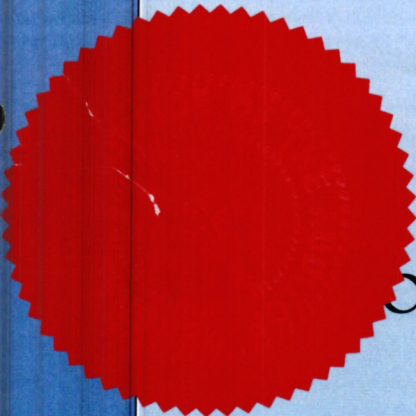


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



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**REPORT**

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MAJORITY PARTY  
ON 16/5/17  
IRM

**OF**

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF  
PARLIAMENTARY SERVICE COMMISSION**

**FOR THE YEAR ENDED  
30 JUNE 2016**

TABLE OFFICE  
S/No:.....  
16 MAY 2017  
PAPER LAID



REPUBLIC OF KENYA



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**PARLIAMENTARY SERVICE COMMISSION**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2016**

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

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## I. KEY PSC INFORMATION AND MANAGEMENT

### (a) Background information

The Constitution of Kenya 2010 established the Parliamentary Service Commission under Section 127 with a broad mandate which includes providing services and facilities to ensure efficient and effective functioning of Parliament. The Parliamentary Service Commission is composed of ten Commissioners and a Secretary and is responsible for general policy and strategic direction of the PSC.

#### **The Composition of the Commission is as follows:-**

Hon. Justin Muturi, EGH, MP	-	Speaker, National Assembly/Chairman, PSC
Sen. Beth Mugo, EG, MP	-	Vice Chair, PSC
Hon. Jimmy Angwenyi, MP	-	Member
Hon. Adan Keynan, CBS, MP	-	Member
Sen. Sammy Leshore, MP	-	Member
Sen. David Musila, MGH, MP	-	Member
Hon. Regina Chang'orok Nyeris MP	-	Member
Hon. Gladys Wanga, MP	-	Member
Hon. (Dr.) Abdullahi Ibrahim Ali	-	Member
Dr. Lonah Mutoro Mumelo	-	Member

Chapter Eight (Article 93) of the Constitution established the Parliament of Kenya consisting of the National Assembly and the Senate. This Chapter further spells out the roles, functions and other matters relating to membership and operations of Parliament.

The National Assembly consists of 350 members and the Senate consists of 68 members. The Parliamentary Service Commission under section 127 (6c) of the Constitution is responsible for the preparation of annual estimates of expenditure of the PSC and submitting them to the National Assembly for approval.

### (b) Principal Activities

#### (i) Activities

**As per Article 127 (6) of the Constitution, 2010 the Commission is responsible for:-**

- (a) Providing services and facilities to ensure the efficient and effective functioning of Parliament;
- (b) Constituting offices in the Parliamentary Service, and appointing and supervising office holders;
- (c) Preparing Annual Estimates of Expenditure of the Parliamentary Service and submitting them to the National Assembly for approval, and exercising Budgetary Control over the Service;
- (d) Undertaking, singly or jointly with other relevant Organisations, Programmes to promote the ideals of Parliamentary Democracy; and

(e) Performing other functions:-

- (i) Necessary for the well-being of the Members and Staff of Parliament; or
- (ii) Prescribed by National Legislation.

**(ii) Vision of the Parliament**

The Vision of the Parliament of Kenya is to be a supreme, effective, efficient and self-sustaining Parliament as a major participant in the process of good governance.

**(iii) Mission**

The Mission of Parliamentary Service Commission is to facilitate Members of Parliament to efficiently and effectively fulfil their constitutional mandate in a representative system of Government by upholding and ensuring the autonomy of Parliament in its corporate relationship with other arms of Government.

**(iv) Key Management**

1. The day to day management of the Commission consists of the Parliamentary Service Commission and the Board of Senior Management.
2. The Composition of the Board is as follows:-

- Clerk of the Senate/Secretary to PSC - Chair.
- Clerk of the National Assembly - Member
- Director General/Parliamentary Joint Services - Member
- Senior Deputy Clerk – Senate - Member
- Senior Deputy Clerk – National Assembly - Member
- Director – Budget Office - Member
- Director CPST - Member
- Director, Litigation and Compliance - Member

**3. Fiduciary Management**

The key management personnel who held office during the Financial year 30<sup>th</sup> June, 2016 and who had direct fiduciary responsibility were:-

<b>Designation</b>	<b>Name</b>
Clerk of the Senate/Secretary Parliamentary Service Commission/ Accounting Officer	Mr. Jeremiah M. Nyegenye

(e) **Fiduciary Oversight Arrangements**

(i) Audit and finance Committee activities:-

- Committee of the Commission on Finance – Budget and Finance approval and analysis.
- Committee of the Commission on Tender and Procurement which oversees tendering and procurement matters.

**Finance**

- o Hon. Regina Chang’orok Nyeris – *Chairperson*
- o Hon. Jimmy Angwenyi
- o Hon. Gladys Wanga
- o Hon. (Dr.) Abdullahi Ibrahim Ali
- o Dr. Lonah Mumelo

**Audit Committee**

- o Dr. Lonah Mumelo – *Chairperson*
- o Sen. David Musila
- o Hon. Adan Keynan

**Tender and Procurement**

- o Hon. Jimmy Angwenyi – *Chairman*
- o Sen. Beth Mugo
- o Sen. Sammy Leshore
- o Hon. Gladys Wanga
- o Hon. (Dr.) Abdullahi Ibrahim Ali

(ii) Parliamentary Committee Activities

- Public Accounts Committee which deals with reports of National Entities.
- Budget and Appropriation Committee which examines and oversights on the budget and the use of public resources.
- Other oversight activities.

There are several Departmental Committees which deal with specific sectors or entities. There are also Ad-hoc committees which are formed when need arises.

The Auditor General also inspects and audits the books of Parliamentary Service Commission.

**(f) Entity Headquarters**

**Parliamentary Service Commission**

P.O. Box 41842- 00100,  
County Hall,  
Parliament Buildings,  
Parliament Road  
**NAIROBI-KENYA**

**(g) Entity Contacts**

**Contacts**

Telephone (254) 2221291  
E-mail [csenate@parliament.go.ke](mailto:csenate@parliament.go.ke)  
Website [www.parliament.go.ke](http://www.parliament.go.ke)

**(h) Entity Bankers**

Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
**NAIROBI – KENYA**

**(i) Independent Auditors**

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

**(j) Principal Legal Adviser**

Director Litigation and Compliance  
Parliamentary Service Commission  
Parliament road  
P.O. Box 41841  
G.P.O 00100  
**NAIROBI - KENYA**

**II. FORWARD BY THE CLERK OF THE SENATE /SECRETARY TO THE  
PARLIAMENTARY SERVICE COMMISSION**

This annual report and financial statement details the financial performance of the Parliamentary Service Commission (PSC) for the Financial Year 2015/2016. The Parliamentary Service Commission implements two programmes:

- ‘Senate Affairs’ Programme with an objective to strengthen the representation, legislative capacity and oversight function of the Senate.
- ‘General Administration, Planning and Support Services’ Programme with an objective to enhance service delivery, staff performance and improve the working environment.

In the Financial Year under review, the PSC had a total approved budget of Kshs. 11,432.4 million of which Kshs. 9,421.4 was for recurrent expenditure and Kshs. 2,100.0 million was for capital expenditure. The recurrent expenditure included Kshs. 3,951.7 million for compensation to employees; Kshs. 5,188.7 million for use of goods and services; and Kshs. 216.0 million for other recurrent expenditures. The PSC expenditures were to be financed by Kshs. 24 million from Appropriation in Aid and the rest from exchequer receipts.

