

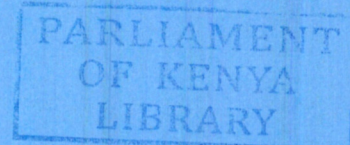
REPUBLIC OF KENYA



PAPERS LAID	
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COMMITTEE	—
CLERK AT THE TABLE	Chania

REPORT

OF



THE AUDITOR-GENERAL

ON

COUNTY EXECUTIVE OF TRANS NZOIA

**FOR THE YEAR ENDED
30 JUNE, 2022**





COUNTY EXECUTIVE OF TRANS NZOIA

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2022

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

COUNTY EXECUTIVE OF TRANS NZOIA
Annual Report and Financial Statements
for the year ended June 30, 2022.

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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.

Vision

An Outstanding Agro-industrialised County with high Quality of Life for Residents

Mission

Promote Transformative Development, Service Delivery and Good Governance for Suitable Socio-economic Development

Core Values

- *Integrity*
- *Professionalism*
- *Responsiveness*
- *Equity*
- *Teamwork*

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b) Key Management

The County Executive's day-to-day management is under the following key organs:

No.	Designation	Name
1.	Governor	H.E Patrick Simiyu Khaemba
2.	Deputy Governor	Hon. Dr. Stanley Kenei Tarus
3.	County Secretary	Hon. Sifuna Wakofula
4.	CEC, Finance & Economic Planning	Hon. Andrew Musungu (01.07 .2021 to 01.04.2022) Hon. Bonface Wanyonyi Cosmas (01.04.2022 to 30.06.2022)
5.	CEC, Office of the Governor & Public Service Management	Hon. Susan Nelima
6.	CEC, Land, Housing, Physical Planning & Urban Development	Hon. Christine Tangui
7.	CEC, Water, Environment & Natural Resources	Hon. Andrew Musungu
8.	CEC, Public Works, Transport & Energy	Hon. Caiphus Nambafu
9.	CEC, Education	Hon. Isaac Kogo
10.	CEC, Health Services	Hon. Clare Namenge
11.	CEC, Trade, Commerce & Industry	Hon. Simeon Kisegei
12.	CEC, Agriculture, Livestock & Fisheries	Hon. Mary Nzomo
13.	CEC, Gender, Youth, Culture, Sports & Tourism	Hon. Aggrey Chemonges

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c) Fiduciary Management

The key fiduciary management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chief Officer- Finance	CPA Emmanuel Wanjala
2.	Chief Officer- Planning	Milton Koech
3.	Chief Officer- PSM	Dr. Robert Masinde
4.	Chief Officer- Livestock	Shadrack Kimutai
5.	Chief Officer- Governance	Pius Munialo
6.	Chief Officer- Land, Housing, Physical Planning & Urban Development	Linekar Bwile
7.	Chief Officer- Water, Environment & Natural Resources	John Meng'wa
8.	Chief Officer- Public Works, Transport & Energy	Eng. Philip Wasike
9.	Chief Officer- Education	Susan Ngera
10.	Chief Officer- Health Services	Eng. Charles Barasa
11.	Chief Officer- Trade, Commerce & Industry	Emily Cheptabut
12.	Chief Officer- Agriculture, Livestock & Fisheries	Robert Musikoyo
13.	Chief Officer- Gender, Youth, Culture, Sports & Tourism	Eliud Bichii

d) Fiduciary Oversight Arrangements

The key fiduciary oversight bodies at the County for the year ended 30 June 2022 were;

- Trans Nzoia County Assembly;
- Controller of Budget;
- National Treasury;
- Commission on Revenue Allocation; and
- Trans Nzoia County Audit Committee;

e) Users of Financial Statements

- Office of the Controller of Budget
- Office of the Auditor General
- The National Treasury
- Commission on Revenue Allocation

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- The County Assembly of Trans Nzoia
- Donors
- General Public
- The Senate

f) County Executive Headquarters

P.O. Box 4211-30200

County Head Quarter Building

Moi Avenue

KITALE, KENYA

g) County Executive Contacts

Telephone: (254) 054-30301/2

E-mail: countyoftransnzioa@gmail.com

Website: www.transnzioa.go.ke

h) County Executive Bankers

1. Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

NAIROBI, KENYA

2. Kenya Commercial Bank

Kitale Branch

3. Equity Bank

Kitale Branch

4. Co-operative Bank

Kitale Branch

5. Eco-Bank

Kitale Branch

6. Trans National Bank

Kitale Branch

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7. Family Bank
Kitale Branch

8. Chase Bank
Kitale Branch

i) Independent Auditors

Auditor-General

Office of The Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

NAIROBI, KENYA

j) Principal Legal Adviser

The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

City Square 00200

NAIROBI, KENYA

2. FOREWORD BY THE CECM FINANCE AND ECONOMIC PLANNING

Functions of the County Government as per the County Government Act.

It is my pleasure to present the financial performance of the County Government of Trans Nzoia over the financial year 2021/22, for the Financial Year ended 30th June, 2022.

The functions of County Governments in Kenya are enshrined in the Constitution of Kenya. County governments are one of the two arms of government, the other arm being the National Government. Article 6(1) divides the territory of Kenya into the counties specified in the First Schedule. The governments at the national and county levels are distinct and inter-dependent. Yet, they conduct their mutual relations based on consultation and cooperation (Article 6:2). Devolution of power is also one of the national values and principles of governance under Article 10. The functions of County Governments in Kenya under the Constitution are essential for devolution. Counties may perform other functions assigned through an Act of Parliament.

The functions of the devolved government in Kenya are further expounded by an Act of Parliament. The County Governments Act expounds on these functions. Section 5 of the County Governments Act tries to expound on Article 1(4) of the Constitution.

Section 5 of the County Governments Act (2012) classifies the functions of County Governments in Kenya as follows:

- a) County legislation in accordance with Article 185 of the Constitution. This is a function conferred to the County Assembly. County Assemblies make laws that are necessary to ensure County Governments perform their functions under the Fourth Schedule. A County Assembly exercises oversight on the County Executive Committee or other County Executive organs.
- b) Exercising executive functions in accordance with Article 183 of the Constitution. These functions of the County Executive Committee in Kenya include:
 - ✓ Implementation of County legislation;
 - ✓ Implementation of national legislation within the County if the legislation so requires;
 - ✓ Management and coordination of the functions of the County administration and its departments; and

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- ✓ Performance of any other functions conferred on it by the Constitution or national legislation.

A County Executive Committee can also prepare proposed legislation for consideration by the county assembly. It should provide the Assembly with full and regular reports on matters relating to the county.

Budget performance against actual amounts for current year

Financing of the County Governments

Pursuant to Article 202 of the Constitution of Kenya, revenue raised nationally shall be shared equitably among the National Government and the County Governments. The equitable share of revenue raised nationally, is determined annually through the County Allocation of Revenue Act (CARA), while the revenue sharing formula is developed by the Commission on Revenue Allocation (CRA) and approved by Parliament in accordance with Article 217 of the Constitution. The County Government of Trans Nzoia also finances its operations through own generated revenues and continues to explore new and innovative ways of increasing its local revenue collections.

Financial Performance

i. Revenue

For the year ended 30th June, 2022, the County Government of Trans Nzoia had projected revenues of KShs 9,305,304,756 consisting of KShs 529,500,000 from own source revenue, Kshs. 7,186,157,670 from the Exchequer, Kshs. 777,118,763 from Development partners while Kshs 812,528,323 from the reallocation budget.

A graphical representation of the revenue budget is as shown below:

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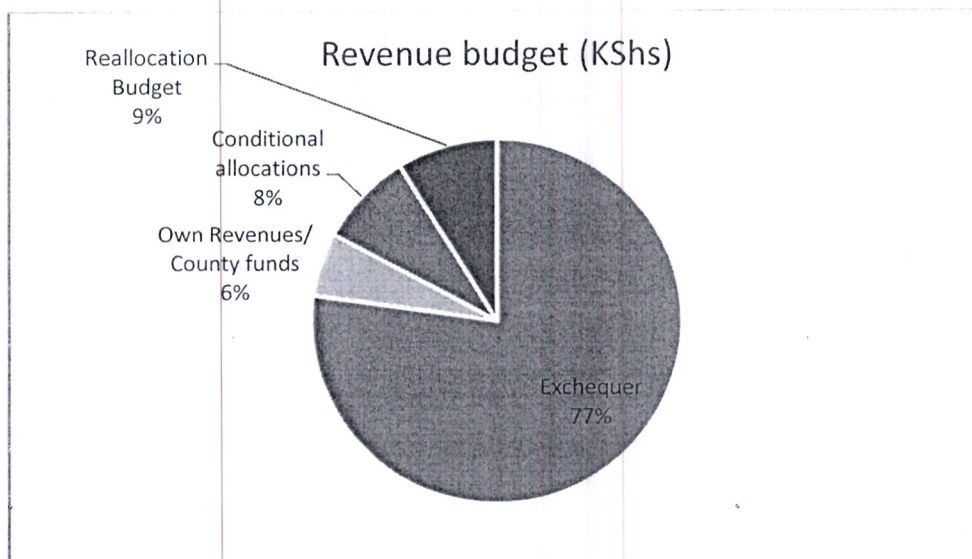


Figure 1: Government Government of Trans Nzoia revenue sources in FY 2021/2022

Out of the projected revenue, the County was able to realise KShs 7,839,865,666 in actual revenues, representing 84% performance. The difference in the budget was due to under collection in exchequer releases, donor funds, own source revenue and other revenues as presented below:

Table 1: Revenue performance in FY 2020/2021

Revenue classification	Revenue budget (KShs)	Adjustment	Final Budget	Actual (KShs)	Realisation
Exchequer	7,186,157,670	-	7,186,157,670	6,611,265,058	92%
Own Revenues/County funds	529,500,000	-	529,500,000	183,852,949	35%
Conditional Allocations	724,984,356	52,134,407	777,118,763	231,945,167	30%
Reallocation Budget	812,528,323	-	812,528,323	812,528,323	100%
Total	9,253,170,349	52,134,407	9,305,304,756	7,839,591,497	84%

ii. Payments

The expenditure for the financial year 2021/2022 amounted to KShs 7,856,227,110 out of which Kshs 1,782,559,268 was spent on acquisition of assets, KShs 4,532,451,134 on use of

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goods and personnel emoluments, Kshs. 772,553,455 on transfers to the County Assembly while Kshs. 768,663,253 comprised of other grants and transfers.

iii. Cash flows

There were liquidity challenges during the financial year due to delays in exchequer releases. The cash and cash equivalents decreased from KShs 383,418,433 as at 30th June 2021 to KShs 104,641,004 as at 30th June 2022.

iv. Pending bills

At the close of FY 2021/2022 the pending bills were Kshs 1,024,154,814 compared to Kshs 894,023,142 in FY2020/2021. The County supports the procurement of goods and services with the budget, and also purposes to pay the suppliers timely in the subsequent financial years.

v. Fixed assets

During the FY 2021/22 the fixed assets increased from Kshs 10,806,109,807 to Kshs 12,588,669,075.

Operational performance

As stated earlier, 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 together towards achieving operational efficiency.

Own Source Revenue

The County's revenue collection increased from Kshs 340,453,746 in FY2020/21 to Kshs 379,991,105 in the Financial Year ending 30th June 2022. However, the revenue that was banked to the CRF is Kshs. 183,852,949

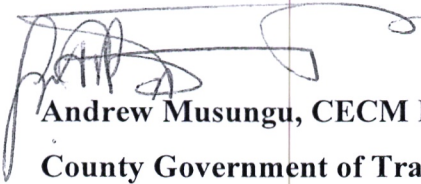
We will continue to explore ways of enhancing revenue collection to make sure that it is improved.

Finally I take this opportunity to thank H.E. the Governor and the Deputy Governor for their leadership and guidance in achieving the County Vision for the people of Trans Nzoia. I also want to thank my colleagues, the County Executive Committee Members in charge of other

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departments together with the Chief Officers who we have worked hand in hand to ensure that County Government of Trans Nzoia achieves its mission.

I thank all staff in the entire County for their continued commitment and dedication through hard work in delivering services to the people of Trans Nzoia County.



Andrew Musungu, CECM Finance and Economic Planning
County Government of Trans Nzoia

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 eleven 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 Trans Nzoia County's 2018-2022 CIDP are to:

1. Land and soil management, provision of fertilizer subsidy, promoting value addition, diversification and modernizing the agricultural sector.
2. Extension of Water Gravity Schemes, sinking and equipping boreholes, rehabilitation of water dams and investing in efficient waste management
3. Expansion of ECDE and VTC infrastructure, provision of the Elimu Bursary Fund, provision of modern equipment for VTCs, learning and instructional materials among other initiatives.

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4. Construction of modern Wholesale and retail market, Construction of Kitale Business Centre, revival of the Jua Kali sector, provision of business financing to micro and small enterprises, and opening the Suam Border Point for Trade and Investment.
5. Modernizing the road network in the County and upscaling street lighting programme.
 6. Completion of County Teaching and Referral hospital, construction of new health facilities, rehabilitation and expansion of existing health facilities, and sustainable supply of pharmaceuticals and health commodities.
7. Develop and implement County spatial and urban plans and fast track the land title deed facilitation program.
8. Promote sports, culture, tourism and performing arts and support the vulnerable by establishing safety nets to ensure they enjoy quality life.
9. Establish an efficient and effective County government structure through restructuring of Government functions.
10. Develop appropriate policies and plans that will guide resource allocation.
11. Develop strategies to support revenue mobilization to fund this Plan.

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**Progress on Attainment of Development Objectives from Annual Development Plan
(Adopted from Trans Nzoia County ADP)**

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
Public Works, Transport & Energy	To improve road network and accessibility	County Roads graded and gravelled	No of Kilometres of County roads developed and maintained	1200KM of roads graded and gravelled
	To enhance security and increase business working hours	Highmast Lights installed	No. of high mast lights installed	25 high mast lights installed county wide
Health Services	Eliminate communicable conditions and reverse the rising burden of non-communicable conditions	Community units established in all wards in the County	No. of active community health units	196 Community units in all wards in the County.
	To enhance provision of essential healthcare	Family Planning community outreach services conducted	The number of FP community outreach services conducted	58 family planning community outreach services were done
Water, Environment	To increase access to clean,	Spring and catchments areas protected	Number of spring and catchments protected	25 springs and catchment areas

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Department	Objective	Outcome	Indicator	Performance
and Natural Resources	safe and adequate water			protected
Education	Increase access to ECDE and Vocational training	Vocational Training Centres workshop and ICT Lab constructed and renovated	No of workshops and ICT Labs completed	4

N/B: Data and information provided here should be verifiable against the ADP.

4. ENVIRONMENTAL AND SUSTAINABILITY REPORTING

Trans Nzoia County exists to transform it's citizenry livelihood. This is our purpose; the driving force behind everything we do. It is what guides us to deliver on our development plan(s): putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence to ensure the County's sustainability.

