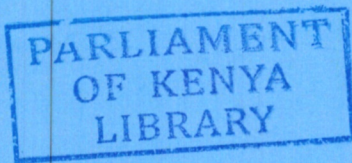


REPUBLIC OF KENYA

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

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REPUBLIC OF KENYA MANDERA COUNTY GOVERNMENT



**MANDERA COUNTY GOVERNMENT
(THE COUNTY EXECUTIVE)**

REPORTS AND FINANCIAL STATEMENTS

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

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

MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

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1. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

The County is constituted as per the constitution of Kenya and is headed by the County Governor, who is responsible for the general policy and strategic direction of the County. The governor is supported by the county executive committee in carrying out the mandate as stipulated in the constitution. The County Executive Committee Member for Finance and Economic Planning is in charge of the County Treasury. One of the functions of the CECM for Finance is financial reporting at the county level.

Vision

To be a regionally competitive and self- reliant county

Mission

To strategically position ourselves as a county guided by innovative competitiveness in order to achieve progressive, wealthy, healthy, cohesive and secure county.

Motto

A county with unlimited opportunities and endless possibilities

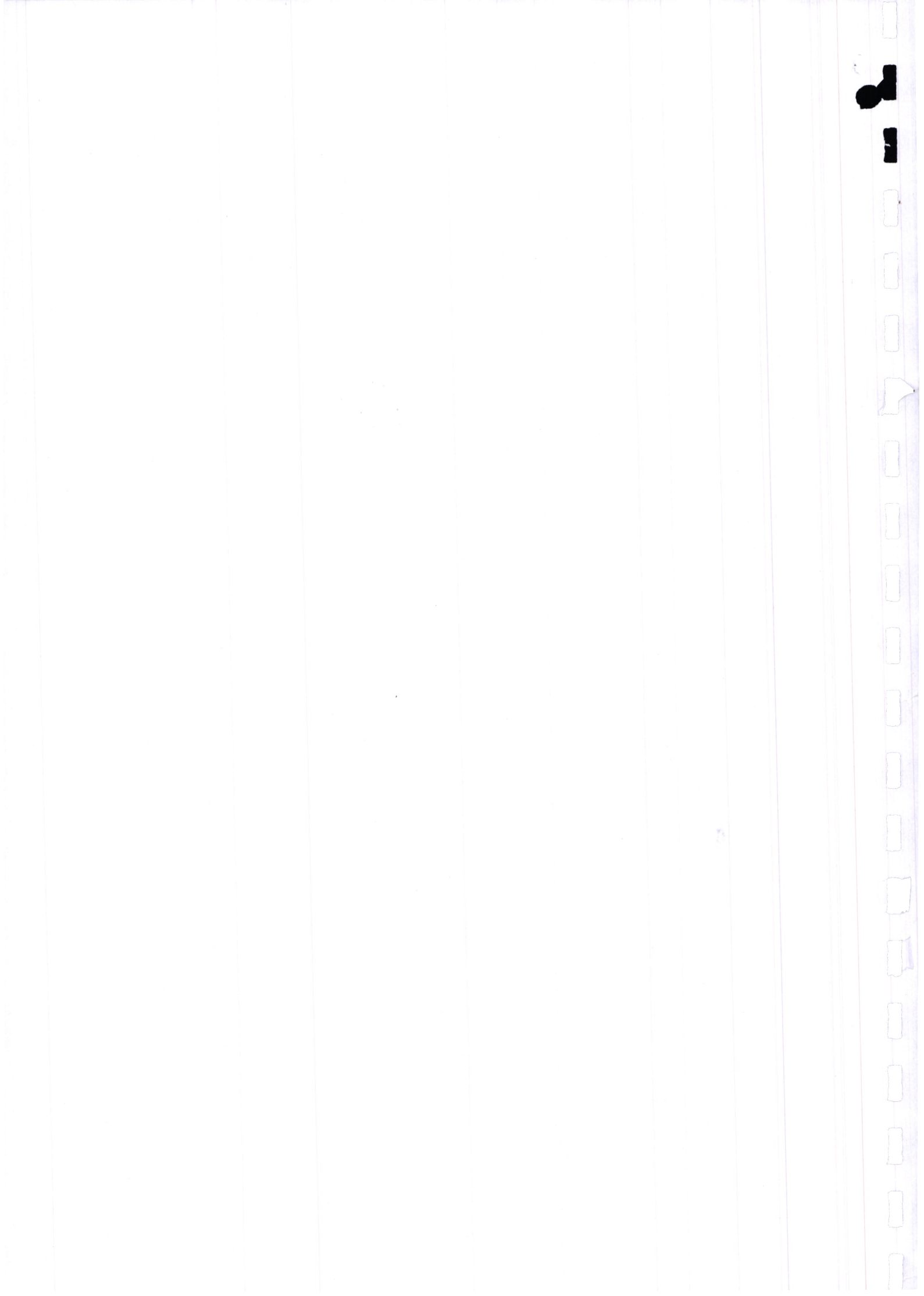
Core Values

- Integrity
- Innovativeness
- Professionalism
- Team work
- Equity
- Transparency
- Accountability
- Respect for rule of law

b) Key Management

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

No	Name	Designation	Date of holding office
1.	H.E Capt. Ali Ibrahim Roba	Governor	17.08.2017
2.	H.E Ahmed Mohamed Arai	Deputy Governor	17.08.2017
3.	Abdinur Maalim Hussein	County Secretary	14.11.2018
4.	Ibrahim B. Hassan	CEC, Finance and Economic Planning	25.07.2018
5.	Ahmed Sheikh Mohamed	CEC, Public Services	25.07.2018



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No	Name	Designation	Date of holding office
		Management Ag. CEC, Gender and Social Services	
6.	Adan Hussein Hassan	Lands, Housing and Physical Planning	25.07.2018
7.	Mohamud Adan Mohamed	CEC, Health Services Ag. Trade, Industrialization and Cooperative development	25.07.2018
8.	Suleikha Harun	CEC, Roads, Public Works and Transport	25.07.2018
9.	CEC, Mohamed Ali Omar	CEC, Water, Energy, Environment and Natural Resources Ag. Agriculture, Irrigation, Livestock, Fisheries and Veterinary services	25.07.2018
10.	Izzudin Abdullahi Adan	CEC, Education, Sports and Culture	25.07.2018



THE LEADERSHIP OF MANDERA COUNTY GOVERNMENT
For the Financial Year 2019/2020

The county executive team during the financial year consisted of the following key officers:



H.E Captain Ali Ibrahim Roba – Governor

H.E Capt. Ali Ibrahim Roba is the governor of Mandera County. He has degrees in Business Management and Strategic Planning. He studied in Kenya Utalii College, Delta Qualiflight School of Aviation in Fort Worth Texas, Kenya School of Flying among other institutions. Governor Ali is an established pilot with an Airline Transport Pilot License (ATPL) and Carry the title Captain. He is an instructor, examiner, a KCAA Approved Instrument Rating Examiner, a Training and Check pilot and Ground Instructor of various aviation related subjects. He worked for DAC Aviation International between 2002 and 2012. He grew through the ranks starting as a co-pilot in 2002 to the position of the Director of Flight Operations (DFO) in charge of the core business of the company in over nine countries. During this period, he played a major role in re-structuring flight operations department and enhancing the efficiency of operational control functions to enviable levels within the general aviation industry in Kenya.

He was successfully elected as the governor of Mandera County in 2013 and retained his seat in 2017. Governor Roba is the also the chairman of Frontier Counties Development Council- (FCDC).



H.E Ahmed Mohamed Arai. Deputy Governor

H.E Mohamed Arai is an experienced administrator and humanitarian expert. He brings on board a wealth of hands on experience in humanitarian work and public administration earned while working with nomadic communities in partnership with donors. He holds an MBA in NGO management from Kampala International University, and a bachelor's degree in education from Kenyatta University. Hon. Arai is the former town clerk of the defunct local authority.



Abdinur Maalim Hussein, County Secretary, Head of Public Service

Mr. Abdinur is the county secretary for Mandera County Government and secretary to the cabinet. He holds a bachelor of arts in Business Administration from Kenya Methodist University and a Diploma in telecommunications from Kenya College of communications technology. He has a wealth of experience in public service and corporate sector. He worked as the chairperson to Mandera public service board from 2013-2018 and as a district telecommunication officer with Telkom Kenya limited from 1992-2012.