The total receipts accrued for the PSC during the year amounted to Kshs. 10,821.0 million of which Kshs. 24.9 million was from Appropriations in Aid. By the end of 2015/2016, PSC had utilized Kshs. 10,754.1 million indicating an under expenditure of Kshs. 66.87 million. The collections from Appropriations in Aid amounted to Kshs. 24.9 million indicating it surpassed its target. The balances held by the PSC at the end of the Financial Year included Kshs. 55.1 million for pending imprests, Kshs. 5.3 million in advances and the rest in bank balances.

The exemplary utilization of resources allocated translated to a 94.29% budget performance. The recurrent expenditure performance was 96.84% while that of the capital expenditure achieved 78.81%. This translated to over 90% achievements of the outputs and targets approved in the 2015/2016 Programme Based Budget for both programmes. Some of the targets set and achieved for the Senate Affairs programme include consideration of 135 bills and motions; consideration of 154 statements and petitions; and completion of 36 reports on county visits. Likewise, some of the targets set and achieved under the General Administration, Planning and Support Services Programme include production of 6 Parliamentary publications; participation in 3 Corporate Social Responsibility activities, and over 65% efficiency and effectiveness in service delivery.

The exemplary performance in recurrent expenditure is attributed to the timely provision of exchequer receipts during the course of the financial year and the over performance of the Appropriation in Aid. However, the relatively low performance of the capital expenditure may be because not all exchequer funds were released for the capital projects.

To ensure full implementation of the Capital Projects as envisaged in the budget, the Parliamentary Service Commission should liaise with the National Treasury and ensure all resources that have been voted for the entity are released.

*Sign*

  
\_\_\_\_\_  
**Clerk of the Senate/ Secretary Parliamentary Service Commission/ Accounting  
Officer**

### **III. STATEMENT OF PSC MANAGEMENT RESPONSIBILITIES**

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

The Clerk of the Senate/Secretary of the Parliamentary Service Commission is responsible for the preparation and presentation of the Parliamentary Service Commission's financial statements, which give a true and fair view of the state of affairs of the Parliamentary Service Commission for and as at the end of the financial year (period) ended on June 30, 2016. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the PSC (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Clerk of the Senate/Secretary of the Parliamentary Service Commission accepts responsibility for the Parliamentary Service Commission'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) and relevant legal framework of the Government of Kenya. The Clerk Senate/Secretary of the Parliamentary Service Commission is of the opinion that the Parliamentary Service Commission's financial statements give a true and fair view of the state of Parliamentary Service Commission's transactions during the financial year ended June 30, 2016, and of the Commission's financial position as at that date. The Clerk of the Senate charge of the Parliamentary Service Commission further confirms the completeness of the accounting records maintained for the Commission's, which have been relied upon in the preparation of the Parliamentary Service Commission's financial statements as well as the adequacy of the systems of internal financial control.

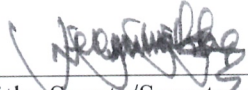
The Clerk of the Senate in charge of the Parliamentary Service Commission confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Clerk of the Senate confirms that the Parliamentary Service Commission'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.

**PARLIAMENTARY SERVICE COMMISSION**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

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**Approval of the financial statements**

The Parliamentary Service Commission financial statements were approved and signed by the Clerk of the Senate/Parliamentary Service Commission on 30<sup>th</sup> September, 2016.



\_\_\_\_\_  
Clerk of the Senate/Secretary  
Parliamentary Service Commission



\_\_\_\_\_  
Director Finance & Accounting



## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON PARLIAMENTARY SERVICE COMMISSION FOR THE YEAR ENDED 30 JUNE 2016

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#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Parliamentary Service Commission set out on pages 9 to 37, which comprise the statement of assets and liabilities as at 30 June 2016, and the statement of receipts and payments, statement of cash flows, summary statement of appropriation - recurrent and development combined, summary statement of appropriation – recurrent and summary statement of appropriation – development and summary statement of provisionings 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.

#### **Management's Responsibility for the Financial Statements**

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

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

#### **Auditor-General's Responsibility**

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with 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. The audit was conducted in accordance with International Standards of Supreme Audit Institutions. Those Standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. An audit also includes evaluating the

*Report of the Auditor-General on the Financial Statements of Parliamentary Service Commission for the year ended 30 June 2016*

appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In my opinion, the financial statements present fairly, in all material respects, the financial position of Parliamentary Service Commission as at 30 June 2016, 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.

### **Other Matters**

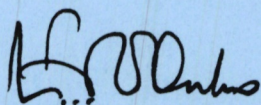
#### **1. Stalled Refurbishment and Partitioning of Offices at Harambee Co-operative Plaza**

The Commission awarded contract No.D29/NB/1101 Job No.9878A for refurbishment and partitioning of offices at Harambee Co-operative Plaza on 16 May 2013 to a local firm at a tender sum of Kshs.420,000,000. Examination of available records revealed that the contractor had been paid Ksh.163,715,475 or 39% of the contract price as at 31 March, 2016. However, the works, which were due for completion on 27 January 2014, were not completed as expected and have since stalled. No plausible explanation has been provided for the failure to complete the project on time. Further, the commission has not made any pronouncement on resumption of construction work.

#### **2. Interest on Delayed Payments**

The Commission, in addition, contracted an international company to construct a multi-storey office block under contract WP No.D29 NB 901 Job No.7753C at a tender sum of Kshs.5,893,649,849.67 on 23 September 2013 and on 5 September 2012 awarded a local company contract WP No.D29 NB/NBI/1101 Job No.7577E to renovate the senate chamber and parliamentary offices at a tender sum of Kshs.2,209,173,479.35.

The expenditure records show that during the year under review, the Commission paid the international and local companies Kshs.27,880,235.00 and Kshs.34,371,525.00, respectively being interest claims for delayed payment of works certificates/invoices. Had the contractor bills been settled on time, the total expenditure of Kshs.62,251,760 incurred on interest on delayed payments could have been avoided.



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

**Nairobi**

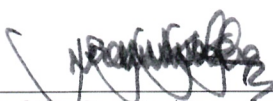
**27 April 2017**

**PARLIAMENTARY SERVICE COMMISSION**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**V. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2015-2016 Kshs	2014-2015 Kshs
<b>RECEIPTS</b>			
Exchequer releases	1	10,796,100,000.00	23,155,454,000.00
Other Receipts	2	24,921,542.40	1,475,140.00
<b>TOTAL RECEIPTS</b>		<b>10,821,021,542.40</b>	<b>23,156,929,000.00</b>
<b>PAYMENTS</b>			
Compensation of Employees	3	3,904,417,853.60	11,533,660,363.90
Use of goods and services	4	4,966,868,070.00	8,971,308,724.80
Other grants and transfers	5	71,302,903.50	1,584,370,072.30
Social Security Benefits	6	34,102,568.00	53,188,985.00
Acquisition of Assets	7	1,777,457,511.60	957,478,325.90
<b>TOTAL PAYMENTS</b>		<b>10,754,148,906.70</b>	<b>23,100,006,471.90</b>
<b>SURPLUS/DEFICIT</b>		<b>66,872,635.70</b>	<b>56,922,528.10</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The PSC financial statements were approved on 30<sup>th</sup> September 2016 and signed by:

  
 Clerk of the Senate /Secretary of the  
 Parliamentary Service Commission


  
 Director Finance & Accounting

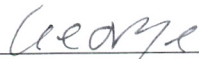
PARLIAMENTARY SERVICE COMMISSION  
 Reports and Financial Statements  
 For the year ended June 30, 2016

VI. STATEMENT OF ASSETS AND LIABILITIES

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The PSC financial statements were approved on 30<sup>th</sup> September, 2016 and signed by:

	Note	2015-2016 Kshs	2014-2015 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Bank And Cash</b>			
Bank Balances	8	356,101,095.20	234,123,889.05
<b>Bank And Cash</b>		<b>356,101,095.20</b>	<b>234,123,889.05</b>
<b>Accounts receivables</b>			
Imprest	9A	55,095,094.75	101,876,648.80
Advances	9B	3,228,303.60	5,258,390.50
<b>Receivables</b>		<b>58,323,398.35</b>	<b>107,135,039.30</b>
<b>TOTAL FINANCIAL ASSETS</b>		<b>414,424,493.55</b>	<b>341,258,928.35</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables – Deposits and retentions	10	282,922,130.15	177,961,215.95
		<b>282,922,130.15</b>	<b>177,961,215.95</b>
<b>NET FINANCIAL ASSETS</b>		<b>131,502,363.40</b>	<b>163,297,712.40</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	11	163,297,712.40	170,251,302.45
Surplus/Deficit for the year		66,872,635.70	56,922,528.10
Prior year adjustments/Suspense	12	(98,667,984.70)	(63,876,118.15)
<b>NET FINANCIAL POSITION</b>		<b>131,502,363.40</b>	<b>163,297,712.40</b>

  
 Clerk of the Senate /Secretary of the  
 Parliamentary Service Commission

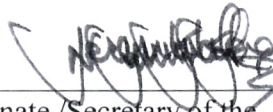
  
 Director Finance & Accounting

**PARLIAMENTARY SERVICE COMMISSION**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**VII. STATEMENT OF CASHFLOW**

		<b>2015-2016</b>	<b>2014-2015</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>Receipts for operating income</b>			
Exchequer Releases	1	10,796,100,000.00	23,155,454,000.00
Other Revenues	2	24,921,542.40	1,475,140.00
<b>Payments for operating expenses</b>			
Compensation of Employees	3	(3,904,417,853.60)	(11,533,660,363.90)
Use of goods and services	4	(4,966,868,070.00)	(8,971,308,724.80)
Other grants and transfers	5	(71,302,903.50)	(1,584,370,072.30)
Social Security Benefits	6	(34,102,568.00)	(53,188,985)
<b>Adjusted for:</b>			
Changes in receivables			
changes in accounts payable			
Adjustments during the year	12	55,104,570.40	(63,876,118.15)
<b>Net cash flow from operating activities</b>		<b>1,882,440,287.70</b>	<b>1,078,277,839.95</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Assets	7	(1,777,457,511.60)	(957,478,325.90)
<b>Net cash flows from Investing Activities</b>		<b>(1,777,457,511.60)</b>	<b>(957,478,325.90)</b>
<b>Net Cash flow from Financing Activities</b>		<b>121,977,206.15</b>	<b>120,799,514.05</b>
<b>Net increase in Cash and Cash equivalent</b>		<b>121,977,206.15</b>	<b>120,799,514.05</b>
<b>Cash and cash equivalent at Beginning of the year</b>		<b>234,123,889.05</b>	<b>113,324,375.00</b>
<b>Cash and cash equivalent at End of the year</b>	8	<b>356,101,095.20</b>	<b>234,123,889.05</b>

The PSC financial statements were approved on 30<sup>th</sup> September, 2016 and signed by:



\_\_\_\_\_  
Clerk of the Senate / Secretary of the  
Parliamentary Service Commission



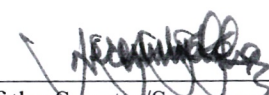
\_\_\_\_\_  
Director Finance & Accounting


**PARLIAMENTARY SERVICE COMMISSION**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

	Programme	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
		a	b	c=a+b	d	e=c-d	f=d/c%
<b>3110000</b>	Acquisition of Assets	190,000,000.00	-	190,000,000.00	122,450,668.00	67,549,332.00	64.45
<b>2110000</b>	Compensation of Employees	3,951,714,635.00	-	3,951,714,635.00	3,904,417,853.60	47,296,781.40	98.80
<b>3510800</b>	Proceeds from Sale of Assets	-20,000,000.00	16,000,000.00	-4,000,000.00	4,921,542.40	921,542.40	123.04
<b>3520300</b>	Sale of Goods and Fees for Services	-	-20,000,000.00	-20,000,000.00	20,000,000.00	0	100.00
<b>2710000</b>	Social Security Benefits	40,000,000.00	-	40,000,000.00	34,102,568.00	5,897,432.00	85.26
<b>2610000</b>	Transfers to Other Government Units	290,000,000.00	-215,000,000.00	75,000,000.00	71,302,903.50	3,697,096.50	95.07
<b>2210000</b>	Use of goods and services	4,448,702,096.00	740,000,000.00	5,188,702,096.00	4,966,868,070.00	234,390,169.94	95.72
	<b>Total Recurrent</b>	<b>8,900,416,731.00</b>	<b>521,000,000.00</b>	<b>9,421,416,731.00</b>	<b>9,124,063,605.50</b>	<b>191,358,695.50</b>	<b>96.84</b>
	<b>CAPITAL EXPENDITURE</b>						
<b>3110000</b>	Acquisition of Assets	3,200,000,000.00	-1,100,000,000.00	2,100,000,000.00	1,655,006,843.60	461,987,586.40	78.81
	<b>Total Development</b>	<b>3,200,000,000.00</b>	<b>-1,100,000,000.00</b>	<b>2,100,000,000.00</b>	<b>1,655,006,843.60</b>	<b>461,987,586.40</b>	<b>78.81</b>
	<b>TOTAL VOTE 2016</b>	<b>12,100,416,731.00</b>	<b>-668,000,000.00</b>	<b>11,432,416,731.00</b>	<b>10,779,070,449.10</b>	<b>686,189,366.71</b>	<b>94.29</b>

The PSC financial statements were approved on 30<sup>th</sup> September, 2016 and signed by:

  
 Clerk of the Senate/Secretary of the  
 Parliamentary Service Commission

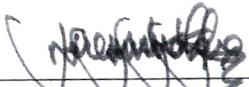
  
 Director Finance and Accounting

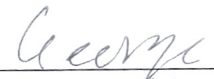
**PARLIAMENTARY SERVICE COMMISSION**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT**

	Programme	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
		a	b	c=a+b	d	e=c-d	f=d/c%
<b>3110000</b>	Acquisition of Assets	190,000,000.00	-	190,000,000.00	122,450,668.00	67,549,332.00	64.45
<b>2110000</b>	Compensation of Employees	3,951,714,635.00	-	3,951,714,635.00	3,904,417,853.60	47,296,781.40	98.80
<b>3510800</b>	Proceeds from Sale of Assets	-20,000,000.00	16,000,000.00	-4,000,000.00	4,921,542.40	921,542.40	123.00
<b>3520300</b>	Sale of Goods and Fees for Services	-	-20,000,000.00	-20,000,000.00	20,000,000.00	0	100.00
<b>2710000</b>	Social Security Benefits	40,000,000.00	-	40,000,000.00	34,102,568.00	5,897,432.00	85.26
<b>2610000</b>	Transfers to Other Government Units	290,000,000.00	-215,000,000.00	-75,000,000.00	71,302,903.50	3,697,096.50	95.07
<b>2210000</b>	Use of goods and services	4,448,702,096.00	740,000,000.00	5,188,702,096.00	4,983,862,500.00	204,839,596.00	95.72
	<b>Total Recurrent</b>	<b>8,900,416,731.00</b>	<b>521,000,000.00</b>	<b>9,421,416,731.00</b>	<b>9,124,063,605.50</b>	<b>330,201,780.30</b>	<b>96.84</b>

