

REPUBLIC OF KENYA



*Enhancing Accountability*

PAPERS LAID	
DATE	31/5/2023
TABLED BY	Majority Leader
COMMITTEE	—
CLERK AT THE TABLE	Chania

**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

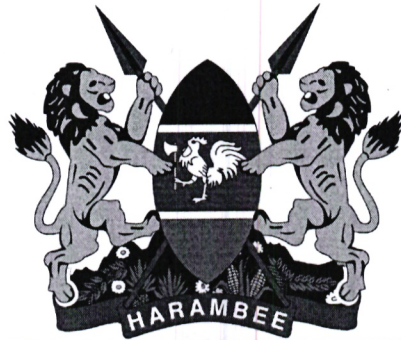
**THE AUDITOR-GENERAL**

**ON**

**COUNTY ASSEMBLY OF TRANS NZOIA**

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





---

**TRANS NZOIA COUNTY ASSEMBLY**

**REPORTS 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)

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

---

**TABLE OF CONTENTS**

1.	KEY ENTITY INFORMATION AND MANAGEMENT .....	ii
2.	FORWARD BY THE CLERK OF THE ASSEMBLY .....	v
3.	STATEMENT OF PERFORMANCE AGAINST COUNTY PREDETRMINED OBJECTIVES.....	viii
4.	CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING.....	x
5.	STATEMENT OF MANAGEMENT RESPONSIBILITIES.....	xii
6.	REPORT OF THE INDEPENDENT AUDITORS ON THE COUNTY ASSEMBLY OF TRANS NZOIA. ....	xiv
7.	FINANCIAL STATEMENTS .....	1
7.1.	STATEMENT OF RECEIPTS AND PAYMENTS AS AT JUNE 30, 2022 .....	1
7.2.	STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT JUNE 30, 2022.....	2
7.3.	STATEMENT OF CASH FLOWS AS AT JUNE 30, 2022.....	3
7.4.	STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT AND DEVELOPMENT COMBINED AS AT JUNE 30, 2022 .....	4
7.5.	STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT AS AT JUNE 30, 2022.....	5
7.6.	STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: DEVELOPMENT AS AT JUNE 30, 2022.....	6
7.7.	BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES AS AT JUNE 30, 2022.....	7
7.8.	SIGNIFICANT ACCOUNTING POLICIES .....	8
7.9.	NOTES TO THE FINANCIAL STATEMENTS .....	14
9.0	PROGRESS ON FOLLOW ON PRIOR YEAR AUDITOR'S RECOMMENDATIONS .....	21
	ANNEXES.....	23
	ANNEX 1 – ANALYSIS OF PENDING ACCOUNTS PAYABLE .....	23
	ANNEX 2 – ANALYSIS OF OTHER PENDING PAYABLES.....	26
	ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER.....	26
	ANNEX 4 – ANALYSIS OF OUTSTANDING SALARY ADVANCES .....	27

# TRANS NZOIA COUNTY ASSEMBLY

## Reports and Financial Statements

For the year ended June 30, 2022

### 1. KEY ENTITY INFORMATION AND MANAGEMENT

#### (a) Background information

The County Assembly is constituted as per the County Government Act, Cap 11, laws of Kenya and is headed by the Speaker, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes 25 elected and 14 nominated Members of County Assembly (MCAs) elected/nominated to represent members of the public from their respective wards. The MCAs are responsible for making any laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

#### (b) Key Management

The County Assembly of Trans Nzoia day-to-day management is under the following key organs:

No.	Designation	Name
1.	County Assembly Speaker.....	Hon. Joshua Mutoto Werunga
2.	County Assembly Clerk.....	CS/CPA Ainea Obare Indakwa
3.	Chief Finance Officer.....	CS/CPA Moses Wanjala Lupao I.C.P.A.K NO. 8315

#### (c) Fiduciary Management

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

No.	Designation	Name
1.	Clerk of the assembly	CS/CPA Ainea Obare Indakwa
2.	Chief Finance Officer	CS/CPA Moses Wanjala Lupao I.C.P.A.K NO. 8315

#### (d) Fiduciary Oversight Arrangements

*Audit and finance committee activities*-The county assembly is in the process of constituting audit committee

*County Assembly committee activities*-The County Assembly Sectoral committee provide oversight role over the County Executive and it is the receipt of the external audit report.

*Other oversight activities*-The county assembly is mandated to approve plans and policies for the county executive

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

---

**(e) Entity Headquarters**

P.O. Box 4221-30200  
County Assembly Building/House/Plaza  
County Assembly Avenue/Road/Highway  
KITALE, KENYA

**(f) Trans Nzoia County Assembly Contacts**

Telephone: (054)-31380/31617  
E-mail: [transnzoiaassembly@.go.ke](mailto:transnzoiaassembly@.go.ke)  
Website: [www.transnzoiaassembly.go.ke](http://www.transnzoiaassembly.go.ke)

**(g) Trans Nzoia County Assembly Bankers**

1. Central Bank of Kenya-County Revenue Fund  
Account No. 1000171596  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya
2. Central Bank of Kenya-County Assembly Recurrent  
Account No. 1000240695  
Nairobi, Kenya
3. Central Bank of Kenya-County Assembly Development  
Account No. 1000297255  
Nairobi, Kenya
4. Central Bank of Kenya-County Assembly Deposit  
Account No. 1000402458  
Nairobi, Kenya
5. Family Bank-Imprest Account  
Account No. 093000034860  
Kitale-Kenya
6. Sidian Bank Account –Honourable members Car Loan and Mortgage  
Account No. 01026020002766  
Kitale-Kenya
7. County Assembly Staff Car Loan and Mortgage  
Account No. 01026020004442  
Sidian Bank Kitale-Kenya

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

---

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

**2. FORWARD BY THE CLERK OF THE ASSEMBLY**

**2.1 Budget performance**

The County assembly of Trans Nzoia had a total budget allocation of Kshs. 1,048,921,665 for the financial year 2021/2022, consisting of recurrent budget of Kshs. 676,650,593 and development budget of Ksh.372,271,072. Total Exchequer releases for the year under audit review is Kshs.772,553,455 constituting 74 % of the total approved budget.

**2.2 Operational Performance**

Since the year 2013 to date, the members of County Assembly have enacted several legislations (32 Acts and 4 subsidiary, legislation) and polices. There are some pending bills and polices yet to be enacted. With these legislations in place, the county Government is able carry out the devolved functions legally and effectively in delivering services and goods to the population within and outside the County.

The County Assembly approved the original budget estimates for the County Executive and County Assembly on 30<sup>th</sup> June 2021. We had a Supplementary budget that was approved on 9th December 2021.

The County Assembly Committees are categorized into Select/Standing Committees and Sectoral committees. We have 11 Sectoral committees mandated to Investigate, inquire into and report on all matters relating to the mandate, management, activities, administration, operation and estimate of each county executive department.

-The County Assembly plays an oversight role over the County executive and this includes- Ensuring the Approved County Budgets, legislation, policies and plans are implemented by the County Executive, they discuss and analyse various County reports and recommend the way forward for adoption purposes.

