,058,268,020</b>	<b>664,841,701</b>	<b>629,250,912</b>	<b>1,093,858,809</b>

**2. PENDING STAFF PAYABLES**

	Balance b/f FY 2018/2019	Additions for the period	Paid during the year	Balance c/f FY 2019/2020
Description	Kshs	Kshs	Kshs	Kshs
Senior management	-	-	-	-
Middle management	-	-	-	-
Unionisable employees	-	-	-	-
Others	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3. OTHER PENDING PAYABLES**

	Balance b/f FY 2018/2019	Additions for the period	Paid during the year	Balance c/f FY 2019/2020
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>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**4. External Assistance**

	FY 2019/2020	FY 2018/2019
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>	<b>-</b>	<b>-</b>

*a) External assistance relating loans and grants*

	FY 2019/2020	FY 2018/2019
Description	Kshs	Kshs
External assistance received as loans	-	-
External assistance received as grants	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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**b) Undrawn external assistance**

	Purpose for which the undrawn external assistance may be used	FY 2019/2020	FY 2018/2019
Description		Kshs	Kshs
Undrawn external assistance - loans		-	-
Undrawn external assistance - grants		-	-
<b>Total</b>		-	-

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

	FY 2019/2020	FY 2018/2019
Description	Kshs	Kshs
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
<b>Total</b>	-	-

**D. Non-monetary external assistance**

	FY 2019/2020	FY 2018/2019
Description	Kshs	Kshs
Goods	-	-
Services	-	-
<b>Total</b>	-	-

**e Purpose and use of external assistance**

<b>PAYMENTS MADE BY THIRD PARTIES</b>	FY 2019/2020	FY 2018/2019
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>	-	-

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**5. PAYMENTS BY THIRD PARTY ON BEHALF OF THE COUNTY**

*Classification by Source*

Description	FY 2019/2020 Kshs	FY 2018/2019 Kshs
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
<b>Total</b>	-	-

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

PAYMENTS MADE BY THIRD PARTIES	FY 2019/2020	FY 2018/2019
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>	-	-

**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 Government:

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

**Related party transactions**

Related Party	2019- 2020 Kshs	2018- 2019 Kshs
Key Management Compensation (Governors, CEC Members and COs)	105,120,000	-
<b>Transfers to related parties</b>		
Transfer to the County Assembly	497,900,000	498,000,000
Transfers to other County Government Entities	-	408,036,276
Transfers to Development Projects	-	454,380,413
Transfers to non reporting entities e.g schools and welfare	-	-
Transfers to County Water Service Providers	-	-
Expenses paid on behalf of County Water Service Providers	-	-
<b>Total Transfers to related parties</b>	<b>497,900,000</b>	<b>1,360,416,689</b>
<b>Transfers from related parties</b>		
Transfers from the Exchequer	4,822,467,433	4,426,635,631
Transfers from MDAs	-	-

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	2019- 2020	2018- 2019
Related Party	Kshs	Kshs
Transfers from SCs and SAGAs- National Government	-	-
(Insert any other transfers received)	-	-
<b>Total Transfers from related parties</b>	<b>4,822,467,433</b>	<b>4,426,635,631</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.

Entity	Date Established/ Date taken over	Location	Accounting Officer responsible
Isiolo Water and Sewarage Co.	Jul 2007	Isiolo	Abdullahi Sora
Bursary Fund	21 December 2015	Isiolo	Aillen Kajuju
Municipal Board	20 Dec 2018	Isiolo	Halake Osman Dadacha

**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.

Name of Bank, Account No. & currency	Amount in bank account currency*	Ex. rate (if in foreign currency)	2019 - 2020	2018 – 2019
			KShs	KShs
<i>Consolidated Bank 10111203000081 Kshs.</i>	Kshs.	N/A	14,900,000	550,590
<i>Consolidated Bank-Dollar account 1011220000004</i>	Dollar	100	-	1,405,400
<i>Co-op Bank- Kshs-0114143792300</i>	Kshs	N/A	600	610,518
<i>Co-op Bank Dollar account-02120437923000</i>	Dollar	100	-	563,000
KCB Kshs Account 1140770330	Kshs.	N/A	-	800
KCB imprest account- 1140761072	Kshs	N/A	595	700
NBK Kshs. Account 01040204720700	Kshs	N/A	21,771,086	20,990,175
<b>Total</b>			<b>36,672,281</b>	<b>24,121,183</b>

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**

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**8. 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. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