Ibrahim B. Hassan, CECM: Finance & Economic Planning

Mr. Ibrahim is the County executive committee member for Finance and Economic Planning, ICT and Special Program. He has a Bachelor of Accounting from International Islamic University in Kuala Lumpur, Malaysia. He was trained as Chartered Certified Accountant in the United Kingdom between the years 2000-2004 and holds a Masters Degree in Accounting with Finance from the United Kingdom (UK). He is a member and a Fellow of Association of Chartered Certified Accountants (FCCA). While in the UK, he worked as an accountant with IKEA Ltd and as an auditor with Issa Associate. Mr. Ibrahim began his career in Malaysia where he worked with Deloitte and Touché after completing his studies. He returned to Kenya in 1999 and held accounting roles with Co-operative Bank of Kenya. In the year 2005 he joined East African Portland Cement Co. Ltd as Treasury Accountant. He rose through the ranks to become Assistant Finance Manager. In 2008 he moved to DHL Express Kenya Ltd as Financial Controller and was head of Finance and Chief Finance Officer (CFO) by the time he was appointed by His Excellency the Governor of Mandera County to head the Treasury department in 2013. He was reappointed to the same position in 2017.



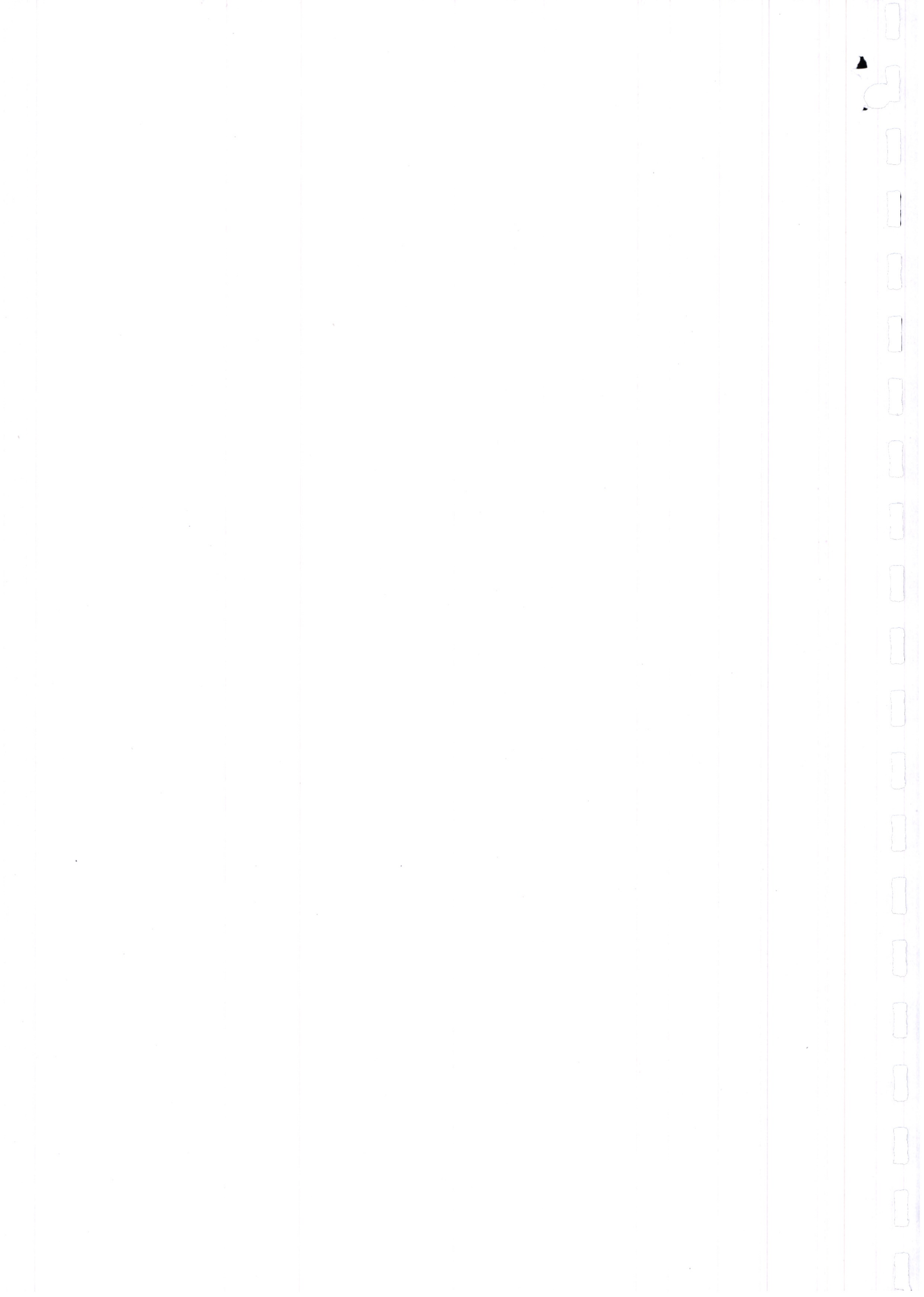
Ahmed Sheikh Mohamed, CECM: Public Services Management

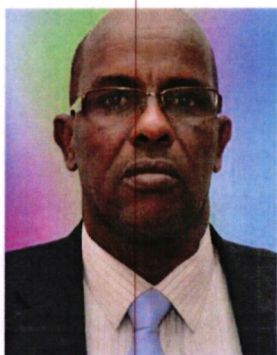
Mr Ahmed S. Mohammed is an International peace builder with 15 years of experience. He holds a Masters Degree in Peace and Reconciliation. He is currently undergoing another Masters degree in Peace Research studies in Coventry University-United Kingdom. He also worked for Kenya's Ministry of Health in the curative and preventive services. He served as the CECM for Public Services and the CECM member for Health Services in the first five years of devolution.

Adan Hussein Hassan, CECM: Lands, Housing and Physical Planning



Mr. Adan holds a Bachelor of Education Degree from Kenyatta University. He was appointed by the County Government of Mandera in 2013 in this docket and reappointed to the same docket in 2018. He has a wealth of experience having served in the Ministry of Education in various capacities as a teacher, an education officer, a quality assurance and standards officer, and a dicece lecturer.





Mohamed Ali Omar. CECM-Water, Energy, Environment and Natural Resources

Mohamed Ali has a diploma in applied biology from Kenya poly, a diploma in disaster management from Kenya institute of open learning, a bachelor of development studies from Kampala University, a masters in governance and ethics from Mount Kenya University, an executive masters of public policy and administration from Kenyatta University and currently pursuing PHD in public policy and management at Kenyatta University. Mr. Mohamed has over 30 years of experience in public works having served in the ministry of water in various cadres such as district water officer, and director of water services.



Izzudin Abdullahi, CECM; Education, Sports and Culture

Mr. Izzudin is currently the CECM for Education, Sports & Culture with over 12 years of experience in Audit, Strategy Development, Finance Process Consolidation and experience in implementing Oracle Financial Solutions. He graduated from the University of Wisconsin, Madison with a Bachelors of Business Administration Degree majoring in Accounts & Information Systems.

He started his professional career with PricewaterhouseCoopers LLP USA Advisory Practice in New York City NY, USA where he worked with clients in internal audit, optimization of company's general ledger and finance processes, and implementation of the Sarbanes Oxley Act (404) as required by the US Securities and Exchange Commission (SEC), and other regulatory bodies. Amongst the clients he served with PwC include the Bank of New York Mellon, Citibank North America, Goldman Sachs, PepsiCo North America, McDonalds Corporation, MasterCard International, SAP, The United Nations Office in New York amongst others. After he left the PwC Advisory Practice, Izzudin worked jointly with the Ministry of Defense, Rwanda and the Ministry of Infrastructure, Rwanda towards the development, financing and operation of the 9.50 MW Rukarara hydro power plant.