1. Sustainability strategy and profile

Trans Nzoia is an agricultural county and all its social, economic and political spheres revolve around agricultural production, revolution, agribusiness sustainability and food security. The planning priorities focus on achieving world class best practices in agriculture, embracing technology and innovations to heighten living standards and revolutionizing the economy.

2. Environmental performance

The county has a rich environmental diversity including two of the country's water towers, two national game reserves, large prime arable land, large natural stones extraction sites, sand quarries and several forests. Each of these diverse natural resources has a policy or policies both national and county government which guide the management, conservation and use. In order to reduce environmental degradation, the county's policy is to conserve and protect streams, regulate quarrying activities, collect and safely dispose solid waste, and spearhead use of appropriate agricultural practices which include diversification, conservation agriculture, and use of appropriate mechanization among others.

3. Employee welfare

Trans Nzoia County is an equal opportunity employer committed to operate within the national guidelines of employment. During all the recruitment processes, the county embraces inclusivity, fairness and professionalism. Once employed, officers are as a matter of policy taken through induction, which is followed by by periodic training based on need and availability of resources. Such training is based on training needs assessment, and annual projections. In each calendar year, officers are subjected to a rigorous performance appraisal system in order to improve service

delivery. At the work place the county has put in place measures to improve the working environment through provision of the right working space, tools and equipment, safety provisions and progression mechanism. The bases for progression are: merit, schemes of service, organization structure and employee personal professional development.

4. Market place practices-

The county has made efforts to promote fair practices in the following ways;

a) Responsible competition practice.

In order to promote fair trade, the County has the Department of Trade, Commerce and Industry whose mandate is to provide a fair and competitive trade environment, provision of market places, regulation of trade activities, and dispute resolution among traders. Further, in collaboration with the political class, the department has identified and built markets at strategic places to provide decent working spaces for traders. Currently, the County is constructing three large markets in Kitale town to accommodate the over five thousand traders.

b) Responsible Supply chain and supplier relations-

The County through the supply chain management unit endeavours to adhere to the public procurement and disposal act 2015. At the beginning of each financial year the County updates its supplier data bank through a prequalification process upon which most of the procurement is carried out. When procuring goods, services and works, deliberate efforts are made to observe reservations, proper procurement methods, equity and fairness. Upon delivery of the procured items, the County makes payments to suppliers on a schedule of procedures. Pending bills are also frequently paid to avoid backlog hence encouraging and motivating our suppliers to promptly supply goods and services whenever they are called upon.

c) Responsible marketing and advertisement

The revenue unit of the department of finance is charged with the responsibility of regulating and licensing of trade activities and from time to time makes advertisements on regulations, new policies and directives. All the activities of the unit observe the guidelines provided by the competition authority of Kenya.

d) Product stewardship

Concerted efforts are put in place to ensure consumer rights and interests. They include: regular checks and calibration of traders weights and measures, enforcement of the anti-counterfeit policy (by the national government), and quality assurance by the Kenya bureau of standards. .

5. Community Engagements

The County has a robust public participation policy which ensures that the community is involved in key decisions about projects and programmes. Through this policy, communities are involved identification of needy students for award of bursaries, issuance of business start-up kits through the Nawiri fund and support to groups through the department of cooperatives.

6. Others

During the year, the County took a pivotal role in mitigating the effects of Covid-19 pandemic by distributing food and non-food items to the vulnerable. Similarly, the same items were distributed to flood victims in the County.

In sports, the County supported sports activities through provision the County bus to teams that participated in varied sporting activities across the country, supported the County's Paralympic team and hosted local KFF matches for the benefit of County teams.

Like all the other counties, Trans Nzoia provided isolation and treatment centres for Covid-19 victims and has continuously provided vaccination services against the corona virus. In the same vein, the County in collaboration with the business community provided hand washing cans, sanitizers and masks to schools and members of the community.

**COUNTY EXECUTIVE OF TRANS NZOIA
Annual Report and Financial Statements
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5. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Sections 163,164 and 165 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the County Treasury shall prepare financial statements of each County Government entity, receiver of receipts and consolidated financial statements for all County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The County Executive Committee (CEC) member for Finance and Economic planning of the County Government is responsible for the preparation and presentation of the County Executive's financial statements, which give a true and fair view of the state of affairs of the County Executive for and as at the end of the financial year ended on June 30, 2022. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the county Executive; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the county Executive; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Executive's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for finance is of the opinion that the County Executive's financial statements give a true and fair view of the state of the County Executive's transactions during the financial year ended June 30, 2022, and of its financial position as at that date.

The CEC member for finance further confirms the completeness of the accounting records maintained for the County Executive which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

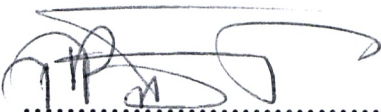
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The CEC member for finance confirms that the County Executive has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Executive's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Further the CEC member for finance confirms that the County Executive's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

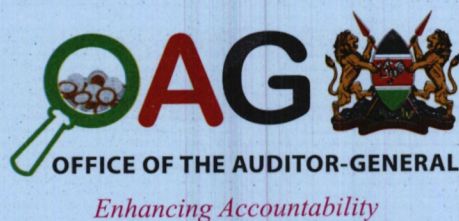
The County Executive's financial statements were approved and signed by the CEC member for finance on _____ 2022.



.....
County Executive Committee Member –
Finance and Economic Planning

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF TRANS NZOIA FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Executive of Trans Nzoia set out on pages 1 to 48, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in

Report of the Auditor-General on County Executive of Trans Nzoia for the year ended 30 June, 2022

accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the County Executive of Trans Nzoia as at 30 June, 2022, 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 County Governments Act, 2012.

Basis for Qualified Opinion

1. Unaccounted for Office Stationeries and Cleaning Materials

The statement of receipts and payments reflects an expenditure of Kshs.422,632,918 under other payments which includes an amount of Kshs.127,199,761 spent on office stationeries and cleaning materials by the Departments of Health and Finance. However, stores records such as S3 forms and S11 forms indicating how the items were received and issued were not maintained. This was contrary to Section 162(1) of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer of a procuring entity to ensure that all inventory, stores and assets purchased are received, but shall not be used until taken on charge as a basis for ensuring that all procured items are properly accounted for and put in proper use as intended by the procuring entity.

In the circumstances, the accuracy, propriety and completeness of the expenditure of Kshs.127,199,761 could not be confirmed.

2. Failure to Receipt Revenue

The County Executive collected revenue amounting to Kshs.177,831,271 through the ZIZI revenue system. This amount does not include revenue collected by health facilities which is accounted for and banked separately. An analysis of the bank statements indicates that the county received revenue amounting to Kshs.196,037,501. This results in a variance of Kshs.18,206,230 which was not receipted.

In the circumstances, the accuracy of the receipts could not be ascertained.

3. Anomalies in Other Operating Expenses

The statement of receipts and payments reflects an expenditure of Kshs.1,201,401,824 under use of goods and services which includes an amount of Kshs.201,157,225 in respect of other operating expenses as disclosed in Note 3 to the financial statements. However, payments amounting to Kshs.14,419,369 were made to clear pending bills that were for the prior years which were not disclosed in the year 2020/2021 financial statements. Further, payments for goods totalling Kshs.4,917,026 were not recorded in the store's ledger while payments for legal fees totalling Kshs.6,129,224 were not supported by case files.

In the circumstances, the accuracy and completeness of other operating expenses of Kshs.25,465,619 could not be confirmed.

4. Misclassification of Expenditure Under Construction and Civil Works

The statement of receipts and payments reflects an expenditure of Kshs.1,782,559,268 on acquisition of assets which includes an amount of Kshs.753,042,782 for construction and civil works as disclosed in Note 6 to the financial statements. However, payments totalling Kshs.109,204,957 paid through the Department of Gender, Youth, Culture, Sports and Tourism were for the purchase of household goods, including blankets and cooking gas cylinders, that are not construction in nature.

In the circumstances, the construction and civil works expenditure of Kshs.109,204,957 for the year ended 30 June, 2022 could not be confirmed.

5. Unsupported Expenditure on Construction of Roads

The statement of receipts and payments reflects an expenditure of Kshs.1,782,559,268 on acquisition of assets which includes an amount of Kshs.233,231,152 for the construction of roads as disclosed in Note 6 to the financial statements. However, the respective procurement and project implementation records such as requisitions, tender advertisements, appointment letters for Tender Opening and Evaluation Committee Members, tender opening and evaluation minutes, priced bills of quantities, measurement of works and site inspection minutes were not provided for audit.

In the circumstances, the propriety of the expenditure amounting to Kshs.233,231,152 could not be confirmed.

6. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflects a bank balance of Kshs.110,200,648 as at 30 June, 2022 as detailed in Note 8 to the financial statements. However, the balance includes Kenya Commercial Bank National Agriculture and Rural Inclusive Growth Programme (NARIGP) operations account balance of Kshs.52,181,172 and Kenya Commercial Bank Agricultural Sector Development Support Programme (ASDSP) account balance of Kshs.8,804,649. During the year under review, the County Government transferred Kshs.225,041,254 and Kshs.12,194,066 to NARIGP and ASDSP respectively. However, the transferred amounts were fully recognized as expenditures in the statement of receipts and payments. The Management did not explain why the balances were still reflected in the statement of assets and liabilities.

Consequently, the accuracy and completeness of the bank balance of Kshs.110,200,648 as at 30 June, 2022 could not be confirmed.

7. Lack of Disclosure of Assets in Summary of Non-Current Assets Register

Annex 5 to the financial statements reflects a summary of non-current asset register balance of Kshs.12,588,669,075 which includes an amount of Kshs.1,782,559,268 in respect of acquisitions during the year. However, the asset register presented for audit did not reflect the assets acquired during the year. Further, the asset register was not prepared in conformity with the Guidelines on Asset and Liability Management in the Public Sector of March, 2020 issued by the Cabinet Secretary to The National Treasury.

In the circumstances, the accuracy and completeness of non-current assets balance of Kshs.12,588,669,075 could not be ascertained.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.9,305,304,756 and Kshs.7,953,219,439 respectively resulting to an under-funding of Kshs.1,352,085,317 or 15% of the budget. Similarly, the County Executive spent Kshs.7,856,324,225 against an approved budget of Kshs.9,305,304,756 resulting to an under-expenditure of Kshs.1,448,980,531 or 16% of the budget.

The under-funding and under-expenditure are an indication that the planned programs and activities would be implemented and the public may not have received the envisaged services.

2. Accumulation of Pending Accounts Payables

Annex 2 to the financial statements indicates pending accounts payables balance of Kshs.821,549,884 as at 30 June, 2022. Review of schedules in support of the amounts from the respective Departments revealed significant variances as detailed below:

Department	Amount as per Financial Statements (Kshs.)	Amount as per Supporting Schedules (Kshs.)	Variance (Kshs.)
Public Works, Transport and Infrastructure	49,146,203	250,040,929	(200,894,726)
Environment, Water and Natural Resources	67,424,048	125,246,233	(57,822,185)
Gender, Youth, Sports, Culture and Tourism	22,422,514	96,430,033	(74,007,519)

However, schedules of pending accounts payables and supported invoices from some thirteen (13) Departments were not provided for audit. Further analysis of the schedules for the Department of Public Works, Transport and Infrastructure revealed pending accounts payables amounting to Kshs.176,576,529 which were not reflected in the Annex while an amount of Kshs.34,353,507 in the Annex and not in the schedules. Similarly,

analysis of the schedules for the Department of Environment, Water and Natural Resources revealed pending accounts payables amounting to Kshs.67,689,350 which were not reflected in the Annex and Kshs.15,737,027 that were in the Annex and not in the schedules.

Accumulation of pending bills is contrary to The National Treasury Circular Ref. AG 3/101/75 which requires Accounting Officers to establish effective financial controls and maintain financial discipline for efficient use of resources. It is also contrary to Regulation 41(2) of the Public Finance Management (County Governments) Regulations, 2015 which requires that debt service payments should be a first charge on the County Revenue Fund.

Further, failure to settle pending bills during the year in which they relate distorts the financial statements and adversely affects the budgetary provisions for the subsequent year as they form a first charge.

3. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, and Report on Lawfulness and Effectiveness in Use of Public Resources, Report on Effectiveness of Internal Controls, Risk Management and Governance. Although Management has indicated that the issues have been resolved, the matters remain unresolved as the Senate has not deliberated and issued recommendations on them.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Acquisition of Assets

1.1 Variance on Parcels of Public Land within Kitale Municipality

A Task Force established by the County Government of Trans Nzoia, in consultation with the National Land Commission, through the Kenya Gazette Notice Vol.CXXIII-No.137 dated 25 June, 2021 in its report submitted to the Governor of Trans Nzoia County in June, 2022, established that the Kitale Municipality has 123 parcels of public land. This number of parcels of public land varied with 962 parcels included in the Trans Nzoia County Draft Land Valuation Roll of 17 September, 2015 translating to a reduction of 839 parcels of public land within 10 years. Further, review of the defunct Kitale Municipal Council Valuation roll of 20 November, 2006 revealed that the defunct Kitale Municipal Council had 1,403 parcels of public land at that time which was then reduced by 441 to

962 parcels as at 17 September, 2015. The Management, however, did not provide evidence that proper procedures for the allocation of public land were followed as required by Sections 12, 13 and 14 of The Land Act, 2012.

Further, the County Government charged rates based on a valuation roll that was approved in the year 2006 which is over 18 years contrary to Section 3 of the Valuation for Rating Act which requires every local authority to, at least once in every ten years or such longer period as the Minister may approve, cause a valuation to be made of every rateable property within the area of the local authority in respect of which a rate on the value of land is, or is to be imposed, and the values to be entered in a valuation roll.

1.2 Incomplete Asset Management Records

Review of the records in respect of the County assets revealed that the County Government does not maintain reliable, accurate and up-to-date fixed assets register and valuation register of properties. The asset register provided does not conform to the reporting templates issued by The National Treasury, and it did not have specific details of all the assets owned by the County Government. It was therefore not possible to identify the number of properties owned by the County Government and their valuation as at the time of audit. Further, the County Government does not have Asset Monitoring and Management System and therefore cannot link all assets to the Geographical Information System (GIS).

The County Government also lack approved Assets Management Policies and guidelines and has not developed county government asset and liability management guidelines in line with policy, guidelines and templates issued by Public Sector Accounting Standards Board (PSASB) with the concurrence of the Cabinet Secretary, The National Treasury and Economic Planning.

In addition, the County Treasury has not constituted County Assets and Liabilities Management Committees to assist the County Treasury in the overall implementation of the assets and liability management framework. Further, the County Treasury has not implemented a maintenance plan in respect of every non-financial asset. The Accounting Officer has also not undertaken a comprehensive verification and condition assessment of all tangible assets controlled or used by the entity during the financial year under review.

In addition, it was not possible to identify, verify the existence and ownership of assets including land, buildings, motor vehicles, computers and computer accessories, furniture and fittings, plant and equipment, roads, current assets, biological assets, intangible assets, and projects and work in progress owned by the County Government across all the Departments .