<b>Referen ce No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Managem ent comments</b>	<b>Focal Point person to resolve the issue (<i>Name and designation</i>)</b>	<b>Status: (<i>Resolved / Not Resolved</i>)</b>	<b>Timeframe : (<i>Put a date when you expect the issue to be resolved</i>)</b>
1.0	Accuracy of Statement of Receipts and Payments		Roba Abduba HOT	Not Resolved	Dec 2020
2.0	Accounts Receivables – Outstanding Imprests		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
3.1	Irregular Payment of Mobile Airtime		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
3.2	Domestic Travel and Subsistence		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
3.3	Un Accounted for Expenditure – Foreign Travel and Subsistence		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
3.4	Rentals of Produced Assets - Hire of Motor Vehicles		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
3.5	Unconfirmed Insurance Expenditure		Macharia, Transport Officer	Not Resolved	Dec 2020
3.6	Doubtful Delivery of Goods and Services - Specialized Materials and Supplies		Ibrahim Alio CO-Health	Not Resolved	Dec 2020
3.7	Unsupported Expenditure for Fuel, Oil and Lubricants, of Kshs. 2,865,000		Ibrahim Alio CO-Health	Not Resolved	Dec 2020
3.8	Irregular Routine Maintenance of Vehicles and Other Transport Equipment		Macharia, Transport Officer	Not Resolved	Dec 2020
4.0	Emergency Relief and Refugee Assistance		Abdia Dabaso CO - Special Programmes	Not Resolved	Dec 2020
4.1	Summary of Non-Current Assets Register	Reviewing of county asset register is on-going	Peter Ngechu CO-Finance	Not Resolved	Dec 2020
<b>Other Matter</b>					
<b>Budget Performance and Controls</b>					
1.1	Expenditure. Net under expenditure of Kshs. 121,905,287.		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
1.2	Unbalanced Budget		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
<b>Project Implementation Status</b>					
1.3.1	Budgeted Projects		Various COs	Not Resolved	Dec 2020
1.3.2	Key Ongoing and not Started Projects		Various COs	Not Resolved	Dec 2020

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Referen ce No. on the external audit Report	Issue / Observations from Auditor	Managem ent comments	Focal Point person to resolve the issue ( <i>Name and designation</i> )	Status: ( <i>Resolved / Not Resolved</i> )	Timeframe : ( <i>Put a date when you expect the issue to be resolved</i> )
1.3.3	Projects Verification		Various COs	Not Resolved	Dec 2020
<b>Pending Bills</b>					
2.1	Accuracy of the Pending Bills Opening Balance		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
2.2	Unsupported Pending Bills		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
<b>Presentation of the Financial Statements</b>					
1.1	Wrong Financial Statements Headings		Roba Abduba HOT	Not Resolved	Dec 2020
1.2	Annexures		Roba Abduba HOT	Not Resolved	Dec 2020
2.1	Irregular operation of dollar account	Approval sought from National treasury	Bidu Ibrahim	Not Resolved	Dec 2020
2.2	Irregular operation of bank accounts		CEC- Finance	Not Resolved	Dec 2020
2.3	Failure to Prepare Quarterly Cash Flow Projections		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
3.0	Accuracy of Exchequer Releases and Transfers		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
4.0	Irregular Payment from Revenue Collection Account		Bidu Ibrahim	Not Resolved	Dec 2020
<b>Human Resource Management</b>					
5.1	Hire of casuals without County Public Service Board authority		Mburu, Director HR	Not Resolved	Dec 2020
<b>Use of Goods and Services</b>					
6.1.1	Irregular Procurement of Offices		Various COs	Not Resolved	Dec 2020
6.1.2	Irregular Payment of Liaison Office Rent for the Council of Governors		Abdia Dabaso CO Governors Office	Not Resolved	Dec 2020
6.2	Irregular Training Expenses		Abdikadir Koricha CO Public Works	Not Resolved	
6.3	Irregular Re-Allocation of Funds, of Kshs. 701,750		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
7.1	Wasteful Expenditure on Purchase of a Tourists Bus		Ibrahim Challa CO-Tourism	Not Resolved	Dec 2020
7.2	Doubtful Purchase of Office Furniture and General Equipment		Various COs	Not Resolved	Dec 2020
8.0	Withholding Tax		Peter Ngechu CO-Finance	Not Resolved	Dec 2020
9.0	Failure to Prepare and Publish Contract Awards		Salad Kikuyu, Head of Proc	Not Resolved	Dec 2020

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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)
<b>Report on Effectiveness of Internal Controls, Risk Management and Governance</b>					
	Information Technology Systems		John Mutea, ICT	Not Resolved	Dec 2020

**Guidance Notes:**

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.

CEC, County Treasury

Sign.....

Date.....

*[Handwritten Signature]*  
 CEC Finance  
 Isiolo County Government  
 Box 36  
 ISIOLO  
 4/12/2020

**ISIOLO COUNTY GOVERNMENT – COUNTY EXECUTIVE**  
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**9 ANNEXES**

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

Period	Equitable Share	DANIDA	Level 5 hospitals allocation	Other transfers- Donor funds transferred through exchequer	Total Transfers from the National Treasury/ Exchequer
Exchequer Releases for quarter 1	737,951,400	-	-	-	737,951,400
Exchequer Releases for quarter 1	763,398,000	5,859,375	-	79,747,819	849,005,194
Exchequer Releases for quarter 1	381,699,000	-	-	111,861,778	493,560,778
Exchequer Releases for quarter 1	2,358,051,600	10,234,375	-	373,664,086	2,741,950,061
<b>Total</b>	<b>4,241,100,000</b>	<b>16,093,750</b>	<b>-</b>	<b>565,273,683</b>	<b>4,822,467,433</b>

**ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE**

**FY 2014-2018**

Supplier of Goods or Services	Original Amount	Amount Paid To-Date	Outstanding Balance
			2014 - 2018
	A	C	D=a-c
Construction of Buildings			
Sub total	51,604,942	3,786,631	47,818,311
Construction of civil works			
Sub total	131,284,288	32,213,297	99,070,991
Supply of goods			
Sub total	359,814,472	44,367,967	315,446,505
Supply of services			
Sub total	384,262,639	97,036,077	287,226,562
<b>TOTAL</b>	<b>926,966,341</b>	<b>177,403,972</b>	<b>749,562,369</b>

**2018/19 PENDING BILLS**

Supplier of Goods or Services	Original Amount	Amount Paid To-Date	Outstanding Balance
Construction of Buildings			
Sub total	18,865,441	8,607,853	10,257,588
Construction of civil works			
Sub total	166,426,074	-	166,426,074
Supply of goods			
Sub total	76,442,654	-	76,442,654
Supply of services			
Sub total	55,579,335	-	55,579,335
<b>TOTALS PENDING BILLS 2018/19</b>	<b>317,313,504</b>	<b>8,607,853</b>	<b>308,705,651</b>

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Supplier of Goods or Services	Original Amount	Amount Paid To-Date	Outstanding Balance
			2014 - 2018
	A	C	D=a-c
<b>TOTAL 2018/2019 B/F</b>	<b>1,244,279,845</b>	<b>186,011,825</b>	<b>1,058,268,020</b>

**2019/2020 PENDING BILLS**

Supplier of Goods or Services	Contracted Date	Amount Paid To-Date	Outstanding Balance
<b>Construction and Civil Works</b>			
Abeysangal Construction Company Li	2019-20	-	1,474,138
Aishalin Co. Limited	2019-20	-	1,803,140
Awacho Company Ltd	2019-20	-	3,160,000
Baji Moto Construction Company	2019-20	-	1,199,440
Bertume Traders Ltd	2019-20	-	2,746,230
Keybosa Co. Ltd	2019-20	-	3,900,000
Kinna Young Investors	2019-20	-	540,000
Kuri General Construction Ltd	2019-20	-	3,998,738
Kuri General Construction Ltd	2019-20	-	1,260,276
Kuri General Construction Ltd	2019-20	-	1,260,276
M/S Abeysaghal Construction Co. Ltd	2019-20	-	1,500,000
M/S Felsa General Contractors Ltd	2019-20	-	1,199,999
M/S Shampa Construction Company Limited	2019-20	-	4,894,893
M/S Tabiphar	2019-20	-	396,000
Mohacorp Company Limited	2019-20	-	1,826,500
O	2019-20	-	2,835,000
Osile Works Ltd	2019-20	-	3,600,437
Osile Works Ltd	2019-20	-	1,088,350
Razfa Limited	2019-20	-	789,564
Rosalio Construction Ltd	2019-20	-	3,214,800
Sabache Agencies Ltd	2019-20	-	250,000
Sabache Agencies Ltd	2019-20	-	3,799,164
Shajae Company Limited	2019-20	-	2,643,600
Shajae Construction Company	2019-20	-	1,200,000
Shibawa General Entr	2019-20	-	3,799,120
Tullu Builders	2019-20	-	150,000
Tullu Builders	2019-20	-	360,000
Waso Building And Road Works Co.Ltd	2019-20	-	2,900,000
Waso Building And Roads Works Co. Ltd	2019-20	-	1,800,000

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Supplier of Goods or Services	Original Amount	Amount Paid To-Date	Outstanding Balance
	A	C	D=a-c
Waso General Construction Co. Ltd	2019-20	-	4,500,000
<b>Subtotal Construction of Buildings</b>			<b>64,089,665</b>
<b>CONSTRUCTION OF CIVIL WORKS</b>			
Arid -Youths Co.Ltd	2019-20	-	2,998,020
Bel Solutions Ltd	2019-20	-	2,414,717
Buyo General Suppliers	2019-20	-	2,057,840
Fafachane Construction Co Ltd	2019-20	-	600,000
Fafachane Construction Ltd	2019-20	-	1,800,000
Fafachane Onstruction Co. L	2019-20	-	3,799,164
Fahali Construction Co Limited	2019-20	-	1,800,000
Fahali Construction Co Ltd	2019-20	-	3,160,000
Fahali Construction Co Ltd	2019-20	-	2,000,000
Garrwarsesa Co. Ltd	2019-20	-	3,127,590
Gira Golbow Company Limited	2019-20	-	500,000
Godha Engineering Road Works	2019-20	-	500,000
Godha Engineering Roads Works	2019-20	-	1,200,000
Golden Brothers	2019-20	-	3,600,000
Golden Brothers Corporation Limited	2019-20	-	972,931
Ishty Company Limited	2019-20	-	1,415,172
Keybago Construction Ltd	2019-20	-	4,600,000
Keybaso Ltd	2019-20	-	1,900,000
Kiyyo Construction Co. Ltd	2019-20	-	770,000
Kiyyo Construction Co. Ltd	2019-20	-	1,565,000
Kontile General Contractors	2019-20	-	683,000
Kotile General Construction	2019-20	-	850,000
Kotile General Contractors	2019-20	-	683,000
Kotile General Contractors Limited	2019-20	-	1,000,000
Kotile General Contractors Limited	2019-20	-	2,535,517
Lakumuma General Enterprise Limite	2019-20	-	1,830,000
M/S Mushram Co. Ltd	2019-20	-	1,552,500
M/S Mushram Company Ltd	2019-20	-	1,552,500
M/S Ranaha Construction Co.Limited	2019-20	-	917,000
Mammoth Ventures Limited	2019-20	-	300,000