Suleikha Harun. CECM: Roads, Public Works and Transport

Mrs. Sulekha holds a Bachelor of Commerce degree; finance option from Masinde Muliro University and is currently awaiting her graduation with a Master of Arts degree in Gender and Development Studies at Kenyatta University. She began her career as an audit assistant in Nairobi where she worked with Josia, Salah & Associates (CPAK) after completing

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her CPA studies. She later joined Development Concern (NGO) where she assumed the position of a Program accountant. In the year 2009 she joined African Development Solution (ADESO) an NGO with presence in West, East and Central Africa as well as the Horn of Africa. She rose through the ranks from a Financial Analyst/Programme Accountant to become the overall regional (Horn of Africa) Finance Manager. Through education, training, work and travels, Sulekha has gathered over ten (10) years of varied experiences from financial management to corporate governance. In 2017 she went into private practice as a finance and corporate governance advisor with various assignments in Africa and Asia. She had since established herself as a prolific consultant by the time she was appointed by His Excellency the Governor of Mandera County to head the Roads, Public Works and Transport Sector.



Dr. Mohamud Adan Mohamed - CECM Health Services

Dr. Mohamud is an anaesthesiologist. He previously worked as a doctor /Anaesthesiologist. Course coordinator & lecturer in Anaesthesia for Clinical officer anaesthetists at CPGH Mombasa.

He also worked in various rural hospitals in Kenya scooping various awards as a civil servant.



Alinoor Mohamed Ali. Chief Officer – Accounting and Financial Services

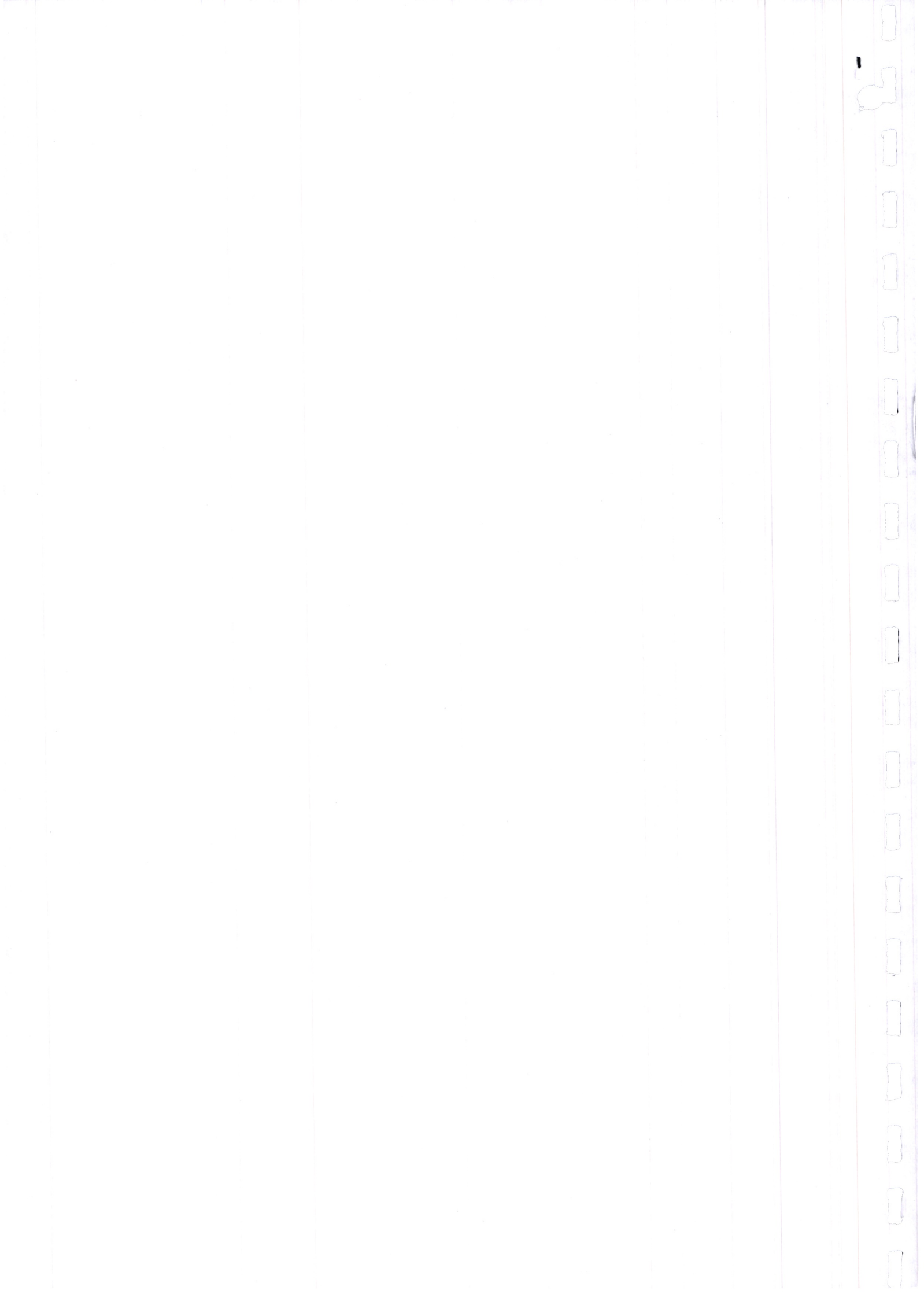
Mr. Alinoor is the Accounting Officer for Mandera County Government. He holds a Master of Arts in Economic Policy and Planning, Bachelor of Business Administration, and a Diploma in Accountancy. He is a Certified Public Accountant and a member of the Institute of Certified Public Accountants of Kenya. He was appointed as the chief officer for Finance and Economic Planning in August 2015 and reappointed in his current docket in September 2018.

Mr. Alinoor has vast experience in Public Service and was an auditor before he was appointed by the Governor of Mandera County Government to spearhead the Finance and Planning department.

c) Fiduciary Management

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

No.	Name	Designation
1.	Ibrahim B. Hassan	CEC, Finance and Economic Planning and ICT
2.	Alinoor Mohamed Ali	Chief Officer, Accounting and Financial Services
3	Abdifatah Ibrahim Ogle	Chief Officer, Roads and Transport
4	Adawa Haji Adan	Chief Officer, Public Works
5	Bare Mohamed Shabure	Chief Officer, Lands
6	Rahma Abdullahi Mahmud	Chief Officer, Health Services



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No.	Name	Designation
7	Abdi Mohamed Ali	Chief Officer, Education and Social Services
8	Osman Ibrahim Mohamed	Chief Officer, Trade and Investment
9	Abukar Abdi Sheikh	Chief Officer, Agriculture, Livestock and Fisheries and Ag. Medical Services
10	Mohamed Adan Osman	Chief Officer, Youth and De-Radicalization
11	Yussuf Mohamed Kala	Chief Officer, Public Service and Devolved Unit
12	Vainusa Yussuf	Chief Officer, ICT and E-Government
13	Zhuleikha Osman Maalim	Chief Officer, Housing And Urban Development
14	Zeitun Abdishakur Abdikarim	Chief Officer, Office of the Governor
15	Shamsi Mohammud Sheikh	Chief Officer, Livestock And Fisheries Development
16	Mohamed Harun Musdaf	Chief Officer, Conflict Management Cohesion & Integration
17	Maryam Dubow Dahir	Chief Officer, Irrigation
18	Jawahira Hussein Haji	Chief Officer, Cooperative Development
19	Hussein Yusuf Sheikh	Chief Officer, Governance, Civic Education & Public Participation
20	Fartun Bulle Ibrahim	Chief Officer, Economic Planning Statistics
21	Farhiya Alinoor	Chief Officer, Youth Affairs
22	Dr Ali Mohamed Mahat	Chief Officer, Special Programs, Disaster Preparedness & Management
23	Ahmed Mohamed Abdi	Chief Officer, Gender And Social Services
24	Abdullahi Maalim Alio	Chief Officer, Environment, Energy and Natural Resource
25	Abdikadir Adan Alio	Chief Officer, Culture, Tourism And Sports
26	Adan Abdirahman Mohamed	Chief Officer, Chief Officer, Water Services
27	Mohamed Mohamud Ali	Chief Officer, Public Services Management

d) Fiduciary Oversight Arrangements

The key fiduciary oversight bodies at the county for the year ended 30th June 2020 were:

- Mandera County Assembly
- Controller of Budget
- Public Accounts Committee
- Budget and Appropriations Committee
- Finance Committee
- Audit Committee

e) Entity Headquarters

P.O. Box 13-70300
 Roads and Public Works Building
 Jamia Mosque Road
 Mandera, KENYA

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f) Entity Contacts

Telephone: (+254) 722466499/0725421888

E-mail: info@mandera.go.ke

Website: www.mandera.go.ke

g) Entity Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Kenya Commercial Bank
Mandera Branch
P.O Box 275-70300
Mandera, Kenya



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3. Equity Bank (Kenya) Limited
Mandera Branch
P.O Box 536-70300
Mandera, Kenya

4. National Bank of Kenya
Mandera Branch
P.O Box 379-70300
Mandera, Kenya

h) Independent Auditors

Auditor General
Kenya National Audit Office
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



2. FORWARD BY THE CECM FINANCE AND ECONOMIC PLANNING

It's my pleasure to present Mander County Executive's full year financial statements and reports for the 2019/2020 financial period ending 30th June, 2020. This report was prepared and presented as required by section 164 of the Public Finance Management (PFM) Act 2012. The report high-lights on the revenues received from National Government in form of equitable sharable Revenue, Own Source Revenue as well as Conditional Grant by Development Partners and GOK alongside the expenditure incurred by the county government in service provision during the financial year.