**2.3 Performance of key development projects**

The projects being implemented by the County Assembly include: Construction of Administration block, Renovation and repair works of County Assembly premises, Construction of perimeter wall at County Centre, supply and installation of CCTV equipment and software, Installation of biometric login system to County Assembly Chambers, Acquisition of Monitoring and evaluation utility vehicle and repair and servicing of existing motor vehicles, Supply and installation of electronic data management system

**OUTCOMES**

- Construction of the administration block has stalled
- Installation of CCTV system both at County assembly Main offices and Assembly Centre is done and operational
- Renovation works at County Assembly Main offices still on-going (70% Complete)
- Perimeter wall constructed at County Assembly Centre was completed
- Construction of prefab offices at County Assembly Centre was completed and operational
- Supply and Installation of Generator at County Assembly Centre
- Acquired 1 utility Motor Vehicle(Toyota Prado)

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

*-Installation of Electronic data management system*

**2.4 Comment on value-for-money achievements**

Renovation and repair works of the County assembly building has provided conducive working environment for Members of county assembly and members of staff.

-Construction of the perimeter wall has provided secure and safe working environment for Staff, Members of county assembly as well security for the county assembly assets.

-Construction of prefab offices at county assembly centre has provided enough working space for members of staff and space for committee meetings by Honourable Members of County Assembly

-Acquisition new of utility motor vehicles and repair and servicing of stalled motor vehicle units will facilitate easy movement by Mcas and staff in the course of their duty

**2.5 Challenges and Recommended Way Forward**

Delays in disbursement of funds by the County Treasury have negatively affected the implementation of projects and timely delivery of services.

**Disaster Management**

The objectives of the Trans Nzoia County Assembly Disaster Management policy are to:

-Establish and strengthen institutional mechanisms and capacities for Disaster Risk Management

-Reduce disaster risk and vulnerabilities by undertaking systematic identification and assessment of disaster risk and enhancing early warning system

-Enhance resilience of the county to the impacts of disaster risk and climate change, floods, fire

- Ensure effective and coordinated disaster preparedness, response, recovery and rehabilitation that provide protection both physically and in terms of human dignity.

-Promote public, private partnerships in Disaster Preparedness and Management.

**Training Needs Assessment**

The assembly is currently using the County Assembly Human Resource policies and procedures manual, which provides among other aspects and specifically on training needs assessment that;

-Training in the County Assembly Service shall be based on Training Needs Assessment which shall be conducted every year

-County Assembly Directorates/Departments shall prepare training projections based on Training Needs Assessment

-Selection of trainees for all training programme will be based on identified needs and will emphasize on training for performance improvement that addresses individual and organizational goals

-The Training programs comprise both short- and long-term courses in specific professions that are intended to impart required knowledge, skills and attitudes to enhance staff performance

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

-The Human Resource Management department may design specific in-house training programs as a method of developing training interventions, which address identified training needs. In addition, training may be provided under institutional training both locally and abroad.

-In designing training programs Human Resource Manager & Departmental heads should ascertain the availability of: -

- a. Professional qualified and experienced trainers;
- b. Training programs that are cost-effective; and
- c. An effective evaluation and feedback system to assess the impact of training on Performance.

-The County Assembly will continually develop its employees' professional knowledge and skills and encourage them to join relevant professional bodies.

-The Clerk will establish mechanisms for supporting employees where the career guidelines require them to be members of a professional body.

**Hiring and Gender Ratio.**

-The hiring of staff by the County Assembly Service Board is pegged on the number of staff ceiling as provided for by the commission on revenue allocation. Therefore, the CASB can only recruit the maximum number as provided. This number is always being reviewed annually hence informing the need for additional officers or otherwise.

-The county assembly in compliance with the provisions of the constitution under article 27(8) has its members of staff of the same gender not being less than one third.

-Most departments of the County Assembly have also the head of the department and the deputy head of departments being of the opposite gender.



Sign: *Auda AWZ*  
Clerk of the County Assembly

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

**3. STATEMENT OF PERFORMANCE AGAINST COUNTY PREDETRMINED 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 shall prepare in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the County Assembly of Trans Nzoia performance against predetermined objectives.

The key mandate of the County Assembly of Trans Nzoia is legislation, oversight, and representation. To achieve this, the assembly's program was document in terms of objective, key performance indicators, and output.

Below were the expected outputs of the assembly in FY 2021/2022

<b>Program 1</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Legislation, oversight and representation	Enhanced professional development of MCAs.	1.Increased ability of MCA in legislation of The Trans Nzoia County Investment and Development Corporation Act ,2019 2.Trans Nzoia County Agricultural Mechanization Act,2019	-5 No of bills passed in the County Assembly -Undertook public participation on 7 Pending bills	In FY 2021/22 MCA were trained on Legislative Procedures; Public Participation
	Enhanced professional development of MCAs.	Review standing orders in progress	Over 50 % increase in efficient Assembly operation	Review of standing orders is in progress
<b>Program 2</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
General Administrative and support services	-Improved employee welfare -Infrastructure development	-enhanced safety, improved skills, and career progression. --Renovation and Repairs of Assembly premises	-Promotions on merit and career progression -Good health -Conducive work environment	-Continuous employee training -Employee safety through provision of medical insurance scheme
<b>Program 3</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
	Provision of	Enhanced security	-Contracted	Enhanced security

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

Security Services	security		Security Guards- Private guards, Administration police officers, sergeant- at- Arms	
-------------------	----------	--	--	--

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

The County Assembly of Trans Nzoia exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, putting the customer/Citizen first, delivering on relevant legislation, representation and oversight services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

**1. Sustainability strategy and profile –**

The County Assembly of Trans Nzoia uses participatory and collaborative approach in order to uphold the principal of public participation, it has also embraced the use of information and communication technologies and new media, i.e. social media in order to increase outreach with the residents of Trans Nzoia. This has led to the enactment of pieces of legislation during the year. However, untimely disbursements of exchequer have negatively impacted on capacity development of MCA's and effective public participation.

**2. Environmental performance**

The County Assembly of Trans Nzoia endeavours to go paperless in terms of notice of motions, order paper and all house communications to MCA's. To this end, MCAs were facilitated with mobile tablets.

**3. Employee welfare**

Employees of the County Assembly are hired competitively on merit giving equal opportunities to gender, tribe and ethnicity. Continuous employee training is encouraged through sponsorship to relevant training opportunities for improved skills and promotions and career progression rewarded to the deserving officers. The County Assembly of Trans Nzoia has ensured employee safety by provision of a medical insurance scheme, clearly marked work place emergency exits, fire assembly point and a ramp for persons living with disability.

**4. Market place practices-**

- a) Responsible competition practice.  
County Assembly supply of goods and services are competitively sourced through competitive tendering, staff of the County Assembly are political, thus serves the public with political neutrality.
- b) Payment for goods supplied and or services rendered are made promptly as and when goods are supplied or services rendered. The County Assembly has kept pending bills to the lowest minimum.

