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KENYA NATIONAL AUDIT OFFICE

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

KENYA NATIONAL ASSEMBLY

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KENYA NATIONAL AUDIT OFFICE

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

The attached Abstract of Accounts of the Town Council of Taveta for the year ended 30 June 2004 have been audited under my direction in accordance with the provisions of Section 23 (1) of the Public Audit Act, 2003.

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

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

2. **Basis of Opinion**

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

3.0 Qualification Points:-

3.1 Format and Accuracy of the Accounts

(i) The Accounts were prepared in a format which has not been approved by the Minister for Local Government as required by law. The Council was therefore in breach of the law.

(ii) As in the previous years, there were inconsistencies in the application of the accruals concept in which Plot rents and rates were recognised as income in the Income and Expenditure Statement on cash basis while the plot rents and rates balances outstanding at the year-end were recognised as debtors on accrual basis in the Balance Sheet. Thus, some of the outstanding plot rents and land rates were not recognised as revenue in the year in which they were earned and therefore, the treatment did not adhere to the principle of the matching concept. Further, the Accounts as at 30 June 2004 contained material arithmetical and omissions errors. In view of the inconsistencies in the application of the accruals concept and in the absence of the approved format together with the numerous errors noted during the audit, it has not been possible to confirm the accuracy of the Accounts, as a whole.

3.2 Fixed Assets

The Fixed Assets balances increased from Kshs.15,255,550.00 as at 30 June 2003 to Kshs.17,577,162.55 as at 30 June 2004. However, there was an unexplained difference of Kshs.1,249,494.00 between the figures reflected in the Balance Sheet and the audited figures which have not been adjusted or explained as shown below:-

<u>Item</u>	<u>Account Figures</u> <u>Kshs.</u>	<u>Audited Figures</u> <u>Kshs.</u>	<u>Difference</u> <u>Kshs.</u>
Land & Buildings	12,355,116.95	12,466,495.95	111,379.00
Motor Vehicles	3,010,166.00	4,145,086.00	1,134,920.00
Office Equipments	879,710.50	882,905.50	3,195.00
Total	<u>16,244,993.45</u>	<u>17,494,487.45</u>	<u>1,249,494.00</u>

The Fixed Asset balances are therefore understated by Kshs.1,249,494.00. Further, a Fixed Assets Register (FAR), ownership documents and valuation reports for the Assets were not made available for audit review. In the absence of amended Accounts, a Fixed Assets Register, valuation reports and ownership documents, it has not been possible to ascertain existence, ownership, location, security and accuracy of the Council assets or that they are fairly disclosed in the Balance Sheet as at 30 June 2004.

3.3 Cash and Bank Balances

The main cash book reflected Cash In Hand balance of Kshs.4,521,990.45 while the Abstract of Accounts reflected Kshs.5,355,469.60 as at 30 June 2004. The Cash and Bank balance reflected in the Accounts was therefore understated by Kshs.833,479.15 In addition, the Cash in Hand balance was in form of direct payments, staff and councillor's allowances, cash shortages, I Owe You (IOUs) and imprests irregularly issued from revenue collections and which have not been surrendered. The Bank balance also differed by Kshs.11,334.20 between the audited and the Accounts figure. It was also noted that the cash books were not updated regularly as required by the financial regulations. Further, bank statements, bank reconciliation statements and bank balances confirmation certificates were not made available for audit review. The Council did not also constitute annual board of survey to carry out cash counts as required. In the absence of reconciled Cash and Bank balances, physical cash counts reports, bank balances confirmation certificates and bank reconciliation statements, the accuracy of the Cash and Bank balances of Kshs.5,355,469.60 as at 30 June 2004 could not be ascertained.

3.4 Debtors and Prepayments

The Debtors and Prepayments balance of Kshs.16,030,506.65 as at 30 June 2004 differed from the audited balance of Kshs.17,577,162.55 by Kshs.1,546,655.90. Further, despite the huge Debtors and Prepayments balance, no provision was made for bad and doubtful debts in the Accounts. The Debtors control records such as ledgers, registers and schedules were not also properly maintained and updated. In the absence of the provision for bad and doubtful debts and properly maintained

debtors records, it has not been possible to determine the accuracy and recoverability of the Debtors balance as at 30 June 2004. Further, the increasing trend of Debtors indicate laxity in and poor or inadequate debts collection measures.

3.5 Creditors and Accruals

The Council's Creditors and Accruals balances reduced from Kshs.2,532,452.00 to Kshs.1,920,930.70 as at 30 June 2004. However, the Creditors balance was composed mainly of unremitted statutory deductions and unpaid utility suppliers. Further, the Creditors' ledgers were not properly maintained and updated and therefore the accuracy of Creditor's balances as at 30 June 2004 could not be ascertained. In addition, the Council is likely to be charged and pay interest/penalties on unpaid statutory deductions and also risks being sued by suppliers on the outstanding payments.

3.6 General Reserve Fund

The General Reserve Fund balance increased from Kshs.17,385,779.40 in 2002/2003 to Kshs.20,702,434.20 as at 30 June 2004. However, no ledgers or schedules were maintained or produced to show how the balances were arrived at. Further, bank balance confirmation certificate or investment receipts in respect of the Fund were not made available for audit review. In the absence of properly maintained records and bank or investment confirmation certificates, the accuracy of the General Rate Fund balance of Kshs.20,702,434.20 as at 30 June 2004 could not be confirmed.

3.7 Renewals Fund

Section 219 (I) of the Local Government Act, Cap. 265 requires a Local Authority to create adequate renewals fund to provide for the entire or partial replacement of some or all of its assets which owing to depreciation or other causes will require replacement at a future date. However, during the period under review, the Council did not make any provisions for Renewals Fund in the Accounts as required. The

Council was, therefore, in breach of law. It is also not clear how it intends to finance the replacement of its fixed assets, in future, in the absence of Renewals Fund.

3.8 Authority Equity

The Authority Equity balance increased from Kshs.14,515,191.40 in 2002/2003 to Kshs.15,073,474.90 as at 30 June 2004. However, no statement was prepared in support of the Abstract of Accounts to show the components of the figure such as opening balances, changes during the year and closing balances. Further, Section 216 of the Local Government Act provides that Councils are generally financed by the General Rate Fund, General Reserve Fund, Renewals Fund, Capital Fund and Loans Fund. The term Authority Equity was therefore anomalous and appeared to be a balancing item in the Accounts. Under the circumstances, the accuracy and existence of the Authority Equity's balances reflected in the Balance Sheet for the year 2003/2004 could not be confirmed.

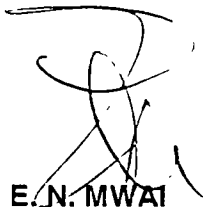
3.9 Budget and Budgetary Control

A review of the actual expenditure incurred against the approved expenditure revealed that the Council incurred over-expenditure of Kshs.2,185,015.70 and also realized revenue shortfalls of Kshs.4,604,439.60 during the financial year 2003/2004 without ministerial authority. The Council did not therefore adhere to the budgetary provisions and was also in breach of the law. The under collection of revenue has the effect of straining the financial resources as the Council may not be able to meet its financial obligations as they fall due. Further, incurring of over-expenditure and realizing shortfalls in revenue collections were indicative of laxity in revenue collections and inadequate budgetary control mechanisms.

4. Opinion

In view of the reservations stated here above, I am unable to express an opinion in accordance with Section 24 (2) of the Act, that:-

- a) all the information and explanations required for the purpose of the audit were received;
- b) the Accounts have been properly maintained and are in order;
- c) the Balance Sheet presents a true and fair view of the financial position of the Council as at 30 June 2004;
- d) the Income and Expenditure Accounts give a true and fair view of the income and expenditure of the Council for the year ended 30 June 2004;
- e) due provision has been made for the repayment of all moneys borrowed by the Council;
- f) adequate amounts have been set aside for depreciation and renewal of the assets of the Council; and
- g) the Accounts comply with the Local Government Act, Cap 265.



E.N. MWAI
CONTROLLER AND AUDITOR GENERAL

Nairobi

26 May 2006

TOWN COUNCIL OF TAVETA

ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED

30TH JUNE 2004

REVISED BY:

**JAVAN MRABAI ACCOUNTANT
TOWN COUNCIL OF TAVETA
P.O. BOX 195
TAVETA
TEL:043 535 2057/45/75**

TOWN COUNCIL OF TAVETA
ABSTRACT OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004

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**TAVETA TOWN COUNCIL
ABSTRACTS OF ACCOUNTS FOR THE YEAR
ENDED 30TH JUNE 2004**

TREASURER'S REPORT

1.1 INTRODUCTION

I have the pleasure of presenting the final accounts for Taveta Town Council for the period ended 30th June 2004.

The accounts have been prepared using the simplified accounting systems (SAS) for local authorities developed by the ministry of Local Government under the Kenya Local Government reform programme.