In the circumstances, the Management was in breach of the law.

1.3 Implementation of the Construction of Kitale Multi-Storey Business Complex

The Trans Nzoia County Executive planned to construct the Proposed Multi Storey Business Complex Building in Kitale at a contract sum of Kshs.874,280,383. The financing model was to be co-funded in financial years 2018/2019, 2019/2020, 2020/2021 and 2021/2022 by the Kenya Urban Support Programme (KUSP) of Kshs.490,000,000;

County Government of Trans Nzoia (CGTN) - Kshs.289,280,383; and Kenya Devolution Support Programme (KDSP) – Kshs.95,000,000. The contract awarded to a local construction company on 07 June, 2018 was to be implemented within an estimated completion period of 25 months, ending 07 July, 2020. The 586 closed-door market facility was aimed at providing market facilities to the public. However, project verification on 11 November, 2022, over 27 months after elapse of the contract period, revealed that the project was at about 70% completion level.

Further, review of the project records, and physical inspection of the project, revealed the following anomalies:

- a) The external and internal walling estimated to cost Kshs.38,717,682 were expected to be made of natural stonework with a comprehensive strength of 7N/mm squared but concrete blocks were instead used. However, there were no approved variation orders by the Accounting Officer and the variations were not captured in the measurement of works.
- b) The surface area of the internal walling estimated at 31,017 S/M was also reduced due to the change in plan from building 586 closed shops to having:
 - i) Ground floor has an open floor plan with an open-air market, 108 lockable shops, 208 display stands, 14 food courts, 264 people sitting area, 1 boda boda Sacco office and 75 boda boda parking,
 - ii) First and second floors have 256 (each 128) lockable shops, 608 (each 304) display stands and 228 (114 each) open-air spaces,
 - iii) Third-floor plan has an open-air market, 314 display stands and 978 open spaces.
 - iv) The number of lockable shops reduced from 586 to No.364, a reduction of 222. Similarly, the number of louvered double-leaved door was reduced by a similar number. Each door was costed at Kshs.83,115 implying that Kshs.18,451,530 was paid for work not done. Further, physical audit verification of the project revealed that the doors installed are normal steel doors expected to be less than half the price of louvered double-leaved doors.

Review of Valuation Certificate No. 9 revealed that an initial provision for works under Item No, 4 of Kshs.139,400,000 was revised upward by Kshs.81,150,000 (49%) to Kshs.208,945,123 after utilizing Kshs.127,795,123. This revision was not approved by the Evaluation Committee and the Accounting Officer.

Further, Certificate No.9 included Speciality provisional works under Item No. 5 estimated to cost Kshs.404,430,000. However, the Bill of Quantities and the measurement of works in support of the Kshs.315,038,427 paid for the specialty works were not presented for audit making it difficult to establish whether the works were competitively sourced and that the payments made were for actual work done.

In the circumstances, it was not possible to confirm that the contract was implemented as envisaged and in compliance with Section 150 of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer or his or her appointed

representative to be responsible for ensuring that the goods, works and services are of the right quality and quantity.

In the circumstance, the Management was in breach of the law.

2. Proposed Construction of Trans Nzoia County Teaching and Referral Hospital

The statement of receipts and payments reflects an expenditure of Kshs.1,782,559,268 under acquisition of assets which includes an amount of Kshs.275,948,775 in respect of construction of buildings. The latter amount includes an amount of Kshs.108,400,393 paid to a consultant for services rendered for the construction of Trans Nzoia County Teaching and Referral Hospital contract No. CGTN/CTC/114/2014-2015.

However, the contract agreement was not presented for audit review and therefore it was not possible to establish the initial contract sum and terms. Further, minutes of site visits conducted on 7 and 8 February, 2019 indicated a contract sum of Kshs.732,338,531 for Phase 2 and a revised contract sum for Phase 1 of Kshs.687,192,065 implying that the revised contract sum was Kshs.1,419,530,596.

Records presented for audit revealed that Phase 1 of the project was completed on 23 July, 2016 and Phase 2 of the project commenced on 15 December, 2018 with a projected completion date of 30 September, 2020.

A site verification on 28 October, 2022 revealed the following:

- (i) Construction on the second floor of four (4) theatres, the extension of a new wing and restaurant and cafeteria with estimated costs of Kshs.69,487,816.90, Kshs.90,789,233.62 and Kshs.22,721,066 respectively, were not in the original Bill of Quantities. Further, variations amounting to Kshs.182,698,117 were not approved by the Evaluation Committee and the Accounting Officer contrary to Section 139(1) and 139(2) of the Public Procurement and Asset Disposal Act. The variations escalated the contract sum to Kshs.1,602,528,713.
- (ii) Phase 2 of the project remained incomplete as at 28 October, 2022, one hundred (100) weeks after elapse of the target completion date of 30 September, 2020. The following observations were also made:
 - a) Construction of the accident and emergency theatre was ongoing while the construction of the extended four (4) theatre rooms was also ongoing at about 35% completion.
 - b) The walls of theatre rooms on the ground floor had only one coat of paint applied while second floor's flooring was not done, doors were not fixed, electrical wiring was not done and painting was not done.
 - c) Various additional works including three (3) lifts; a second floor consisting of the main laboratory, ENT unit and other undefined areas; sixteen (16) ICU wards; a new maternity theatre and an undefined area had stalled.
 - d) There were also no Medical Engineer Reports on the new changes and how this would impact the project. For instance; the open air and light coming through the corridor adjacent to the maternity wing were blocked by the contraction of

additional areas leaving the corridor dark and losing esthetic value for the hospital. The section will have to be completely lit during the day and the impact should be further reviewed with an independent Medical Engineer.

- e) The foundation, frame and original pillars of the building have not been changed yet the building's plan has been changed from 2 to 3 floors. This has not been supported with tests to indicate that the building can carry and sustain the pressure of an additional floor, the equipment and the occupants.
 - f) The external wall fence keying was not done hospital road leading to the referral hospital was poorly done with dangerous blind corners leading to a steep depression that is dilapidated and with no road signs. The road did not have a retaining wall as required. Further, the service gate leading to the mortuary was poorly done, and not accessible by motor vehicles since the road is built 1.5 metres below the entrance.
- (iii) A sub-contractor was paid Kshs.6,412,264 for the filling of medical oxygen cylinders at the hospital. The filling was however done at the hospital's oxygen plant which was installed by the sub-contractor.
- (iv) There were no meaningful activities on site, an indication that the project was stalled even though the hospital was commissioned in August, 2022 in its incomplete status.

In the circumstance, it was not possible to ascertain whether value for money was obtained from funds incurred on the project, and Management was in breach of the law.

3. Lack of a Detailed Procurement Plans and Implementation of the E-Procurement System

The Annual Procurement Plan for the financial year 2021/2022 did not specify the works, goods and services to be procured and the timelines within which procurement was to be done. General terms were used to describe the items and an aggregate amount was fixed against the items making it difficult to confirm whether the activities paid for during the year were included in the Procurement Plan. This was contrary to Regulation 41 of the Public Procurement and Disposal Regulations, 2020.

The County Executive also conducted some of its procurement processes outside IFMIS contrary to Regulation 49(2) of the Public Procurement and Asset Disposal Regulations, 2020 which requires the conduct of e-procurement procedures for the supply of goods, works and services be carried out by a procuring entity using an e-procurement system which is integrated to the State Portal.

In the circumstance, the Management is in breach of the law.

4. Compensation of Employees

4.1 Non-Compliance with the One Third of Basic Pay

Review of the monthly payrolls for the year under review revealed instances where some employees of the County Executive received net salaries which were less than one third of the basic salary. This was contrary to Section 19(3) of the Employment Act, 2007 which

states that the total amount of all deductions made by an employer from the wages of his employee at any one time, shall not exceed two-thirds of such wages.

4.2 Anomalies in Contractual and Temporary Employees

Review of personnel records revealed that the County Executive had sixty (60) contractual employees, for a period exceeding six (6) months, thirty (30) of whom were above the age of sixty (60) years. There was no evidence that there was an emergency and/or they were experts to warrant their employment on contractual terms beyond 60 years. This was contrary to the Public Service Commission Circular Ref: PSC/GEN/10/III/(28) dated 5 April, 2019 on a framework for short-term employment in the Public Service.

Further, the County Executive engaged the services of six hundred and sixty (667) casuals out of whom 592 were engaged for twelve months without the approval of the County Public Service Board contrary to Section Part B16 of County Human Resource Manual 2013 which stipulates that Casual workers shall be engaged only on urgent short-term tasks with the approval of the County Public Service Board and that casual workers shall not be engaged for more than three months, as stipulated in the Employment Act (2007).

4.3 Employees Sharing the Same Bank Account

Review of the payroll revealed that six (6) employees were sharing three bank accounts and as a result the salaries were paid into these shared accounts. There was no documentary evidence indicating the affected officers had given authority to the County Executive to pay their salaries into these common accounts. This was contrary to Section 17. (1) of the Employment Act, 2007.

4.4 Personal Emoluments Paid Outside Integrated Personnel and Payroll Database (IPPD) System

Included in the employees cost for the year under review is an amount of Kshs.151,826,540 for salaries and allowances paid outside the Integrated Personnel and Payroll Database (IPPD), contrary to the Section 1.5.1 of the Financial Accounting Recording and Reporting manual and The National Treasury guidelines. No satisfactory explanation was given for the processing of the wages outside the IPPD system. Further, there was a risk of unauthorized payments through manual payrolls.

In the circumstances, Management was in breach of the law.

4.5 Irregular Promotions

Audit review of the payroll for the year ended 30 June 2022 revealed instances where one hundred and six (106) employees of the County Executive were promoted by between 2 to 9 job groups within a year. The basis on which on which these unusual promotions was not supported by documentary evidence such as advertisements, a list of applicants, interview minutes and a budget for the promotions . Further, no explanation was given in support of the unusual movement in job groups.

4.6 Irregular Retention of Employees Above Sixty (60) Years

The statements of receipts and payments reflect compensation of employees Kshs.2,908,416,393 as disclosed in Note 2 to the financial statements. Included in the balance is Kshs.142,182,717 paid to thirty-nine (39) employees who were still in service despite attaining the mandatory retirement age of sixty (60) years for several months based on June 2022 gross salary. Management did not provide reasons for the irregular retention of the employees beyond the mandatory retirement age.

4.7 Non-Compliance with Deduction and Remittance of Statutory Dues

Analysis of the i-Tax general ledger report obtained from the County Executive's KRA portal revealed that tax obligations totalling Kshs.2,759,678,795 comprised of Kshs.2,393,901,512 PAYE, Kshs.134,663,056 VAT and Kshs.231,114,227 Withholding Tax were outstanding as at 30 June, 2022. An employer is required to deduct PAYE from employees' salaries and wages at the prevailing rates and remit the same to KRA on or before the 9th of the following month; while Section 19 (2) of the Value Added Tax Act, 2013 and Section 34 (3) of the Tax Procedures Act, 2015 specify the duration within which the other forms of taxes should be remitted.

In the circumstances, the Management was in breach of the law.

5. Identification, Collection and Accounting for Own Generated Revenue

5.1 Uncollected Revenue

Own source revenue for the year under review amounted to Kshs.379,991,105 against a budgeted amount of Kshs.529,500,000 resulting to unrealized revenue of Kshs.149,508,895 or 28% of the budget. This was contrary to Regulation 63(1) of the Public Finance Management (County Governments) Regulations which requires Accounting Officers to put adequate safeguards for the prompt collection and proper accounting for, all county government revenue and other sums of moneys relating to their county departments or agencies.

5.2 Long Outstanding Property Rates

Records maintained by the County Executive revealed that outstanding property rates amounted to Kshs.20,020,184,186 as at 19 February, 2022. However, there was no evidence of the measures put in place by Management to collect the rates. This was contrary to Section 63(b) of the Public Finance Management (County Governments) Regulations, 2015 that provides that an Accounting Officer and a Receiver of Revenue are personally responsible for ensuring that adequate measures, including legal action where appropriate, are taken to obtain payment.

5.3 Spending of Own Generated Revenue at Source by County Health Facilities

Review of revenue records from various sub-county hospitals within Trans-Nzoia County established that revenue totalling Kshs.69,495,571 was collected out of which only Kshs.18,077,851 was banked resulting in expenditure at the source of Kshs.51,417,851 contrary to Regulation 63(4) of the Public Finance Management (County Governments) Regulations, 2015 which requires all sums of money collected by a Receiver of Revenue or Collector of Revenue or collected and retained by a county government entity, be paid

into the designated bank accounts of the county government and shall not be used by any public officer in any manner between the time of their receipts and payment into the bank except as provided by law.

In the circumstances, the Management was in breach of the law.

6. Failure to Prepare Quarterly Reports on Procurement

The Trans Nzoia County Executive did not prepare quarterly reports on the implementation of the annual procurement plan and submit them to the County Executive Committee Member for Finance as required by Regulation 40(6) of the Public Procurement and Asset Disposal Regulations, 2020. No explanation was provided for the omission.

In the circumstances, the Management was in breach of the law.

7. Contracts Not Publicized in The Public Procurement Information Portal

All the contracts awarded by the County Executive were not published and publicized in the public procurement information portal or county's website. This was contrary to Section 138(2) of the Public Procurement and Asset Disposal Act, 2015, which requires an Accounting Officer of a procuring entity to report all contract awards to the Public Procurement Regulatory Authority (PPRA). This was also contrary to Executive Order No. 2 of 2018 which requires publication of all procurement information including tender notices, contracts awarded, suppliers and their directors in Public Procurement Information Portal (PPIP).

In the circumstances, the Management was in breach of the law.

8. Failure to Appoint Receiver of Revenue

The County Executive Committee Member for Finance did not appoint a Receiver of Revenue contrary to Section 157(1) of the Public Finance Management Act, 2012, which requires him to, in writing, designate persons to be responsible for collecting, receiving and accounting for such county government revenue as he may specify in their letters of designation.

In the circumstances, the Management was in breach of the law.

9. Anomalies in Fuel Usage

The statement of receipts and payments reflects an expenditure of Kshs1,201,401,824 under use of goods and services which includes an amount of Kshs.10,813,721 for fuel, oil and lubricants. However, the Management made payments totalling Kshs.177,245,086 for fuel and other petroleum products to various suppliers in all its programmes. Motor vehicle work tickets were not presented to account for how the fuel, which was bought and paid for in bulk, was issued to the motor vehicles contrary to Section 160(1) of the Public Procurement and Asset Disposal Act, 2015 that requires an Accounting Officer to a procuring entity to manage its inventory, assets and stores to prevent wastage and loss, and continuing utilization of supplies.

In the circumstances, the Management was in breach of the law.