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Supplier of Goods or Services	Original Amount		Amount Paid To- Date	Outstanding Balance 2014 - 2018
	A	C		
Mammoth Ventures Limited	2019-20	-	-	3,000,000
Mammoth Ventures Ltd	2019-20	-	-	300,000
Moonlife Company Limited	2019-20	-	-	600,000
Muncom Enterprise Ltd	2019-20	-	-	959,800
Muncom Enterprises Limited	2019-20	-	-	1,029,600
Mushram Contractors and General Sup	2019-20	-	-	1,081,035
Nagayo Construction Company	2019-20	-	-	2,398,080
Nahyan Construction and Supplies Li	2019-20	-	-	4,150,000
Noyasu Construction C. Ltd	2019-20	-	-	2,650,400
Noyasu Construction Co Limited	2019-20	-	-	1,425,000
Noyasu Construction Co Limited	2019-20	-	-	1,625,749
Noyasu Construction Co Limited	2019-20	-	-	1,253,017
Noyasu Construction Co.	2019-20	-	-	1,275,000
Noyasu Construction Co.	2019-20	-	-	1,275,000
Noyasu Construction Co.Ltd	2019-20	-	-	1,706,360
Regius Construction Ltd	2019-20	-	-	4,083,000
Reuma Construction Company	2019-20	-	-	2,387,535
Ruhaza Investment Ltd	2019-20	-	-	1,200,000
Ruhaza Investment Ltd	2019-20	-	-	1,350,000
Ruwam Contractors	2019-20	-	-	196,000
Saabram Co. Ltd	2019-20	-	-	3,000,000
Safwa Marwa Scxexfupplies Ltd	2019-20	-	-	897,000
Sagos Contractors	2019-20	-	-	190,000
Sebit Cornerstone Ltd	2019-20	-	-	4,500,000
Sebitconer Stone	2019-20	-	-	4,920,000
Sebitconer Stone	2019-20	-	-	4,200,000
Shifo Enterprises Ltd	2019-20	-	-	370,000
Shobamin Investment Ltd	2019-20	-	-	3,800,304
Waso Building And Road Works Co.Ltd	2019-20	-	-	1,350,000
Waso Building Road Works	2019-20	-	-	4,792,633
Zizow Invetment Co. Ltd	2019-20	-	-	1,710,999
<b>Sub Totals Construction of Civil Works</b>	<b>2019-20</b>	<b>-</b>	<b>-</b>	<b>116,360,463</b>
<b>Supply of Goods</b>	<b>2019-20</b>	<b>-</b>	<b>-</b>	<b>-</b>

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Supplier of Goods or Services	Original Amount	Amount Paid To-Date	Outstanding Balance
	A	C	D=a-c
Abaaru Investment Company Limited	2019-20	-	1,000,000
Absamo Co. Ltd	2019-20	-	1,760,000
Absamo Limited	2019-20	-	1,729,655
Absher Limited	2019-20	-	700,000
Abu Khalid Co. Ltd	2019-20	-	3,500,000
Abukhalid Company Ltd	2019-20	-	4,920,000
Abunaima Company Limited	2019-20	-	147,389
Afreen Investment Limited	2019-20	-	537,078
Ahmed Abdullahi Mohamed	2019-20	-	796,035
Albadir Co. Ltd	2019-20	-	3,600,000
Albadr Investment Co Ltd	2019-20	-	1,326,724
Albadr Investment Co Ltd	2019-20	-	1,405,345
Albadr Investment Co Ltd	2019-20	-	700,000
Albadr Investment Co.Ltd	2019-20	-	441,886
Ansarito Co. Ltd	2019-20	-	4,920,000
Anshaz Co. Ltd	2019-20	-	4,800,000
Anshaz Co. Ltd	2019-20	-	4,200,000
Anshaz Solution Ltd	2019-20	-	4,600,000
Asal Pharmacy Limited	2019-20	-	2,500,000
Asdam Company Ltd	2019-20	-	3,600,000
Baliba General Supplies	2019-20	-	600,000
Baliba General Supplies Limited	2019-20	-	955,241
Buruj Investment Limited	2019-20	-	310,000
Central Isiolo Investment Ltd(New Shell)	2019-20	-	523,000
Chamesa Con.And Supplies Co.Ltd	2019-20	-	100,000
Chamesa Con.And Supplies Co.Ltd	2019-20	-	75,000
Charry Company Ltd	2019-20	-	4,920,000
Ciltacho Holdings Ltd	2019-20	-	3,799,962
Citalcho Co. Ltd	2019-20	-	3,000,000
Clitacho Holdings Limited	2019-20	-	3,135,400
Equal Brothers	2019-20	-	4,800,000
Equal Brothers Ltd	2019-20	-	4,700,000
Equalbrothers Enterprises Limited	2019-20	-	2,600,000