The Taveta Town Council has twelve (12) operational or responsibility centers.

These are:-

- (i) Clerks Department
- (ii) Treasurer's Department
- (iii) Civic Department
- (iv) Markets Department
- (v) Rental Housing Department
- (vi) Cess Department
- (vii) Bus Stop Department
- (viii) Conservancy Services Department
- (ix) Slaughter House Department
- (x) Community Deve. and Social Halls
- (xi) Works Department
- (xii) LATF

1.2 RESPONSIBILITY CENTRES ACCOUNT STATEMENTS

Each individual responsibility center financial performance is given separately. These performance statements of receipts and expenditure are in Kenya Shillings, which are compared to the approved budget for the year.

The detailed performance statement for 2003/2004 is analyzed in a summary Recurrent Account to give a clear picture of the operations of the Authority for the year.

THE FOLLOWING ARE WORTHY NOTING

Revenue Items

General rate fund receipts decrease to KShs.13,684,734.4 from KShs.14,748,683.3 in the previous year which is 12% decrease.

Receipts from land taxes contributed 20% of the corporate receipts.

Licenses contributed 25% of the total corporate receipts.

Cess with 54% to the corporate receipts.

Expenditure Items

The ratio of expenditure on personnel, operations and maintenance was 53:38:8 of the total expenditure.

1.3 OVERALL AUTHORITY PERFORMANCE

The authority recorded GRF income amounting to KShs.13,684,474.4 whilst GRF expenditure amounted to KShs.15,814,572.4. This resulted to a deficit of KShs. 2,129,838.30.

Treasurer's department had the highest income of all the responsibility centers of KShs.13,446,084.4 made up of KShs.4,274,527.4 from recurrent account and KShs.9,186,314.00 from revenue account.

LATF income for this year was KShs.8,166,184 while previous year was KShs.6,476,918.75. The LATF expenditure amounted to KShs.2,699,661 resulting to net surplus of KShs.5,466,523.

1.4 BALANCE SHEET

Whereas other financial statements are based on a receipt and expenditure convention, Balance Sheet is based on a converted receipt (or income) and expenditure basis by the introduction of debtors and creditors outstanding.

1.5 INCOME VARIANCES

(a) Land Taxes

This comprises of land rates and rent contributing to 20% of corporate receipts as opposed to 17% achieved last year. This was due to improved revenue collection methods.

(b) Cesses


This comprises of all cesses and contributed 54% of the total corporate income.

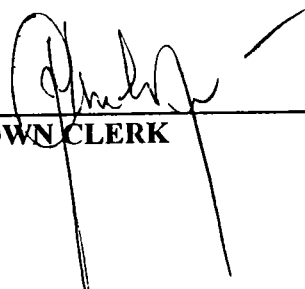
(c) Licenses

Total collection on this particular source of income was 25% same as previous year.

1.6 EXPENDITURE VARIANCE

Total GRF expenditure reduced by KShs.1,536,904.4 to KShs.15,814,572.7 compared to expenditure of KShs.17,351,477.10 last year, which is 9.7% decrease in maintenance expenditure from Kshs 1,437,974.53 last year to Kshs.776,974 this year

Signed  Dated 9/5/2006
TOWN TREASURER

Signed  Dated 19/1/06
TOWN CLERK

**TAVETA TOWN COUNCIL
ABSTRACT OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
BALANCE SHEET AS AT 30TH JUNE 2004**

		30.6.2004	30.6.2003
	<u>Notes</u>	<u>KShs</u>	<u>KShs</u>
<u>Fixed Assets</u>			
Land & Buildings		12,526,288.55	11,085,607.45
Motor Vehicles		3,010,166.00	3 010 166.00
Furniture & Fittings		64,675.00	64,675.00
Office Equipment		885,340.50	885,340.50
Equipment & Tools		22,045.00	31,237.00
Total Fixed Assets	1.3.7	16,517,707.05	15,077,025.95
<u>Current Assets</u>			
Cash & Bank Balances	1.3.8	4,829,750.60	4,846,108.25
Debtors & Prepayments	1.3.9	16,030,506.65	17,011,864.65
Total Current Assets		20,860,257.25	21,957,972.90
<u>Current Liabilities</u>			
Creditors & Accruals	1.4.0	1,920,930.70	2,542,452.00
Total Current Liabilities		1,920,930.70	2,542,452.00
<u>Net Current Assets</u>		18,939,326.55	19,415,520.90
<u>Total Net Assets</u>		35,457,033.60	34,492,546.50
<u>Represented By</u>			
Authority Equity	1.6.1.	1,507,474.90	14,515,191.40
General Reserve Fund	1.6.2	20,702,434.20	17,385,779.35
		35,775,908.55	31,900,970.75

Signed
TOWN CLERK

Signed
TOWN TREASURER

DATE2006

DATE2006

TAVETA TOWN COUNCIL
 ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
SUMMARY RECURRENT ACCOUNT DEPARTMENTALLY

DEPARTMENTS	PERSONNEL		OPERATIONS		MAINT.		TOTAL EXPENDITURE		TOTAL RECEIPTS		SURPLUS/ (DEFICIT)		LEVEL OF SELF FINANC.	
	KSHS		KSHS		KSHS		KSHS		KSHS		KSHS		KSHS	FINANC.
Clerk's Department	1,464,702.60		1,620,187.25		254,585.00		3,339,474.85		-		(333,9474.85)			(5,018,622.60)
Treasurer's Department	2,530,719.00		1,034,311.45		115,130.00		3,680,160.45		4,274,527.40		594,367.00		116%	(3,389,601.05)
Civic/Councillor's Department	-		2,124,617.15		-		2,124,617.15		-		(2,124,617.15)			(2,351,994.20)
Markets Department	1,516,007.50		146,107.25		57,617.50		1,719,732.25		3,421,930.00		1,702,197.75		199%	1,823,044.20
Slaughter House Department	91,684.80		83,337.35		20,781.00		195,803.15		379,054.00		183,250.85		193%	230,014.85
Bus Stop Department	205,080.00		1,130.00		4,535.00		210,745.00		354,185.00		143,440.00		168%	(2,335.70)
Cesses	881,830.60		271,103.05		-		1,152,933.65		5,031,145.00		3,878,211.40		436%	(838,684.10)
Works Department	410,386.60		186,769.45		22,374.00		619,530.05		10,840.00		(608,690.05)			(777,245.70)
Conservancy Department	1,131,270.10		411,973.05		125,384.00		1,668,627.15		-		(1,668,627.15)			(1,727,350.00)
Community & Social Hall Dept	748,383.80		209,683.05		67,822.00		1,025,888.85		28,300.00		(997,588.95)			(704,353.10)
Rental Housing	-		28,352.10		48,708.00		77,060.10		184,753.00		107,692.50			-
Guest House	-		-		-		-		-		-			-
Local Authority Transfer Fund	-		739,247.00		2,840,356.00		3,579,603.00		8,166,184.00		5,466,523.00			-
Capital Projects L.A.T.F	8,980,065.00		6,856,818.15		3,557,292.50		19,394,175.65		21,850,918.40		3,336,684.70			(12,740,389.40)

CORPORATE RECEIPTS (TREASURERS DEPT.)

Land Taxes	1,869,791.25	1,755,355.60
Cesses	4,991,010.00	5,576,417.00
Licences (SBP)	2,292,340.00	2,805,823.00
TOTAL CORPORATE RECEIPTS	9,154,141.25	10,137,595.60

Total GRE Receipts	21,940,187.15	14,748,683.30
Not Surplus (Deficit for the year	3,336,684.60	(2,602,792.80)

FUND BALANCE B/F	(2,602,793.80)
FUND BALANCE C/F	733,890.80

**TAVETA TOWN COUNCIL
ABSTRACT OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
SUMMARY OF REVENUE ACCOUNT - GRF**

SUBJECTIVE HEAD CORPORATE RECEIPTS	2003-2004 ACTUAL KShs	2003-2004 APPROVED KShs	2002-2003 ACTUAL KShs
<u>LAND TAXES</u>			
Plot Rent	107,700.00	396,750.00	48,060.00
Land Rent	-	-	-
House Rent	201,253.00	360,600.00	10,000.00
Property Rates	1,625,009.50	2,366,318.00	1,680,475.60
Royalties	8,480.00	42,046.00	16,820.00
Total Land Taxes	1,942,442.50	3,165,714.00	1,755,355.60
<u>CESSES</u>			
Hides & Skins Cess	9,635.00	11,580.00	18,030.00
Fruits & Vegetables Cess	3,922,490.00	4,702,625.00	3,860,029.00
Maize Cess	875,445.00	2,076,731.00	1,470,118.00
Cotton Cess	53,455.00	401,773.00	228,240.00
Sisal Cess	-	-	-
Timber Cess	139,620.00	500,000.00	-
Cattle Cess	-	-	-
Total Cess	5,000,645.00	7,692,709.00	5,576,417.00
<u>LICENCES</u>			
Single Business Permits	2,293,340.00	2,600,000.00	2,805,823.00
TOTAL CORPORATE RECEIPTS	9,266,927.50	13,517,823.00	10,137,595.60
TOTAL SERVICE RECEIPTS	10,894,725.65	13,491,669.00	4,611,087.70
TOTAL RECEIPTS	20,161,653.15	27,009,492.00	14,748,683.30