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

---

- c) For every public engagement, the County Assembly of Trans Nzoia has ensured publication of advertisements/notices in media with the widest circulation to ensure a wider outreach.
- d) Every public petition to the Assembly is treated with fair administrative justice. In conducting its oversight role every person summoned to appear before the Assembly's oversight committee is treated with utmost respect and accorded fair hearing.

**5. Community Engagements-**

Members of the County Assembly have annually participated in the national beyond zero campaigns marathon, aimed at eliminating child mortality and the annual County Assemblies Sports Association aimed at promoting national cohesion, and cultural diversity. In its legislative role the County Assembly has enacted the Elimu bursary regulations that has facilitated award of bursaries to needy students from across the County.

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

---

**5. STATEMENT OF MANAGEMENT RESPONSIBILITIES**

Sections 164 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of a County Government Entity to prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

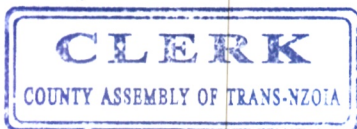
The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year, ended June 30, 2022. This responsibility includes: (i) maintaining adequate 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 Assembly; (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 Assembly; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Clerk accepts responsibility for the County Assembly'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 Clerk is of the opinion that the County Assembly's financial statements give a true and fair view of the state of the County Assembly's transactions for the year ended June 30, 2022, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

The Clerk confirms that the County Assembly has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Assembly's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further, the Clerk confirms that the County Assembly'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 Assembly financial statements were approved and signed by the Clerk of the County Assembly on 23 January 2023.



*Audekuz*

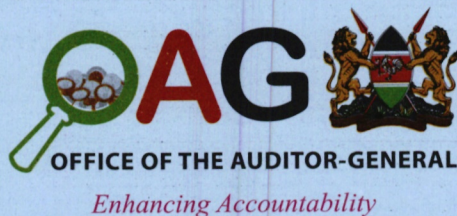
Clerk of the County Assembly

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

---

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



**HEADQUARTERS**  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY 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 Assembly of Trans Nzoia set out on pages 1 to 27, which comprise the statement of financial assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and 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

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 Assembly 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 the County Governments Act, 2012.

## **Basis for Qualified Opinion**

### **1.0 Variances between the Financial Statements and IFMIS Balances**

The financial statements reflects use of goods and services amounts that differed with those of Integrated Financial Management Information System (IFMIS) as detailed below:

<b>Component</b>	<b>Financial Statements Balance (Kshs.)</b>	<b>IFMIS Balance (Kshs.)</b>	<b>Variance (Kshs.)</b>
Domestic Travel and Subsistence	134,341,656	15,727,982	118,613,674
Foreign Travel and Subsistence	9,280,550	7,330,540	1,950,010
Printing, Advertising and Information Supplies and Services	20,538,078	15,935,328	4,602,750
Rentals of Produced Assets	38,400,000	100,000	38,300,000
Training Expenses	7,860,712	4,567,112	3,293,600
Hospitality Supplies and Services	17,450,000	9,430,000	8,020,000
Insurance Costs	23,551,849	22,800,694	751,155
Office and General Supplies and Services	59,302,686	58,112,283	1,190,403
Other Operating Expenses	54,229,737	39,281,735	14,948,002
Routine Maintenance-Other Assets	2,031,761	1,981,761	50,000

No explanation or reconciliation was provided for the variances.

In the circumstances, the accuracy and completeness of the financial statements for the year ended 30 June, 2022 could not be confirmed.

### **2.0 Undisclosed Land**

The summary of fixed assets register in Annex 3 to the financial statements reflects total fixed assets of Kshs.201,039,837. However, the balance excludes the value of land on which the Assembly sits and whose acreage and ownership could not be confirmed as no ownership documents were provided for audit. Further, the Assembly's asset register

did not contain information on costs, asset descriptions, serial numbers, model and make for some assets contrary to Regulation 136(1) of the Public Finance Management (County Governments) Regulations, 2015 which provides that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

Consequently, the completeness and accuracy of the fixed assets balance of Kshs.201,039,837 as 30 June, 2022 could not be confirmed.

### **3.0 Irregular Sitting Allowances**

The statement of receipts and payments reflects an expenditure of Kshs.374,389,472 under use of goods and services which, as disclosed in Note 3 to the financial statements, includes an amount of Kshs.134,341,656 in respect of domestic travel and subsistence allowances. The latter amount includes Kshs.958,500 incurred on MCAs sitting allowances in respect of multiple committee meetings held concurrently on the same date and time. Further, it was noted that several committee minutes presented for audit review were not signed and confirmed.

In the circumstances, the accuracy and validity of the MCA's sitting allowance expenditure of Kshs.958,500 for the year ended 30 June, 2022 could not be confirmed.

### **4.0 Unsupported Training Expenses**

The statement of receipts and payments reflects an expenditure of Kshs.374,389,472 under use of goods and services which, as disclosed in Note 3 to the financial statements, includes an amount of Kshs.7,860,712 in respect of training expenses. The latter amount includes a total of Kshs.4,271,820 which was not supported by training needs assessment report and attendance registers. This is contrary to Regulation 104(1) of the Public Finance Management (County Governments) Regulations, 2015, which provides that all receipts and payments vouchers of public moneys shall be properly supported by pre-numbered receipt and payment vouchers and shall be supported by the appropriate authority and documentation.

Consequently, the validity and accuracy of the training expenditure of Kshs.4,271,820 for the year ended 30 June, 2022 could not be confirmed.

### **5.0 Overpayment for Hospitality Services**

As disclosed in Note 3 to the financial statements, the expenditure of Kshs.374,389,472 under use of goods and services includes an amount of Kshs.17,450,000 in respect of hospitality supplies and services incurred on conference facilities on various dates. However, there were differences in the number of persons provided for and those who actually attended the activities resulting in overpayments amounting to Kshs.478,500. No reason was provided for paying for unrendered services.

In the circumstances, the accuracy and propriety of the hospitality supplies and services expenditure of Kshs.478,500 for the year ended 30 June, 2022 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Assembly 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**

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

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.1,048,921,665 and Kshs.772,533,455 respectively resulting into an underfunding of Kshs.276,388,210 or 26% of the budget. Similarly, the County Assembly spent Kshs.777,011,140 against an approved budget of Kshs.1,048,921,665 resulting in an under-expenditure of Kshs.271,910,525 or 26% of the budget.

The underfunding and under-expenditure is an indication of failure to implement the planned programmes for the year, thus negatively impacting on service delivery to the public.

## **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. Human Resource Management**

##### **1.1 Non-Adherence to Authorized Staff Establishment**

Review of the IPPD generated staff establishment revealed instances where the authorized number of positions were exceeded by the actual number in position in six cadres as detailed below:

Pay Group	Code	Description	Authorized Posts	In-Posts	Variance/Over-Establishment
BA	C01AL	Assistant Secretary	2	4	-2
BA	C01AM	Assistant Secretary	1	2	-1
BA	C01LM	Personal Assistant	1	2	-1
BA	D05AR	Chief Finance Officer	0	1	-1
BA	E01BR	Deputy Chief State Counsel	0	1	-1
BA	U01AK	Principal Driver	0	1	-1

The basis under which the vacancies were declared and filled beyond the approved staff establishments was not provided contrary to Section B. 5 (2) of the County Public Service Human Resource Manual, 2013 which requires that all vacancies must be declared in a prescribed format which must include the number of vacancies, when the vacancy occurred, whether the vacancy is within the authorized establishment and other relevant details.