10. Non-Surrender of Outstanding Imprest

The statement of assets and liabilities reflects a Nil balance in respect of outstanding imprests and advances. However, review of the IFMIS imprest register presented for audit revealed an amount of Kshs.100,150,000 transferred to County Executive of Trans Nzoia Standing Imprest Account held at Equity Bank. However, review of the bank statements for the account revealed that cash withdrawals totalling Kshs.103,620,000 were made by two officers and a manual cash book presented for audit showed that the cash was spent on hospitality costs, domestic and subsistence allowances, general office stationeries and others that should otherwise have been procured competitively as required by law.

Further, standing imprest amounting to Kshs.21,800,139 transferred to County Government of Trans-Nzoia Health Office Account No. 115028113 held at Kenya Commercial Bank were overdue and ought to have been surrendered within seven (7) days of the officers returning to their duty stations as required in Regulation 93 of the Public Finance Management (County Governments) Regulations, 2015. No justification was provided for the failure to recover the above amounts from the affected staff salaries.

In the circumstances, Management was in breach of the law.

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

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Unprocedural Voiding of Payments and Payments Without Matching Purchase Orders

Analysis of the Integrated Financial Management Information System (IFMIS) revealed that two thousand, nine hundred and seventy-seven (2,977) payments with amounts totalling Kshs.1,568,032,810 were voided before the final payment stage. No explanation was provided on why payments that had already been approved by the Controller of Budget (CoB) were cancelled before the final payment process. Further, no evidence was provided to show that the cancellation of these payments was notified to the Controller of Budget.

In addition, a comparative analysis of payment details and the purchasing activity register revealed instances where payments for goods, services and works were done without corresponding purchase orders.

In the circumstances, risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control could not be confirmed.

2. Lack of an Information Technology (IT) and Continuity Policy

Review of the ICT infrastructure and documents revealed that the County Executive did not have an approved IT Strategic Committee, Strategic Recovery Plan, formal and documented emergency procedures and IT Continuity Plan despite continued use and procurement of ICT equipment and software.

In the circumstances, the effectiveness of Management's response to risks could not be confirmed.

3. Internal Audit and Risk Management

3.1 Internal Audit Reports

Review of the County Executive of Trans Nzoia for the year 2021/2022 revealed that there was no evidence of work done by the Internal Audit Unit in the year under review contrary Regulation 153(1) of the Public Finance Management (County Governments) Regulations, 2015 which requires an internal auditor to evaluate budgetary performance, financial management, transparency and accountability mechanisms and processes and review the state of risks management, control governance and effectiveness of the financial and non-financial performance management in the county government entities.

3.2 Non-Functional Audit Committee

Although the County Executive has established an Audit Committee, the Audit Committee did not hold any meetings contrary to Regulation 172(1) of the Public Finance Management (County Governments) Regulations, 2015 which requires the audit committee to meet at least once in every three months.

3.3 Lack of a Risk Management Policy

During the year under review, the County Executive of Trans Nzoia did not have a Risk Management Policy. This was contrary to Regulation 158 1(a)(b) of the Public Finance Management (County Governments) Regulations, 2015 which requires each County Government entity to develop risk management strategies and a system of risk management strategies, which include fraud prevention mechanism; and the County Government entity develops a system of risk management and internal control that builds robust business operations.

In the absence of an effective Internal Audit Function, functional Audit Committee and a Risk Management Policy, the County Executive was not capable of identifying operational areas prone to risks and put mitigation measures against misuse or loss of public resources.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing 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 intention to dissolve the County Executive or to cease operations.

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 County Executive's financial reporting process, reviewing the effectiveness of how Management 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 overall 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 non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County Executive's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the County Executive to cease to 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


20 April, 2023

COUNTY EXECUTIVE OF TRANS NZOIA
Annual Report and Financial Statements
for the year ended June 30, 2022.


7. Statement of Receipts and Payments for the year ended 30th June 2022.

		2021-2022	2020-2021
	Notes	Kshs	Kshs
Receipts			
Exchequer releases (Transfers from the CRF)	1	7,569,801,006	5,760,300,000
Proceeds from Domestic and Foreign Grants		-	815,500,629
County Own Generated Receipts		-	340,453,746
Returned CRF issues		-	495,385,800
Total receipts		7,569,801,006	7,411,640,175
Payments			
Compensation of Employees	2	2,908,416,393	2,600,388,022
Use of goods and services	3	1,201,401,824	833,838,221
Transfers to Other Government Units	4	1,516,216,708	1,472,709,320
Other grants and transfers	5	25,000,000	50,000,000
Acquisition of Assets	6	1,782,559,268	1,442,960,454
Other Payments	7	422,632,918	550,058,311
Total payments		7,856,227,110	6,949,954,327
Surplus/deficit		(286,426,104)	461,685,848

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 30/06/22 2022 and signed by:



 Chief Officer
 Name: CPA. Emmanuel W. Sikuku
 ICPAK Member Number: 6069



 Head of Accounting Services
 Name: CPA. Benard L. Madegwa
 ICPAK Member Number: 17944

COUNTY EXECUTIVE OF TRANS NZOIA
Annual Report and Financial Statements
for the year ended June 30, 2022.

8. Statement of Assets and Liabilities as at 30th June 2022

		2021-2022	2020-2021
	Notes	Kshs	Kshs
Financial assets			
Cash and cash equivalents			
Bank balances	8	110,200,648	383,418,433
Total cash and cash equivalent		<u>110,200,648</u>	<u>383,418,433</u>
Outstanding imprests and advances	9	-	2,133,100
Total financial assets		110,200,648	385,551,533
Financial liabilities			
Deposits and retentions	10	16,262,490	5,187,270
Net financial assets		93,938,159	380,364,263
Represented by			
Fund balance b/fwd.	11	380,364,263	494,527,805
Prior year adjustments		-	(575,849,390)
Surplus/deficit for the year		(286,426,104)	461,685,848
Net financial position		93,938,159	380,364,263

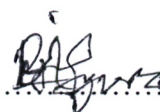
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 30/06 2022 and signed by:



Chief Officer

Name: CPA. Emmanuel W. Sikuku

ICPAK Member Number: 6069



Head of Accounting Services

Name: CPA. Benard L. Madegwa

ICPAK Member Number: 17944

COUNTY EXECUTIVE OF TRANS NZOIA
Annual Report and Financial Statements
for the year ended June 30, 2022.

9. Statement of Cash Flows for the period ended 30th June 2022.

		2021-2022	2020-2021
	Notes	Kshs	Kshs
Receipts from operating income			
Exchequer releases (Transfers from the CRF)	1	7,569,801,006	5,760,300,000
Proceeds from Domestic and Foreign Grants		-	815,500,629
County Own Generated Receipts		-	340,453,746.00
Returned CRF issues		-	495,385,800
Payments for operating expenses			
Compensation of employees	2	(2,908,416,393)	(2,600,388,022)
Use of goods and services	3	(1,201,401,824)	(833,838,221)
Transfers to Other Government Units	4	(1,516,216,708)	(1,472,709,320)
Other grants and transfers	5	(25,000,000)	(50,000,000)
Other Payments	7	(422,632,918)	(550,058,311)
Adjusted for:			
Other adjustments Prior year adjustments			
Decrease/(increase) in outstanding imprests & advances		2,133,100	(172,300)
Increase/(decrease) in deposits and retentions		11,075,219	(43,433,918)
Net cash flow from operating activities		1,509,341,483	1,285,190,694
Cash flow from investing activities			
Acquisition of assets	6	(1,782,559,268)	(1,442,960,454)
Net cash flows from investing activities		(1,782,559,268)	(1,442,960,454)
Cash flow from borrowing activities			
Net cash flow from financing activities		-	-
Net increase in cash and cash equivalents			
		(273,217,785)	(157,769,760)
Cash and cash equivalents at beginning of the year		383,418,433	541,188,193
Cash and cash equivalents at end of the year		110,200,649	383,418,433

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 30/06 2022 and signed by:

.....
 Chief Officer
 Name: CPA. Emmanuel W. Sikuku
 ICPAK Member Number: 6069

.....
 Head of Accounting Services
 Name: CPA. Benard L. Madegwa
 ICPAK Member Number: 17944


Annual Report and Financial Statements (County Executive)
For the year ended June 30, 2022

10. Statement of Comparison of Budget & Actual Amounts

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Receipts						
Exchequer releases (Transfers from the CRF)	8,869,751,916	52,134,407	8,921,886,323	7,569,801,006	1,352,085,317	85%
Unspent funds	383,418,433	-	383,418,433	383,418,433	-	100%
Total	9,253,170,349	52,134,407	9,305,304,756	7,953,219,439	1,352,085,317	85%
Compensation of employees	2,575,648,059	289,147,448	2,864,795,507	2,842,519,399	22,276,108	99%
Use of goods and services	2,303,068,447	(215,047,361)	2,088,021,086	1,895,448,281	192,572,805	91%
Transfers to other government units	1,048,921,665		1,048,921,665	772,553,455	276,368,210	74%
Other grants and transfers	724,984,356		724,984,356	563,146,707	161,837,649	78%
Acquisition of assets	2,600,547,822	(21,965,680)	2,578,582,142	1,782,559,268	796,022,874	69%
Total	9,253,170,349	52,134,407	9,305,304,756	7,856,227,110	1,449,077,646	84%
Surplus/(Deficit)						

-The changes between the original and final are as a result of a supplementary budget

The County Executive's financial statements were approved on 30/06 2022 and signed by:


.....

Chief Officer

Name: CPA. Emmanuel W. Sikuku

ICPAK Member Number: 6069


.....

Head of Accounting Services

Name: CPA. Benard L. Madegwa

ICPAK Member Number: 17944

11. Statement of Comparison of Budget & Actual Amounts:: Recurrent

Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	D	e=c-d	f=d/c %
Receipts						
Exchequer releases	5,211,663,582	21,965,680	5,233,629,262	5,211,663,582	21,965,680	100%
Unspent funds	20,800,694	-	20,800,694	20,800,694	-	100%
Total	5,232,464,276	21,965,680	5,254,429,956	5,232,464,276	21,965,680	100%
Compensation of employees	2,575,648,059	289,147,448	2,864,795,507	2,842,519,399	22,276,108	99%
Use of goods and services	1,980,165,624	(267,181,768)	1,712,983,856	1,644,740,141	68,243,715	96%
Transfers to other government units	676,650,593		676,650,593	676,650,593	-	100%
Other grants and transfers	-	-	-	-	-	-
Acquisition of assets	-	-	-	-	-	-
Total	5,232,464,276	21,965,680	5,254,429,956	5,163,910,133	90,519,823	98%

The County Executive's financial statements were approved on 30/06 2022 and signed by

.....
 Chief Officer
 Name: CPA. Emmanuel W. Sikuku
 ICPAK Member Number: 6069

.....
 Head of Accounting Services
 Name: CPA. Benard L. Madegwa
 ICPAK Member Number: 17944

Annual Report and Financial Statements
for the year ended June 30, 2022.

12. Statement of Comparison of Budget & Actual Amounts: Development

Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Receipts						
Exchequer releases	3,658,088,335	30,168,727	3,688,257,062	2,358,137,424	1,330,119,637	64%
Unspent funds	362,617,738	-	362,617,738	362,617,738	-	100%
Total	4,020,706,073	30,168,727	4,050,874,800	2,720,755,163	1,330,119,637	67%
Compensation of employees						
Use of goods and services	322,902,823	52,134,407	375,037,230	250,708,141	124,329,089	67%
Transfers to other government units	372,271,072	-	372,271,072	95,902,862	276,368,210	26%
Other grants and transfers	724,984,356	-	724,984,356	563,146,707	161,837,649	78%
Acquisition of assets	2,600,547,822	(21,965,680)	2,578,582,142	1,782,559,268	769,952,856	69%
Totals	4,020,706,073	30,168,727	4,050,874,800	2,692,316,977	1,358,557,823	66%

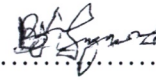
The County Executive's financial statements were approved on 30/06 2022 and signed by:



.....
Chief Officer

Name: CPA. Emmanuel W. Sikuku

ICPAK Member Number: 6069



.....
Head of Accounting Services

Name: CPA. Benard L. Madegwa

ICPAK Member Number: 17944

13. Budget Execution by Programmes and Sub-Programmes

	Budget Execution by Program FY 2021/22	Approved Budget FY 2021/22	Approved Supp Budget FY 2021/22	Annual Actual Expenditure FY 2021/22	Variance	Absorption %
4261	Agriculture, Livestock	880,763,980.00	764,551,407.00	594,210,262.10	170,341,144.90	77.7
P1	Crop Development	604,532,234.00	500,678,136.00	336,806,012.30	163,872,123.70	67.3
Sp1.1	Crop Diversification	531,017,155.00	455,373,957.00	312,579,882.15	142,794,074.85	68.6
Sp1.2	Post harvest management and value addition	73,515,079.00	45,304,179.00	24,226,130.15	21,078,048.85	53.5
P2	Administrative And Support Services	276,231,746.00	263,873,271.00	257,404,249.80	6,469,021.20	97.5
Sp2.1	Administrative And Support Services	276,231,746.00	263,873,271.00	257,404,249.80	6,469,021.20	97.5
4262	Trade, Commerce and Industry	152,723,901.00	373,819,545.00	172,529,810.30	201,289,734.70	46.2
P1	Medium and small Enterprises	89,257,025.00	320,257,025.00	122,380,969.50	197,876,055.50	38.2
Sp1.1	Medium and small Enterprises	89,257,025.00	320,257,025.00	122,380,969.50	197,876,055.50	38.2
P2	Administrative And Support Services	63,466,876.00	53,562,520.00	50,148,840.80	3,413,679.20	93.6
Sp2.1	Administrative And Support Services	63,466,876.00	53,562,520.00	50,148,840.80	3,413,679.20	93.6
4263	Water, Environment and Natural Resources	358,563,684.00	260,991,322.00	257,608,163.00	3,383,159.00	98.7
P1	Environment management and protection	260,069,115.00	168,011,498.00	165,489,552.80	2,521,945.20	98.5
Sp1.1	Waste Management	260,069,115.00	168,011,498.00	165,489,552.80	2,521,945.20	98.5
P2	Administrative And Support Services	98,494,569.00	92,979,824.00	92,118,610.20	861,213.80	99.1
Sp2.1	Administrative And Support Services	98,494,569.00	92,979,824.00	92,118,610.20	861,213.80	99.1
4264	Public Works, Roads and Infrastructure	619,817,302.00	429,530,790.00	424,831,061.45	4,699,728.55	98.9
P1	Road Construction and Road Maintenance	417,879,433.00	233,497,311.00	230,517,665.35	2,979,645.65	98.7
Sp1.1	Maintenance of Roads	417,879,433.00	233,497,311.00	230,517,665.35	2,979,645.65	98.7
P2	Administrative And Support Services	201,937,869.00	196,033,479.00	194,313,396.10	1,720,082.90	99.1
Sp2.1	Administrative And Support Services	201,937,869.00	196,033,479.00	194,313,396.10	1,720,082.90	99.1
4266	Lands, Housing and Urban Planning	198,021,203.00	136,730,283.00	127,050,732.70	9,679,550.30	92.9
P1	Administrative And Support Services	198,021,203.00	136,730,283.00	127,050,732.70	9,679,550.30	92.9
Sp1.1	Administrative And Support Services	198,021,203.00	136,730,283.00	127,050,732.70	9,679,550.30	92.9
4267	Gender, Sports, Culture and Tourism	277,299,082.00	138,887,842.00	134,924,837.30	3,963,004.70	97.1
P1	Culture development and promotion	221,591,180.00	87,585,780.00	84,676,274.85	2,909,505.15	96.7
Sp1.1	Culture development	221,591,180.00	87,585,780.00	84,676,274.85	2,909,505.15	96.7
P2	Administrative And Support Services	55,707,902.00	51,302,062.00	50,248,562.45	1,053,499.55	97.9
Sp2.1	Administrative And Support Services	55,707,902.00	51,302,062.00	50,248,562.45	1,053,499.55	97.9
4268	Public Service Management	748,026,738.00	812,184,547.00	806,156,840.30	6,027,706.70	99.3

Annual Report and Financial Statements
for the year ended June 30, 2022.