The Financial year 2019/2020 is the seventh full year under the devolved governance structure. The County has had an approved budget of Kshs 13,118,313,035 which consisted of Kshs. 6,822,774,457 billion (52%) for recurrent expenditure and 6,295,538,578 billion (48%) for Development. The County, therefore, met the minimum requirements of PFM Act 2012 section 107 (2) which require that at least 30% of the County budget to be dedicated for development. In order to finance the budget, the county expected Kshs. 10,222,950,000 equitable share of revenue allocated by Commission on Revenue Allocation, raise local revenue of Kshs. 183,559,629 and various conditional grants in amount of Kshs 1,374,718,639 . Further, an amount of Kshs 1.37 billion relating to projects under implementation was brought forwards into the budget from the financial year 2018/2019.

In the FY 2019/2020 the County Departments were funded in line with the ceilings set in the 2019 County Fiscal Strategy Paper drawn to champion key priority programmes highlighted in the second Mander County Integrated Development Plan (2018-2022). The highest beneficiary of the FY 2019/2020 budget allocation was the Ministry of Health Services getting Kshs 2,560,020,127 (20 percent), Ministry of Water, Environment and Natural Resources getting Kshs 1,811,057,565 (14 percent) and Public Works Roads and Transport were allocated Kshs 1,576,292,608 (12 percent). Ministry of Public Service, Management and Devolved Unit got Kshs. 1,386,779,351 (11 percent) while the Ministry of Agriculture Livestock and Fisheries got Kshs. 1,321,038,619 (10 percent). Other departments were allocated below 10 percent.

The fiscal assumption underlying the FY 2019/2020 budget was that there would be improved revenue collection from local sources and timely release of funds by the National Treasury. However, as the year progressed, we encountered challenges and some revenues were not realized. We did not attain our own source revenue target and only Kshs. 124,961,836 was raised while on Donor Grants, Kshs 41,586,250 was received from Danida, Kshs 65,351,998 from World Bank Transforming Healthcare Systems for Universal Care Project (Ministry of Health), Kshs 30,000,000 from Kenya Devolution Support Program, Kshs 125,752,927 from Kenya Urban Support Programme, Kshs 8,800,000



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From Kenya Urban Support Project (KUSP) -urban Institutional Grants (UIG) and Kshs 150,826,354 from Kenya Climate Smart Agriculture Project (KCSAP). By the end of the financial year, Kshs 22,113,298 was also received for Youth Development Grant and Kshs 25,474,920 for User Fees Forgone.

The County's budget implementation was slow with naught development and recurrent programs undertaken in the first quarter of the financial year. This was majorly caused by delay in the release of funds from the National Treasury occasioned by the impulse in the approval of the Division of Revenue Bill (DORA) and CARA, 2019 by Parliament in line with the timelines in law. Nonetheless, by the end of the financial year, the county Government had incurred expenditures totaling to Kshs. 11,588,084,290 for both development and recurrent programmes. This expenditure represented 88% of the county's approved budget which was an improvement on the FY 2018/2019 budget performance. The overall performance for the county's development and recurrent budget were 78% and 97% respectively.

The following factors were responsible for low absorption rate of the development vote;

- Budget stalemate between the County Executive and the County Assembly which led to delays in the preparation and approval of the County's budget documents for FY 2019/20 hampered absorption in the First Quarter. The agreed budget was only approved in October 2019. Accordingly, during the First Quarter, the County could not make any withdrawal funds for its operations.
- Slow and cumbersome tendering process throughout the period
- Technical and capacity challenges in application of IFMIS following the full implementation of E-procurement
- Delays in approval of request for funds by office of controller of budget
- Heavy rains and flood that interfered with construction of roads and water pans
- Difficulties in retaining high calibre staff in some key sectors such as health services and public works
- Insecurities/Terrorist threats

The reasons for the underperformance of the targeted local revenues included insecurity, droughts, understaffing and the effect of Coronavirus pandemic. The actual local revenue collection during the year was 68% which was a remarkable improvement on the previous financial year's performance of 54%. This increase was attained through revenue automation and revenue enforcements that were implemented within the financial year to seal any pilferages in local collections. We have, further, identified gaps and areas to improve on in the subsequent years. We will continue to explore new and innovative ways of boosting our revenue collections.



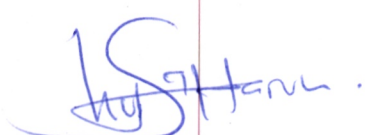
MANDERA COUNTY GOVERNMENT
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For the year ended June 30, 2020

Despite all these challenges, the FY 2019/2020 was a good year in general. Numerous major projects were undertaken in the period under review. These included; Completion of County Headquarters, Completion of County Guest House, Proposed kutulo (Malbe) water pan for irrigation projects in Kutulo sub-county, Proposed construction of Mandera Teachers Training College, Proposed Koromey Irrigation Projects, Construction of KMTC in Mandera town, Proposed construction of modern slaughter house, supply of pharmaceuticals, non-pharmaceuticals and emergency medical supplies, Phase II of Elwak SME Park, Upgrading of boreholes, Construction and Expansion Of various Earth pans by 60,000 in all Sub-Counties, Construction of level 4 hospital at Kutulo, Construction of Municipality Office Blocks, Fencing of Takaba Airstrip, proposed paved parking at new fire station in Mandera East sub county, Afforestation Programs, Agricultural Programs, Youth Programs, Box culverts on Takaba - Banisa Road at Lagwarera and along Khalalio road amongst other significant projects.

Good progress in project implementation was made during the period. The county government will continue to build on these successes in our effort to enhance service delivery and reverse the negative impact of marginalization witnessed over the last fifty years in our county.

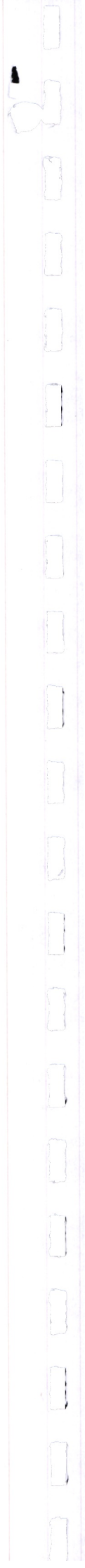
I take this opportunity to thank H.E the Governor and the Deputy Governor for their leadership, overall supervision and guidance in achieving the County Vision for the people of Mandera. I would also want to thank the CEC Members and the County Chief Officers in charge of all the departments who we have worked hand in hand to ensure that Mandera County achieves its mission.

Finally, I thank all staff in the entire county for their continued commitment and dedication through hard work in delivering services to the great people of Mandera County.



Suleikha Harun

CEC Member – Finance and Economic Planning, ICT and Special Program
Mandera County Government



3. STATEMENT OF PERFORMANCE AGAINST COUNTY PRE-DETERMINED OBJECTIVES

Introduction

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each County Government Entity Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity's performance against predetermined objectives.

Strategic development objectives

The Mandera County Government's 2018-2022 CIDP has identified ten key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the Governor's Manifesto, the National Government's "Big Four" Agenda, NIUPLAN, SDGs and the MTP III.

The strategic objectives are a synthesised product of the afore-mentioned planning frameworks that amalgamate the thematic focus and development aspirations in these policy frameworks.