The PSC financial statements were approved on 30<sup>th</sup> September, 2016 and signed by:


  
 Clerk of the Senate / Secretary of the  
 Parliamentary Service Commission


  
 Director Finance and Accounting

X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

	Programme	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
		a	b	c=a+b	d	e=c-d	f=d/c%
3110000	Acquisition of Assets	3,200,000,000.00	-1,100,000,000.00	2,100,000,000.00	1,655,006,843.60	461,987,586.40	78.81
	<b>Total Development</b>	<b>3,200,000,000.00</b>	<b>-1,100,000,000.00</b>	<b>2,100,000,000.00</b>	<b>1,638,012,413.60</b>	<b>461,987,586.40</b>	<b>78.81</b>

The PSC financial statements were approved on 30<sup>th</sup> September, 2016 and signed by:

  
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 Director Finance and Accounting

**XI. SUMMARY STATEMENT OF PROVISIONINGS**

[The provisioning summary statement is requirement for entities that have a vote in the National Budget.]

- **Details of General Accounts on vote**

	2015 - 2016	2014 - 2015
	Kshs	Kshs
GAV Provisioning Account Balance	686,189,366.71	3,507,063,031.40
<b>Total</b>	<b>686,189,366.71</b>	<b>3,507,063,031.40</b>

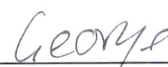
- **Details of Exchequer Account**

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Exchequer provisioning Account Balance	636,316,731.00	3,310,546,000.00
<b>Total</b>	<b>636,316,731.00</b>	<b>3,310,546,000.00</b>



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Clerk of the Senate/Secretary of the  
Parliamentary Service Commission



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Director Finance & Accounting

## XII. SIGNIFICANT ACCOUNTING POLICIES

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

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

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and relevant legal framework of the Government of Kenya. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

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

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

### 2. Recognition of revenue and expenses

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

### 3. In-kind contributions

In-kind contributions are donations that are made to the Parliamentary Service Commission 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 PSC includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

### 4. 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. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprest and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. 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 PSC at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

**6. Receivables and payables**

These relate to provisioning balances for the GAV and Exchequer accounts as required by the current Government Financial Regulations and Procedures. These provisioning balances do not have an impact on the receipts and payments and therefore do not contravene the principles on the cash based IPSAS.

**7. 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 Parliamentary Service Commission's budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the PSC's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

**8. Comparative figures**

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation. The reason for the huge difference in the comparative figures is because of the splitting of the Parliamentary Service Commission vote (2041) into Parliamentary Service Commission (2041) and National Assembly (2042).

**9. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2016.

**XIII. NOTES TO THE FINANCIAL STATEMENTS**

**1 EXCHEQUER RELEASES-RECURRENT & DEVELOPMENT**

	2015-2016	2014-2015
	Kshs.	Kshs
Total Exchequer Releases for Quarter 1	3,761,000,000.00	5,380,700,000.00
Total Exchequer Releases for Quarter 2	3,995,000,000.00	5,575,294,000.00
Total Exchequer Releases for Quarter 3	970,000,000.00	6,296,960,000.00
Total Exchequer Releases for Quarter 4	2,070,100,000.00	5,902,500,000.00
<b>TOTAL</b>	<b>10,796,100,000.00</b>	<b>23,155,454,000.00</b>

**2 OTHER REVENUES**

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Receipts from Administrative Fees and Charges - Collected as A-I-A	24,921,542.40	1,475,140.00
<b>Total</b>	<b>24,921,542.40</b>	<b>1,475,140.00</b>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 COMPENSATION OF EMPLOYEES

	2015-2016	2014-2015
Basic salaries of permanent employees	1,183,800,243.00	2,923,954,000.00
Basic wages of temporary employees	512,161,685.00	1,694,357,000.00
Personal allowances paid as part of salary	1,958,099,162.00	6,532,887,000.00
Personal allowances paid as reimbursements	44,779,546.60	221,604,363.90
Personal allowances provided in kind	-	-
Pension and other social security contributions	-	-
Compulsory national social security schemes	1,200,000.00	754,000.00
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	204,377,217.00	160,103,000.00
Other personnel payments	-	-
<b>Total</b>	<b>3,904,417,853.60</b>	<b>11,533,660,363.90</b>

**PARLIAMENTARY SERVICE COMMISSION**  
**Reports and Financial Statements**  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4 USE OF GOODS AND SERVICES**

	<b>2015 - 2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	68,792,173.70	46,375,611.80
Communication, supplies and services	55,928,221.40	36,355,405.10
Domestic travel and subsistence	814,323,134.20	3,696,966,870.15
Foreign travel and subsistence	714,922,224.40	1,567,648,686.85
Printing, advertising and information supplies & services	148,690,710.60	99,263,903.90
Rentals of produced assets	429,018,101.00	368,883,595.45
Training expenses	294,798,303.00	266,919,610.55
Hospitality supplies and services	254,566,451.00	380,057,457.60
Insurance costs	443,647,415.00	312,854,786.00
Specialized materials and services	156,381,832.00	89,673,629.60
Office and general supplies and services	255,320,426.00	242,559,076.85
Fuel Oil and Lubricants	98,103,488.00	-
Other operating expenses	983,836,852.80	1,733,559,486.30
Routine maintenance – vehicles and other transport equipment	75,320,811.10	46,891,475.30
Routine maintenance – other assets	173,217,925.80	83,299,129.35
<b>Total</b>	<b>4,966,868,070.00</b>	<b>8,971,308,724.80</b>

PARLIAMENTARY SERVICE COMMISSION  
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 OTHER GRANTS AND OTHER PAYMENTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Other capital grants and transfers	5,000,000.00	1,557,044,933.90
Membership Fees And dues and subscription international org.	66,302,903.50	27,325,138.40
	<b>71,302,903.50</b>	<b>1,584,370,072.30</b>

6 SOCIAL SECURITY BENEFITS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Government pension and retirement benefits	34,102,568.00	25,817,115.00
Social security benefits in cash and in kind	-	27,371,870.00
<b>Total</b>	<b>34,102,568.00</b>	<b>53,188,985.00</b>

7 ACQUISITION OF ASSETS

Non-Financial Assets	2015 - 2016	2014 - 2015
	Kshs	Kshs
Purchase of Buildings	455,885,903.80	49,852,380.00
Construction of Buildings	717,906,727.20	241,099,447.23
Refurbishment of Buildings	205,792,003.60	527,975,589.85
Purchase of Vehicles and Other Transport Equipment	43,884,553.00	37,846,344.00
Purchase of Household Furniture and Institutional Equipment	0.00	36,080,760.00
Purchase of Office Furniture and General Equipment	78,566,115.00	9,822,104.05
Purchase of ICT Networking and Communication Equipment	0.00	54,801,700.80
Purchase of Specialised Plant, Equipment & Machinery	140,422,209.00	0.00
Acquisition of Land	135,000,000.00	0.00
<b>Total</b>	<b>1,777,457,511.60</b>	<b>957,478,325.93</b>

PARLIAMENTARY SERVICE COMMISSION  
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. a. Bank Accounts

Name of Bank, Account No. & currency	2015 - 2016	2014 - 2015
	Kshs	Kshs
Central bank, A/c .1000181257 & Kshs-R204	13,091,380.10	93,155.25
Central bank, A/c1000182164 & Kshs-D204	60,087,584.95	56,010,408.15
Central bank, A/c1000181958 & Kshs-Deposit	282,922,130.15	178,020,325.65
<b>Total</b>	<b>356,101,095.20</b>	<b>234,123,889.05</b>

b. Co-operative bank account no. 01141201980300 - Parliamentary Service Commission with a balance of Kshs 2,873,542.90 has not been included in the financial statements because the amount is on transit to the imprest holder.