**TAVETA TOWN COUNCIL
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
CLERKS DEPARTMENT - CODE 1B**

MISSION STATEMENT

- A- To provide advice to elected councilors in the policy management of the council.
B- To provide leadership to the paid staff of the council ensuring smooth operations, effective personnel administrative and take legality of actions

CODE	SUBJECTIVE HEAD	2003/2004. ACTUAL KShs	2003/2004. APPROVED KShs	2002/2003. ACTUAL KShs
SERVICE RECEIPTS				
1B-719	Court prosecution fees	-	500.00	-
1B-721	Sale of Council minutes	-	100.00	-
	Total Receipts		600.00	
EXPENDITURE				
PERSONNEL				
1B-001	Salaries	969,920.00	1,423,200.00	967,013.00
1B-002	Wages	-	-	56,190.60
1B-003	NSSF Council's Contribution	15,400.00	16,692.00	17,551.00
1B-004	PF Council's Contribution	101,297.00	138,609.00	50,230.00
1B-005	K.L.G.S Fund	91,632.00	201,771.00	42,658.50
1B-012	House allowance	189,400.00	834,000.00	588,256.00
1B-013	Other staff allowances	56,080.80	20,000.00	64,803.15
1B-015	Leave Allowances	26,712.80	37,605.00	31,123.55
1B-018	Medical Allowances	-	500.00	200.00
1B-033(a)	Workmens Compensation	11,200.00	180,000.00	23,500.00
1B-016	Training & courses	3,060.00	50,000.00	-
1B	Total Personnel	1,464,702.60	2,902,377.00	1,841,525.80
OPERATIONS				
1B-014	Travelling & Subsistence	419,937.00	200,000.00	358,023.80
1B-026	ALGAK Subscription	33,500.00	25,000.00	5,000.00
1B-027	ALGAE Subscription	-	1,920.00	5,000.00
1B-031	Printing & Stationery	430,393.20	100,000.00	182,914.00
1B-032	Postage & Telephone	81,844.05	50,000.00	190,797.10
1B-033(b)	Insurance-Public Liability	81,743.00	24,200.00	-
1B-033(c)	Fire Insurance	8,709.10	12,000.00	-
1B-036(a)	Legal fees-Prosecution	32,000.00	30,000.00	86,200.00
1B-036(b)	Legal fees-Advocates	196,500.00	100,000.00	440,559.40
1B-037	Uniform & Clothing	2,398.30	22,000.00	8,806.10
1B-040	Contingences	24,637.60	15,000.00	50,968.50
1B-052	Petrol oil & Tyres	207,135.00	200,000.00	137,675.00
1B-053	Vehicle Insurance & Licences	15,410.00	150,000.00	28,060.00
1B-072	Bursaries	-	-	4,000.00
1B-081	Entertainment	27,580.00	30,000.00	10,972.00
1B-082	Funeral Expenses	10,000.00	15,000.00	25,200.00
1B-085	State Function expenses	48,400.00	10,000.00	-
	Total Operations	1,620,187.25	985,120.00	1,534,175.90
MAINTENANCE				
1B-044	Furniture & Fittings	254,585.00	350,000.00	36,000.00
1B-061	Equipment, Tools, Material	-	-	-
	Total Maintenance	254,585.00	350,000.00	36,000.00
	TOTAL EXPENDITURE	3,339,474.85	4,237,497.00	3,411,701.70
	NET SURPLUS/(DEFICIT)	(3,339,474.85)	(4,236,897.00)	(3,411,701.70)

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TAVETA TOWN COUNCIL
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
TREASURER'S DEPARTMENT - CODE 1C

MISSION STATEMENT

- A- To provide financial advice to the councillors, clerk and other service officers for the efficient operation of the council
- B- To establish and operate sound financial systems for the council.
- C To ensure financial transactions are properly recorded and internal controls are adhered to.
- D To collect all revenues properly due to the council
- E T prepare upto date accounts and other financial management reports as the law requires.

CODE	SUBJECTIVE HEAD	2003/2004. ACTUAL KShs	2003/2004. APPROVED KShs	2002/2003. ACTUAL KShs
SERVICE RECEIPTS				
1C-703	Plot Rents	107,700.00	396,750.00	16,500.00
1C-707(a)	Rent of TVT Eating House	16,500.00	30,000.00	10,000.00
1C-720	Renewal of trade application fees-			
1C-742(a)	Property Rates	1,616,101.00	2,287,098.00	1,648,816.60
1C-742(b)	Land Graduated Rates	8,908.50	39,220.00	8,908.50
1C-742(c)	Interest in Property Rates		40,000.00	
1C-751	Administrative charges	5,406.00	10,500.00	10,465.00
1C-782	Royalties from common Minerals	8,480.00	42,046.00	16,700.00
1C-784	Miscellaneous Income	218,090.90	467,982.00	233,491.70
1C-191	Single Business Permit	2,293,340.00	400,000.00	2,010,273.00
	Total Receipts	4,274,526.40	3,713,596.00	3,955,154.80
EXPENDITURE				
PERSONNEL				
1C-001	Salaries	1,355,520.00	1,708,980.00	1,264,366.00
1C-002	Wages			11,535.00
1C-003	NSSF Council's Contribution	24,000.00	26,400.00	23,767.00
1C-003(a)	NSSF Council's Contr.(Casual)	-		
1C-004	PF Council's Contribution	176,945.00	236,367.00	64,230.00
1C-005	K.L.G.S Fund	92,940.00	-	55,192.50
1C-012	House allowance	723,360.00	891,000.00	716,156.00
1C-013	Other staff allowances	81,030.20	15,000.00	89,378.20
1C-015	Leave Allowances	39,753.80	47,958.00	41,076.00
1C-018	Medical Allowances			
1C-016	Training & courses	37,170.00	40,000.00	
1C	Total Personnel	2,530,719.00	2,965,705.00	2,265,700.70
OPERATIONS				
1C-007	Revenue collection expenses	4,700.00	10,000.00	12,825.50
1C-014	Travelling & Subsistence	458,697.80	160,000.00	487,073.40
1C-031	Printing & Stationery	335,757.00	100,000.00	186,601.90
1C-032	Postage & Telephone	46,775.20	50,000.00	89,195.20
1C-033	Postage & Telephone	16,320.00	12,000.00	9,500.00
1C-033(a)	Money Insurance	10,300.00	15,100.00	5,500.00
1C-035	Fidelity Insurance	25,089.50	60,000.00	24,555.70
1C-037	Bank Charges	1,711.65	6,000.00	1,467.70
1C-043	Uniform & Clothing	8,691.90	22,000.00	22,040.40
1C-040	Runnung of TVT Eating Hse	22,574.60	60,000.00	21,797.20
1C-052	Contigences	103,693.80	170,000.00	149,740.00
1C-073	Petrol oil & Tyres			
1C-073	Refund of Revenue			
	Total Operations	1,034,311.45	665,100.00	1,010,277.00
MAINTENANCE				
1C-044	Furniture & Fittings	5,935.00	50,000.00	34,210.00
1C-051	Vehicle Spares & Repaires	109,195.00	100,000.00	68,157.50
	Total Maintenance	115,130.00	150,000.00	102,347.50
	TOTAL EXPENDITURE	3,680,160.45	3,780,805.00	3,378,325.20
	NET SURPLUS/(DEFICIT)	594,365.95	(32,891.00)	576,829.60

**TAVETA TOWN COUNCIL
ABSTRACT OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
CIVIC DEPARTMENT - CODE 1D**

MISSION STATEMENT

A- To facilitate the representation of the public's view to ensure that policies of the Council's are in accordance with the inspiration of the public.