Consequently, the Management is in breach of the policy.

### **1.2 Non-Compliance with Ethnic and Regional Distribution of Staff**

Review of staff bio data revealed that the County Assembly had ninety-seven (97) members of staff as at 30 June, 2022, out whom fifty-two (52) or 54% were from the dominant ethnic community in the County. The Management therefore contravened Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which provides that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and no public establishment shall have more than one third of its staff from the same ethnic community.

Consequently, the Management was in breach of the law.

## **2. Irregular Subscription Fees**

Included in the expenditure of Kshs.374,389,472 under use of goods and services is an amount of Kshs.54,229,737 in respect of other operating expenses, out of which Kshs.3,050,000 was paid to the Society of Clerks and County Assemblies Forum. However, the basis of the payments was not stated or supported by the enabling legislation that created the Society of Clerks and County Assemblies Forum for them to receive public funds. This contravenes Section 149(1)(a) of the Public Finance Management Act, 2012 which states that an Accounting Officer is accountable to the County Assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is lawful and authorised.

It was therefore not possible to ascertain the propriety and value for money on the expenditure of Kshs.3,050,000 incurred on the Forum for the year ended 30 June, 2022.

## **3. Failure to Implement e-Procurement**

Review of the records revealed that the Assembly incurred an expenditure of Kshs.374,389,472 on use of goods and services out of which Kshs.216,400,958 were not

procured using e-procurement as required by Regulation 49(2) of the Public Procurement and Asset Disposal Regulations, 2020. The legislation requires that the conduct of procurement procedures for the supply of goods, works and services shall be carried out by a procuring entity using an e-procurement system which is integrated to the State Portal.

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and 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 the County Assembly's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to dissolve the County Assembly 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 Assembly'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 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 Assembly's ability 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 Assembly to cease 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 Assembly to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
 CPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**28 April, 2023**

**TRANS NZOIA COUNTY ASSEMBLY  
Reports and Financial Statements  
For the year ended June 30, 2022**

**7. FINANCIAL STATEMENTS**

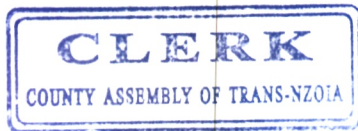
**7.1. STATEMENT OF RECEIPTS AND PAYMENTS AS AT JUNE 30, 2022**

	Note	2021/22 Kshs	2020/21 Kshs
<b>RECEIPTS</b>			
Transfers from the County Treasury/Exchequer Releases	1	772,553,455	670,515,483
<b>TOTAL RECEIPTS</b>		<b>772,553,455</b>	<b>670,515,483</b>
<b>PAYMENTS</b>			
Compensation of Employees	2	279,999,563	300,748,817
Use of goods and services	3	374,389,472	307,693,004
Transfer to Other Government Enties	4	10,000,000	
Social Security Benefits	5	16,719,243	20,966,564
Acquisition of Assets	6	95,902,862	41,496,553
<b>TOTAL PAYMENTS</b>		<b>777,011,140</b>	<b>670,904,939</b>
<b>SURPLUS/DEFICIT</b>		<b>(4,457,685)</b>	<b>(389,456)</b>

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were revised and approved on 23 January 2023 and signed by:



Clerk of the Assembly  
Name: Ainea Obare Indakwa





Chief Finance Officer – County Assembly  
Name: Lupao Moses Wanjala  
ICPAK Member Number: 8315

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

**7.2. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT JUNE 30, 2022**

		2021/22	2020/21
<b>FINANCIAL ASSETS</b>	<b>Note</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Cash and Cash Equivalents</b>			
Bank Balances	7	8,991,770	6,326,577
<b>Total Cash and cash equivalents</b>		<b>8,991,770</b>	<b>6,326,577</b>
<b>Accounts receivables:</b>			
Outstanding Salary Advances	8	183,333	441,335
<b>Total Accounts Receivables</b>		<b>183,333</b>	<b>441,335</b>
<b>TOTAL FINANCIAL ASSETS</b>		<b>9,175,103</b>	<b>6,767,912</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables – Deposits and Retentions	9	8,991,310	6,326,434
Accounts Payables – Inter Accounts transfer	9	4,200,000	-
<b>NET FINANCIAL ASSETS</b>		<b>(4,016,207)</b>	<b>441,478</b>
<b>REPRESENTED BY</b>			
Fund balance b/f	10	441,478	830,934
Surplus/Deficit for the year		<b>(4,457,685)</b>	<b>(389,456)</b>
<b>NET FINANCIAL POSITION</b>		<b>(4,016,208)</b>	<b>441,478</b>

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were revised and approved on 23 January 2023 and signed by: *Ainea Obare* \_\_\_\_\_

Clerk of the Assembly  
Name: Ainea Obare Indakwa



*Lupao Moses Wanjala* \_\_\_\_\_  
Chief Finance Officer – County Assembly  
Name: Lupao Moses Wanjala  
ICPAK Member Number: 8315

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

**7.3. STATEMENT OF CASH FLOWS AS AT JUNE 30, 2022**

	Note	2021/22 Kshs	2020/21 Kshs
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts from operating income</b>			
Transfers from the County Treasury/Exchequer Releases	1	772,553,455	670,515,483
<b>Payments for operating expenses</b>			
Compensation of Employees	2	279,999,563	300,748,817
Use of goods and services	3	374,389,472	307,693,004
Transfer to Other Government Entities	4	10,000,000	
Social Security Benefits	5	16,719,243	20,966,564
<b>Adjusted for:</b>			
Prior year adjustment		-	-
Decrease/(Increase) in Accounts receivable: Salary Advance	11	258,002	385,334
Increase/(Decrease) in Accounts Payable: Deposits/Retentions	12	6,864,876	3,911,155
<b>Net cash flows from operating activities</b>		<b>98,568,055</b>	<b>45,403,586</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Assets	6	(95,902,862)	(41,496,553)
<b>Net cash flows from investing activities</b>		<b>(95,902,862)</b>	<b>(41,496,553)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>2,665,193</b>	<b>3,907,033</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>6,326,577</b>	<b>2,419,544</b>
Adjusted Cash & cash equivalent at Beginning of the Year		-	-
<b>Cash and cash equivalent at END of the year</b>		<b>8,991,770</b>	<b>6,326,577</b>

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were revised and approved on 23 January 2023 and signed by:

*Ainea Obare Indakwa*

Clerk of the Assembly  
Name: Ainea Obare Indakwa



*Lupao Moses Wanjala*

Chief Finance Officer – County Assembly  
Name: Lupao Moses Wanjala  
ICPAK Member Number: 8315