The key development objectives of the Mandera County Government's 2018-2022 CIDP are to:

1. To improve peace and security within Mandera County. Mandera shares international borders with Ethiopia and Somalia, and has suffered the effects of cross-border conflicts, as well as the impact of the global problem of violent extremism and terrorism. We seek an inclusive society in line with SDG goal number 16. No meaningful development can occur without peace and security, that must be enjoyed by both residents and investors. Our dream is a safe and secure peaceful environment, which is favorable for the implementation of life-transforming and sustainable development projects.
2. To improve access to quality and affordable health services. This objective aims at improving life expectancy and promoting healthy lives for all ages in line with SDG goal number 3. The need for increased sustainability, accessibility and improvement of quality care in the health sector is paramount. The county aspires to achieve universal healthcare for all, including cross-border patients. This will ultimately reduce the burden of diseases, enhance wellness and hence lead to increased productivity and reduced poverty levels. We envisage a county that will be able to respond to health disasters and emergencies not only in Mandera County, but the Mandera Triangle as well, to cover the regional hub for referral health services in a radius of 500 kilometres comprising sections of Ethiopia and Somalia.
3. To improve access to clean and safe water and sanitation, in line with SDG goal number 6. Water is a basic right and our dream is to achieve improved water sources, which are less prone to contamination and hence are safer. Access to safe drinking water is critical for the health of individuals and households. We seek to extend improved water sources like piped water, rain harvested water, borehole water and water from protected wells. The primary goal is to reduce the amount of time and energy spent in search of water. The goal is for pastoralists not to travel more than a kilometer in search of water.

4. To transform livestock sector from a way of life to a viable economic activity. We aspire to revitalise the livestock sector, create disease-free zones, improve livestock breeds. We will also strive to improve linkages with value-added products to cushion farmers from losses occasioned by drought and climate change, and create a regional market that will fetch competitive prices for our pastoralists. This is in line with SDG goal number 8.

5. To improve resilient infrastructure in line with SDG goal number 9. Improving accessibility and easy movement of people and goods within the county is one sure indicator of development. Mandera County is over 1,200 kilometers away from the capital city of Nairobi, and over 1900 kilometres from the main port of Mombasa, making costs of transportation of goods prohibitive. Achieving this goal will increase linkages with the neighboring countries of Ethiopia and Somalia, access to markets for products from neighboring countries, such as fresh produce, miraa and other factors of production. This will eventually lead to a reduction in the cost of production. The result will be improved productivity, opening up of business opportunities, industrialisation and a boost in incomes. It will also lead to a reduction in the cost of goods in Mandera County. Improved transport infrastructure eases access to basic facilities like hospitals and schools.

6. To improve food security from 59 per cent to 80 per cent by 2022 in line with SDG goal number 2, with the objective of ending hunger and improving nutrition. Availability of pasture and water improves the health and body condition of livestock, which leads to increased production and an upsurge in livestock. The ultimate benefit is a boost of the pastoral communities' purchasing power. Meanwhile, improving irrigation and acreage under crop production is vital for the improvement of Mandera's food security. We must reduce the risk of malnutrition across the county even during long dry spells.

7. To improve access to inclusive quality education in line with SDG goal number 4, as well as relevant skills training to fill the capacity needs gaps in the county. We seek to improve literacy levels from 30 to 70 per cent by 2022, increase access to basic education and promote life-long learning.

8. To engage the youth and equip them with vocational skills, as well as farming and entrepreneurial skills to shield them from the vulnerability of falling into the radicalization and violent extremism trap. This objective is in line with SDG goal number 16 of peaceful and inclusive societies.

9. To carry out natural resource mapping. This will uniquely position Mandera County to sustainably exploit its ecosystem and extractives to spur economic growth and transform the lives of residents. This is in line with SDG goal number 15.

10. To align our development priorities with the economic blueprint of the Frontier Counties Development Council to be able to tap into global, public, private partnerships and economies of scale. This will help in d attracting investments and encouraging innovations that will open up the region for major infrastructural projects to create jobs, attract skilled labour and improve living standards in line with SDG goals number 9 and 17.

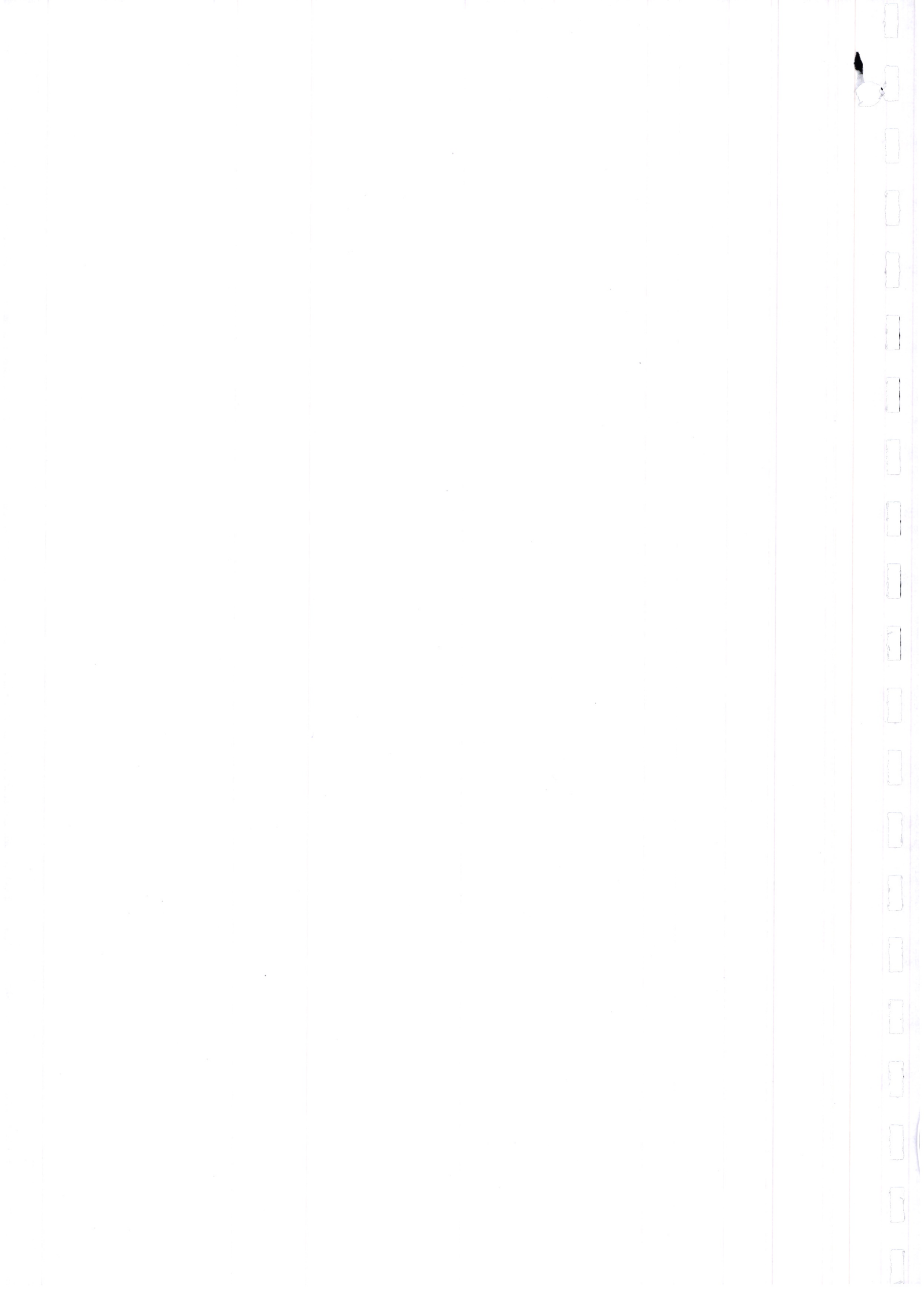
Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were