9A. ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

	2015-2016	2014-2015
	Kshs	Kshs
Imprest	55,095,094.75	101,876,648.80
<b>Total</b>	<b>55,095,094.75</b>	<b>101,876,648.80</b>

PF NO.	ACCOUNT NAME	ISSUE DATE	AMOUNT	RECOVERED	OUTSTANDING
99004309	ABDILLE SAID OSMAN	10/6/2016	832,934.00	-	832,934.00
99004155	ABDULLAHI KHADIJA YAHA	6/13/2016	808,044.00	-	808,044.00
99004137	ALI MR AHMED ADAN	5/26/2016	100,000.00	-	100,000.00
90009141	ATIENO PAMELA	5/17/2016	302,960.00	-	302,960.00
20030021	BILLOW HON. ADAN KEROW	4/25/2016	781,830.00	39,091.50	742,738.50
2013285	BOY HON. BOY JUMA	6/22/2016	1,219,920.00	-	1,219,920.00
20130253	BULE HON. ALI ABDI	6/14/2016	62,220.00	-	62,220.00
20160002	CHERUIYOT AARON KIPKIRUI SEN	6/2/2016	562,020.00	-	562,020.00
99004282	CHERUIYOT MS. CAROLYNE CHELANGAT	6/15/2016	329,360.70	-	329,360.70
99003736	DINDI MR. DENNIS OCHIENO	8/25/2015	6,504,576.00	6,498,851.00	5,725.00
20130268	ELACHI HON. BEATRICE	6/10/2016	575,892.00	-	575,892.00
20130279	FATUMA HON. DULLO ADAN	6/15/2016	419,220.00	-	419,220.00
STMP8104346	GEORGE A. OWINO	8/25/2015	200,000.00	-	200,000.00
99006043	GIKONYO MR. STEPHEN M.	6/22/2016	5,274,930.00	-	5,274,930.00
99004169	GITONGA CHRISTOPHER	6/10/2016	385,070.00	-	385,070.00
99003909	HAJI MARYAN	6/22/2016	416,860.00	-	416,860.00
20130254	HARGURA HON. GODANA	4/18/2016	54,544.50	5,454.50	49,090.00
20130266	HASSAN HON. HASSAN OMAR	12/2/2015	632,214.00	459,792.00	172,422.00

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99003668	HASSAN MOHAMMED	6/10/2016	335,070.00	-	335,070.00
99004073	IBRAHIM ABDIKANI ABDOW	6/13/2016	808,044.00	-	808,044.00
99003511	IBRAHIM MOHAMED	6/5/2016	55,000.00	-	55,000.00
20130287	JUNIOR HON. MUTULA KILONZO	6/15/2016	419,220.00	-	419,220.00
99003841	KAHIN MS. ZEINAB BASHIR	10/27/2015	808,754.00	8,087.50	800,666.50
20150001	KAJWANG MOSES SEN.	6/21/2016	409,744.00	-	409,744.00
STMP8901887	KANYUKU MARGARET	8/13/2015	35,808.00	-	35,808.00
99004590	KASOLIA MS. ESTHER	6/14/2016	808,044.00	-	808,044.00
20030076	KETER HON. CHARLES C.	11/16/2015	762,200.00	-	762,200.00
20030081	KHALWALE HON. BASIYE B.	10/23/2015	519,064.00	467,157.60	51,906.40
96043478	KHANIRI HON. G.	6/22/2016	1,219,920.00	-	1,219,920.00
99003879	KIBATI VERONICA .N	6/20/2016	1,500,000.00	-	1,500,000.00
20130255	KINDIKI HON. KITHURE	11/16/2015	762,200.00	540,516.20	221,683.80
98000222	KITTONY HON. ZIPPORAH J.	6/21/2016	419,219.40	-	419,219.40
20080031	KIVUTI HON. MAXWELL LENNY	3/9/2016	1,077,936.00	32,338.20	1,045,597.80
97076204	KIYONGA HON. JOHN MUNYES	5/16/2016	644,436.00	32,221.80	612,214.20
99004340	KIZIA WINFRED	6/13/2016	1,200.00	-	1,200.00
20030023	KUTI HON. MOHAMED A.	6/3/2016	853,944.00	-	853,944.00
99003877	LERUK MR IBRAHIM ALI	6/23/2016	1,028,134.00	-	1,028,134.00
20130278	LIZA HON. CHELULE	12/28/2015	632,214.00	241,965.60	390,248.40
99004083	LOMEAR MR. BENARD A.	3/4/2016	436,200.00	8,724.00	427,476.00
20130257	LONYANGAPUO HON. JOHN K.	10/23/2015	519,064.00	375,213.00	143,851.00
20030101	MACHAGE HON. WILFRED G.	3/3/2016	1,851,912.00	-	1,851,912.00
99003699	MATWERE MR. CHARLES	6/27/2016	729,600.00	-	729,600.00
20130259	MELLY HON. ISAAC KIPKEMBOI	6/13/2016	405,756.00	-	405,756.00
99003674	MOGERE ZAKAYO	4/25/2016	726,750.00	-	726,750.00
20030012	MOHAMED HON. ABU CHIABA	12/17/2015	568,560.00	17,056.80	551,503.20
20030107	MOI HON. GIDEON K. T .	8/10/2015	1,324,580.00	39,737.40	1,284,842.60
20130260	MOSITET HON. PETER KOTINKO	4/4/2016	727,260.00	36,363.00	690,897.00
99004557	MUMELO KEVIN MOORE	6/13/2016	797,436.00	-	797,436.00
97076042	MURIUKI HON. MURIUKI KARUE	6/22/2016	1,219,920.00	-	1,219,920.00
99004280	MUSYOKA MS. KAVATA	6/16/2016	194,320.00	-	194,320.00
20030044	MUTAHI HON. KAGWE	6/10/2016	584,766.00	-	584,766.00
9987	MUTEMBEI SILAS	5/26/2016	42,000.00	-	42,000.00
99003607	MWANIKI LUCY WANGUI	6/14/2016	705,000.00	-	705,000.00
20120001	NETTO HON. AGOSTINO	11/27/2015	862,110.00	750,610.50	111,499.50
99004264	NGATIA CHARLES MR	6/17/2016	940,600.00	-	940,600.00
99004430	NGURU MR. JOHN KAMAU	9/21/2015	100,000.00	-	100,000.00
20130290	NJOROGE SEN PAUL BEN	6/2/2016	195,636.00	-	195,636.00
99003686	NJUGUNA MR. SAMUEL N.	6/22/2016	1,170,960.00	-	1,170,960.00
99004159	NOOR GHALGAN A.	6/29/2016	1,000,000.00	-	1,000,000.00
99008744	NYAGAH MS EUNICE WANJIRU	6/9/2016	20,000.00	-	20,000.00
99003788	NYAMBEI MR. SAMUEL	1/6/2016	8,000.00	-	8,000.00
99004035	NYASUNA MR. ROBERT OUKO	9/24/2015	893,474.00	761,278.10	132,195.90