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

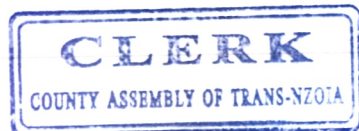
**7.4. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT AND DEVELOPMENT**  
**COMBINED AS AT JUNE 30, 2022**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilization difference
	Kshs	Kshs	c=abs	e=d-c	Kshs
<b>RECEIPTS</b>					
Transfers from the County Treasury/Exchequer Releases	1,048,921,665	-	1,048,921,665	772,553,455	74
Other Receipts	-	-	-		-
<b>TOTAL</b>	<b>1,048,921,665</b>	<b>-</b>	<b>1,048,921,665</b>	<b>772,553,455</b>	<b>74</b>
<b>PAYMENTS</b>					
Compensation of Employees	316,500,310	(36,500,747)	279,999,563	279,999,563	100
Use of goods and services	339,150,283	30,781,504	369,931,787	374,389,472	99
Transfers to Other Government Entities	-	10,000,000	10,000,000	10,000,000	-
Social Security Benefits	21,000,000	(4,280,757)	16,719,243	16,719,243	100
Acquisition of Assets	372,271,072	-	372,271,072	95,902,862	26
<b>TOTAL</b>	<b>1,048,921,665</b>	<b>-</b>	<b>1,048,921,665</b>	<b>777,011,140</b>	<b>74</b>
<b>SURPLUS/ DEFICIT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,457,685)</b>	

The County Assembly financial statements were revised and approved on 23 January 2023 signed by:

*Aine Obare Indakwa*

Clerk of the Assembly  
 Name: Ainea Obare Indakwa



*Lupao Moses Wanjala*

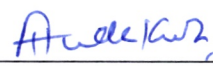
Chief Finance Officer – County Assembly  
 Name: Lupao Moses Wanjala  
 ICPAK Member Number: 8315

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

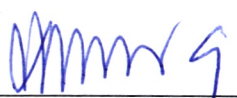
**7.5. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT AS AT JUNE 30, 2022**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilization difference
	A	B	c=a+b	e=d-c	
<b>RECEIPTS</b>					
Transfers from the County Treasury/ Exchequer Releases	676,650,593	-	676,650,593	676,650,593	100
<b>TOTAL</b>	<b>676,650,593</b>	<b>-</b>	<b>676,650,593</b>	<b>676,650,593</b>	<b>100</b>
<b>PAYMENTS</b>					
Compensation of Employees	316,500,310	(36,500,747)	279,999,563	279,999,563	100
Use of goods and services	339,150,283	30,781,504	369,931,787	374,389,472	101
Transfer to Other Government Entities		10,000,000	10,000,000	10,000,000	100
Social Security Benefits	21,000,000	(4,280,757)	16,719,243	16,719,243	100
<b>TOTAL</b>	<b>676,650,593</b>	<b>-</b>	<b>676,650,593</b>	<b>681,108,278</b>	<b>101</b>
<b>SURPLUS /DEFICIT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,457,685)</b>	

The County Assembly financial statements were revised and approved 23 January 2023 and signed by:

  
 Clerk of the Assembly  
 Name: Ainea Obare Indakwa



  
 Chief Finance Officer – County Assembly  
 Name: Lupao Moses Wanjala  
 ICPAK Member Number: 8315

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

**7.6. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: DEVELOPMENT AS AT JUNE 30, 2022**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilization difference
	Kshs	Kshs	c= a+b	e=d-c	Kshs
<b>RECEIPTS</b>					
Transfers from the County Treasury/ Exchequer Releases	372,271,072	-	372,271,072	95,902,862	26
<b>TOTAL</b>	<b>372,271,072</b>	<b>-</b>	<b>372,271,072</b>	<b>95,902,862</b>	<b>26</b>
<b>PAYMENTS</b>					
Acquisition of Assets	372,271,072	-	372,271,072	95,902,862	26
<b>TOTAL</b>	<b>372,271,072</b>	<b>-</b>	<b>372,271,072</b>	<b>95,902,862</b>	<b>26</b>
<b>SURPLUS/ DEFICIT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The County Assembly financial statements were revised and approved on 23 January 2023 and signed by:

*Ainea KwZ*

Clerk of the Assembly  
 Name: Ainea Obare Indakwa



*Lupao Moses Wanjala*

Chief Finance Office – County Assembly  
 Name: Lupao Moses Wanjala  
 ICPAK Member Number: 8315

**7.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES AS AT JUNE 30, 2022**

<b>Programme/Sub-programme</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on comparable basis</b>	<b>Budget utilization difference</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Programme 1</b>	<b>215,720,000</b>	-	<b>212,875,203</b>	<b>217,332,918</b>	<b>(4,457,715)</b>
Sub-programme 1	215,720,000	-	212,875,203	217,332,918	(4,457,715)
<b>Programme 2</b>	<b>825,251,665</b>	-	<b>825,309,065</b>	<b>548,940,825</b>	<b>276,368,240</b>
Sub-programme 1	68,910,283	-	115,350,297	115,350,297	-
Sub-programme 2	366,500,310	-	322,566,130	322,566,100	30
Sub-programme 3	3,050,000	-	1,101,155	1,101,155	-
Sub-programme 4	377,321,072	-	380,752,172	104,383,962	276,368,210
Sub-programme 5	4,000,000	-	2,317,000	2,317,000	-
Sub-programme 6	5,470,000	-	3,222,311	3,222,311	-
<b>Programme 3</b>	<b>7,950,000</b>	-	<b>10,737,397</b>	<b>10,737,397</b>	-
Sub-programme 1	7,950,000	-	10,737,397	10,737,397	-

## **7.8. SIGNIFICANT ACCOUNTING POLICIES**

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

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

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The statement of assets and liabilities, although not a requirement of the IPSAS Cash Standard, has been included to disclose information on receivables and payables.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the County Assembly; 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 Assembly. The financial statements encompass the reporting entity as specified in section 164 of PFM Act 2012.

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

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

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

#### **Transfers from the Exchequer/ County Treasury**

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

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

---

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Other Receipts**

Other receipts relate to receipts such as tender fees among others. These are recognised in the financial statements when the associated cash is received.

**b) Recognition of payments**

The entity recognises all expenses when the event occurs and the County Assembly of Trans Nzoia has actually paid out the related cash.

**Compensation of employees**

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

**Use of goods and services**

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

**Acquisition of fixed assets**

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

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

**4. In-kind contributions**

In-kind contributions are donations that are made to the *County Assembly of Trans Nzoia* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the County Assembly of Trans Nzoia includes such value in the statement of receipts and payments both as receipts and as and expense in equal and opposite amounts; otherwise, the contribution is not recorded.

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

---

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**5. Third Party Payments**

This relates to payments done directly to supplier on behalf of the county governments such as; national government may fund the operation of health or education program, a donor may pay directly for construction of a given market etc. Details of payments by third parties on behalf of the county government are detailed in the notes to this financial statement.