MANDERA COUNTY GOVERNMENT
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identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Department	Objective	Outcome	Indicator	Performance
Public Works, Roads & Transport	to facilitate the construction, upgrading, rehabilitation and maintenance of the roads infrastructure and supervision of Government buildings in Mander County to enhance regional connectivity for sustainable socio-economic development in line with Kenya's Vision 2030.	Roads, bridges /culverts and drifts constructed hence increased efficient transportation of people, goods and services	Improved mobility within the county % of motorable and passable roads within the city	In FY 19/20 we increased motorable and passable roads by 60% the following roads were upgraded Mander-Khalalio, Takaba-Banisa, opening up access roads and bush clearing works done. Drifts and box culverts were also undertaken.
	To facilitate the designing, supervision and management of the county building projects to enhance sustainable socio-economic development in line with Kenya's Vision 2030	Eased construction & rehabilitation of infrastructure	No. and condition of buildings constructed for systemic delivery of services	In the FY 2019/20, massive progress was made on proposed completion of the following projects: Governor's residence, deputy Governor's residence, County headquarter, County guest house, amongst others
Agriculture, Livestock, Fisheries And Irrigation	To promote and facilitate production of food and agricultural raw	Improved Irrigation schemes development and rehabilitation	Amount of investments in irrigation projects and support to	During the year, huge investments were made in the following projects:



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		materials, ensure food security, promote agro-based industry, agricultural export and sustainable agricultural practice.	leading to improved agricultural productivity and outputs	farmers	Proposed Koromey irrigation projects, Proposed Dig Dig irrigation project at Darkhale in Bainsa sub-county, Proposed kutulo (Malbe) water pan for irrigation projects in kutulo subcounty, farmers were also supported with fertilizers and seeds
Education, Culture, Tourism and Sports		To create effective capacity building mechanisms for effective management and delivery of ECDE, TVET, Culture, Tourism and Sports services	Improved capacity of ECDE and other teachers	No. of ECDE teachers and other staff to be trained	300 staff were targeted and successfully trained in the period under review
		Provision of infrastructure at ECDE, TVET, Non-Formal Education, Primary, Secondary and Tertiary institutions.	Early childhood infrastructure development	No. of ECDE classrooms constructed No. of supplied with desks No. of ECD centres supplied teaching materials	40 ECDE classrooms were constructed. 43 ECDE classrooms were supplied with desks 14 out of 16 targeted primary schools were supplied with teaching and learning



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				materials
	To enhance access, equity, retention, transition and completion levels at the Early Childhood Development Education, TVET, Non-Formal Education, Primary, Secondary and Tertiary institutions	Access to education	No. of Needy students awarded bursary	The bursary was transferred for disbursements but not distributed due to the closure of schools to curb the spread of the COVID-19 disease
	To improve quality of training programmes for sporting activities	Sport infrastructure development	The number of football fields constructed and Improved	8 playgrounds were targeted in the budget have all been achieved
		Access to sporting item and equipment	No of sporting items procured	200 items were target and fully attained
		Improvement of sporting activities in all sub counties	No of wards held sporting programs	30 tournaments were held, one in each ward.
Health Services	To reduce incidences of preventable diseases and mortality in Mandera County	Reduction in cases of food/water-borne diseases	No of premises inspected and have met minimum requirement on hygiene and sanitation	60% of target achieved
			No of Public health facilities disposing off HCW appropriately	100% achievement. 15 facilities were targeted and all successfully complied



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				No of food and water samples taken for laboratory analysis	25 samples out of 40 targeted
				% of deliveries conducted by skilled attendants	64% of deliveries
	To provide improved quality health care services at the County	Enhanced specialized curative and diagnostic interventions		% increase of access to specialised diagnostic services	80% of facilities have been stocked with drugs and equipment and their laboratories fully functional
Youth, Gender and Social Services	To upscale the livelihood of the most vulnerable in the Mandera Community	Shelters, resources and mobility kits for vulnerable people		No of houses constructed for the most vulnerable and kits issued	26 houses constructed as per target and 78 targeted kits issued successfully
	To empower and promote gender equality at the County level	gender mainstreaming		No of awareness program on gender equality	Target achieved
	To undertake empowerment of youth groups in the county	Youth capacity built on income generating activities provision of income generating tools/equipment		No of youth trained on income generating activities No of youth groups provided with income generating equipment	The ministry trained about 420 youth and women and issued to PWD groups income generating equipment to uplift their economy and be self-reliant.
Lands, Physical Planning, Housing and Urban Development	To facilitate efficient, sufficient, equitable and sustainable management of	Secure land records		No. of records digitized	50,000 records were digitized hence reducing land/plots related conflicts drastically

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	land			
Public Service, Conflict Management and Devolved Units	To provide policy direction in Public Service Management, advice on appropriate organizational structures	Proper HR records and Compliance	Staff appraisal- quarterly, file kept, promotions made	2,500 staffs were appraised and their files updated while 300 were promoted
	To initiate and coordinate human resource management reforms to improve service delivery for sustainable socio-economic development	Performance management	Performance contracting	Undertaken as planned
	To promote a cohesive society whose values are harmonious and integrative.	Improved security	Number of counter radicalization programs	Counter radicalization workshops were held in all the 7 sub counties
Water, Energy, Environment & Natural Resources	To ensure efficient and economical provision of water and sewerage services, increased environmental conservation, appropriate use of natural resources	Developed Urban Viable Water Supply and Sewerage System		Falama –Elwak Water project, Takaba urban w/s expansion & work on Mandera urban w/s undertaken
		Improved trees cover	No. of trees planted	300 trees were planted as planned
		Water Resources Development	Improved water security countywide	Over 71% of the population have access to water as a result of increased spending on large water pans, and maintenance of boreholes and

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					water tanks	
		To ensure improved access to affordable and environment friendly sources of energy to meet the various socio-economic needs.	Solar systems Installations	No. of streetlights poles installed	100 were targeted and accomplished	
Trade, Investment, Industry and Cooperative Development		Promote private sector development through enterprise and entrepreneurship development	Mapping of Business activities in the county	Number of business mapped and coded	2700/3500	
			Improve performance and status of co-operatives in the county	No. of Education and Extension services conducted for co-operatives	Extension services and education are done on daily basis.	
		Improve business environment, promote active investment climate and fair business practice	Enhancement business activities for better returns	No. of Trainings, Stakeholder forums, cooperative days and exhibitions carried out	Ushirika day celebrated	
County Treasury, Economic Planning, Special Programmes, ICT & e-Government		To mobilize resources, ensure prudent management of resources and provide leadership in development planning and tracking of results.	Revenue enhancement and improved implementation of programmes, projects and strategies	No Quarterly reports on revenue performance	Achieved	
		Disaster management	Relief food management	No of households benefitting from food distributed and No. of sub counties covered	85,000 households covered countywide. Target overachieved	