<u>CODE</u>	<u>SUBJECTIVE HEAD</u>	<u>2003/2004.</u> <u>ACTUAL</u> <u>KShs</u>	<u>2003/2004.</u> <u>APPROVED</u> <u>KShs</u>	<u>2002/2003.</u> <u>ACTUAL.</u> <u>KShs</u>
	<u>SERVICE RECEIPTS</u>			
	Service Receipts	-	-	-
	Total Receipts	-	-	-
	<u>EXPENDITURE</u>			
	<u>PERSONNEL</u>			
	Expenditure	-	-	-
	Total Personnel	-	-	-
	<u>OPERATIONS</u>			
1D-021	Chairman & V.C Allowance	360,000.00	360,000.00	272,066 60
1D-022	Councilors Allowance	1,020,000.00	1,020,000 00	662,533.40
1D-011	Gratuity Reserve Fund	-	70,280 00	-
1D-025	Other Councilor's Allow.	68,602 15	162,000.00	105,775 20
1D-026	Chairman & V.C Tr.Allow.	299,950.00	240,000 00	268,892 10
1D-029	Grants & Donations	-	30,000.00	6,000 00
1D-028	Councilors Travelling&subs.	347,565.00	350,000.00	483,865 10
1D-027	Councilors Entertainment	34,500.00	50,000.00	36,604 80
1D-023	Seminars	4,000 00	50,000 00	-
	Total Operations	2,134,617.15	2,332,280.00	1,835,737.20
	<u>MAINTENANCE</u>			
	Vehicle Spare and Repare	-	-	-
	Total Maintenance	-	-	-
	TOTAL EXPENDITURE	2,134,617.15	2,332,280.00	1,835,737.20
	NET SURPLUS (DEFICIT)	(2,134,617.15)	(2,332,280.00)	(1,835,737.20)

**TAVETA TOWN
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
MARKETS DEPARTMENT - 6A & 6B**

MISSION STATEMENT

- A- To provide market for local traders to undertake their business.
B- To generate revenues for the local council.

CODE	SUBJECTIVE HEAD	2003/2004.	2003/2004.	2002/2003.
		ACTUAL	APPROVED	ACTUAL.
		<u>KSh</u>	<u>KSh</u>	<u>KSh</u>
SERVICE RECEIPTS				
6A-705(a)	Mkt Space - TVT	151,230.00	306,728 00	207,650.00
6B-705(a)	Mkt Space Chumvini	-	3,726 00	-
6A-719	Mkt Fees - TVT	3,124,167.00	3,840,000 00	3,095,601.00
6B-719	Mkt Fees - Chumvini	145,933 00	202,986 00	166,350 00
6A-720	Plot Application Fees TVT	-	-	600.00
6B-720	Plot Application Fees Chumvini	-	-	-
6A-720(a)	Kiosk Application Fees-TVT	600 00	-	1,000 00
6A-720(b)	Kiosk Allotment Fees-TVT	-	8,195 00	6,590 00
6B-720	Plot Allotment Fees	-	-	-
6C-719	Mkt.Fees-Mukuyuni	-	-	-
	Total Receipts	3,421,930.00	4,353,440.00	3,477,791.00
EXPENDITURE				
PERSONNEL				
6A/B-001	Salaries	799,280 00	842,880 00	1,189,020.90
6A/B-002	Casual Wages	-	-	10,547.45
6A/B-003	NSSF Council's Contribution	36,400.00	41,926.00	46,606.00
6A/B-004	PF Council's Contribution	144,678.00	199,332.00	66,848 00
6A/B-012	House Allowance	461,000.00	486,000 00	61,600 00
6A/B-013	Other Staff Allowance	55,206.40	60,000 00	-
6A/B-015	Leave Allowances	19,443.10	20,926 00	22,870 20
	Total Personnel	1,516,007.50	1,651,064.00	1,397,492.55
OPERATIONS				
6A/B-014	Travelling & Subsistence	13,052 00	15,994.00	6,480.00
6A/B-032	Postage, Tele. & Advert.	13,842.35	40,992 00	55,297.05
6A/B-037	Uniforms & Clothing	7,883.10	67,000.00	33,294.85
6A/B-040	Contingencies	13,292.00	16,000.00	32,231.75
6A/B-043	Water & Electricity	98,037 80	87,255.00	94,556 80
	Total Operations	146,107.25	227,241.00	221,860.45

TAVETA TOWN COUNCIL
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
MARKETS DEPARTMENT -CONTD. 6A & 6B

	2003/2004. ACTUAL KShs	2003/2004. APPROVED KShs	2002/2003. ACTUAL KShs
MAINTENANCE			52,914.00
6A-01 Improvements-TVT Mkt	50,307.50	53,992.00	52,914.00
6B-041 Improvements-Chumvini	7,310.00	20,000.00	105,828.00
Total Maintenance	57,617.50	73,992.00	1,725,181.00
TOTAL EXPENDITURE	1,719,732.25	1,952,297.00	1,752,610.00
NET SURPLUS (DEFICIT)	1,702,197.75	2,401,143.00	

TAVETA TOWN COUNCIL
 ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
 RENTAL HOUSING DEPARTMENT - CODE 9A

CODE	SUBJECTIVE HEAD	2003/2004. ACTUAL KShs	2003/2004. APPROVED KShs	2002/2003. ACTUAL KShs
	SERVICE RECEIPTS			
9A-701	House Rents	184,753.00	340,800.00	160,800.00
9A-752	Int. on Investments		19,800.00	-
	Total Receipts	184,753.00	360,600.00	160,800.00
	EXPENDITURE			
	PERSONNEL			
		-	-	-
	OPERATIONS			
9A-031	Printing & Stationery	16,873.40	400.00	200.00
9A-033(c)	Fire Insurance Building	-	58,000.00	15,542.00
9A-035	Bank Charges	11,478.00	5,000.00	-
9A-043	Electricity & Water	28,351.40	30,000.00	1,815.00
	Total Operations		93,400.00	17,557.00
	MAINTENANCE			
9A-041	Repair and maintenance	48,707.00	60,000.00	20,728.00
9A-042	Upkeep of grounds and fencing	48,707.00	60,000.00	20,728.00
	Total Maintenance			
		77,058.40	153,400.00	38,285.00
	TOTAL EXPENDITURE			
		107,694.60	207,200.00	122,515.00
	NET SURPLUS (DEFICIT)			

TAVETA TOWN COUNCIL
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
CESSSES - CODE 18

MISSION STATEMENT

A- To collect cess for the Council from Agricultural produce and animal skins.

	2003/2004. ACTUAL KShs	2003/2004. APPROVED KShs	2002/2003. ACTUAL KShs
SUBJECTIVE HEAD			
CODE SERVICE RECEIPTS			
18-B	9,635.00	11,580.00	18,030.00
18-E	3,922,490.00	4,702,625.00	3,860,029.00
18-M	875,445.00	2,076,731.00	1,470,118.00
18-I	53,455.00	401,773.00	228,240.00
18-K	30,500.00	719,690.00	-
18-J	139,620.00	500,000.00	-
18-714	-	-	-
TOTAL Receipts	5,031,145.00	8,412,399.00	5,576,417.00
EXPENDITURE			
PERSONNEL			
18-001	476,800.00	464,880.00	453,120.00
18-002	15,640.00	-	16,200.00
18-003	16,800.00	16,344.00	16,369.00
18-004	85,456.25	107,532.00	33,057.00
18-012	252,000.00	252,000.00	252,000.00
18-013	13,200.00	-	-
18-015	20,750.00	54,000.00	27,500.00
	8,415.60	13,942.00	3,438.00
Total Personnel	889,061.85	908,698.00	801,684.00
OPERATIONS			
18-014	45,560.00	30,000.00	77,698.60
18-007	213,551.00	50,000.00	129,344.80
18-037	1,992.05	26,000.00	17,104.80
18-064	-	5,000.00	-
18-081	10,000.00	10,000.00	5,850.00
Total Operations	271,103.05	121,000.00	229,998.20
MAINTENANCE			
Total Maintenance	-	-	-
TOTAL EXPENDITURE	1,160,164.90	1,029,698.00	1,031,682.20
NET SURPLUS(DEFICIT)	3,870,980.10	7,382,701.00	4,544,734.80

**TAVETA TOWN COUNCIL
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
BUS STOP DEPARTMENT - CODE 14B**

MISSION STATEMENT

A- To provide humble parking for vehicles while loading and off-loading.