**6. Cash and cash equivalents**

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

**Restriction on cash**

Restricted cash represents amounts that are limited /restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30<sup>th</sup> June 2022, this amounted to Kshs. 13,191,310 compared to Kshs. 6,326,434 in prior period as indicated on note 9. *There were no other restrictions on cash during the year.*

**7. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**8. Accounts Payable**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted and prescribed by the Public Sector Accounting Standards Board. Other liabilities including pending bills are disclosed in the financial statements.

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

---

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**9. Non-current assets**

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the *County Assembly of Trans Nzoia* fixed asset register a summary of which is provided as a memorandum to these financial statements.

**10. Pending bills**

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

**11. Contingent Liabilities**

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the *County Assembly of Trans Nzoia*; or
- b) A present obligation that arises from past events but is not recognised because:
  - (i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, and indemnities. Letters of comfort/ support, insurance, Public Private Partnerships,

The *County Assembly of Trans Nzoia* does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. **Annex 7 of the management response is a register of the contingent liabilities in the year.**

Section 185 (2) (i) of the PFM Act requires the County Government to report on the payments made, or losses incurred, by the county government to meet contingent liabilities as a result of loans during the financial year, including payments made in respect of loan write-offs or waiver of interest on loans

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

---

**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**12. Contingent Assets**

The *County Assembly of Trans Nzoia* does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**13. Budget**

The budget is prepared on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *County Assembly of Trans Nzoia* budget was approved as required by Law. The original budget was approved by the County Assembly on 30<sup>th</sup> June 2021 for the period 1<sup>st</sup> July 2021 to 30 June 2022 as required by law. There was one number of supplementary budget passed in the year. The supplementary budget was approved on 9/12/2021. A high-level assessment of the *County Assembly of Trans Nzoia* actual performance against the comparable budget for the financial year under review has been included in the Statement of Comparison between actual and budgeted amounts included in these financial statements.

**14. Comparative figures**

The figures for the previous financial year have been maintained as per the audit certificate.

**15. Subsequent events**

There have been no 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 have been adjusted.

**16. Errors**

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

---

**17. Related party transactions**

Related party transactions involve cash and in-kind transactions with the National Government, National Government entities and County Government entities. Specific information with regards to related party transactions is included in the disclosure notes.

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

**7.9. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM THE COUNTY TREASURY/EXCHEQUER RELEASES**

	2021/22	2020/21
	Kshs	Kshs
Transfers from the County Treasury for Q1	169,162,647	52,836,000
Transfers from the County Treasury for Q2	180,562,136	239,150,000
Transfers from the County Treasury for Q3	179,945,242	105,990,082
Transfers from the County Treasury for Q4	242,883,430	272,539,401
<b>Cumulative Amount</b>	<b>772,553,455</b>	<b>670,515,483</b>

**2. COMPENSATION OF EMPLOYEES**

	2021/22	2020/21
	Kshs	Kshs
Basic salaries of permanent employees	186,235,573	196,367,854.95
Basic wages of temporary employees	43,676,336	46,184,241.50
Personal Allowances paid as part of salary-Sitting allow	27,460,100	33,598,800
Personal Allowances paid as Reimbursement-Transport	18,499,104	19,230,104
Compulsory national social security schemes-NSSF	62,400	102,800
Compulsory national health insurance schemes	3,831,850	3,863,750
Other personnel payments –Salary advances	200,000	1,401,294
Other personnel payments –Nita Contributions	34,200	
<b>Total</b>	<b>279,999,563</b>	<b>300,748,817</b>

**3. USE OF GOODS AND SERVICES**

	2021/22	2020/21
	Kshs	Kshs
Utilities, supplies and services	694,496	619,687
Communication, supplies and services	540,000	523,424
Domestic travel and subsistence	134,341,656	107,151,177
Foreign travel and subsistence	9,280,550	9,117,616
Printing, advertising and information supplies & services	20,538,078	12,958,549
Rentals of produced assets	38,400,000	10,760,000
Training expenses	7,860,712	11,576,760
Hospitality supplies and services	17,450,000	25,415,180

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

Insurance costs	23,551,849	22,995,000
Specialized materials and services	3,997,397	301,600
Office and general supplies and services	59,302,686	40,854,300
Fuel Oil and Lubricants	350,000	188,323
Other operating expenses	54,229,737	48,292,223
Routine maintenance – other assets	2,031,761	1,227,970
Other creditors	-	15,711,196
Purchase of office Furniture and General Equipment	1,820,550	-
<b>Total</b>	<b>374,389,472</b>	<b>307,693,004</b>

**4. TRANSFERS TO OTHER GOVERNMENT ENTITIES**

	2021/22	2020/21
	Kshs	Kshs
Transfer to MCA Car Loan and Mortgage Fund	10,000,000	-
<b>Total</b>	<b>10,000,000</b>	<b>-</b>

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

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

**5. SOCIAL SECURITY BENEFITS**

	2021/22	2020/21
	Kshs	Kshs
Government pension and retirement benefits-Gratuity	16,719,243	20,966,564
<b>Total</b>	<b>16,719,243</b>	<b>20,966,564</b>

*(Contribution of gratuity to Lap Fund Pension scheme for Members of County Assembly (MCAs) and Board Members-County Assembly Service Board.)*

**6. ACQUISITION OF ASSETS**

<b>Non- Financial Assets</b>	2021/22	2020/21
	Kshs	Kshs
Construction of Buildings	73,149,087	36,583,227
Purchase of Vehicles and Other Transport Equipment	14,755,815	-
Purchase of Office Furniture and Equipment	-	815,000
Purchase of ICT Equipment, Software and Other ICT Assets-Devt	7,997,960	4,098,326
<b>Total</b>	<b>95,902,862</b>	<b>41,496,553</b>

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

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

**7. CASH AND BANK BALANCES**

**BANK BALANCES**

Name of Bank, Account No. & Currency	Indicated whether recurrent or development	2021/22	2020/21
		Kshs	Kshs
Central Bank of Kenya Acc. No.1000297255, Kes	Development Account	-	-
Central Bank of Kenya Acc. No.1000240695, Kes	Recurrent Account	40	-
Central Bank of Kenya Acc. No.1000402458, Kes	Deposit Account	8,991,310	6,326,434
Family Bank imprest Acc. No. 093000034860	Imprest Account	420	143
<b>Total</b>		<b>8,991,770</b>	<b>6,326,577</b>

**8. ACCOUNTS RECEIVABLE**

Description	2021/22	2020/21
	Kshs	Kshs
Outstanding Staff Advances	183,333	441,335
<b>Total</b>	<b>183,333</b>	<b>441,335</b>

**9. ACCOUNTS PAYABLE**

Description	2021/22	2020/21
	Kshs	Kshs
Deposits/Retentions-Central Bank A/c No. 1000402458	8,991,310	6,326,434
Account payables-Inter Accounts Transfer	4,200,000	-
<b>Total</b>	<b>13,191,310</b>	<b>6,326,434</b>

**10. FUND BALANCE BROUGHT FORWARD**

Description	2021/22	2020/21
	Kshs	Kshs
Bank accounts	6,326,577	2,419,544
Accounts Receivables	441,335	826,669
Accounts Payables	(6,326,434)	(2,415,279)
<b>Total</b>	<b>441,478</b>	<b>830,934</b>