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99003863	OBAYO MR.OSBORN NDONGA	6/20/2016	1,500,000.00	-	1,500,000.00
99003641	OCHOLLA MR. SILVESTER	6/22/2016	768,850.00	-	768,850.00
99003600	OGOLO ERIC	6/13/2016	842,520.00	-	842,520.00
20080002	ONGORO HON.ELIZABETH	9/18/2015	1,774,864.00	1,405,945.90	368,918.10
99003979	OPONDI KENNETH	6/20/2016	320,382.00	-	320,382.00
99004135	OSMAN MR. YUSUF ABDI	6/20/2016	535,500.00	-	535,500.00
85073185	OTIENO IP.GEORGE	8/19/2015	46,800.00	-	46,800.00
99003568	OTIENO MR. GEORGE OCHOLA	6/10/2016	16,000.00	-	16,000.00
99004366	OWINO MR. VITUS P.O.	5/19/2016	827,934.00	-	827,934.00
99000373	OWINO MR.HARRISON O	6/10/2016	477,298.00	-	477,298.00
99004550	PLIMO MS. YUSTUN	6/14/2016	808,044.00	-	808,044.00
99004223	RADOLI MS.LUCY	6/10/2016	1,222,600.00	-	1,222,600.00
91092236	SAIDI ERIC	6/2/2016	288,000.00	-	288,000.00
99003963	SALAT MR.SAMAN AHMED	6/14/2016	808,044.00	-	808,044.00
20130267	SANG HON. STEPHEN KIPYEGO	6/24/2016	1,212,298.00	-	1,212,298.00
99004210	SHABAN MS. MWANATE	6/16/2016	388,640.00	-	388,640.00
20130264	WAMATANGI HON. PAUL KIMANI	5/26/2016	853,942.00	-	853,942.00
87110284	WANDA MS. ROSE WAMBUI	11/17/2015	30,000.00	9,000.00	21,000.00
91063075	WANYOIKE MR. JOHN GITAU	6/20/2016	520,880.00	-	520,880.00
99003538	WARUINGI MS. SALOME GATHONI	1/27/2016	19,000.00	5,700.00	13,300.00
99004197	WASWA PETER MULESI	6/29/2016	553,005.50	-	553,005.50
20130272	ZANI HON. (DR) AGNES	6/22/2016	1,219,920.00	-	1,219,920.00
99004046	ABDULLAHI M/S FATUMA ADEN	8/21/2014	50,000.00	1,500.00	48,500.00
94048456	EKIDOR CPL LENNY	2/27/2015	400.00	-	400.00
20130273	GERTRUDE HON. EMMA MBURA	8/5/2014	206,891.25	-	206,891.25
1025320	KARANJA MR DANIEL	2/24/2016	343,824.00	-	343,824.00
50443	KATHURI P.C. FRANCIS	2/24/2016	6,000.00	-	6,000.00
20100001	KIOKO HON. MIKE SONKO MBUVI	2/24/2016	732,416.00	21,972.60	710,443.40
86032522	NYAMBARI MR.(SGT) GEOFFREY	6/25/2015	3,000.00	-	3,000.00
99003570	AKINYI DOROTHY B	6/30/2016	20,000.00	-	20,000.00
95000930	ALI HON. ISAACK SHAABAN	6/25/2015	668,448.00	143,238.90	525,209.10
20130023	BETT HON. BERNARD KIPKIRUI	5/6/2015	427,120.00	84,569.80	342,550.20
97075826	GALGALO HON G. B.	2/24/2016	114,768.10	-	114,768.10
99003642	NGENY KIPKOECH KENNETH	2/24/2016	29,940.00	-	29,940.00
99003578	KAMAU MR ONESMUS J.KIRAGU	6/30/2016	44,908.00	898.20	44,009.80
20130079	KARIUKI HON. JOHN NDIRANGU	6/30/2016	281,520.00	8,445.60	273,074.40
90169179	MWENDWA ANDREW M	9/18/2014	502,417.00	-	502,417.00
73575	NAKOL CPL RICHARD KOMBLEI	2/24/2016	8,000.00	-	8,000.00
STIMP950121	SANKONA MS. EUNICE	9/9/2014	30,000.00	-	30,000.00
	<b>Total</b>				<b>55,095,094.75</b>

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9B. ACCOUNTS RECEIVABLE - OUTSTANDING ADVANCES

	2015-2016	2014-2015
	Kshs	Kshs
Advances	3,228,303.60	5,258,390.50
<b>Total</b>	<b>3,228,303.60</b>	<b>5,258,390.50</b>

PF NO.	ACCOUNT NAME		AMOUNT
20030021	ADAN KERROW BILLOW		500,000.00
20030020	ALI HASSAN ABDIRAHMAN		875,000.00
20130271	HALIMA ABDILLE MOHAMUD		500,000.00
20130259	ISAAC KIPKEMBOI MELLY		660,000.00
20140002	LORNA MUTORO MUMELO		49,428.60
99004129	AGNES NDUNGE KIAMBI		10,000.00
99004003	ELIZABETH PHINA BOSIRE		21,666.70
99004005	GRACE NGINA NTHAKYO		40,833.30
99004139	JOHN OTIENO ODERO		37,500.00
99004256	CHTALU KIPROTICH BRUCE		51,041.70
99003918	HAWA A. ABDI		25,833.30
96092817	ISMAIL K. KIPSEGERWO		29,166.70
99003995	LINDA KHALAMWA KHAMISI		40,000.00
99003499	NICHOLAS OLE MATIKO		97,416.70
99003630	PETER OCHIENG ADIKA		133,333.30
99003614	PHOSTINE AKOTH OUMA		33,333.30
99004141	SOPHIA MUENI MWOLOLO		12,500.00
80137015	SUSAN MUTHOKI ODHIAMBO		111,250.00
	<b>Total</b>		<b>3,228,303.60</b>

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**10. ACCOUNTS PAYABLE**

	<b>2015 - 2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Deposits /Retentions	282,922,130.15	177,961,215.95
<b>Total</b>	<b>282,922,130.15</b>	<b>177,961,215.95</b>

**11. BALANCES BROUGHT FORWARD**

	<b>2015 - 2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	234,123,889.05	113,324,375.00
Imprest	101,876,648.80	108,406,364.30
Advances	5,258,390.50	1,796,590.40
Accounts Payable - Deposit	(177,961,215.95)	0.00
<b>Fund balance adjustment</b>	<b>(98,667,984.70)</b>	<b>(53,276,027.25)</b>

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12. PRIOR YEAR ADJUSTMENTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Fund balance adjustment	(98,667,984.70)	(23,074,640.00)
Bank accounts	-	120,799,514.05
AIA	-	(1,475,140.00)
Receivables	48,811,640.95	(3,066,773.05)
Payables	104,960,914.20	(177,961,215.95)
Exchequer Debits	-	20,901,409.00
<b>Total</b>	<b>55,104,570.40</b>	<b>(63,876,118.15)</b>

13 OTHER IMPORTANT DISCLOSURES

13A PENDING ACCOUNTS PAYABLE (See Annex 1)