	2003/2004. ACTUAL KShs	2003/2004. APPROVED KShs	2002/2003. ACTUAL KShs
<u>SUBJECTIVE HEAD</u>			
<u>SERVICE RECEIPTS</u>			
14B-719(ε) Omnibus Parking Fee	354,185.00	261,830.00	309,135.00
14B-719(t) Vehicle in Transit Fee	-	524,000.00	-
Total Receipts	354,185.00	785,830.00	309,135.00
<u>EXPENDITURE</u>			
<u>PERSONNEL</u>			
14B-001 Staff Salaries	115,200.00	115,200.00	111,860.00
14B-002 Wages	-	-	-
14B-003 NSSF Council's Contribution	4,800.00	4,800.00	4,753.00
14B-004 P.F Council's Contribution	20,808.00	26,280.00	8,136.00
14B-012 House Allowances	60,000.00	60,000.00	60,000.00
14B-013 Other Staff Allowances	4,800.00	3,455.00	8,800.00
14B-015 Leave Allowances	-	-	6,459.80
Total Personnel	205,608.00	209,735.00	200,008.80
<u>OPERATIONS</u>			
14B-037 Uniforms & Clothing	1,130.00	10,000.00	5,380.00
Total Operations	1,130.00	10,000.00	5,380.00
<u>MAINTENANCE</u>			
14B-081 Development of Bus Stop	4,535.00	350,000.00	-
Total Maintenance	4,535.00	350,000.00	-
TOTAL EXPENDITURE	211,273.00	569,735.00	205,388.80
NET SURPLUS(DEFICIT)	142,912.00	216,095.00	103,746.20

MAVETA TOWN COUNCIL
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
CONSERVANCY DEPARTMENT - 13A

<u>CODE</u>	<u>SUBJECTIVE HEAD</u>	<u>2003/2004.</u>	<u>2003/2004.</u>	<u>2002-2003</u>
		<u>ACTUAL</u>	<u>APPROVED</u>	<u>ACTUAL</u>
		<u>KShs</u>	<u>KShs</u>	<u>KShs</u>
	<u>SERVICE RECEIPTS</u>			
	Service Receipts	-	-	-
	Total Receipts	-	-	-
	<u>EXPENDITURE</u>			
	<u>PERSONNEL</u>			
13A-001	Staff Salaries	552,000.00	520,860.00	566,820.00
13A-002	Wages	600.00	-	145,889.35
13A-003	NSSF Council's Contribution	31,200.00	14,400.00	28,944.00
13A-004	P.F Council's Contribution	102,287.00	119,529.00	37,210.00
13A-012	House Allowance	390,000.00	276,000.00	412,600.00
13A-013	Other Staff Allowance	40,301.10	-	48,651.00
13A-015	Leave Allowance	14,882.00	16,548.00	15,794.55
	Total Personnel	1,131,270.10	947,337.00	1,255,908.90
	<u>OPERATIONS</u>			
13A-014	Travelling & Subsistence	1,823.00	5,000.00	3,555.00
13A-037	Clothing & Uniforms	12,094.45	50,000.00	70,296.05
13A-040	Contingencies	16,379.60	15,000.00	3,505.00
13A-043	Cleansing Services	261,116.00	272,000.00	52,041.00
13A-052	Petrol, Oil & Tyres	120,560.00	120,000.00	111,390.00
13A-053	License & Ins. - Tractor/Trailer	-	6,000.00	7,500.00
	Total Operations	411,973.05	468,000.00	288,287.05
	<u>MAINTENANCE</u>			
13A-051	Spares & Repairs - Tractor	114,825.00	100,000.00	59,515.00
13A-061	Equipments, Tools & Materials	10,559.00	15,000.00	13,953.00
	Total Maintenance	125,384.00	115,000.00	73,468.00
	TOTAL EXPENDITURE	1,668,627.15	1,530,337.00	1,617,663.95
	NET SURPLUS(DEFICIT)	(1,668,627.15)	(1,530,337.00)	(1,617,663.95)

**TAVETA TOWN COUNCIL
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2004
SLAUGHTER HOUSE DEPARTMENT**

MISSION STATEMENT

A- To provide facility for slaughtering animals.

		2003/2004.	2003/2004.	2002/2003.
		ACTUAL	APPROVED	ACTUAL
		KShs	KShs	KShs
	<u>SUBJECTIVE HEAD</u>			
	<u>SERVICE RECEIPTS</u>			
CODE				
7A-719	Slaughter House Fees	261,190.00	335,006.00	296,980.00
7A-719(a)	Auction Fees Chumvini	18,936.00	20,320.00	15,400.00
7A-719(b)	Auction Fees TVT	98,928.00	118,553.00	108,500.00
	Total Receipts	379,054.00	473,879.00	420,880.00
	<u>EXPENDITURE</u>			
	<u>PERSONNEL</u>			
7A-001	Staff Salaries	48,960.00	48,960.00	47,280.00
7A-002	Wages	-	-	-
7A-003	NSSF Council Contr.	2,400.00	2,400.00	2,059.00
7A-004	PF Council contr.	8,856.00	11,844.00	7,723.00
7A-012	House Allowance	30,000.00	30,000.00	30,000.00
7A-013	Other Staff Allowance	-	900.00	-
7A-015	Leave Allowance	1,468.80	1,468.00	1,058.40
	Total Personnel	91,684.80	95,572.00	83,120.40
	<u>OPERATIONS</u>			
7A-037	Uniforms & Clothing	461.65	2,000.00	2,626.50
7A-040	Contingences	16,350.70	12,000.00	10,701.25
7A-043	Water & Electricity	66,525.00	14,100.00	22,155.00
	Total Operations	83,337.35	28,100.00	35,482.75
	<u>MAINTENANCE</u>			
7A-044	Repair-Auction ring/s House	18,616.00	60,000.00	62,140.00
7A-061	Equip, Tools & Materials	2,165.00	5,000.00	10,183.00
	Total Maintenance	20,781.00	65,000.00	72,323.00
	TOTAL EXPENDITURE	195,803.15	188,672.00	190,526.15
	NET SURPLUS (DEFICIT)	183,250.85	285,207.00	229,953.85

**TAVETA TOWN COUNCIL
ABSTRACT OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
COMMUNITY DEVELOPMENT & SOCIAL HALLS CODE 2A-2C**

	2003/2004. ACTUAL KShs	2003/2004. APPROVED KShs	2002/2003. ACTUAL KShs
SUBJECTIVE HEAD			
SERVICE RECEIPTS			
2A-731 Hire of Social Hall (TVT)	9,900.00	48,300.00	55,200.00
2C-731(a) Hire of Comm. Hall (Danida)	18,400.00	20,010.00	17,130.00
Total Receipts	28,300.00	68,310.00	72,330.00
EXPENDITURE			
PERSONNEL			
2A-001 Staff Salaries	386,400.00	520,860.00	372,615.00
2A-002 Wages	-	-	-
2A-003 NSSF Council's Contribution	9,600.00	14,100.00	9,600.00
2A-004 PF Council's Contribution	75,141.00	119,529.00	27,395.00
2A-012 House Allowance	186,000.00	276,000.00	186,100.00
2A-013 Other Staff Allowances	8,064.00	-	10,950.00
2A-015 Leave Allowance	7,986.60	15,725.00	11,165.40
2A-018 Medical Expenses	3,517.20	-	-
2A-016 Training & Courses	1,930.00	20,000.00	15,000.00
Total Personnel	678,638.80	966,214.00	632,825.40
OPERATIONS			
2A-014 Travelling & Subsistence	71,675.00	30,000.00	56,335.00
2A-017 Car & Cycle Allowance	-	6,000.00	-
2A-031 Printing, Stationery & Advert.	1,500.00	16,000.00	-
2A-032 Postage & Telephone	24,198.15	43,400.00	23,626.95
2A-052 Petrol & Oil	38,975.00	22,800.00	19,140.00
2A-072 Grants to Scouts & Guides	-	24,000.00	-
2A-072(a) Training of Teachers	-	-	-
2A-072(ii) Seminars -Members/Teachers	-	13,000.00	5,225.00
2A-072(iii) Teaching Materials(AID)	-	16,000.00	1,848.00
2A-072(b) Seminars -Women,Youths	-	60,000.00	4,310.00
2A-072© Grants to Disabled	-	-	-
2A-072d Support to aids related program	-	-	-
A- Elec. & Water(Social Hall)	29,220.60	20,000.00	22,133.50
2C-040(a) Elec. & Water(Danida Hall)	44,114.40	25,000.00	23,615.10
Total Operations	209,683.15	276,200.00	156,233.55

<u>SUBJECTIVE HEAD</u>	1	2004/2005.	2003/2004.
<u>SERVICE RECEIPTS</u>	ACTUAL	APPROVED	ACTUAL
	<u>KShs</u>	<u>KShs</u>	<u>KShs</u>
MAINTENANCE			
1A-044 Furn. & Fitt.(Social Hall)	15,610.00	10,000.00	7,525.00
2A-051 Repairs-Motor Bike	1,570.00	50,000.00	20,850.00
2B-044 Equipment & Fitting (Athletics)	-	10,000.00	-
2C-044 Equip & Fitting (Social,Danida)	650.00	10,000.00	6,785.00
2C-044(a) Equip,Furn.Fitt(Danida G. Hse)	49,992.00	5,000.00	1,680.00
Total Maintenance	67,822.00	85,000.00	36,840.00
TOTAL EXPENDITURE	956,143.95	1,327,414.00	825,898.95
NET SURPLUS (DEFICIT)	(927,843.95)	(1,259,104.00)	(753,568.95)

**TAVETA TOWN COUNCIL
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED JUNE 2004
WORKS DEPARTMENT - CODE 1E**

MISSION STATEMENT

A- To ensure Buildings coming up in the town are in conformity to the Council's regulations and it's By-Laws.