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

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

**11. CHANGES IN RECEIVABLES**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Opening Account Receivables as at 1 <sup>st</sup> July 2021	441,335	826,669
Closing Account Receivables as at 30 <sup>th</sup> June 2022	183,333	441,335
<b>Change in Account Receivables</b>	<b>258,002</b>	<b>385,334</b>

**12. CHANGES IN ACCOUNTS PAYABLE**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Opening Account Payables as at 1 <sup>st</sup> July 2020	6,326,434	2,415,279
Closing Account Payables as at 30 <sup>th</sup> June 2021	13,191,310	6,326,434
<b>Change in Account Payables</b>	<b>6,864,876</b>	<b>3,911,155</b>

**TRANS NZOA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended 30 June 2022**

**8.0 OTHER IMPORTANT DISCLOSURES**

**8.1 PENDING ACCOUNTS PAYABLE (See Annex 1)**

	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
Construction of buildings	449,722,659	-	9,331,435	440,391,224
Construction & civil works	13,364,000	87,104,138	34,913,775	65,554,363
Supply of goods	-	2,698,000	1,300,000	1,398,000
Supply of services	5,789,560	15,024,060	11,695,792	9,117,828
<b>Total</b>	<b>468,876,219</b>	<b>104,826,198</b>	<b>57,241,002</b>	<b>516,461,415</b>

**8.2 PENDING STAFF PAYABLES**

	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		-	-	
Middle management		-	-	
Unionisable employees		-	-	
Salary arrears –June 2021	24,359,680	-	24,359,680	-
<b>Total</b>	<b>24,359,680</b>	<b>-</b>	<b>24,359,680</b>	<b>-</b>

**8.3 OTHER PENDING PAYABLES (See Annex 2)**

	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
<b>Amounts due to third parties</b>				
Retention/Deposits	6,326,434.30	6,864,876	450,033	13,191,310.95
Kenya Revenue Authority	18,559,223.82	-		18,559,223.82
<b>Total</b>	<b>24,885,658</b>	<b>6,864,876</b>	<b>450,033</b>	<b>31,750,535</b>

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

**OTHER IMPORTANT DISCLOSURES (CONTINUED)**

**8.4 Related party transactions:**

	2021- 2022	2020- 2021
	Kshs	Kshs
<b>Compensation to Key Management</b>		
Compensation to the Speaker, Deputy Speaker and the MCAs	134,213,937	134,213,937
Key Management Compensation (Clerk and Heads of departments)	24,054,263	24,054,263
<b>Total Compensation to Key Management</b>	<b>158,268,200</b>	<b>158,268,200</b>
<b>Transfers to related parties</b>		
Transfers to County Assembly Members Car Loan and Mortgage Fund	10,000,000	-
<b>Total Transfers to related parties</b>	<b>10,000,000</b>	
<b>Transfers from related parties</b>		
Payments made on behalf of the County Assembly by County Treasury- June 2021 salaries	-	-
(Insert any other transfers received)	-	-
<b>Total Transfers from related parties</b>	<b>-</b>	<b>-</b>

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

**9.0 PROGRESS ON FOLLOW ON PRIOR YEAR AUDITOR'S RECOMMENDATIONS**

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

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)
1.0	Fixed Asset Register	-The legal process of division of Assets between County Executive and County Assembly has not been done -Preparation of Fixed Assets in accordance prescribed format of Asset register on going	Clerk/Procurement department	Not Resolved	
2.0	Unsupported Expenditure-Training Expenses	The issue was responded to by the management	HR department	Resolved	
3.0	Compensation of Employees	Schedules to support compensation of employee's figures were provided.	HR department	Resolved	
KOM 1	Construction of Administration Block	The contractor responded to the query raised by putting up the storage structure for materials on site	Procurement Department	Resolved	
KOM 2	Non adherence to one Third salary deduction	Management responded to the issue as raised by the auditor and provided the support documents	HR department	Resolved	

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

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)
	rule				
KOM 3	Cash and Cash Equivalents- Bank Reconciliation Statements	-The monthly bank reconciliation for the 4 cashbooks were reviewed and signed by senior officer. -The reconciliation statements have been reviewed to include the name of the preparer and authorizers of the statements	HR department	Resolved	

Clerk of the County Assembly

Sign..... *A. Anderson*

Date..... *23/01/2023*



**TRANS NZOA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended 30 June 2022**

**ANNEXES**

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

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021/22	Outstanding Balance 2020/21	Comments
	A	B	C	d=A-C		
<b>Construction of buildings</b>						
1. MAHATHI INFRA EAST AFRICA	477,657,860		37,266,636	440,391,224	449,722,659	Construction of Administration block
<b>Sub-Total</b>	<b>477,657,860</b>		<b>37,266,636</b>	<b>440,391,224</b>	<b>449,722,659</b>	
<b>Construction of civil works</b>						
2. WAYSHAN LIMITED	20,800,969		14,964,000	5,836,969	5,836,969	Construction of perimeter wall
3. DANMAR COMPANY LTD	11,998,831	20.02.2016	4,471,800	7,527,031	7,527,031	Construction of car parking sheds
4. MS SAHARRY LOGISTIC LTD	24,213,202	28.03.2022	19,854,826	4,358,376	-	Construction of Perimeter wall and gate
5. MS CALVICK COMPANY LTD	21,645,087	28.03.2022	7,060,989	14,584,098		Renovation Works County Assembly
6. ELCOMM LIMITED	10,845,050	28.03.2022	4,859,000	5,986,050		Installation of ICT Equipment-TCA
7. COSEKE KENYA LIMITED	7,847,400	28.03.2022	3,138,960	4,708,440		Installation of electronic records management
8. MS APRIM CONSULTANTS	22,553,399	27.06.2022		22,553,399		Consultancy services – Admin block