	2015-2016	2014-2015
	Kshs	Kshs
Construction & Civil works	550,733,276.43	483,574,000.00
Supply of goods	33,589,758.57	20,000.00
Supply of services	204,671,949.86	324,000.00
	<b>788,994,984.86</b>	<b>483,918,000.00</b>

13B PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
MPs/Staff	11,176,386.00	2,483,117.00
Others ( <i>constituency offices.</i> )/Staff Allowances	1,636,918.50	83,291,375.55
	<b>12,813,304.50</b>	<b>85,774,492.55</b>

**14 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Focal Point person to resolve the issue (Name and designation)</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
473	Unsupported foreign travel payments	Forwarded to Auditor	Clerk of Senate & secretary to PSC	Resolved	Resolved
474	Fraudulent procurement tonners	Matter under litigation	Clerk of Senate & secretary to PSC	Not resolved	Ongoing
475	Unverifiable pending bills	Matter under litigation	Clerk of Senate & secretary to PSC	Not resolved	Ongoing
476	Unsupported local travel payments	Forwarded to Auditor	Clerk of Senate & secretary to PSC	Resolved	Resolved

***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 PSC 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.

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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

P.V NO or INVOICE	NAME	ORIGINAL AMOUNT	DATE PAYABLE CONTRACTED	AMOUNT PAID TO DATE	OUTSTANDING BALANCE 2016	OUTSTANDING BALANCE 2015	COMMENTS
		a	b	c	d=a-c		
a	<b>Construction of buildings</b>						
7753C	CHINA JIANGXI INTERNATIONAL KENYA LTD	204,477,498.13			204,477,498.13		Insufficient Funds
7577E	MILICONS LTD	40,816,225.51			40,816,225.51		Late submission of Documents
7577E	MILICONS LTD	67,630,040.00			67,630,040.00		Late submission of Documents
**	SCOPE DESIGN SYSTEMS	155,130,168.00			155,130,168.00		Late submission of Documents
41	MSINGI BORA LTD	2,593,910.00			2,593,910.00		Late submission of Documents
42/16	MSINGI BORA LTD	837,800.00			837,800.00		Late submission of Documents
7753C	NK. BROTHERS	24,385,352.41			24,385,352.41		Late submission of Documents
7753C	NK. BROTHERS	4,531,191.71			4,531,191.71		Late submission of Documents
7753C	NK. BROTHERS	24,178,945.05			24,178,945.05		Late submission of Documents
7753C	NK. BROTHERS	3,705,200.00			3,705,200.00		Late submission of Documents
7753C	NK. BROTHERS	2,042,938.30			2,042,938.30		Late submission of Documents
7753C	NK. BROTHERS	6,073,142.10			6,073,142.10		Late submission of Documents

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10042A	WESTVIEW PLUMBERS LTD	13,468,498.22			13,468,498.22		Late submission of Documents
878	AJE ELEVATOR ENGINEERING CO LTD	293,967.00			293,967.00		Late submission of Documents
	COMMCARRIER SATELLITE LTD 2016	568,400.00			568,400.00		Late submission of Documents
		-			-		
	<b>SUB TOTAL</b>	<b><u>550,733,276.43</u></b>			<b><u>550,733,276.43</u></b>		
b	<b>Construction of civil works</b>	-			-		
	<b>Total</b>	<b><u>550,733,276.43</u></b>			<b><u>550,733,276.43</u></b>		
c	<b><u>Supply of goods</u></b>						
	EVEREST BUSINESS SERVICES	455,000.00			455,000.00		Late submission of Documents
	STIMAL OFFICE SUPPLIES LTD	251,500.00			251,500.00		Late submission of Documents
	THE STANDARD GROUP LTD	8,207,591.92			8,207,591.92		Late submission of Documents
	THE STAR LTD	1,368,057.60			1,368,057.60		Late submission of Documents
	VIVIENNES SUPER FLORISTS	796,750.00			796,750.00		Late submission of Documents
	NAIROBI PROJECTORS	1,470,060.00			1,470,060.00		Late submission of Documents
	NATION MEDIA GROUP LTD	6,442,197.05			6,442,197.05		Late submission of Documents
	NEWSPHERE DESIGN LTD	1,020,000.00			1,020,000.00		Late submission of Documents
	JUSTLINE INVESTMENT LTD	1,696,500.00			1,696,500.00		Late submission of Documents
926/2	KALMAX ENTERPRISE	1,275,000.00			1,275,000.00		Insufficient funds

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	KARING GENERAL AGENCIES	660,000.00			660,000.00		Late submission of Documents
	KONE(KENYA)LTD	1,256,400.00			1,256,400.00		Late submission of Documents
	MALIBU PHARMACY LTD	283,000.00			283,000.00		Late submission of Documents
	COMMCARRIER SATELLITE LTD 2016	568,400.00			568,400.00		Late submission of Documents
149408	DALMA ENTERPRISES	876,200.00			876,200.00		Insufficient funds
	DEACONS KENYA LTD	98,600.00			98,600.00		Late submission of Documents
	DELTATECH BUSINESS SYSTEM LTD	389,180.00			389,180.00		Late submission of Documents
	ALPHINE COOLERS LTD	244,992.00			244,992.00		Late submission of Documents
928	BIDA INVESTMENT	5,850,000.00			5,850,000.00		Insufficient funds
	ELTONS(CITY CENTRE PHARMACY LTD)	380,330.00			380,330.00		Late submission of Documents
		<b><u>33,589,758.57</u></b>			<b><u>33,589,758.57</u></b>		
		-			-		
d	<b>Supply of services</b>				-		
	AFRICAN TOUCH SAFARIS	1,977,045.00			1,977,045.00		Late submission of Documents
	AGM TOURS AND TRAVEL	1,885,525.00			1,885,525.00		Late submission of Documents
	FLY HIGH AGENCY LTD	548,430.00			548,430.00		Late submission of Documents
	GOOD HOPE TOURS AND TRAVEL	656,350.00			656,350.00		Late submission of Documents

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12325	IDEAL TOURS& TRAVEL	12,113,910.00			12,113,910.00		Insufficient funds
	JOHNSON TOURS	8,815,557.00			8,815,557.00		Late submission of Documents
	MARA WAYS TOURS AND TRAVEL LTD	1,029,000.00			1,029,000.00		Late submission of Documents
	PAGOAIR WAYS TRAVEL SERVICES	8,976,553.00			8,976,553.00		Late submission of Documents
	PINNACLE(K) TRAVEL & SAFARIS LTD	759,480.00			759,480.00		Late submission of Documents
	PRIMATE TOURS	7,718,420.00			7,718,420.00		Late submission of Documents
	RAYDOLL TOURS & TRAVELS LTD	5,927,750.00			5,927,750.00		Late submission of Documents
	SHIAN TOURS AND TRAVEL	22,000.00			22,000.00		Late submission of Documents
12470	TRAVEL PLAZA LTD	4,003,024.00			4,003,024.00		Insufficient funds
	UNIGLOBE NORTHLINE TRAVEL	3,305,805.00			3,305,805.00		Late submission of Documents
	ZARA'S TRAVEL	11,442,728.00			11,442,728.00		Late submission of Documents
	BOMA INN ELDORET	1,576,860.00			1,576,860.00		Late submission of Documents
	ELEMENTAITA COUNTY LODGE	1,353,000.00			1,353,000.00		Late submission of Documents
	FLAMINGO HOTEL LTD	1,601,300.00			1,601,300.00		Late submission of Documents
	HOTEL LAMADA	678,387.80			678,387.80		Late submission of Documents
	KILIMO GRAND RESORT	1,885,000.00			1,885,000.00		Late submission of Documents
	LAKE NAIVASHA SIMBA LODGE	4,944,000.00			4,944,000.00		Late submission of Documents
	LUKENYA GETAWAY LTD	724,600.00			724,600.00		Late submission of Documents