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Supplier of Goods or Services	Original Amount	Amount Paid To-Date	Outstanding Balance
	A	C	D=a-c
Fahimyasin Company Ltd	2019-20	-	75,000
Fahimyasin Company Ltd	2019-20	-	250,000
Fahimyasin Company Ltd	2019-20	-	200,000
Fairway Petrol Services	2019-20	-	176,000
Fairway Petroleum	2019-20	-	805,000
Fairway Petroleum	2019-20	-	300,000
Fairway Petroleum Limited	2019-20	-	1,275,010
Fairway Petroleum Limited	2019-20	-	729,000
Fairway Petroleum Limited	2019-20	-	1,012,000
Fairway Petroleum Limited	2019-20	-	682,000
Fairway Petroleum Limited	2019-20	-	1,180,000
Fairway Petroleum Limited	2019-20	-	1,100,000
Fairway Petroleum Ltd	2019-20	-	1,275,010
Fairways Petrol Station	2019-20	-	500,000
Faulu Kenya Dtm Ltd	2019-20	-	1,989,535
Fauzan Enterprises Ltd	2019-20	-	4,800,000
Fawazan Enterprises Ltd	2019-20	-	3,999,918
Fulcayo Group Ltd	2019-20	-	68,000
Fulcayo Group Ltd	2019-20	-	189,000
Galato	2019-20	-	1,440,000
Galato Construction And General Sup	2019-20	-	1,395,517
Government Printer	2019-20	-	87,000
Government Printer	2019-20	-	725,000
Hadab Company Limited	2019-20	-	776,379
Hadifa Enterprises	2019-20	-	1,410,000
Hanamal Construction Limited	2019-20	-	2,614,020
Handalla Co. Ltd	2019-20	-	4,000,000
Handhala Co. Ltd	2019-20	-	4,800,000
Handhala Ltd	2019-20	-	4,200,000
Happy Nurkey Co. Ltd	2019-20	-	3,500,028
Hawaye Agencies Limited	2019-20	-	2,948,276
Hawaye Agencies Ltd	2019-20	-	3,800,532
Hidaya Shade Co. Ltd	2019-20	-	3,000,000

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Supplier of Goods or Services	Original Amount	Amount Paid To-Date	Outstanding Balance
	A	C	D=a-c
Hidaya Shade Company Limited	2019-20	-	1,170,262
Hidaya Shade Company Ltd	2019-20	-	4,800,000
Hugano Co Ltd	2019-20	-	1,100,105
Ibhagu Limited	2019-20	-	540,000
Ibhagu Ltd	2019-20	-	540,000
Idrali Construction Company	2019-20	-	3,998,000
Iqbal Construction and Supplies Ltd	2019-20	-	1,651,150
Iqbal Construction and Supplies Ltd	2019-20	-	17,914,650
Iqbal Construction and Supplies Ltd	2019-20	-	1,806,750
Iqbal Construction and Supplies Ltd	2019-20	-	3,018,250
Iqbal Construction and Supplies Ltd	2019-20	-	2,563,110
Isaac Dawa Golompo	2019-20	-	300,000
Isaac Dawa Golompo	2019-20	-	600,000
Isiolo Office Suppliers	2019-20	-	1,200,000
Ivory Board Limited	2019-20	-	994,000
Ivoryboard Limited	2019-20	-	528,724
Jokima Limited	2019-20	-	3,485,220
Jokima Limited	2019-20	-	998,000
Klb	2019-20	-	3,000,000
Kubidimtu Construction Company Limi	2019-20	-	810,776
L& S Company	2019-20	-	1,200,000
Lakole Co. Ltd	2019-20	-	4,200,000
Lakole Co. Ltd	2019-20	-	1,200,000
Lakole Investment	2019-20	-	4,900,000
Makjohns Limited	2019-20	-	867,776
Moshi Transporters	2019-20	-	2,925,000
Moshi Transpoters Ltd	2019-20	-	3,900,000
Musla K. Co. Ltd	2019-20	-	4,800,000
Musla K. Ltd	2019-20	-	4,300,000
Neilsprit Investments Limited	2019-20	-	2,985,000
Panako Kenya Ltd	2019-20	-	4,800,000
Panako Limited	2019-20	-	1,973,000
Premier Kenya Limited.	2019-20	-	49,364