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021/22	Outstanding Balance 2020/21	Comments
<b>Sub-Total</b>	<b>119,903,938</b>		<b>54,349,575</b>	<b>65,554,363</b>	<b>13,364,000</b>	
<b>Supply of goods</b>						
9. LIWENTA ENTERPRISES	2,698,000	01/10/2021	1,300,000	1,398,000	-	UNIFORMS/GAMES KITS
<b>Sub-Total</b>	<b>2,698,000</b>		<b>1,300,000</b>	<b>1,398,000</b>	<b>-</b>	
<b>Supply of services</b>						
10. SUNSET HOTEL	288,000		288,000	-	288,000	Conference facility
11. SUNSET HOTEL	168,000	14/03/2022	-	168,000	-	Conference facility
12. SUNSET HOTEL	280,000	7/03/2022	-	280,000	-	Conference facility
13. SUNSET HOTEL	567,600	4/05/2022	-	567,600	-	Conference facility
14. SUNSET HOTEL	93,000	19/04/2022	-	93,000	-	Conference facility
15. SUNSET HOTEL	391,300	7/02/2022	-	391,300	-	Conference facility
16. SUNSET HOTEL	159,450	22/04/2022	-	159,450	-	Conference facility
17. SUNSET HOTEL	366,000	4/05/2022	-	366,000	-	Conference facility
18. WESTDIDE HOTEL	1,435,000		1,435,000	-	1,435,000	Conference facility
19. KENYA SCHOOL OF GOVERNMENT	120,000	17/03/2022	-	120,000	-	Tuition Fees
20. KENYA SCHOOL OF GOVERNMENT	140,360	18/01/2022	-	140,360	-	Tuition Fees
21. KENYA SCHOOL OF GOVERNMENT	120,000	16/08/2022	-	120,000	-	Tuition Fees
22. KENYA SCHOOL OF GOVERNMENT	120,000		-	120,000	-	Tuition Fees
23. KENYA SCHOOL OF GOVERNMENT	241,280	30/05/2022	-	241,280	-	Tuition Fees
24. KENYA SCHOOL OF GOVERNMENT	120,640	2/06/2022	-	120,640	-	Tuition Fees
25. KENYA SCHOOL OF GOVERNMENT	81,200	3/09/2022	-	81,200	-	Tuition Fees
26. KENYA SCHOOL OF GOVERNMENT	79,800	7/06/2022	-	79,800	-	Tuition Fees
27. BRUSH WIDE SECURITY SERVICE	2,176,000		2,176,000	-	-	Contracted guards
28. GESTERD TRAVEL & TOURS	1,513,020		1,200,000	313,020	313,020	Air Tickets
29. AGOMA GROUP	1,109,823		1,109,823	-	209,823	Air Tickets
30. THE STAR PUBLICATION LTD	2,120,969.29		2,120,969		533,077.29	Advertisement

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021/22	Outstanding Balance 2020/21	Comments
				-		
31. THE STAR PUBLICATION LTD	169,360	3/02/2022	-	169,360	-	Advertisement
32. THE STANDARD GROUP	133,400	20/04/2022	-	133,400	-	Advertisement
33. THE STANDARD GROUP	104,000		-	104,000	-	Advertisement
34. NATION MEDIA GROUP	142,680	7/03/2022	-	142,680	-	Advertisement
35. NATION MEDIA GROUP	157,853	10/01/2022	-	157,853	-	Advertisement
36. KIDIAVAI ADVOCATES	399,000		399,000	-	399,000	Legal Fees
37. KIDIAVAI ADVOCATES	285,000		285,000	-	285,000	Legal Fees
38. KIDIAVAI ADVOCATES	1,482,000		1,482,000	-	41,640	Legal Fees
39. BEATRICE MUNIALO ADVOCATE	2,685,000		400,000	2,285,000	2,285,000	Legal Fees
40. RISPAN ARUNGA & CO ADVOCATE	1,500,000	2/07/2022	500,000	1,000,000	-	Legal Fees
41. RISPAN ARUNGA & CO ADVOCATE	522,000	7/09/2022	-	522,000	-	Legal Fees
42. KITALE AUTOSPARES	1,541,885	10/11/2021	300,000	1,241,885		KTL CMCC NO 193 OF2022
<b>Sub-Total</b>	<b>20,813,620</b>		<b>11,695,792</b>	<b>9,117,828</b>	<b>5,789,560</b>	
<b>Grand Total</b>	<b>621,073,418</b>		<b>104,612,003</b>	<b>516,461,142</b>	<b>468,876,219</b>	

**TRANS NZOA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended 30 June 2022**

**ANNEX 2 – ANALYSIS OF OTHER PENDING PAYABLES**

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2021/22	Outstanding Balance 2020/21	Comments
		A	B	C	D=A-C		
<b>Amounts due to Third Parties</b>							
1. Kenya Revenue Authority	TAX PENALTIES AND INTEREST	30,559,223.82		12,000,000	18,559,223.82	18,559,223.82	
<b>Sub-Total</b>		<b>30,559,223.82</b>		<b>12,000,000</b>	<b>18,559,224</b>	<b>18,559,224</b>	
<b>Others-10% RETENTION</b>							
2. Wayshan Ltd	Perimeter wall				539,400	539,400	Retention
3. Danmar Company Ltd	Parking Sheds				447,180	447,180	Retention
4. Foursmatt Investment	Renovation				371,200	371,200	Retention
5. Delta Maintenance Service	Renovation				-	197,200	Retention
6. Foursmatt Investment	Renovation				494,898.70	494,898.70	Retention
7. Wayshan Ltd	Perimeter wall				365,400	365,400	Retention
8. Mahathi Infra East Africa	Construction				2,793,520.10	2,793,520.10	Retention
9. Mika Investment Company	Perimeter wall				520,015.80	520,015.80	Retention
10. Mika Investment Company	Perimeter wall				344,786.80	344,786.80	Retention
11. Suntek Electronics	CCTV Works				-	252,832.60	Retention
12. Mahathi Infra East Africa	Construction				933,144		Retention
13. Double Portion Agency	Construction				449,801.80		Retention
14. Double Portion Agency	Construction				2,548,877.35		Retention
15. Saharry Logistics Ltd	Construction				1,985,482.60		Retention
16. Arprim Consultants	Consultancy				691,504.90		Retention
17. Calvick Company Ltd	Construction				706,098.90		Retention
<b>Sub-Total</b>		<b>-</b>			<b>13,191,311</b>	<b>6,326,434</b>	
<b>Grand Total</b>		<b>30,559,223.82</b>		<b>12,000,000</b>	<b>31,750,535</b>	<b>24,885,658</b>	

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

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out)	Historical Cost c/f (Kshs) 2021/22
Buildings and structures	56,046,427	73,149,087	-	-	129,195,514
Construction and Civil Works	25,083,849		-	-	25,083,849

**TRANS NZOIA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

<b>Asset class</b>	<b>Historical Cost b/f (Kshs) 2020/21</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Transfers in/(out)</b>	<b>Historical Cost c/f (Kshs) 2021/22</b>
Office equipment, furniture and fittings	19,908,373		-	-	19,908,373
Purchase of Vehicles & other IT Equip	-	14,755,815	-	-	14,755,815
Purchase of ICT Equipment, Software and other ICT Assets	4,098,326	7,997,960	-	-	12,096,286
<b>Total</b>	<b>105,136,975</b>	<b>95,902,862</b>	<b>-</b>	<b>-</b>	<b>201,039,837</b>

**ANNEX 4 – ANALYSIS OF OUTSTANDING SALARY ADVANCES**

***Salary Advance Holders***

<b><i>Name of Officer or Institution</i></b>	<b><i>Date salary advance Taken</i></b>	<b><i>Amount Taken</i></b>	<b><i>Amount Recovered</i></b>	<b><i>Outstanding Salary Balance</i></b>
		<b><i>Kshs</i></b>	<b><i>Kshs</i></b>	<b><i>Kshs</i></b>
<i>Mr. Edward Katama Ngeywa PF NO. 20140005938</i>	8.06.2022	200,000	16,667	183,333
<b><i>Total</i></b>		<b>200,000</b>	<b>16,667</b>	<b>183,333</b>