P1	Infrastructure Development	243,393,837.00	259,568,837.00	254,489,823.95	5,079,013.05	98.0
Sp1.1	Supervision and Management of Projects	243,393,837.00	259,568,837.00	254,489,823.95	5,079,013.05	98.0
P2	Administrative And Support Services	504,632,901.00	552,615,710.00	551,667,016.35	948,693.65	99.8
Sp2.1	Administrative And Support Services	504,632,901.00	552,615,710.00	551,667,016.35	948,693.65	99.8
4269	Education and ICT	557,427,865.00	457,444,061.00	423,144,890.25	34,299,170.75	92.5
P1	Vocational Training Development	164,401,494.00	67,970,110.00	44,039,328.00	23,930,782.00	64.8
Sp1.1	Vocational Training Development	164,401,494.00	67,970,110.00	44,039,328.00	23,930,782.00	64.8
P2	Administrative And Support Services	393,026,371.00	389,473,951.00	379,105,562.25	10,368,388.75	97.3
Sp2.1	Administrative And Support Services	393,026,371.00	389,473,951.00	379,105,562.25	10,368,388.75	97.3
4270	Finance	855,743,917.00	1,241,652,421.00	1,236,681,678.35	4,970,742.65	99.6
P1	Administrative and Support Services	855,743,917.00	1,241,652,421.00	1,236,778,793.15	4,873,627.85	99.6
Sp1.1	Supervision and Management of Projects	137,738,318.00	601,165,546.00	597,448,336.50	3,717,209.50	99.4
Sp1.2	Administrative And Support Services	718,005,599.00	640,486,875.00	639,233,341.85	1,253,533.15	99.8
4272	Governance	240,649,246.00	204,827,719.00	157,873,744.75	46,953,974.25	77.1
P1	Infrastructure Development	52,325,000.00	47,325,000.00	2,525,689.65	44,799,310.35	5.3
Sp1.1	Supervision and Management of Projects	52,325,000.00	47,325,000.00	2,525,689.65	44,799,310.35	5.3
P2	Administrative And Support Services	188,324,246.00	157,502,719.00	155,348,055.10	2,154,663.90	98.6
Sp2.1	Administrative And Support Services	188,324,246.00	157,502,719.00	155,348,055.10	2,154,663.90	98.6
4273	County Public Service Board	86,615,170.00	84,411,170.00	37,387,161.70	47,024,008.30	44.3
P1	Governance and County Values	8,465,000.00	7,565,000.00	247,733.80	7,317,266.20	3.3
Sp1.1	Infrastructure Development	8,465,000.00	7,565,000.00	247,733.80	7,317,266.20	3.3
P2	Administrative And Support Services	78,150,170.00	76,846,170.00	37,139,427.90	39,706,742.10	48.3
Sp2.1	Administrative And Support Services	78,150,170.00	76,846,170.00	37,139,427.90	39,706,742.10	48.3
4275	Health Corporate	2,447,614,453.00	2,639,968,211.00	2,221,973,943.98	417,994,267.02	84.2
P1	Administrative and Support Services	2,447,614,453.00	2,639,968,211.00	2,221,973,943.98	417,994,267.02	84.2
Sp1.1	Preventive Health Services	654,517,568.00	706,407,105.00	309,676,838.60	396,730,266.40	43.8
Sp1.2	Administrative And Support Services	1,793,096,885.00	1,933,561,106.00	1,912,297,105.38	21,264,000.62	98.9
4277	Economic Planning	488,569,184.00	500,629,184.00	397,337,234.55	103,291,949.45	79.4
P1	County Research and Development Planning	441,874,451.00	443,934,451.00	354,973,456.85	88,960,994.15	80.0
Sp1.1	County Development Planning Services	441,874,451.00	443,934,451.00	354,973,456.85	88,960,994.15	80.0
P2	Administrative And Support Services	46,694,733.00	56,694,733.00	42,363,777.70	14,330,955.30	74.7
Sp2.1	Administrative And Support Services	46,694,733.00	56,694,733.00	42,363,777.70	14,330,955.30	74.7
4278	Municipality Board of Kitale	292,412,959.00	210,754,589.00	92,049,918.00	118,704,671.00	43.7
P1	Administrative And Support Services	292,412,959.00	210,754,589.00	92,049,918.00	118,704,671.00	43.7
Sp1.1	Administrative And Support Services	292,412,959.00	210,754,589.00	92,049,918.00	118,704,671.00	43.7

Annual Report and Financial Statements
for the year ended June 30, 2022.

4271	County Assembly	1,048,921,665.00	1,048,921,665.00	772,553,455.00	276,368,210.00	73.7
PI	Administrative And Support Services	1,048,921,665.00	1,048,921,665.00	772,553,455.00	276,368,210.00	73.7
Sp1.1	Administrative And Support Services	1,048,921,665.00	1,048,921,665.00	772,553,455.00	276,368,210.00	73.7
	Grand Total	9,253,170,349.00	9,305,304,756.00	7,856,227,110.00	1,449,077,646.00	84.4

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

14. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

The receivables and payables are disclosed in the Statement of Assets and Liabilities.

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

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

2. Reporting entity

The financial statements are for the Trans Nzoia County Executive. The financial statements encompass the reporting entity as specified under section 164 of the PFM Act 2012.

3. Recognition of receipts and payments

a) Recognition of receipts

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

i) Transfers from the County Revenue Fund (CRF)

Transfer from CRF 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 a notification received by the entity.

b) Recognition of payments

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

i) Compensation of employees

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

ii) Use of goods and services

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

iii) 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.

iv) 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. 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.

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Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

a) Restriction on cash

Restricted cash represents amounts that are limited /restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2022, this amounted to KShs 10,362,053 compared to KShs 379,524 in prior period as indicated on note 10.

(There were no other restrictions on cash during the year)

5. Imprests and Advances

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.

6. Third Party Deposits and Retention

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.

7. 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

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County Executive's fixed asset register a summary of which is provided as a memorandum to these financial statements.

8. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the County Executive at the end of the year. Pending bills form a first charge to the subsequent year budget and when they are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

9. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County Executive's budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on 31st August, 2021 for the period 1st July 2021 to 30 June 2022 as required by law. There was one (1) number of supplementary budgets passed in the year. A high-level assessment of the County Executive's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

10. Comparative figures

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

11. 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.

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12. Prior Period Adjustment

During the year, errors that have been corrected are disclosed *under note 26* explaining the nature and amounts.

13. Related Party Transactions

Related party means parties are related if one party has the ability to:

- a) Control the other party or
- b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Related party transaction is a transfer of resources or obligations between related parties regardless of whether a price is charged.

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15. Notes to the Financial Statements

1. A.) Exchequer Releases(Transfer from the CRF)

	2021-2022	2020-2021
	Kshs	Kshs
Total exchequer releases for quarter 1	898,538,313	-
Total exchequer releases for quarter 2	2,068,436,987	2,138,927,065
Total exchequer releases for quarter 3	2,514,025,394	1,135,655,213
Total exchequer releases for quarter 4	2,088,800,313	3,301,218,350
Total	7,569,801,006	6,575,800,628

-The above comprises transfers from the Exchequer comprising of equitable share and donor funds/grants in Note 2.

2. Compensation of Employees

	2021-2022	2020-2021
	Kshs	Kshs
Basic salaries of permanent employees	1,553,570,733	1,262,983,683
Basic wages of temporary employees	101,588,787	93,981,761
Personal allowances paid as part of salary	1,212,370,033	1,204,080,079
Employer Contribution to compulsory National Social Schemes	2,284,300	2,866,300
Employer Contribution to Compulsory National health Insurance Schemes	38,422,317	36,476,200
Other personnel payments	180,222	-
Total	2,908,416,393	2,600,388,022

- Increase in compensation to employees was due to salaries and allowances review by the Salaries & Remuneration Commission.

-The County also hired a number of new personnel.

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3. Use of Goods and Services

	2021-2022	2020-2021
	Kshs	KShs
Utilities, supplies and services	72,450,216	68,926,323
Communication, supplies and services	7,753,132	12,151,340
Domestic travel and subsistence	109,318,951	133,544,251
Foreign travel and subsistence	13,508,852	-
Printing, advertising and information supplies & services	31,553,080	8,949,993
Rentals of produced assets	518,852	51,727,673
Training expenses	67,661,781	40,644,303
Hospitality supplies and services	69,067,425	88,262,255
Insurance costs	211,383,181	11,721,368
Specialized materials and services	264,726,050	177,337,880
Office and general supplies and services	70,657,485	51,294,756
Fuel, oil and lubricants	10,813,721	37,257,050
Other operating expenses	201,157,225	126,245,488
Routine maintenance – vehicles and other transport equipment	42,203,364	20,202,806
Routine maintenance – other assets	28,628,510	5,572,734
Total	1,201,401,824	833,838,221

4. Transfer to Other Government entities

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers to county government entities		
County Assembly	772,553,455	670,515,483
Other capital grants and transfers	563,146,707	589,180,862
Transfer to other current transfers and subsidies	180,516,546	213,012,975
Total	1,516,216,708	1,472,709,320

-Transfers to the County Assembly are for normal operations of the Assembly for both recurrent and development.

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5. Other Grants and Payments

	2021-2022	2020-2021
	Kshs	Kshs
Scholarships and other educational benefits	25,000,000	50,000,000
Emergency relief and refugee assistance	-	-
Subsidies to small businesses, cooperatives, and self employed	-	-
Total	25,000,000	50,000,000

-The scholarships are bursaries administered by the Department of Education offered to needy students by the County Government.

6. Acquisition of Assets

<u>Non- financial assets</u>	2021-2022	2020-2021
	Kshs	Kshs
Purchase of buildings	-	-
Construction of buildings	275,948,775	98,636,588
Refurbishment of buildings	20,544,558	69,810,726
Construction of roads	233,231,152	336,551,038
Construction and civil works	753,042,782	634,467,862
Overhaul and refurbishment of construction & civil works	164,493,913	52,107,915
Purchase of vehicles and other transport equipment	-	-
Overhaul of vehicles and other transport equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	17,288,099	21,762,757
Purchase of office furniture and general equipment	718,887	854,370
Purchase of specialized plant, equipment and machinery	1,474,138	1,869,291
Rehabilitation and renovation of plant, machinery and equip.	5,133,572	3,688,319
Purchase of certified seeds, breeding stock and live animals	4,983,035	20,204,712
Research, studies, project preparation, design & supervision	4,249,942	2,229,093
Rehabilitation of civil works	289,168,025	198,127,332
Acquisition of strategic stocks and commodities	-	-
Acquisition of land	12,282,390	2,650,450
Acquisition of intangible assets	-	-
Total acquisition of non- financial assets	1,782,559,268	1,442,960,454
Total acquisition of financial assets	-	-
Total acquisition of assets	1,782,559,268	1,442,960,454

7. Other Payments

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	2021-2022	2020-2021
	Kshs	Kshs
Other expenses- Other creditor	422,632,918	550,058,311
Other payments	-	-
	422,632,918	550,058,311

8. Cash and Bank Balances

8A. Bank Balances

Name Of Bank, Account Name & Currency	Indicate whether Rec, Dev, Dep e.t.c	2021-2022	2020-2021
		Kshs	Kshs
Central Bank of Kenya-1000171154	Trans Nzoia County Recurrent A/C	45,646	9,820
Central Bank of Kenya-1000171081	Trans Nzoia County Development A/C	51,469	131,032
Central Bank of Kenya-1000284738	Trans Nzoia County RD. Maint L/Fund	16,294,715	34,060,121
Central Bank of Kenya-1000347252	Trans Nzoia County Special Purpose A/C	891,152	46,982,591
Central Bank of Kenya-1000369396	Trans Nzoia County NARIGP SPA	1	5,626,135
Central Bank of Kenya-1000380958	Trans Nzoia County KDSP	1,789,203	143,591,111
Central Bank of Kenya-	Trans Nzoia County Agricultural Sector Development Support Programme II	12,010,913	2,559,659
Central Bank of Kenya-1000284749	Trans Nzoia County Deposit A/C	10,362,053	379,524
Central Bank of Kenya-1000369426	Trans Nzoia County Village Poly A/C	856,226	25,124,054
Central Bank of Kenya-1000376996	Trans Nzoia County Urban Dev Fund	0	77,483,918
Central Bank of Kenya-1000454687	Trans Nzoia County Special Purp A/C Covid-19	647,854	647,854
Eco.Bank, Kitale -010321502536201	Kitale HOSPITAL Social A/C	-	1,985,619
Equity Bank, Kitale -033060729452	Revenue Collection A/C	-	5,872,693
Equity Bank, Kitale -0330263870915	Stalled Project A/C	14,327	
Equity Bank, Kitale -0330279238289	Trans Nzoia County Urban Inst. Grant	345,682	459,060
Equity Bank, Kitale -0330660875558	Trans Nzoia County Standing Imprest A/C	5,150	8,538
Chase Bank, Kitale	Retention A/C	5,900,437	4,807,747
Kenya Commercial Bank, Kitale-1236937872	NARIGP Operations Ac	52,181,172	14,311,953
Kenya Commercial Bank, Kitale-115802113	Health A/C	-	144,158
Kenya Commercial Bank, Kitale-1236850106	Agricultural Support Development Programme	8,804,649	19,232,847
Total		110,200,648	383,418,433

Note: Amount is per amount in the cash book and bank reconciliation statements prepared for each account held.

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These balances do not include bank balances for self-reporting entities and revenue collection accounts as at reporting date.