<u>CODE</u>	<u>SUBJECTIVE HEAD</u>	<u>ACTUAL</u> <u>KShs</u>	<u>APPROVED</u> <u>KShs</u>	<u>ACTUAL</u> <u>KShs</u>
	<u>SERVICE RECEIPTS</u>			
E-721	Sales of Plans	6,100.00	10,925.00	450.00
721(a)	Plan Approval Fees	4,740.00	5,405.00	4,260.00
	Total Receipts	10,840.00	16,330.00	4,710.00
	<u>EXPENDITURE</u>			
	<u>PERSONNEL</u>			
3-001	Staff Salaries	232,020.00	437,040.00	223,510.00
3-003	NSSF Council's Contribution	7,200.00	11,544.00	6,810.60
3-004	PF Council's Contribution	42,912.00	103,356.00	16,387.00
3-012	House Allowance	120,000.00	252,000.00	120,500.00
3-013	Other Staff Allowances	1,294.00	-	-
3-015	Leave Allowance	6,960.60	12,434.00	4,949.40
3-018	Medical Expenses	-	-	-
	Total Personnel	410,386.60	816,374.00	372,156.40
	<u>OPERATIONS</u>			
3-014	Travelling & Subsistence	139,314.20	50,000.00	35,920.00
3-016	Training & Courses	-	3,000.00	-
3-031	Printing, Stationery & Advert	8,841.00	2,000.00	6,325.00
3-032	Postage & Tele	24,197.95	20,000.00	69,588.90
3-037	Uniforms & Clothing	1,298.30	5,000.00	5,425.50
3-040	Town Planning Fees	1,568.00	6,000.00	10,430.05
3-052	Petrol & Oils	11,550.00	-	1,725.00
	Total Operations	186,769.45	86,000.00	179,414.45
	<u>MAINTENANCE</u>			
3-044	Furniture & Fittings	1,851.00	5,000.00	33,870.00
3-041	Maint. & Renovations Build.	450.00	20,000.00	135,679.15
3-087	Electrical wiring of buiding	-	-	-
	<u>Capital Outlay</u>			
41(a)	Extension of Offices	20,073.00	2,000,000.00	189,441.50
	Total Maintenance	22,374.00	2,025,000.00	358,990.65
	TOTAL EXPENDITURE	619,530.05	2,927,374.00	860,561.50
	NET SURPLUS (DEFICIT)	(608,690.05)	(2,911,044.00)	(855,851.50)

**TAVETA TOWN CCUNCIL
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
LATF REVENUE ACCOUNTS - CODE 17L**

<u>CODE</u>	<u>SUBJECTIVE HEAD</u>	<u>2003/2004.</u> <u>ACTUAL</u> <u>KShs</u>	<u>2003/2004.</u> <u>APPROVED</u> <u>KShs</u>	<u>2002/2003.</u> <u>ACTUAL</u> <u>KShs</u>
	<u>SERVICE RECEIPTS</u>			
17L-761(a)	LATF Service A/C	4,890,017.00	4,890,017.00	3,994,517.00
17L-76(b)	LATF Performance	3,260,011.00	3,260,011.00	2,663,011.00
17L-752	Interest on Bank	16,156.00	-	27,616.00
	Total Receipts	8,166,184.00	8,150,028.00	6,685,144.00
	<u>OPERATIONS</u>			
17L-035	Bank Charges	-	-	215,000.00
17L-088	Preparation of REP	43,863.00	150,000.00	180,000.00
17L-089	Preparation of Abstracts of Account	224,000.00	150,000.00	185,000.00
17L-092	Preparation of LASDAP	77,284.00	150,000.00	-
17L-090	Debt Resolution	-	900,028.00	-
17L-104	Burseries	394,100.00	500,000.00	-
	Total Operations	739,247.00	1,850,028.00	580,000.00
	<u>MAINTENANCE</u>			
17L-083	Main. of Access Rds.	154,594.00	675,000.00	60,000.00
17L-084	Main. of Township Rds	473,914.00	45,000.00	147,000.00
	Total Maintenance	628,508.00	1,125,000.00	207,000.00
	<u>CAPITAL PROJECTS</u>			
17L-082	Const. of Rental Hse	-	-	3,391,689.00
17L-085	Bus Park Dvpt	-	-	-
71L-086	Purchase of Land	-	1,000,000.00	-
17L-091	Purchase of Comp.	-	400,000.00	-
17L-093	Const. of Townhall	-	-	-
17L-094	Fin. asst. to S.H.Grps	-	-	120,000.00
17L-095	Water Projects	227,700.00	-	100,000.00
17L-097	Markets Dvpt	90,858.00	-	57,000.00
17L/098	Nursery schools	60,000.00	-	240,393.00
17L/099	HealthActivities	214,753.00	75,000.00	100,000.00
17L/100	Rehabilitation of cattle dip	112,322.00	100,000.00	140,965.00
17L/101	Assi. to pry.shc.	431,215.00	525,000.00	-
17L/102	Development and planing	950,000.00	950,000.00	-
17L/103	rural electrification	125,000.00	125,000.00	-
	TOTAL	2,211,848.00	5,175,000.00	4,150,047.00

DEBT RESOLUTION

	2003-2004 ACTUAL <u>KSHS</u>	2003-2004 APPROVED <u>KSHS</u>	2002-2004 ACTUAL <u>KSHS</u>
<u>EXPENDITURE</u>			
NSSF			261,285.20
L.A.Provident	1,142,326.95	900,028.00	573,776.00
L.A.Superfund	23,679.80	-	192,242.85
Total Debt Resolution	11,660,075.00	900,028.00	1,027,304.05
Total Expenditure	5,497,066.00	8,150,028.00	5,728,768.05
NET SURPLUS/DEFICIT	3,316,654.85	-	748,150.70
SURPLUS B/F	3,017,578.50	-	2,269,427.80
SURPLUS C/F	3,017,578.50	-	3,017,578.50

TAVETA TOWN COUNCIL
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
INCOME & EXPENDITURE SUMMARY ACCOUNTS

<u>SUBJECTIVE HEAD</u> <u>INCOME</u>	2003-2004 ACTUAL KShs	2003-2004 APPROVED KShs	2002-2003 ACTUAL KShs
Court Prosecution Fees	-	500.00	-
Sale of Counsel Minutes	-	100.00	-
Plot Rents	107,700.00	396,750.00	48,060.00
Rent - TVT Eating House	16,500.00	30,000.00	10,000.00
Property Rates	1,616,101.00	2,827,098.00	1,680,475.60
Land Graduated Rates	8,908.50	39,220.00	-
Interest in Property Rates	-	40,000.00	-
Administration Charges	5,406.00	10,500.00	-
Royalties - Common Minerals	8,480.00	42,046.00	6,820.00
Miscellaneous Income	218,091.90	467,982.00	233,491.70
Single Business Permits	2,293,340.00	2,600,000.00	2,805,823.00
Market Space - TVT	151,230.00	306,728.00	251,800.00
Market Space - Chumvini	-	3,726.00	-
Market Fees - TVT	3,124,187.00	3,840,000.00	3,095,651.00
Market Fees - Chumvini	145,933.00	202,986.00	166,350.00
Plot Application Fees - TVT	-	-	-
Plot Application - Chumvini	-	-	600.00
Kiosk Application - TVT	600.00	-	600.00
Plot Allotment - Chumvini	-	-	600.00
Renewal of Trade Appli.Fee	-	-	6,590.00
Market fees-Mkuyuni	-	-	296,980.00
Slaughter House Fees	261,190.00	335,006.00	15,400.00
Auction Fees - Chumvini	18,936.00	20,320.00	108,500.00
Action Fees-TVT	98,928.00	118,553.00	309,085.00
Ominibus Parking Fees	354,185.00	360,000.00	-
Vehicle in Transit Fees	-	-	9,635.00
Hides & Skins Cess	9,635.00	11,580.00	3,860,029.00
Fruits and Vegetables	3,922,490.00	4,702,625.00	1,470,118.00
Maize Cess	875,445.00	2,076,731.00	228,240.00
Cotton Cess	53,458.00	401,773.00	-
Timber Cess	139,620.00	500,000.00	-
Sisal Cess	-	-	-
Cattle Cess	-	-	450.00
Sale of Plans	6,100.00	10,925.00	450.00
Plan Approval Fees	4,740.00	5,405.00	52,950.00
Hire of Social Hall (TVT)	9,900.00	48,300.00	19,380.00
Hire of Comm. Hall (Danida)	18,400.00	20,010.00	48,000.00
House Rents	304,753.00	460,800.00	-
Interest on Investments	-	19,800.00	-
TOTAL GRF RECEIPTS	13,774,257.40	19,899,464.00	18,648,568.30
TOTAL LATF INCOME	8,166,184.00	8,150,028.00	6,476,918.75
GRAND TOTAL INCOME	21,940,441.40	28,049,492.00	25,125,487.05