N/B Data and information provided here should be verifiable against the CIDP

Implementation Challenges experienced

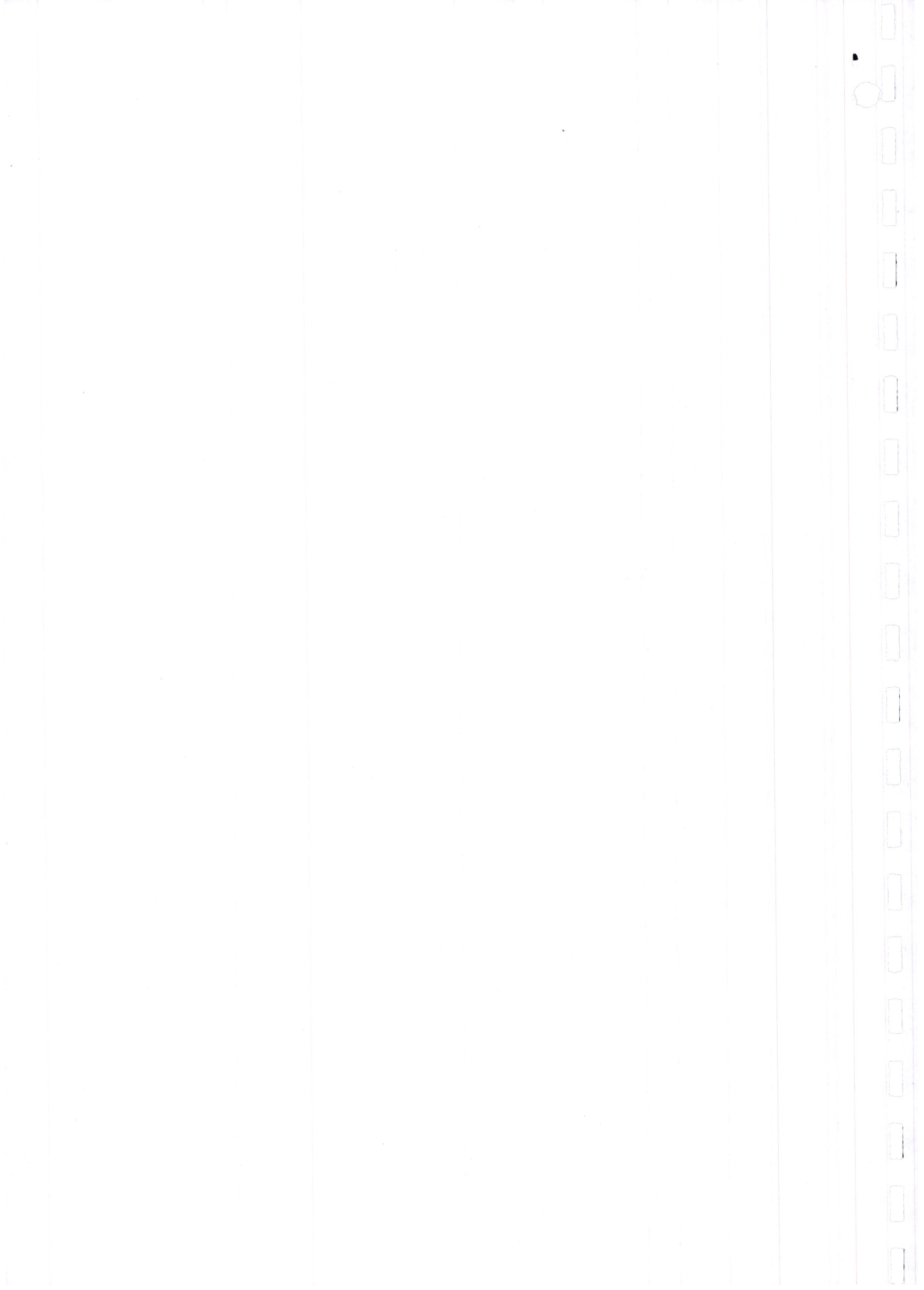
- 1. Insecurity:** Many border towns suffered attacks from external Al-Shaabab assailants. Inter-clan clashes over scarce resources were experienced. These aspects of insecurity negatively affect socio-economic lives of the locals and scare away investors.
- 2. Outbreak of diseases:** The coronavirus pandemic that hit the Kenya in March 2020 was a major challenge in implementing development programmes. This diverted development resources and productive labour to treatment and caring for the sick.
- 3. Recurrent drought and flash floods:** Prolonged drought led to the diversion of development budgets to respond to emergency relief cases. This was done by distributing food stuff and providing water trucking services to the affected communities. After the long dry spells, flash floods hit the county in April 2020, destroying crops, infrastructure and displacing households.
- 4. High cost of goods and services:** The geographical location of Mandera at about 1200km from Nairobi, coupled with poor road network, insecurity and poor communication network has continuously posed a big threat to movement of goods and services to the county. This has seen most of the goods doubled on prices and being scarce due to the high demand and low supply.
- 5. Delayed disbursement of funds from national treasury:** Over the years, the county government has experienced frequent cash crunches as a result of delayed disbursement from the national treasury. This has delayed projects delivery and compromised the provision of essential services such as health, security water and education.
- 6. Budget stalemate** between the County Executive and the County Assembly which led to delays in the preparation and approval of the County's budget documents for FY 2019/20 hampered absorption in the First Quarter.
- 7. Local revenue underperformance** was also a challenge though an improved performance was recorded as a result of revenue automation.

Available Opportunities

Mandera County government can take advantage of the following opportunities in implementation of its objectives:



- 1. Local solutions to curb insecurity**– Though provision of security is a National Government function, the County Government had to recruit National Police Reservists to curb the runaway insecurity. Motiving and empowering these officers will significantly improve the security situation.
- 2. Monitoring and Evaluation (M&E):** Absence of monitoring and evaluation committees in sectors have led to poor coordination of Monitoring and Evaluation activities in the sectors. The county government instituted an Evaluation and Monitoring Unit under office of the governor to tackle the challenge.
- 3. Enhancing Local Revenue Generation** is key to sustainable service delivery: The huge demand for resources has made the county to look for avenues of raising more resources through measures such as automation of revenue collection. More innovation ways of boosting revenue collections will be identified and implemented in the subsequent years.
- 4. Capacity is central to good performance:** Inadequate technical staff in departments has led to poor service delivery. By focusing on training and recruiting of technical staff offering essential services, the county has managed to arrest the situation. However, some departments such as revenue services and compliance are understaffed. Once these units are staffed, the county can reap new gains.
- 5. Collaboration initiatives:** By collaborating with the National Government, development partners, the County Assembly, or other key stakeholders, the County Government has put efforts in attracting partners for development and service delivery in the county. The county shall continue to enhance its collaboration efforts to attain successful implementation of its CIDP objectives.



4. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Corporate Social Responsibility exists to transform lives. Thus, at Mandera County Government we understand that we have a responsibility to our society and we have made Corporate Social Responsibility (CSR) an integral part of our culture. To underline our deep commitment to making a difference in people's lives, we are guided by an existing policy and the government commits a substantial budgetary allocation each financial year to CSR initiatives. The county's CSR effort focuses on the following key areas:

1. Sustainability strategy and profile

Sustainable development has been fully incorporated by the County Government. Our corporate sustainability contains three pillars: economic, ecological and social. For a comprehensive corporate sustainability strategy, the county understands it is necessary to consider all dimensions, their impacts and their interrelations. External influences also affect the corporate orientation on sustainability. Moreover, corporate sustainability also has positive effects on society in the long term. Mandera County government follows an introverted – risk mitigation strategy focusing on legal and other external standards concerning environmental and social aspects in order to avoid risks for the entity. The County uses generic aspects of the economic dimension of corporate sustainability such as innovation and technology, collaboration, knowledge management, processes, purchase and sustainability reporting to gain good financial and sustainability results. The strategies also address ecological dimensions to reduce environmental impacts caused by resource use, and emissions into air, into water or into ground, as well as waste and hazardous waste.