9. Outstanding imprests and advances

<i>Description</i>	2021-2022	2020-2021
	Kshs	Kshs
Government Imprests	-	2,133,100
Salary Advance	-	-
Clearance accounts	-	-
Total	-	2,133,100

10. Deposits and Retention

	2021-2022	2020-2021
	Kshs	Kshs
Deposits	10,362,053	379,524
Retention Monies	5,900,437	4,807,747
Total	16,262,490	5,187,270

11. Fund Balance Brought Forward

	2021-2022	2020-2021
	Kshs	Kshs
Bank Accounts	383,418,433	541,188,193
Cash in Hand	-	-
Accounts Receivables	2,133,100	1,960,800
Accounts Payables	(5,187,270)	(48,621,188)
Total	380,364,263	494,527,805

-The fund balances brought forward refers to the previous financial year's closing balances.

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12. Prior Year Adjustments

Description	2021-2022	2020-2021
	Kshs	Kshs
Adjustments on bank account balances (CRF- Central Bank of Kenya, Account No. 1000171596)	-	575,849,390
	-	-
Total	-	575,849,390

13. Increase/ (Decrease) in Outstanding Imprests and Advances

Description	2021-2022	2020-2021
	Kshs	Kshs
Imprest and Advances As At 1 st July (A)	2,133,100	1,960,800
Imprest and Advances As At 30 th June (B)	-	2,133,100
Increase)/ Decrease In Imprest and Advances (C=(B-A))	2,133,100	(172,300)

14. Increase/ (Decrease) in Deposits and Retention

Description	2021-2022	2020-2021
	Kshs	Kshs
Deposits and Retention s as at 1 st July (A)	5,187,270	48,621,188
Deposits and Retention as at 30 th June (B)	16,262,490	5,187,270
Increase/ (Decrease) in Deposits and Retentions C= B-A	11,075,219	43,433,918

1. Pending Accounts Payable (See Annex 2)

Description	Balance b/f FY 2020-2021	Additions for the period	Paid during the year	Balance c/f FY 2021-2022
	Kshs	Kshs	Kshs	Kshs
Construction of Buildings	87,395,697.00	366,259,549	-	453,655,246
Construction of Civil Works	168,492,292.70	-	(62,869,038)	105,623,255
Supply of Goods	482,398,770.40	-	(317,653,236)	164,745,534
Supply of Services	60,816,404.70	36,709,443	-	97,525,848
Total	799,103,164.80	402,968,992	(380,522,274)	821,549,884

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2. Pending Staff Payables (See Annex 3)

	Balance b/f FY 2020-2021	Additions for the period	Paid during the year	Balance c/f FY 2021-2022
Description	Kshs	Kshs	Kshs	Kshs
Senior management	35,952,926	58,698,126	(-)	94,651,052
Middle management	21,152,169	-	(21,152,169)	-
Unionisable employees	-	-	(-)	-
Others	-	-	(-)	-
Total	57,105,095.30	58,698,126	(21,152,169)	94,651,052

3. Other Pending Payables (See Annex 4)

	Balance b/f FY 2020-2021	Additions for the period	Paid during the year	Balance c/f FY 2021-2022
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government Entities	37,814,882	70,138,995.83	-	107,953,877.83
Amounts due to County Government Entities	-	-	-	-
Amounts due to Third Parties	-	-	-	-
Total	37,814,882.00	70,138,995.83	-	107,953,877.83

4. Related Party Disclosures

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS.

The following comprise of related parties to the County Executive:

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

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Related party transactions

	2021- 2022	2020-2021
	Kshs	Kshs
<u>Transfers To Related Parties</u>		
Transfer to the County Assembly	772,553,455	670,515,483
Transfers to Other County Government Entities	563,146,707	589,180,862
Transfers to Development Projects	172,987,494	213,012,975
Total Transfers To Related Parties	1,508,687,656	1,472,709,320
<u>Transfers From Related Parties</u>		
Transfers From The Exchequer	6,611,265,058	6,255,685,800
Transfers From MDAs	231,945,167	611,053,595
Transfers From SCs And SAGAs - National Government	-	204,447,033
Total Transfers From Related Parties	6,843,210,225	7,071,186,429

5. 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
Trans Nzoia County Youth and Women Development Fund	4 th June 2014	Social Hall	Chief Officer of GENDER
Trans Nzoia County Elimu Bursary Fund		-	Chief Officer of Education
Trans Nzoia County Nawiri Fund	5 th May 2015	Fire Yard	Chief Officer of Trade
Trans Nzoia County Public Service Board	10 th July 2013	Near Mt Elgon Hospital	Secretary to the Board
National Agricultural Rural and Inclusive Growth Project-NARIGP	1 st September 2017	County Commissioners office	Chief Officer of Agriculture
Kitale Municipality	2019	Kitale Ardhi House	Municipal Manager

COUNTY EXECUTIVE OF TRANS NZOIA
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6. 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)	2021-2022	2020-2021
			Kshs	Kshs
<i>Equity Bank Revenue Collection A/C No. 0330260729452</i>	-	-	15,732,025	5,872,693
Total			15,732,025	5,872,693

7. Covid- 19 Funds

Covid-19 Funds	2021-2022	2020-2021
	Kshs	Kshs
Receipts		
Receipts From The National Government (Note 3)	-	-
Other Donations For Covid-19 Received Directly (Note 2)	-	160,903,000.00
Total Receipts	-	160,903,000.00
Payments		
Purchase Of Covid 19 Materials- Masks, Sanitizers Etc	-	116,620,146.30
Purchase Of Beds And ICU Units		
Subsidies To The Community	-	-
Payment Of Hospital Bills	-	-
Donations To Schools And Other Institutions	-	-
Other Expenses (Specify)	-	-
Total Payments	(-)	(116,620,146.30)
Balance In The Covid 19 Fund	-	44,282,853.70

COUNTY EXECUTIVE OF TRANS NZOIA
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16. Progress On Follow Up On Prior Year Auditor's Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	-Cash and Cash Equivalents	The cashbooks, bank reconciliation and bank certificates availed for audit review.	Chief Officer-Financial Services	Resolved	
2.	-Compensation of Employees	Reconciliation of the IPPD and Financial Statements availed for audit review	Chief Officer-Financial Services	Resolved	
3.	-Unsupported Expenditure on Office and General Supplies	Delivery notes, invoices, counter receipt vouchers, counter requisition and issue vouchers and distribution lists availed for audit review	Respective Chief Officers	Resolved	
4.	-Unanalysed and Unsupported Balances	An imprest register and ageing analysis is now provided for audit review.	Respective Chief Officers	Resolved	
5.	-Pending Accounts Payable - Pending Bills	The bills were budgeted for and will be duly and fully settled	Respective Chief Officers	Resolved	
Key Audit Matters					
1.0	Budgetary Control and Performance	The disbursements are done by the National Treasury and any balances are reallocated into the subsequent financial year	Chief Officer-Financial Services	Not Resolved	
2.0	Unresolved Prior Year Matters	The prior issues were duly resolved and cleared by the Senate	Respective Chief Officers	Resolved	
REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES					
1.	-Irregular Voiding of Payments	These were payments that had not been paid by the end of the financial year and it is a requirement that they are	Chief Officer-Financial Services	Not Resolved	

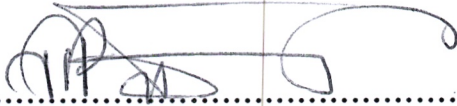
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		voided by the closure of the year.			
2.	Compensation of Employees				
2.1	-Payment of Salaries Outside the Integrated Payroll and Personnel Data	These are salaries of newly employed officers who don't have personal numbers hence their details are not in the IPPD	Chief Officer-Financial Services	Not Resolved	
2.2	-Failure to Observe the One-Third Basic Salary Rule	The observation is noted and the County endeavours to uphold the rule without failure	Chief Officer-Financial Services	Not Resolved	
2.3	-Partial and Non-remittance of Statutory Deductions	The deductions have since been submitted and cleared	Chief Officer-Financial Services	Resolved	
2.4	-Engagement of Casuals	Policy and guidelines in a draft form are availed for audit review.	Chief Officer PSM	Not Resolved	
3.	-Irregular Utilization of Own Revenue	These are the FIFs that were utilized	Chief Officer Health	Not Resolved	
4.	-Construction of Trans Nzoia Teaching and Referral Hospital	The hospital has since been completed and ready for use	Chief Officer Health	Not Resolved	
5.	-Upgrading of Kimuri Water Project	Variation report is availed for audit review	Chief Officer Environment	Resolved	
6.	-Project Implementation	Specific project implementation status attached for audit review	County Secretary	Resolved	
7.	Information Technology (IT) internal Control Environment	Antivirus has since been installed on the user machines.	County Secretary	Resolved	

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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 County Executive 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.



A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, positioned above a dotted line.

CEC, County Treasury

Date

17. Annexes

Annex 1 – Analysis Of Transfers From the CRF

Period (2021-2022)	Quarter 1 (Kshs)	Quarter 2 (Kshs)	Quarter 3 (Kshs)	Quarter 4 (Kshs)	Total (Kshs)
Equitable Share	870,280,994	2,096,694,306	2,398,588,908	1,899,010,896	7,264,575,104
National Agricultural & Rural Inclusive Growth Project (NARIGP)	-	-	-	177,778,505	177,778,505
Agriculture Sector Development Support Project (ASDSP)	-	-	9,634,407	12,010,913	21,645,320
KDSP	-	-	105,802,077	-	105,802,077
Return to CRF	-	-	-	-	-
Total	870,280,994	2,096,694,306	2,514,025,392	2,088,800,314	7,569,801,006

Note: The above comprises transfers from the Exchequer from CARA, comprising of equitable share, Level 5 and donor funds released through the exchequer.

CGUNTY GOVERNMENT OF TRANS NZOIA
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Annex 2 – Analysis of Pending Accounts Payable

	Supplier Of Goods Or Services	Date Contracted	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
				a	b	c	d=a+b-c	
	Construction of Buildings							
1	Exodus Technical Agencies Ltd		3,267,335.00				3,267,335.00	
2	Dukeka Construction And Building Wo		1,110,653.00				1,110,653.00	
3	Janglang Rootz Ltd		1,374,252.00				1,374,252.00	
4	Patrego Investments Ltd		916,980.00				916,980.00	
5	Shiv Construction Company Limited		251,136,429.00				251,136,429.00	
6	Blink Studio Limited		18,543,864.84				18,543,864.84	
7	Lekpark Enterprises Ltd		2,013,098.00				2,013,098.00	
8	Rejads Ltd		678,895.20				678,895.20	
9	Pidngich Technologies Ltd		8,552,007.00				8,552,007.00	
10	Bayaya Ltd		445,865.00				445,865.00	
11	Benita East Africa Ltd		4,774,766.00				4,774,766.00	
12	Bensina Contractors Ltd		892,056.00				892,056.00	
13	Cherangani Hills Ltd		1,044,709.40				1,044,709.40	
14	Clean Air Ssystem LTD		10,872,438.00				10,872,438.00	
15	Denjo Holding Contractors		971,370.80				971,370.80	
16	Grey Hearts Ltd		777,549.00				777,549.00	
17	Havlin Enterprises		564,420.40				564,420.40	
18	Jomoramu Enterprises Ltd		1,403,720.60				1,403,720.60	
19	Joraks Company Ltd		696,382.00				696,382.00	
20	Libeflo Co Ltd		1,424,621.00				1,424,621.00	
21	Makisi Company Ltd		1,426,458.40				1,426,458.40	
22	Nazareth Holdings Ltd		384,867.00				384,867.00	

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23	Neicy Investments		798,000.00				798,000.00	
24	Norkip Co Ltd		1,138,564.00				1,138,564.00	
25	Nyaweco Engineering Works		1,124,222.00				1,124,222.00	
26	Picollo Company Ltd		819,656.82				819,656.82	
27	Refcon Engineering Services LTD		1,879,781.00				1,879,781.00	
28	Relcon Power Systems Ltd		10,526,364.00				10,526,364.00	
29	Rivtoc Contractors Ltd		1,024,308.00				1,024,308.00	
30	Salegon General Contractors		1,977,557.00				1,977,557.00	
31	Social Org. For National Agencies Ltd		1,805,802.60				1,805,802.60	
32	Super Nest Company Ltd		403,511.00				403,511.00	
33	Super Nest Company Ltd		404,262.90				404,262.90	
34	Swastik Construction Ltd.		19,412,617.00				19,412,617.00	
35	Tiamo Enterprises Ltd		818,680.20				818,680.20	
36	Vandawals Enterprises		88,966.40				88,966.40	
37	Vaqnca Company Ltd		424,775.70				424,775.70	
38	Vikha Construction Ltd		386,961.00				386,961.00	
39	Vushere Women Group		53,700.00				53,700.00	
40	Wamboment Investments Ltd		1,021,361.00				1,021,361.00	
41	Westernlink Enterprise		886,046.00				886,046.00	
42	Wimex Commodities Company Ltd		429,965.00				429,965.00	
43	Yarso Enterprises		1,221,809.00				1,221,809.00	
44	Young Career Transdevelopment		110,520.00				110,520.00	
45	Zamalek Crystal Venture		1,001,584.40				1,001,584.40	
46	Zand Builders And Civil Works		1,521,317.80				1,521,317.80	
47	Arston Capital Ltd		1,998,800.00				1,998,800.00	
48	Breekin Enterprises		1,998,600.00				1,998,600.00	
49	Maatech Solutions		2,480,000.00				2,480,000.00	
50	Vild Landscape Designers		2,500,000.00				2,500,000.00	
51	Babra Hardware And Tools		1,615,950.00				1,615,950.00	
52	Iroanvine Investments Ltd		999,966.00				999,966.00	

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53	Salimac Enterprises Ltd		1,989,200.00			1,989,200.00	
54	Edomaris Co Ltd		1,996,500.00			1,996,500.00	
55	Ms Picollo Company Ltd		2,489,731.00			2,489,731.00	
56	Ms Lugare Construction Company Ltd		2,145,690.00			2,145,690.00	
57	Ms Taet Investment		2,141,221.00			2,141,221.00	
58	Yarso Entreprises Ltd		2,218,244.00			2,218,244.00	
59	Ms Jaro Contractors Ltd		2,496,296.00			2,496,296.00	
60	Ms Gratex Engineering Ltd		2,465,000.00			2,465,000.00	
61	Ms Jaro Contractors Ltd		2,496,298.00			2,496,298.00	
62	Ms Kormo Company Limited		2,280,339.00			2,280,339.00	
63	Vaqna Company Lts		2,280,386.00			2,280,386.00	
64	Ms Mbelemu Entreprises Ltd		2,086,220.00			2,086,220.00	
65	Ms Mbelemu Entreprises Ltd		2,298,208.00			2,298,208.00	
66	Ms Milwise Company Ltd		2,385,369.00			2,385,369.00	
67	Ms Johbeja Building And Construction Company		2,182,609.00			2,182,609.00	
68	MS Jaeva Building And Construction Company Ltd		2,182,609.00			2,182,609.00	
69	Ms Edomaris Company Ltd		2,399,987.00			2,399,987.00	
70	Ms Jyan Construction Services		1,830,438.00			1,830,438.00	
71	MS Terpen General Contractors And Supplier Limited		1,684,081.00			1,684,081.00	
72	Ms Fecako Investment Limited		2,255,442.00			2,255,442.00	
73	Ms Fecako Investment Limited		2,239,673.00			2,239,673.00	
74	Ms Mostfine Building And Supplies Company Ltd		2,465,232.00			2,465,232.00	
75	Ms Milwise Company Ltd		2,226,558.00			2,226,558.00	
76	Ms Vilwise Company Ltd		2,205,048.00			2,205,048.00	
77	Vilwise Company Ltd		2,550,235.00			2,550,235.00	
78	Ms Camana Co Ltd		2,197,491.00			2,197,491.00	
79	Ms Balma Construction Ltd		1,193,758.00			1,193,758.00	
80	Ms Transmillenium Solutions Ltd		2,196,472.00			2,196,472.00	
81	Ms Chedaki Limited		2,300,000.00			2,300,000.00	
82	Ms Harmud Ventures Ltd		2,199,440.00			2,199,440.00	