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Supplier of Goods or Services	Original Amount	Amount Paid To-Date	Outstanding Balance
			2014 - 2018
	A	C	D=a-c
Rahafa Company Limited	2019-20	-	129,900
Rahafa Company Limited	2019-20	-	89,900
Ranaha Investment Ltd	2019-20	-	870,000
Ranaha Investment Ltd	2019-20	-	600,000
Ranaha Investments Limited	2019-20	-	855,000
Salahudin Suppliers Limited	2019-20	-	2,995,000
Shaknur Holdings	2019-20	-	100,000
Shaknur Holdings	2019-20	-	98,000
Shavini Investment	2019-20	-	2,726,000
Simlaw Seed	2019-20	-	619,473
Smart Clone Enterprises Ltd	2019-20	-	172,000
Snowship Company Ltd	2019-20	-	2,995,000
Sorobin Company Ltd	2019-20	-	3,000,000
Tala Transporter Ltd	2019-20	-	4,800,000
Temuk Bookshop Centre	2019-20	-	192,000
Tharara Construction Company	2019-20	-	1,200,000
Tokia Company Limited	2019-20	-	4,800,000
Tokia Company Ltd	2019-20	-	4,900,000
Triomed Limited	2019-20	-	975,000
Triump Enterprise	2019-20	-	2,659,996
Young Musas Company Limited	2019-20	-	280,000
Yuhaja Co. Ltd	2019-20	-	4,920,000
<b>Subtotal Supply of Goods</b>	2019-20	-	<b>261,101,346</b>
<b>SUPPLY OF SERVICES</b>	2019-20		
Abdulhaman Ahmed Perera	2019-20	-	1,044,000
Abdulhamed Investments	2019-20	-	3,000,000
Abdulrahman Perera	2019-20	-	2,968,000
Ali Abdullahi Mahad	2019-20	-	600,000
Ali Abdullahi Mahad	2019-20	-	2,925,000
Alineer Investment Ltd	2019-20	-	150,000
Apa Insurance	2019-20	-	600,000
Apa Insurance	2019-20	-	439,549
Apa Insurance	2019-20	-	605,451

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Supplier of Goods or Services	Original Amount		Amount Paid To-		Outstanding Balance 2014 - 2018
	A	C	Date	To-	
Atmos Energy Co	2019-20	-			165,000
Bel Solution Ltd	2019-20	-			4,500,000
Car Hire Services	2019-20	-			1,875,000
Category One Media	2019-20	-			2,481,500
Category One Media	2019-20	-			1,592,500
Category One Media	2019-20	-			2,492,000
Cmc	2019-20	-			9,760,069
Cmc Group Ltd	2019-20	-			79,823
Cmc Motor	2019-20	-			33,500
Cmc Motor	2019-20	-			66,683
Cmc Motor	2019-20	-			1,700,000
Cmc Motor	2019-20	-			210,000
Cmc Motor	2019-20	-			195,000
Cmc Motors	2019-20	-			187,576
Comnoor Investments Ltd	2019-20	-			3,214,800
Council Of Governors	2019-20	-			2,284,589
Desert Reeds Consultancy	2019-20	-			1,200,000
Diaco Agencies Ltd	2019-20	-			589,655
Eastern and Southern African Manage	2019-20	-			300,000
Ebony Vendors Ltd	2019-20	-			4,700,000
Engineering Mapping and Environment	2019-20	-			1,160,000
Francis Lekalasi	2019-20	-			246,680
Geminia Insurance Co. Ltd	2019-20	-			1,076,000
Geojama General Supply	2019-20	-			3,000,000
Golden Brothers	2019-20	-			990,000
Grande Hotel	2019-20	-			380,000
Grande Hotel	2019-20	-			5,896,552
Grande Hotel	2019-20	-			373,448
Grnstarent Generall Supplies	2019-20	-			1,399,008
Hussein K Golicha	2019-20	-			300,000
Hussein K. Golicha	2019-20	-			450,000
Hussein K. Golicha	2019-20	-			300,000
Incoe Auto Spare	2019-20	-			705,000

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Supplier of Goods or Services	Original Amount	Amount Paid To-Date	Outstanding Balance
			2014 - 2018
	A	C	D=a-c
Incoe Auto Spare	2019-20	-	1,000,000
Incoe Auto Spares	2019-20	-	400,000
Incoe Auto Spares	2019-20	-	1,000,000
Incoe Autospaare	2019-20	-	600,000
Incoe Autospare	2019-20	-	600,000
Incoe Outo Spares	2019-20	-	135,000
Incoe Outo Spares	2019-20	-	225,000
Incoe Outo Spares	2019-20	-	189,700
Incoe Auto Spare	2019-20	-	545,000
Isiolo County Bursary Fund	2019-20	-	17,500,000
Isiolo County Youth, Women and Persons with Diasbities Enterprise Fund	2019-20	-	14,000,000
Isiolo Highway Motors	2019-20	-	150,000
Kahusya Enterprise Limited	2019-20	-	594,750
Kampare-Rangers	2019-20	-	296,100
Kenya School of Government	2019-20	-	2,570,400
Kenya Wildlife Service	2019-20	-	10,394,271
Kiugu Engineering	2019-20	-	149,000
Kiugu Engineering	2019-20	-	185,000
Kiugu Tech	2019-20	-	200,000
Ktn	2019-20	-	1,200,000
Lapfund	2019-20	-	23,899,652
Lapfund	2019-20	-	9,915,034
Lapfund	2019-20	-	3,512,023
Lenya Management Consultant	2019-20	-	2,950,000
M/S Om Karama Restaurant	2019-20	-	2,520,000
Madiba Hotel	2019-20	-	2,300,000
Madiba Hotel Ltd	2019-20	-	1,050,000
Madiba Hotel Ltd	2019-20	-	1,450,000
Mutindiwa Ent	2019-20	-	81,315
Nation Media Group	2019-20	-	383,961
Nation Media Group	2019-20	-	431,520
Nation Media Group Ltd	2019-20	-	183,280
Nation Media Group Ltd	2019-20	-	183,280