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	MAANZONI LODGE	1,114,000.00			1,114,000.00		Late submission of Documents
	MASADA HOTEL	1,782,000.00			1,782,000.00		Late submission of Documents
	SEASONS HOTEL NAIROBI	81,200.00			81,200.00		Late submission of Documents
	SENTRIM HOTELS	1,459,500.00			1,459,500.00		Late submission of Documents
	SERENA HOTELS	2,765,982.00			2,765,982.00		Late submission of Documents
	SHAN HOTEL	22,000.00			22,000.00		Late submission of Documents
	WESTON HOTEL	35,000.00			35,000.00		Late submission of Documents
	PEWIN LTD	7,401,842.05			7,401,842.05		Late submission of Documents
	PRIDE INN PARADISE	15,762,260.00			15,762,260.00		Late submission of Documents
	RODENTKIL CLEANING COMPANY LTD	688,680.00			688,680.00		Late submission of Documents
	SUPER BROOM SERVICES LTD	601,030.00			601,030.00		Late submission of Documents
	SYSTEMWIDE COMMUNICATION SERVICES	3,377,000.00			3,377,000.00		Late submission of Documents
	TRINMARCH VENTURES	3,171,600.00			3,171,600.00		Late submission of Documents
	VISION HOPE	519,000.00			519,000.00		Late submission of Documents
	MEDINA ENTERPRISES	1,826,260.00			1,826,260.00		Late submission of Documents
	CHRISANE HOLDINGS LTD	2,850,000.00			2,850,000.00		Late submission of Documents
14949	DAVIAN CLEANING SERVICES LTD	3,150,556.00			3,150,556.00		Insufficient funds
	AJE ELEVATOR	881,901.00			881,901.00		Late submission of Documents

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43563	COMMISSIONER OF INCOME TAXES(NCC)	23,600,000.00			23,600,000.00		Matter pending with legal
	BUNGE STAFF CANTEEN	7,894,395.00			7,894,395.00		Insufficient funds
	KNA-CATERING DEPARTMENT	19,386,891.00			19,386,891.00		Insufficient funds
	HOSPITALS BILLS	24,356,128.01			24,356,128.01		Insufficient funds
		-			-		
	<b>SUB TOTAL</b>	<b><u>204,671,949.86</u></b>			<b><u>204,671,949.86</u></b>		

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**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

<b><u>Individuals -MPs and Staff</u></b>					
Longlisting Panel	272,000.00			272,000.00	LACK OF FUNDS
Shortlisting Panel	42,000.00			42,000.00	LACK OF FUNDS
Matriculation Panel	272,000.00			272,000.00	LACK OF FUNDS
National Prayer Committee	276,800.00			276,800.00	LACK OF FUNDS
Evaluation Task Force	164,500.00			164,500.00	LACK OF FUNDS
Safety & Health Committee	210,000.00			210,000.00	LACK OF FUNDS
Zakayo Mogere-Extra. Admin	513,500.00			513,500.00	LACK OF FUNDS
Senate Training Committee	212,000.00			212,000.00	LACK OF FUNDS
CPST BOM Committee	1,143,000.00			1,143,000.00	LACK OF FUNDS
Wellness Committee	969,000.00			969,000.00	LACK OF FUNDS
Inspection & Acceptance Comm.	261,800.00			261,800.00	LACK OF FUNDS
CPST Task Force	120,500.00			120,500.00	LACK OF FUNDS
Tender Site-Visit Committee	119,000.00			119,000.00	LACK OF FUNDS
First Legislative Summit Comm.	332,000.00			332,000.00	LACK OF FUNDS
Org. Comm. AFROPAC	245,000.00			245,000.00	LACK OF FUNDS
PSC Secretariat	1,288,500.00			1,288,500.00	LACK OF FUNDS
James Wekesa	42,000.00			42,000.00	LACK OF FUNDS
Lilly Enduswe	458,500.00			458,500.00	LACK OF FUNDS
Ann Odhiambo	394,450.00			394,450.00	LACK OF FUNDS
Regina Munyao	20,000.00			20,000.00	LACK OF FUNDS
Metropolitan Hospital	153,102.00			153,102.00	LACK OF FUNDS
Kenneth Kivunaga	157,500.00			157,500.00	LACK OF FUNDS
Maj. Kirungu Majiba	7,200.00			7,200.00	LACK OF FUNDS

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Mohamed Roba	4,000.00			4,000.00	LACK OF FUNDS
Francis Makau	21,114.00			21,114.00	LACK OF FUNDS
Marichi Maganga	58,250.00			58,250.00	LACK OF FUNDS
Misati Linet	4,195.00			4,195.00	LACK OF FUNDS
Dr.Odhiambo Wakah	15,000.00			15,000.00	LACK OF FUNDS
Eunice Lumalas	10,000.00			10,000.00	LACK OF FUNDS
Carolyne Cheruiyot	144,000.00			144,000.00	LACK OF FUNDS
Grace Mutungu	19,000.00			19,000.00	LACK OF FUNDS
John Nganga	50,000.00			50,000.00	LACK OF FUNDS
Douglas Mbuvi	4,000.00			4,000.00	LACK OF FUNDS
Geoffery Onchiri	4,000.00			4,000.00	LACK OF FUNDS
Judy Thumbi	62,300.00			62,300.00	LACK OF FUNDS
Various persons-sub committees/taskforce	2,012,650.00			2,012,650.00	LACK OF FUNDS
Keneth Waweru	8,000.00			8,000.00	LACK OF FUNDS
Yoro Shadrack	5,235.00			5,235.00	LACK OF FUNDS
Hon. Shariff Athman	477,425.00			477,425.00	LACK OF FUNDS
Gicheru Moses	7,000.00			7,000.00	LACK OF FUNDS
Paymaster General	493,025.00			493,025.00	LACK OF FUNDS
Sophy Salamba	26,790.00			26,790.00	LACK OF FUNDS
Edung Ethuro	71,050.00			71,050.00	LACK OF FUNDS
Charles Ayari	5,000.00			5,000.00	LACK OF FUNDS
<b>SUB-TOTAL</b>	<b>11,176,386</b>			<b>11,176,386</b>	

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	<b>Constituency/County/Women Reps</b>					
12331	Isiolo Senate	1,297,768.50			1,297,768.50	LACK OF FUNDS
13962	Embu Senate	339,150.00			339,150.00	LACK OF FUNDS
	<b>SUB TOTAL</b>	<b><u>1,636,918.50</u></b>			<b><u>1,636,918.50</u></b>	

**ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER**

<b>Asset class</b>	<b>Historical Cost (Kshs) 2015/16</b>	<b>Historical Cost (Kshs) 2014/15</b>
Land	135,000,000.00	0.00
Buildings and structures	4,001,341,635.40	2,621,757,000.00
Transport equipment	214,004,553.00	170,120,000.00
Office equipment, furniture and fittings	202,700,115.00	124,134,000.00
ICT Equipment, Software and Other ICT Assets	0.00	0.00
Other Machinery and Equipment	268,164,209.00	172,742,000.00
Heritage and cultural assets	0.00	0.00
Intangible assets	0.00	0.00
<b>Total</b>	<b>4,821,210,512.40</b>	<b>3,043,753,000.00</b>