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83	Ms Cherostus Services Ltd		2,223,160.00				2,223,160.00	
84	Ms Jamoramu Entreprises Ltd		2,243,701.00				2,243,701.00	
85	Ms Fecako Investment Limited		2,245,500.00				2,245,500.00	
86	Ms Rivtoc Contractors		2,297,700.00				2,297,700.00	
87	Ms Chepjoy Construction Company Ltd		2,152,760.00				2,152,760.00	
88	Ms Tiamo		2,268,264.00				2,268,264.00	
	Sub Total		453,655,246.46				453,655,246.46	
	Construction Of Civil Works							
1	Abasco General Contractors		1,403,031.28				1,403,031.28	
2	Cadaju Company Ltd		1,363,704.30				1,363,704.30	
3	Doway Company Limited		367,885.00				367,885.00	
4	Hardcore Builders Ltd		23,458,635.00				23,458,635.00	
5	Jomoramu Enterprisre Ltd		238,263.80				238,263.80	
6	Majombo Construction Company		245,000.00				245,000.00	
7	Nasiwa Company Ltd		472,150.00				472,150.00	
8	Maatech Solution		3,098,567.00				3,098,567.00	
9	Roberneer Holdings Limited		2,979,533.00				2,979,533.00	
10	Mandala Construction Company		943,943.75				943,943.75	
11	Braceline Ventures Ltd		2,972,200.00				2,972,200.00	
12	Brandom Investments Co		1,951,264.00				1,951,264.00	
13	Druma Supplies		1,527,875.00				1,527,875.00	
14	Wekhisa Enterprises Ltd		910,176.00				910,176.00	
15	Amric Builders Ltd		1,027,735.00				1,027,735.00	
16	Vild Landscape Designers		433,440.00				433,440.00	
17	Edomaris Co Ltd		1,500,000.00				1,500,000.00	
18	Mubende Stores		997,310.00				997,310.00	
19	Aldah International Company Limited		9,048,928.00				9,048,928.00	
20	Amukura Systems Enterprises		248,715.00				248,715.00	
21	Bajo Contractors Limited		785,700.00				785,700.00	
22	Dekosh Ltd		1,900,000.00				1,900,000.00	

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23	Easterly Winds Limited		1,932,000.00				1,932,000.00	
24	Empex Engineering Company Limited		3,800,000.00				3,800,000.00	
25	Fine Weave Traders Limited		199,833.00				199,833.00	
26	Fine Weave Traders Limited		307,997.50				307,997.50	
27	Fine Weave Traders Limited		999,975.00				999,975.00	
28	Gray Harts Limited		4,347,560.00				4,347,560.00	
29	Helsinki Kenya Limited		1,999,850.00				1,999,850.00	
30	Linigel Enterprises		1,922,400.00				1,922,400.00	
31	Icpak		55,000.00				55,000.00	
32	Janglan Rootz Enyerprises Ltd		3,999,950.00				3,999,950.00	
33	Jayesh Auto Distributors Limited		1,290,000.00				1,290,000.00	
34	Jayesh Auto Distributors Limited		1,044,000.00				1,044,000.00	
35	Jayesh Auto Distributors Limited		640,000.00				640,000.00	
36	Jayesh Auto Distributors Limited		930,000.00				930,000.00	
37	Jayesh Auto Distributors Limited		870,000.00				870,000.00	
38	Kaju Construction Trading Company Ltd		2,000,000.00				2,000,000.00	
39	Kenxit General Supplies		598,550.00				598,550.00	
40	Kimama Contractors Company Limited		1,098,890.00				1,098,890.00	
41	Nazoi Constructors Ltd Co.		2,060,500.00				2,060,500.00	
42	Northern Green Development Limited		9,601,250.00				9,601,250.00	
43	Seaton Investment		499,728.00				499,728.00	
44	Prd Rigs Kenya		906,594.00				906,594.00	
45	Stunning Bridge Company Limited		1,499,450				1,499,450	
46	Supernst Company Limited		599,604.00				599,604.00	
47	Supernst Company Limited		199,949.00				199,949.00	
48	Supernst Company Limited		390,862.00				390,862.00	
49	Transeld Supplies And Conctruction Company Ltd		260,000.00				260,000.00	
50	Trinx Capital Limited		199,895.00				199,895.00	
51	Water Resource Management Authority		587,500.00				587,500.00	
52	Wimex Commodities Company Limited		4,378,011.68				4,378,011.68	

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53	Yunivalis Mogobe Nyachio		29,300.00			29,300.00	
	Sub Total		105,623,255.31			105,623,255.31	
	Supply Of Goods						
1	Lake Basin Dev Authority		2,499,990.00			2,499,990.00	
2	Pisonaz Int Ltd		1,950,000.00			1,950,000.00	
3	Rosevero (K) Limited		33,750,000.00			33,750,000.00	
4	Canakha Shilph Supplies		494,660.00			494,660.00	
5	Doway Company Ltd		600,000.00			600,000.00	
6	Doway Company Ltd		776,615.00			776,615.00	
7	National Oil (Kenya)		500,000.00			500,000.00	
8	National Oil (Kenya)		500,000.00			500,000.00	
9	Philip Khisa Kiboi		600,000.00			600,000.00	
10	React Branding Ent		278,080.00			278,080.00	
11	Jayesh Auto Distributors Ltd		130,000.00			130,000.00	
12	National Oil (John Waitaha)		588,000.00			588,000.00	
13	G-Ton Company LTD		1,387,000.00			1,387,000.00	
14	Auto Park & General LTD		280,000.00			280,000.00	
15	Sealton Company Limited		1,986,000.00			1,986,000.00	
16	Jayesh Auto Distributors Ltd		32,000.00			32,000.00	
17	New Generationtech Solutions Enterpreises Ltd		199,400.00			199,400.00	
18	New Generationtech Solutions Enterpreises Ltd		416,700.00			416,700.00	
19	New Generationtech Solutions Enterpreises Ltd		298,100.00			298,100.00	
20	Jayesh Auto Distributors Ltd		120,000.00			120,000.00	
21	Jumakadongo International Investment		600,000.00			600,000.00	
22	Easterly Winds Ltd		710,900.00			710,900.00	
23	Grapol Enterprises		270,500.00			270,500.00	
24	Itete Trading Company Ltd		149,000.00			149,000.00	
25	Jayesh Auto Distributors Ltd		186,000.00			186,000.00	
26	Jayesh Auto Distributors Ltd		178,000.00			178,000.00	
27	Jayesh Auto Distributors Ltd		464,000.00			464,000.00	

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28	Jayesh Auto Distributors Ltd		246,000.00				246,000.00	
29	Jayesh Auto Distributors Ltd		1,888,500.00				1,888,500.00	
30	National Oil (John Waithaka)		1,000,000.00				1,000,000.00	
31	National Oil (John Waithaka)		1,000,000.00				1,000,000.00	
32	National Oil (John Waithaka)		1,000,000.00				1,000,000.00	
33	Alingareb Enterprises		500,000.00				500,000.00	
34	Andrew Amunze Ayuka		175,000.00				175,000.00	
35	Andrew Wanyama		121,050.00				121,050.00	
36	Beeva Enterprises		1,361,700.00				1,361,700.00	
37	Betty Sindani		250,000.00				250,000.00	
38	Bio-Line Agency Ltd		108,000.00				108,000.00	
39	Braceline Ventures Limited		1,685,350.00				1,685,350.00	
40	Bracian Limited		2,980,000.00				2,980,000.00	
41	Brisim Limited		1,782,310.00				1,782,310.00	
42	Brisim Limited		1,805,120.00				1,805,120.00	
43	Brookhart Healthcare Ltd		617,200.00				617,200.00	
44	Brookhast Healthcare Ltd		5,000.00				5,000.00	
45	Brookhast Healthcare Ltd		415,850.00				415,850.00	
46	Buyayi Enterprises		597,200.00				597,200.00	
47	Cadaju Company Ltd		321,294.00				321,294.00	
48	Calive General Works LTD		1,563,580.00				1,563,580.00	
49	Calive General Works LTD		1,853,140.00				1,853,140.00	
50	Cantiff Group Company Ltd		1,782,500.00				1,782,500.00	
51	Chalen Ventures Ltd		1,698,120.00				1,698,120.00	
52	Cherangany Sub County Hospital		452,690.00				452,690.00	
53	Colour International Ltd		1,679,985.00				1,679,985.00	
54	Dawntin Services		55,300.00				55,300.00	
55	Domestic Industries And Services		368,950.00				368,950.00	
56	Eldobase Chemist Limited		516,090.00				516,090.00	
57	Elgon Contractors Limited		16,500.00				16,500.00	

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58	Elgon Contractors Limited		111,830.00				111,830.00	
59	Elgon Contractors Limited		152,200.00				152,200.00	
60	Elgon Contractors Ltd		190,365.00				190,365.00	
61	Elizabeth Wanjala		125,000.00				125,000.00	
62	Elizabeth Wanjala		225,000.00				225,000.00	
63	Juwakis Enterprises		384,000.00				384,000.00	
64	Juwakis Enterprises		404,750.00				404,750.00	
65	Juwakis Enterprises		424,000.00				424,000.00	
66	Juwakis Enterprises		480,000.00				480,000.00	
67	Kemmytrans Enterprises		465,000.00				465,000.00	
68	Kemya Medical Supplies Authority		4,792,825.00				4,792,825.00	
69	Kenxit General Supplies Ltd		130,000.00				130,000.00	
70	Kenya Medical Supplies Authority		1,170,058.00				1,170,058.00	
71	Kevra Investments		1,048,880.00				1,048,880.00	
72	Loika Traders		269,780.00				269,780.00	
73	Mahine Ventures		228,000.00				228,000.00	
74	Medipal Medical Supplies Limited		2,715,000.00				2,715,000.00	
75	Mt Elgon Hospital		14,000.00				14,000.00	
76	Mubegi Enterprises		300,000.00				300,000.00	
77	Mugendize Kitale Enterprises		61,600.00				61,600.00	
78	National Oil Kenya(John Waithaka Thuo)		588,800.00				588,800.00	
79	Paula Solution Limited		2,450,000.00				2,450,000.00	
80	Paula Solution Limited		2,658,000.00				2,658,000.00	
81	Pearlmore Limited		458,750.00				458,750.00	
82	Phoenix Health Solutions		3,306,522.40				3,306,522.40	
83	Pulse Healthcare Ltd		27,930,000.00				27,930,000.00	
84	Rivatex [K] Ltd		3,710,000.00				3,710,000.00	
85	Rumpes Enterprises Ltd		1,037,000.00				1,037,000.00	
86	Ruth Shisia		96,500.00				96,500.00	
87	Sarara Chemists		690,000.00				690,000.00	

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88	Silva Enterprises		1,520,000.00			1,520,000.00	
89	Silva Enterprises		2,490,000.00			2,490,000.00	
90	Sylab Surgicals Limited		2,930,000.00			2,930,000.00	
91	Sylab Surgicals Limited		2,946,080.00			2,946,080.00	
92	Tricasa Enterprises		167,000.00			167,000.00	
93	West Northrift Cereals General		277,520.00			277,520.00	
94	Jayesh Auto Distributors Ltd		358,400.00			358,400.00	
95	Jayesh Auto Distributors Ltd		247,500.00			247,500.00	
96	Jayesh Auto Distributors Ltd		13,000.00			13,000.00	
97	Cadok Company Ltd		1,999,900.00			1,999,900.00	
98	Cimline Ventures		1,998,400.00			1,998,400.00	
99	Navan General Supplies		2,146,500.00			2,146,500.00	
100	Romimwa Ivestmments		1,500,000.00			1,500,000.00	
101	Mankos Agencies Limited		1,960,000.00			1,960,000.00	
102	Doway Company Ltd		1,980,000.00			1,980,000.00	
103	Reyna Solution		1,960,000.00			1,960,000.00	
104	Qarth General Contractors		1,956,000.00			1,956,000.00	
105	Belltingo Enterprises		1,932,850.00			1,932,850.00	
106	Capital Muvuno Ventures		1,953,150.00			1,953,150.00	
	Sub Total		164,745,534.40			164,745,534.40	
	Supply Of Services						
1	African Touch Safaris		164,400.00			164,400.00	
2	African Touch Safaris		88,640.00			88,640.00	
3	African Touch Safaris		80,000.00			80,000.00	
4	African Touch Safaris		97,230.00			97,230.00	
5	African Touch Safaris		23,780.00			23,780.00	
6	Eden Rock Insurance Brokers		191,991.25			191,991.25	
7	Eden Rock Insurance Brokers		68,138.07			68,138.07	
8	Eden Rock Insurance Brokers		68,138.07			68,138.07	
9	Eden Rock Insurance Brokers Ltd		391,448.70			391,448.70	

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10	Eden Rock Insurance Brokers Ltd		170,872.23				170,872.23	
11	Eden Rock Insurance Brokers Ltd		41,867.97				41,867.97	
12	Flosco Venture		1,186,800.00				1,186,800.00	
13	Jacitec Enterprise Ltd		957,990.60				957,990.60	
14	Jayesh Auto Distributors Ltd		120,000.00				120,000.00	
15	Jayesh Auto Distributors Ltd		253,000.00				253,000.00	
16	Jayesh Auto Distributors Ltd		336,000.00				336,000.00	
17	Jayesh Auto Distributors Ltd		133,000.00				133,000.00	
18	Jayesh Auto Distributors Ltd		120,000.00				120,000.00	
19	Juma Kadongo Int. Investmnets		800,000.00				800,000.00	
20	Kenya School Of Government		360,000.00				360,000.00	
21	Kenya School Of Government		156,600.00				156,600.00	
22	Kitale Natinal Politechnic		30,000.00				30,000.00	
23	Lexo Energy Kenya		1,700,000.00				1,700,000.00	
24	Margomim Enterprise		805,500.00				805,500.00	
25	Mulimi Dealers Limited		1,057,500.00				1,057,500.00	
26	Nansusarina Enterprises		1,490,000.00				1,490,000.00	
27	Nation Media Group Plc		161,286.40				161,286.40	
28	Standard Group Plc		54,000.00				54,000.00	
29	The Kitale National Polytechnic		28,500.00				28,500.00	
30	Toyota Kenya Limited		76,104.00				76,104.00	
31	Trans Nzoia Motor Clinic		299,500.00				299,500.00	
32	Standard Group Plc		88,160.00				88,160.00	
33	Kitale National Polytechnic		30,000.00				30,000.00	
34	Standard Gruop Plc		88,160.00				88,160.00	
35	Star Publication Limited		85,503.60				85,503.60	
36	Star Publications Ltd		85,503.60				85,503.60	
37	African Touch Safaris		127,740.00				127,740.00	
38	Eden Rock Insurance		134,569.86				134,569.86	
39	Geodev (K) LTD		2,080,700.00				2,080,700.00	