TAVETA TOWN COUNCIL
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004
INCOME & EXPENDITURE SUMMARY ACCOUNTS

<u>SUBJECTIVE HEAD</u> <u>EXPENDITURE</u>	2003-2004 ACTUAL KShs	2003-2004 APPROVED KShs	2002-2003 ACTUAL KShs
<u>PERSONNEL</u>			6,914,626.30
Staff Salaries	4,936,100.00	6,082,820.00	638,174.15
Casual Wages	16,240.00	-	241,008.15
NSSF Council's Contribution	147,800.00	148,906.00	389,090.00
P.F Council's Contribution	750,891.00	1,062,378.00	23,500.00
Workmen's Compensation	11,200.00	180,000.00	559,454.30
House Allowance	2,411,760.00	3,357,000.00	194,425.90
Other Staff Allowances	267,526.50	153,355.00	145,170.10
## Leave Allowances	125,353.30	166,606.00	161,365.00
Training & Courses	125,105.00	113,000.00	200.00
Medical Expenses	3,517.20	500.00	-
K.L.G.S Fund	184,572.00	201,771.00	-
Total Personnel	9,627,140.00	9,868,612.00	9,267,013.90
 <u>OPERATIONS</u>			
Staff Electricity & Water	11,478.70	30,000.00	119,842.30
Travelling & Subsistence	1,150,059.00	490,994.00	1,269,820.50
ALGAK Subscriptions	33,500.00	25,000.00	51,466.00
ALGAE Subscriptions	-	1,920.00	5,000.00
Printing & Stationery	776,491.20	218,400.00	399,462.85
Postage & Telephone	190,857.70	204,392.00	523,125.70
Money Insurance	16,320.00	12,000.00	9,500.00
Insurance - Public Liability	81,743.00	24,200.00	-
Fire Insurance Building	25,582.40	70,000.00	27,700.00
Bank Charges	28,089.50	65,000.00	3,500.00
Legal Fees - Prosecution	32,000.00	30,000.00	146,200.00
Legal Fees - Advocates	196,500.00	100,000.00	380,561.40
Uniforms & Clothing	28,969.50	188,000.00	188,177.50
Fidelity Insurance	10,300.00	15,100.00	5,500.00
Contingencies	93,234.60	118,000.00	109,840.25
TVT Eating House Expenses	8,691.90	22,000.00	22,040.40
Petrol, Oils & Tyres	481,913.80	512,800.00	429,775.00
Vehicle Insurance & Licences	15,410.00	156,000.00	28,060.00
Revenue Colleciton Expenses	218,251.00	60,000.00	142,168.00
Entertainment Expenses	27,580.00	30,000.00	14,972.00
Funeral Expenses	10,000.00	10,000.00	55,200.00
State Functions	48,400.00	10,000.00	-
Cleansing Services	261,116.00	10,000.00	-
Bursaries	-	-	68,100.00
Car & Cycle Allowances	-	-	-
Electricity & Water - Danida	44,114.40	25,000.00	26,615.10
Show Expenses	10,000.00	10,000.00	-

SUBJECTIVE HEAD
EXPENDITURE
OPERATIONS CONTD.

	2003-2004 ACTUAL KShs	2003-2004 APPROVED KShs	2002-2003 ACTUAL KShs
Grants to Scouts & Guides	-	-	-
Chairman & V.C. Allowances	360,000.00	360,000.00	348,163.60
Councillor's Allowances	1,020,000.00	1,020,000.00	7,030,747.30
Gratuity Reserve Fund	-	70,280.00	-
Other Councillor's Allowances	68,602.15	162,000.00	92,035.50
Chairman & V.C. Tr. Allowances	295,450.00	240,000.00	574,560.70
Grants & Donations	-	30,000.00	14,000.00
Councillor's Tr. Allowances	342,065.00	350,000.00	707,988.30
Councillor's Entertainment	34,500.00	50,000.00	36,604.80
Seminars	4,000.00	50,000.00	-
Water & Electricity Markets / slaug.	164,582.90	101,355.00	-
Support to aids related programme	-	-	1,848.00
Seminars - Member/Teachers	-	13,000.00	-
Teaching Aids	-	10,000.00	-
Seminars, Women & Youth	-	60,000.00	4,310.00
Town Planning	1,568.00	0.000.00	14,330.05
Lic. & Ins. Tractor/Tractor	-	0.000.00	7,500.00
Electricity & Water - Social Hall	29,220.00	20,000.00	22,133.50
Total Operations	6,117,571.25	5,190,212.00	6,636,032.65
<u>MAINTENANCE</u>			
Repairs & Maintenance	48,708.00	60,000.00	15,720.00
Equip & Furn. Social Hall	15,610.00	10,000.00	9,810.00
Repairs & Motorbikes	1,570.00	50,000.00	20,850.00
Improvement - TVT Market	50,307.50	53,992.00	52,914.00
Improvement - Chumvini Markets	7,310.00	20,000.00	17,710.00
Repairs - Auction Ring	18,616.00	60,000.00	62,140.00
Equip. Tools & Materials	12,724.00	105,000.00	24,166.00
Development of Bus Stop	4,535.00	350,000.00	5,850.00
Maintenance & Renovation Buildings	450.00	20,000.00	136,998.95
Electricity Wiring - Building	-	-	-
Extension of Offices	20,073.00	2,000,000.00	303,422.00
Furniture & Fittings	262,371.00	405,000.00	181,765.50
Spares & Repairs Tractor	114,825.00	100,000.00	54,460.00
Spares & Repairs Vehicle	109,195.00	100,000.00	551,027.80
Equipment & Furniture - Guest house	49,992.00	5,000.00	1,680.00
Equipment & Furniture - Danida	650.00	-	-
Total Maintenance	716,936.50	3,338,992.00	1,437,974.55
TOTAL GRF EXPENDITURE	15,814,572.72	19,793,769.00	17,351,477.10
TOTAL LATF EXPENDITURE	3,579,603.00	8,150,028.00	5,728,768.05
TOTAL EXPENDITURE	19,394,175.75	27,943,797.00	23,080,245.15
NET SURPLUS/(DEFICIT)	2,456,742.65	105,695.00	(1,854,643.10)

TAVETA TOWN COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2004

1.0.0 ACCOUNTING CONCEPTS

1.1.0 INTRODUCTION

SAS is based firmly on the generally accepted accounting concepts of: -

- (a) Going concern
- (b) Accruals/Matching
- (c) Consistently
- (d) Prudence
- (e) Materially and Substance over form

Adoption of the concepts ensures that accounts "present fairly" the financial position of a local authority.

However, give the unique nature of Kenyan Local Government, certain refinement have been introduced .

(a) Going Concern

In most cases the accounting system will treat value in the assumption that the authority will continue trading. It is unlikely that a local authority may be wound up in the same way as a company. In event of a Local Government re-organization, the going concern concept should be applied although the authority itself may cease to exist.

(b) Accruals/Matching Concept

The matching/accrual concept can be defined as follows:-

"Revenue and costs are accrued – that is recognized as they are earned or incurred and not as money is received or paid) and recorded in the financial statement at the period to which they relate provided that where the accrual concept is inconsistent with the prudence concept the later prevails.

Here, the prudence concept is of significance in Kenya. The SAS basis of accounting is "converted receipts and converted payments" which means the accounting through out the year is on a cash basis but for final accounts purposes, accruals for materials debtors and creditors are introduced to convert the accounts to an income and expenditure basis, thus keeping in line with the accrual concept of accounting.

(c) Consistency Concept

It is assumed that the accounting policies are consistent from one period to another. The consistency concepts requires that there should be consistency of accounting treatment of like items within each accounting period and from one accounting period to the next. As SAS has been used for the first time, prior figures have been restated to present a valid comparison.

(d) Prudence Concept

Uncertainties inevitably surround many transactions. This should be recognized by exercising prudence in preparing financial statements. Prudence does not however justify the creation of secret or hidden reserves.

The Prudence concept requires that revenues are not anticipated until realization can be assessed with reasonable certainty. In Us Government, accounting technology, which has been adopted by SAS, revenue should be recognized when they become "measurable and available for use". This has implications for Kenya Local Government as regards land taxes and other revenue which are billed : such revenues are measurable immediately but may not be paid or "available for use" for a lengthy period of time, if at all.

(e) Subsistence over form and Materiality Concept

Transaction and other events should be accounted for and presented in accordance with their substance and financial reality and not merely with their legal form. The concept from the fact that accounts may still not present fairly financial position of the authority. For example SAS requires disclosures of certain items, in particular, delaying debtors and delayed creditors separately from operational debtors and creditors as there is usually a link between the former types of debtors and creditors. Financial statements should disclose items, which are material enough to affect evaluation of decision.