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Supplier of Goods or Services	Original Amount	Amount Paid To-Date	Outstanding Balance
	A	C	D=a-c
Nation Media Group Ltd	2019-20	-	182,700
Nation Media Group Ltd	2019-20	-	91,350
Promise Steel & Fabricators Co. Ltd	2019-20	-	120,000
Rabaha Co. Ltd	2019-20	-	3,900,000
Rabaha Co. Ltd	2019-20	-	2,400,000
Radio Baliti	2019-20	-	115,000
Radio Shahidi	2019-20	-	120,000
Ranaha Ltd	2019-20	-	187,500
Ranaha Ltd	2019-20	-	219,000
Ranaha Ltd	2019-20	-	124,500
Ranaha Ltd	2019-20	-	229,450
Rehema Ali	2019-20	-	3,426,840
Samburu Service Station Ltd	2019-20	-	1,120,000
Sarova Company Ltd	2019-20	-	1,280,000
Service Gratuity	2019-20	-	33,814,686
Standard Group Ltd	2019-20	-	177,480
Storm Resort \$ Composite	2019-20	-	992,000
Takaful Insurance	2019-20	-	350,000
Takaful Insurance	2019-20	-	350,000
Toyota Kenya	2019-20	-	877,052
Yalla Traders	2019-20	-	1,800,000
Yalla Travers Ltd	2019-20	-	3,800,000
Yatho Ltd	2019-20	-	582,000
<b>Subtotal Supply of Services</b>			<b>223,290,227</b>
<b>TOTAL 2019 – 2020 Pending Bills</b>			<b>664,841,701</b>

**ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Financial Year	Original Amount	Amount Paid To-Date	Outstanding Balance
Pending Accounts Payable FY 2014-2018	926,966,341	(177,403,972)	<b>749,562,369</b>
Pending Accounts Payable 2018 -2019	317,313,504	(8,607,853)	<b>308,705,651</b>
Pending Accounts Payable 2019 -2020	664,841,701	-	<b>664,841,701</b>
<b>Less Pending Accounts Payable Paid during the FY Ended 30 June 2020 – Note 20</b>		(629,250,912)	<b>(629,250,912)</b>
<b>TOTAL PENDING BILLS</b>	<b>1,909,121,546</b>	<b>(815,262,737)</b>	<b>1,093,858,809</b>

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**ANNEX 3 – ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019/2020	Outstanding Balance 2018/2019	Comments
		a	b	c	d=a-c		
<b>Senior Management</b>							
1.							
2.							
3.							
<b>Sub-Total</b>							
<b>Middle Management</b>							
4.							
5.							
6.							
<b>Sub-Total</b>							
<b>Unionisable Employees</b>							
7.							
8.							
9.							
<b>Sub-Total</b>							
<b>Others (specify)</b>							
10.							
11.							
12.							
<b>Sub-Total</b>							
<b>Grand Total</b>							

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**ANNEX 4 – ANALYSIS OF OTHER PENDING PAYABLES**

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019/2020	Outstanding Balance 2018/2019	Comments
		a	b	c	d=a-c		
<b>Amounts due to National Govt Entities</b>							
1.							
2.							
3.							
	<b>Sub-Total</b>						
<b>Amounts due to County Govt Entities</b>							
4.							
5.							
6.							
	<b>Sub-Total</b>						
<b>Amounts due to Third Parties</b>							
7.							
8.							
9.							
	<b>Sub-Total</b>						
<b>Others (specify)</b>							
10.							
11.							
12.							
	<b>Sub-Total</b>						
	<b>Grand Total</b>						

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**ANNEX 5–SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost b/f (KShs ) 2018/2019	Additions during the year (KShs )	Disposals during the year (KShs )	Transfers in/(out) during the year (KShs)	Historical Cost c/f (KShs )2019/2020
Land	14,047,322,846	576,858,869	-	-	14,624,181,715
Buildings and structures	1,202,088,204	45,608,005	-	-	1,247,696,209
Residential Scheme	16,273,972		-	-	16,273,972
Computer Accessories	36,335,959		-	-	36,335,959
Motor Vehicle and Other Machineries	328,724,362	20,752,442	-	-	349,476,804
Community Assets	35,715,441	22,581,300	-	-	58,296,741
Furniture and Fittings	243,525,791	7,150,500	-	-	250,676,291
Specialized Plant and Equipment	386,817,511	26,702,874	-	-	413,520,385
<b>Total</b>	<b>16,296,804,086</b>	<b>699,653,990</b>	<b>-</b>	<b>-</b>	<b>16,996,458,076</b>