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40	Geodev K Ltd		9,056,000.00				9,056,000.00	
41	Sericah General Services		248,000.00				248,000.00	
42	African Touch Safaris		16,750.00				16,750.00	
43	Jayesh Auto Distributors Limited		74,000.00				74,000.00	
44	Jayesh Auto Distributors Limited		74,000.00				74,000.00	
45	Jayesh Auto Distributors Limited		130,000.00				130,000.00	
46	Jayesh Auto Distributors Ltd		65,000.00				65,000.00	
47	Kabage Company Ltd		278,400.00				278,400.00	
48	Kenya School Of Government		140,360.00				140,360.00	
49	Nation Media Group		93,670.00				93,670.00	
50	Standard Mesia Group		98,020.00				98,020.00	
51	Star Publication Limited		85,503.60				85,503.60	
52	Kabage Company Ltd		278,400.00				278,400.00	
53	African Touch Safaris		31,900.00				31,900.00	
54	Kenya School Of Government		140,360.00				140,360.00	
55	Nation Media Group Plc		82,476.00				82,476.00	
56	Nzoia Water Services Company Limited		150,000.00				150,000.00	
57	Central Farmers Garage Ltd		45,020.00				45,020.00	
58	Westside Hotel		186,700.00				186,700.00	
59	Victoria Comfort Inn		275,000.00				275,000.00	
60	Victoria Comfort Inn		187,500.00				187,500.00	
61	Agricultural Society Of Keanya		96,000.00				96,000.00	
62	Alice Ahiro		72,000.00				72,000.00	
63	Ann Wanjala Wabuge		144,000.00				144,000.00	
64	David Macharia Kamau		420,000.00				420,000.00	
65	David Macharia Kamau		120,000.00				120,000.00	
66	Dennis Masai Chepkongin		432,000.00				432,000.00	
67	Dennis Masai Chepkongin		144,000.00				144,000.00	
68	Fred Wanjala Mutanda		84,000.00				84,000.00	
69	Grace Khisa Kiptek		120,000.00				120,000.00	

COUNTY EXECUTIVE OF TRANS NZOIA
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for the year ended June 30, 2022.

70	John Edaya Ojago		204,000.00				204,000.00	
71	Joseph Kimingichi		144,000.00				144,000.00	
72	Joseph Kipyego Rotich		84,000.00				84,000.00	
73	Lydia Angaya Indetie		600,000.00				600,000.00	
74	Naran P. Kerai		180,000.00				180,000.00	
75	Nelson Kipruto Ngetich		504,000.00				504,000.00	
76	Simon Mungesa Nabibia		600,000.00				600,000.00	
77	Simon Mungesa Nabibia		240,000.00				240,000.00	
78	The Kitale National Polytechnic		114,000.00				114,000.00	
79	Karanigrey And Company Advocates		388,000.00				388,000.00	
80	Karanigrey And Company Advocates		920,000.00				920,000.00	
81	Karanigrey And Company Advocates		572,000.00				572,000.00	
82	Karanigrey And Company Advocates		718,200.00				718,200.00	
83	Karanigrey And Company Advocates		552,000.00				552,000.00	
84	Kidiavai And Company		842,000.00				842,000.00	
85	Manyonge Wanyama And Associatesllp		5,000,000.00				5,000,000.00	
86	Sifuna And Sifuna Advocates		1,573,900.00				1,573,900.00	
87	Z.K Yego Law Offices		420,000.00				420,000.00	
88	Z.K Yego Law Offices		420,000.00				420,000.00	
89	Z.K Yego Law Offices		2,900,000.00				2,900,000.00	
90	Z.K Yego Law Offices		580,000.00				580,000.00	
91	Eden Rock Insurance Brokers Ltd		2,376.30				2,376.30	
92	Greenline Insurance Agency		118,696.00				118,696.00	
93	Andrew Amunze Ayuka		64,280.00				64,280.00	
94	Bilnet Commercial Insurance Agency		142,660.36				142,660.36	
95	Bilnet Commercialinsurance Agency		344,262.29				344,262.29	
96	Blink Studio Limited		35,143,812.00				35,143,812.00	
97	Brikhela Kenya Ltd		271,200.00				271,200.00	
98	Centre Point Insurance Agency		103,809.00				103,809.00	
99	Chrislivings Branding		1,712,500.00				1,712,500.00	

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100	Crystal Cottage Hospital		133,175.00			133,175.00	
101	Crystal Cottage Hospital		306,115.00			306,115.00	
102	Cyelda Motor Services		155,000.00			155,000.00	
103	Eden Rock Insurance Brookers		127,317.40			127,317.40	
104	Kenya School Of Government		140,360.00			140,360.00	
105	Kenya School Of Government		227,940.00			227,940.00	
106	Majombo Construction Company		370,000.00			370,000.00	
107	Mfi Document Solutions		81,200.00			81,200.00	
108	Stallion Security Services Ltd		1,584,000.00			1,584,000.00	
109	Standard Group Plc		168,200.00			168,200.00	
110	The Star		152,424.00			152,424.00	
111	Cyelda Motor Services		190,000.00			190,000.00	
112	Eccfic Consultancy Ltd		60,000.00			60,000.00	
113	Eden Rock Insurance Brokers		28,234.00			28,234.00	
114	Eden Rock Insurance Brokers		102,803.00			102,803.00	
115	Eden Rock Insurance Brokers		54,987.57			54,987.57	
116	Grandways Ventures Ltd		1,951,950.00			1,951,950.00	
117	Lake Region Legends		400,000.00			400,000.00	
118	Icpak		531,000.00			531,000.00	
119	Mwamba Valuers Ltd		2,440,930.00			2,440,930.00	
120	Mwamba Valuers Ltd		2,383,589.56			2,383,589.56	
121	Radio Safaris Kenya		69,000.00			69,000.00	
122	African Touch Safaris		16,900.00			16,900.00	
123	Eden Rock Insurance Brokers Ltd		93,785.55			93,785.55	
124	African Touch Safaris		19,140.00			19,140.00	
125	Eden Rock Insurance Brokers Limited		225,427.71			225,427.71	
126	Eden Rock Insurance Brokers Limited		151,635.45			151,635.45	
127	Majombo Construction Company		84,500.00			84,500.00	
128	Nation Media Group Plc		155,788.00			155,788.00	
129	National Oil(John Waithaka Thuo)		131,265.60			131,265.60	

COUNTY EXECUTIVE OF TRANS NZOIA
Annual Report and Financial Statements
for the year ended June 30, 2022.

130	National Oil(John Waithaka Thuo)		900,000.00				900,000.00	
131	Standard Group		638,000.00				638,000.00	
132	Standard Group		324,800.00				324,800.00	
133	Transzoia Motors Clinic		65,000.00				65,000.00	
	Sub Total		97,525,847.74				97,525,847.74	
	Grand Total		821,549,883.91				821,549,883.91	

Note: Pending bills comprise goods and services rendered and invoiced but not yet settled and does not include commitments

COUNTY GOVERNMENT OF TRANS NZOIA
Annual Report and Financial Statements (County Executive)
For the year ended June 30, 2022

Annex 3 – Analysis Of Pending Staff Payables

Name of Staff	Job Group	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2021-2022	Outstanding Balance 2020-2021	Comments
			a	b	c=a-b		
Senior Management							
1. Outstanding gratuity btn 2013-2017	NA		17,794,964.35		17,794,964.35		
2. Outstanding gratuity from Jan to Nov 2020			8,517,414.45		8,517,414.45		
3. Retired officers			8,552,229.13		8,552,229.13		
4. Gratuity to Officers seconded from National Govt			12,023,709.91		12,023,709.91		
5. An award to Former Municipal staff by the Court			47,762,734.00		47,762,734.00		
Sub-Total			94,651,051.84		94,651,051.84		
Middle Management							
6.							
7.							
Sub-Total							
Unionisable Employees							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
Sub-Total							
Grand Total			94,651,051.84		94,651,051.84		

COUNTY GOVERNMENT OF TRANS NZOIA
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Annex 4 – Analysis Of Other Pending Payables

Name	Brief Transaction Description	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2021-2022	Outstanding Balance 2020-2021	Comments
			a	b	c=a-b		
Amounts Due To National Govt Entities							
1. Contribution Arrears as at 31/3/2013	Lapfund		19,330,378.00		19,330,378.00		
2. Hamed Hamisi Lagat P/NO. 1985001839	WIBA		3,800,000.00		3,800,000.00		
3. Nicholus Cheruiyot P/NO. 1987004765	WIBA		477,303.50		477,303.50		
4. Moses Juma Biketi ID NO. 23122228	WIBA		387,305.38		387,305.38		
5. Absolom Okobwa Musumba P/NO. 1984061541	WIBA		826,641.60		826,641.60		
6. Daniel Kiprono Chebus	WIBA		2,747,904.00		2,747,904.00		
7. Outstanding Principal	Laptrust		43,772,091.85		43,772,091.85		
8. Medallion Award	Former Municipal Officers		2,000,000.00		2,000,000.00		
9. NITA			7,564,600.00		7,564,600.00		
10. Retention			27,047,653.50		27,047,653.50		
Sub-Total			107,953,877.83		107,953,877.83		
Grand Total			107,953,877.83		107,953,877.83		

COUNTY EXECUTIVE OF TRANS NZOIA

Annual Report and Financial Statements

for the year ended June 30, 2022.

Annex 5 – Summary Of Non-Current Asset Register


Asset Class	Historical Cost b/f (Kshs) 2020-2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year (Kshs)	Historical Cost c/f (Kshs) 2021-2022
Land	143,410,027	12,282,390	-	-	155,692,417
Buildings And Structures	2,998,661,160	296,493,333	-	-	3,295,154,493
Transport Equipment	437,360,181	-	-	-	437,360,181
Office Equipment, Furniture And Fittings	248,441,095	718,887	-	-	249,159,982
ICT Equipment	97,256,847	17,288,099	-	-	114,544,946
Machinery And Equipment	1,337,258,359	6,607,710	-	-	1,343,866,069
Biological Assets	305,657,159	4,983,035	-	-	310,640,194
Intangible Assets	372,641,089	4,249,942	-	-	376,891,031
Infrastructure Assets- Roads, Rails	4,865,423,890	1,439,935,872	-	-	6,305,359,762
Total	10,806,109,807	1,782,559,268			12,588,669,075


NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Executive. Additions during the year should tie to note 17 on acquisition of assets during the year. Ensure a complete fixed asset register is separately prepared in line with guidelines from The National Treasury.

COUNTY EXECUTIVE OF TRANS NZOIA
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Annex 6 – Inter-Entity Transfers

Ref	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cumulative amount transferred KShs	Amount Confirmed as received KShs	differ ence	explan ation
1	County Assembly	169,162,647	180,562,136	179,945,242	242,883,430	772,553,455	772,553,455	-	
	Total	169,162,647	180,562,136	179,945,242	242,883,430	772,553,455	772,553,455	-	

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Director of Finance
County Executive

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Director of Finance
County Assembly/fund/project

COUNTY GOVERNMENT OF TRANS NZOIA
Annual Report and Financial Statements (County Executive)
For the year ended June 30, 2022

Annex 7: TRIAL BALANCE

TRANS NZOIA COUNTY
GOVERNMENT
TRIAL BALANCE
FOR THE YEAR ENDED 30TH JUNE,
2022

Account No and Description	Current Period	
	Debit	Credit
	Kshs	Kshs
Basic Salaries - Permanent Employees	2,908,416,392.77	
Utilities, Supplies and Services	72,450,215.60	
Communication, Supplies and Services	7,753,132.00	
Domestic Travel and Subsistence, and Other Transportation Costs	109,318,951.20	
Foreign Travel and Subsistence, and other transportation costs	13,508,852.00	
Printing , Advertising and Information Supplies and Services	31,553,079.90	
Rentals of Produced Assets	518,852.00	
Training Expenses	67,661,781.15	
Hospitality Supplies and Services	69,067,424.65	
Insurance Costs	211,383,180.85	
Specialised Materials and Supp	264,726,049.50	
Office and General Supplies and Services	70,657,485.25	
Fuel Oil and Lubricants	10,813,721.00	
Other Operating Expenses	201,157,224.60	
Routine Maintenance - Vehicles	42,203,364.00	
Routine Maintenance - other assets	28,628,510.00	
Scholarships and other educational benefits	25,000,000.00	
Construction of Buildings	275,948,774.70	
Refurbishment of Buildings	20,544,558.20	
Construction of Roads	233,231,152.40	
Construction and Civil Works	753,042,781.80	
Overhaul and Refurbishment of Construction and Civil Works	164,493,913.01	
Purchase of Office Furniture and General Equipment	718,886.90	
Purchase of ICT Equipment, Software and Other ICT Assets	17,288,099.15	

COUNTY EXECUTIVE OF TRANS NZOIA
Annual Report and Financial Statements
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Purchase of Specialised Plant, Equipment and Machinery	1,474,137.95	
Rehabilitation and Renovation of Plant, Machinery and Equip.	5,133,571.75	
Purchase of Certified Seeds, Breeding Stock and Live Animals	4,983,035.00	
Research, Studies, Project Preparation, Design & Supervision	4,249,942.30	
Rehabilitation of Civil Works	289,168,024.85	
Acquisition of Land	12,282,390.00	
Transfers to County Assembly	772,553,455.00	
Other capital grants and transfers	563,146,706.65	
Transfer to other current transfers and subsidies	180,516,545.95	
Other expenses- Other creditor	422,632,917.90	
Balance C/D-Bank	110,200,648.09	
Receivables-Deposits B/F	5,187,270.20	
Exchequer Releases		7,569,801,005.91
Return to CRF Issues		-
Own Generated Revenue		-
Balance B/D-Bank		383,418,432.81
Receivables-Outstanding Imprests B/F		2,133,100.00
Payables-Deposits C/F		16,262,489.55
Total	7,971,615,028.27	7,971,615,028.27

COUNTY GOVERNMENT OF TRANS NZOIA
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For the year ended June 30, 2022

Annex 11: – Bank Reconciliation/FO 30 Reports

(Attach FO 30 Reports from IFMIS for all CBK Accounts)