1.2.0 ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention.

1.2.1 ACCRUALS OF INCOME & EXPENDITURE

(a) Revenue

Plot rates outstanding at the end of the year are accrued as debtors. This is in accordance with the prudence principle.

(b)(i) Employees

Salary arrears are accrued as creditors. No accruals are made for paid leave entitlement not taken as this is considered not material from year to year.

(ii) Statutory & Other Deductions

Unremitted statutory and other deductions are accrued as creditors.

1.3.0 FIXED ASSETS

1.3.1 Coverage

Only assets are readily identifiable as authority assets are included in the Balance Sheet. However, a professional valuation of all council assets should be done to reflect the current market value of all assets.

1.3.2 Valuation of Land

Land has been valued at current open market value as at 30th June 2000. However, no valuation was done by a professional valuer hence the council should ensure the same is done.

1.3.3 Valuation of Buildings

Buildings have been valued by a professional valuer at depreciated current replacement cost as per 30th June 2000.

1.3.4 Valuation of Motor Vehicles

The Motor Vehicles have not been valued by the Automobiles Association of Kenya at the current market price as at June 2000. However, Nissan Terrano has been valued at **KShs.1,840,000.00** as at 30th June 2003.

1.3.5 Furniture & Fittings

Furniture and Equipments have been stated at historical cost. Valuation on the same should be done.

1.3.6 Assets Utilization

No changes have been made for the use of assets or their depreciation in line with current SAS Provisions.

FIXED ASSET SCHEDULE

Description	Balance As 1.7.2003	GRF	LATE	Reduction	Balance As at 30.6.2004
(i) Land & Buildings					
Social Hall	300,000.00	-	-	-	300,000.00
Rental Houses	7,017,928.45	-	1,349,822.60	-	8,364,751.05
Administration Offices	500,000.00	-	-	-	500,000.00
Market Offices	500,000.00	-	-	-	500,000.00
Staff Houses	200,000.00	-	-	-	200,000.00
Guest House	1,500,000.00	-	-	-	1,500,000.00
Pit latrines	103,400.00	90,858.50	-	-	194,258.50
Community Hall	1,000,000.00	-	-	-	1,000,000.00
Taveta Market Gates	52,900.00	-	-	-	52,900.00
Cess office	111,379.00	-	-	-	111,379.00
Total	11,285,607.45	-	-	-	12,726,288.55
(ii) Motor Vehicles					
Tractor & Tractor	159 330.00	-	-	-	159 330.00
Land Rover	1 010 836.00	-	-	-	1 010 836.00
Nissan Terrano	1 840 000.00	-	-	-	1 840 000.00
Total	3 010 166.00	-	-	-	3 010 166.00
(iii) Furniture & Fittings					
Filling Cabinets	16,100.00	-	-	-	16,100.00
Stationery Cupboard	22,425.00	-	-	-	22,425.00
Stationery & Chains	101,050.00	-	-	-	101,050.00
Water pump	11,500.00	-	-	-	11,500.00
Total	151,075.00	-	-	-	151,075.00
(iv) Office Equipment					
Table & chairs	66,182.50	-	-	-	66,182.50
Copywriter Board	41,247.00	-	-	-	41,247.00
4 Binders Size 139(2)	35,405.00	-	-	-	35,405.00
Duplicating Machine	53,100.00	-	-	-	53,100.00
Typewriter	38,940.00	-	-	-	38,940.00
Safe	200,000.00	-	-	-	200,000.00
Telephone	80,672.00	-	-	-	80,672.00
Olympia Calculator	30,820.00	-	-	-	30,820.00
P A B X	154,289.40	-	-	-	154,289.40
Computer & Printers	508,384.40	-	-	-	508,384.40
Total	1,209,040.30	-	-	-	1,209,040.30
(v) Equipment & Tools					
Clutch pencil/rotring stencils	3,195.00	-	-	-	3,195.00
Paper punch	3,500.00	-	-	-	3,500.00
Giant Stapler	5,692.00	-	-	-	5,692.00
Ranging Rods	2,850.00	-	-	-	2,850.00
Precision Instruments	16,000.00	-	-	-	16,000.00
Total	31,237.00	-	-	-	31,237.00
TOTAL FIXED ASSETS	15687125.75	90,858.50	1,349,822.60	-	17,127,806.85

1.3.8

CASH & BANK BALANCES

	Balances <u>As at 30.6.2005</u>	Balances <u>As at 30.6.2004</u>
Cash at Hand	4,521,990.45	4,276,058.85
Bank A/c - Main A/c	304,760.15	670,049.40
Bank Service Charge	-	-
Bank Rental Housing	5,488.20	5,488.20
Bank General Reserve Fund	21,714.65	21,714.65
Bank L.A.T.F	952,887.75	1,634,828.40
Bank Councillor's Gratuity	5 520.15	5,520 15
Total Cash & Bank Balances	<u>5,812,362.35</u>	<u>6,613,659.65</u>

1.3.9

DEBTORS & PREPAYMENTS

	Balances <u>As at 1.7.03</u>	<u>Additions</u>	<u>Reduction</u>	Balances <u>As at 30.6.04</u>
Plot Rents	609,900.00	112,000.00	40,400 00	681,500.00
Contribution in Lieu of Rates	8,780,380.00	1,696,730.00	1,100,000.00	9,377,110 00
Market Space Fees	1,962,010.00	863,310.00	149,790.00	2,680,530 00
Rates Owned by Parastatals	642,137.20	613,332.40	-	1,255,469.60
Property Land Rates	3,701,745.95	441,580.00	3,831,093.95	312,232 00
Staff Advances	182,110.50	120,000.00	36,000.00	283,342 65
Single Bussiness Permit	-	-	-	-
Staff Imprests	-	554,691.20	-	554,691.20
Advances to councillors	-	438,700.00	-	438,700.00
Councillor's Imprest/Allowan	-	-	-	-
Advance to Mvuno Sacco	-	20,000.00	-	20,000.00
Staff Houses - Water & Elec.	-	89,274.95	-	89,274 95
Danida Guest House - Water	-	12,714.80	-	12,714.80
K.L.G.W.U Hos. LATF Cont	800.00	-	-	800.00
Min. of Health - Unclaimed F	12,400.00	66,020.00	-	40,000 00
Total Debtors & Prements	<u>17,011,864.60</u>	<u>4,739,127.70</u>	<u>5,737,717.80</u>	<u>16,030,506.65</u>

CREDITORS & ACCRUALS.

	Balances As at 01.07.03	Additions	Reductions	Balances As at 30.06.04
NSSF	251,285.20	367,141.55	308,679.70	309,747.00
NHIF	199,760.00	153,540.00	166,320.00	-
LA Provident Fund	573,776.85	1,379,286.95	810,736.00	1,142,327.00
LA Superanvation Fund	192,242.85	332,394.25	524,637.10	-
KLGWU	152,704.00	62,960.00	215,664.00	-
COTU	1,440.00	7,870.00	9,310.00	-
PAYE - Income Tax	183,364.00	148,432.00	331,796.00	-
ALGAK	30,500.00	25,000.00	30,500.00	25,000.00
LASC	24,580.00	-	-	24,580.00
Staff Salary Arrears	1,003,371.00	-	(1,003,371.00)	-
- Kiragu & Associates	180,000.00	-	(180,000.00)	-
African Retail Traders - ART	115,750.00	192,809.00	308,559.00	-
Hassan Mvumo	42,700.00	-	42,700.00	-
- Kenya Power & Lightning	66,738.00	-	66,738.00	-
National Water Conservation	36,960.00	-	36,960.00	-
Car Track - Kenya	15,400.00	-	15,410.00	-
Abori Stores	109,265.00	-	-	109,265.00
Copy Cat - Coast	12,390.00	-	12,390.00	-
County Council of T.T	911.70	-	-	911.70
Kenya National Ass. Co. Ltd	24,811.15	5,071.20	29,883.35	-
Rental Housing	220,700.00	88,400.00	-	309,100.00
Stallion Insurance Co. Ltd	34,129.00	7,708.00	41,837.00	-
British American Co. Ltd	17,652.30	14,087.70	31,740.00	-
Mvumo Sacco Society Ltd	225,382.80	-	225,382.50	-
Total Creditors & Accruals	2,532,452.00	2,784,700.65	2,025,871.65	1,920,930.70

1.6.0 Funds Balances, Reserves & Provisions

1.6.1 Authority Equity

This represents the fixed assets holding, investment and not current assets net off General fund at the time of restructuring the Balance Sheet.

1.6.2 Fund Balances

SAS provisions require reserves and provisions, where they exist, be separately identified but aggregated with the general fund balances. The Town Council of Taveta maintains no distinct reserves and any relevant expenditure falls directly on the general fund.