**ANNEX 6 – INTER-ENTITY TRANSFERS**

Ref	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Amount transferred KShs	Amount Confirmed as received KShs	difference	explanation
1	County Assembly	16,500,000	234,000,000	70,000,000	177,400,000	497,900,000	497,900,000	-	
	<b>Total</b>	<b>16,500,000</b>	<b>234,000,000</b>	<b>70,000,000</b>	<b>177,400,000</b>	<b>497,000,000</b>	<b>497,900,000</b>	<b>-</b>	

Director of Finance  
County Executive



Director of Finance  
County Assembly/fund/project



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

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**ANNEX 7 – ACCOUNTS RECEIVABLES – OUTSTANDING IMPRESTS**

<b>NO.</b>	<b>Name of Officer or Institution</b>	<b>Date Imprest Taken</b>	<b>Amount Taken KShs</b>	<b>Amount Surrendered KShs</b>	<b>Balance KShs</b>
1	Kaltuma Ali Guracha	26-Aug-16	1,500,000		
2	Josphine Kirion Eragae	31-Aug-16	2,000,000		
3	Kabelo Adam Halkano	29-Sep-16	260,000		
4	Ali Abdullahi Ali	2-Nov-16	700,000		
5	Guracha Kikuyu Sarite	17-Jan-17	790,600		
6	Abdikadir Giro Tutu	19-Jan-17	458,800		
7	Ali Badha Jattani	26-Jan-17	796,000		
8	Hussein Abdi Mahamud	6-Feb-17	1,200,000		
9	Mubarak Hassan Baraka	6-Feb-17	1,604,000		
10	Lawrence Kinyua Mbijiwe	27-Feb-17	120,000		
11	Mwachaunga Mohamed Chauga	21-Feb-17	245,380		
12	Mohamed Abdikadir Mohamed	27-Feb-17	1,135,500		
13	Sofia Ibrahim	27-Feb-17	1,122,000		
14	Halkano Galma	28-Feb-17	500,000		
15	Golo Adan Roba	21-Mar-17	900,000		
16	Kenneth T. Maorwe	27-Feb-17	1,750,000		
17	Kenneth T. Maorwe	22-Mar-17	600,000		
18	Kenneth T. Maorwe	27-Feb-17	300,000		
19	Stephen Kiprotich Birechi	10-May-17	1,569,500		
20	Halake Osman Dadacha	22-Mar-17	1,200,000		
21	Halake Osman Dadacha	10-May-17	5,000,000		
22	Zeituna Abdikadir Abdi	9-Apr-18	2,846,000		
23	Golo Adan Roba	12-Apr-18	900,000		
24	Hamza Malow	20-Apr-18	4,322,000		
25	Josphine Kirion Eragae	3-May-18	396,000		
26	Peter Nyaga Clarago	3-May-18	303,500		
27	Kinyua Lawrence Mbijiwe	6-May-18	120,000		
28	Mwachaunga Mohamed Chauga	21-May-18	15,000		
29	Mwachaunga Mohamed Chauga	23-May-18	205,395		
30	Osman Mahad Bagaja	25-May-18	440,000		
31	Hussein Boru Guyo	31-Mar-17	1,500,000		
32	Galgalo Ali Gulacha	20-Apr-18	69,000		
33	Ali Badha Jattani	25-Apr-18	796,000		
34	Abdi Mohamed	21-May-18	652,368		

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	<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
<b>NO.</b>			<b>KShs</b>	<b>KShs</b>	<b>KShs</b>
35	Daniel Mwangi Muchiri	3-May-18	73,600		
36	Daniel Mwangi Muchiri	3-May-18	76,700		
37	Wanjiru Florence Njihia	6-May-18	450,100		
38	Gedion Musomi Nyankundi	23-May-18	100,000		
39	Mohamed Boru Ali	6-Feb-17	1,000,000		
40	Barnabus Esunyen	6-Feb-17	750,000		
41	Kenneth T. Maorwe	26-Jan-17	3,100,000		
42	Isaya Kobia	2-Nov-16	650,000		
43	Stephen Kiprotich Birechi	17-Jan-17	1,979,000		
44	Kenneth T. Maorwe	26-Aug-16	2,625,000		
45	Boru Dida Gollo	31-Aug-16	2,915,000		
	<b>TOTAL</b>		<b>50,036,443</b>		

**ANNEX 8 -CONTINGENT LIABILITIES REGISTER**

	<b>Nature of contingent liability</b>	<b>Payable to</b>	<b>Currency</b>	<b>Estimated Amount Kshs</b>	<b>Expected date of payment</b>	<b>Remarks</b>
1						
2						
3						
4						
5						
6						

**ANNEX 9 – BANK RECONCILIATION/FO 30 REPORT**

*(Attach FO 30 Reports from IFMIS)*