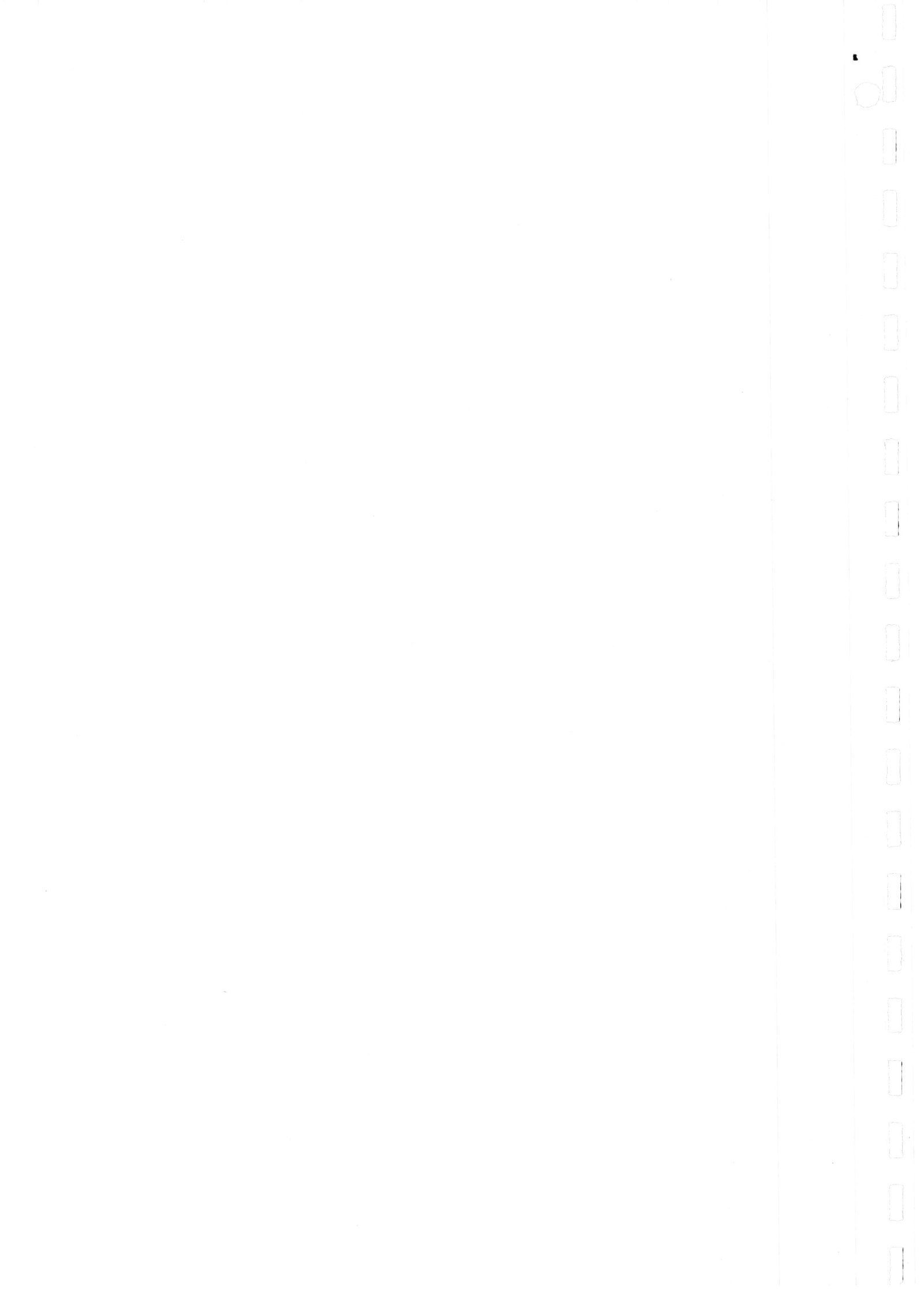
2. Environmental performance

As part of Mandera County government's contribution to the nation's national development agenda and our intent towards improving the wellbeing of our communities, in the financial year 2014/2015 the county rolled out the County Forests Management And Extension Programme which is a campaign with a target to plant and sustain over two million trees all over Mandera. This activity has progressed well with over a million trees planted and being sustained along the B9 roads in Mandera East Sub County and along all major roads in other sub counties. Our efforts aim to increase Kenya's forest cover to the desirable standards and protect the environment for present and future generations.

The Mandera county government also aim to minimize any harmful effects and consider the development and implementation of environmental standards to achieve this to be of great importance. In the course of our operations, therefore, we seek to identify opportunities to optimise consumption of energy, water and other natural resources. We actively encourage our staff to plant trees in our various Stations with a view to conserving the environment. In the just concluded financial year, we actively participated in projects aimed at reducing environmental degradation.

3. Health and Safety

Mandera County government aims to ensure a safe and healthy working environment for all its employees and customers. The county aims to comply with all relevant legislation or regulations and best practice guidelines recommended by the national health and safety authorities/arms of



government. The county also liaises with staff regarding existing policies and practices to ensure we continue to maintain a healthy, safe and enjoyable work environment.

4. Employee welfare

Our success as a government is largely dependent on our human capital (people).

- We seek to recruit, retain, reward and develop the best talent in the Country.
- We recognise the need to inculcate among our employees the culture of being sensitive to matters of safety, security, society and the environment. This ensures that employees act with integrity and responsibility with the people they deal with and the environment they interact with.
- We train employees to value each other, provide necessary support systems for people with different needs and have a system in place that encourages acceptance of cultural diversity.
- Further, we continually seek to improve the welfare and skills of our employees through structured programs for personal and professional development.
- We actively seek to ensure gender parity and where possible recruit persons with disability and from the minority groups of our society.

5. Market place practices-

Mandera County government recognizes that responsible Supply Chain Management has profound effect on any organization's reputation. Reputation influences the stakeholders' perceptions, their choices and investment intentions and financial performance. Thus, we practice responsible corporate behaviour that we envisage builds trust and enhances our overall reputation, which in turn attracts investors, employees, suppliers and distributors, not to mention earning the public's goodwill. The county's procurement department has developed stringent rules intended to drive business firms to proactively improve their responsible supply chain performance.

6. Community Engagements-

As a responsible corporate citizen and as a way of reaching out to the less fortunate members of our society, the county government undertakes a number of initiatives aimed at improving the living standards of Vulnerable members such as the needy, people living with disabilities, widows and the unskilled youth. These are undertaken through donations of basic amenities like food stuffs and beddings, gifts to Orphanage centres, specialized equipment to PLWDs and Iftar donations in the month of Ramadhan. These donations/support are meant to alleviate suffering for vulnerable groups during hard times.

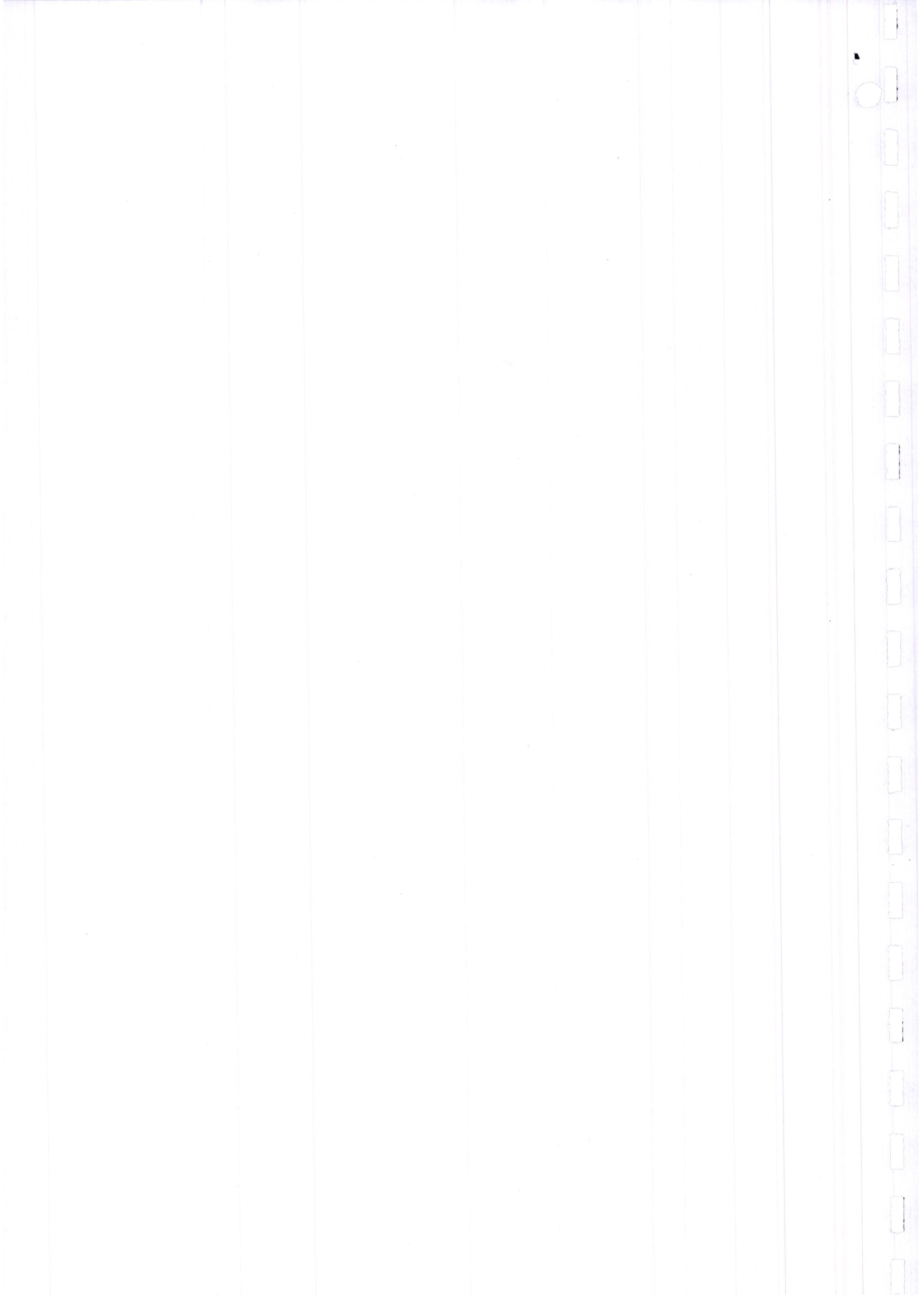


7. Education

Education is the backbone of development in a country and therefore the county government has been a key player in support of secondary and tertiary educational initiatives to improve the educational standards. In this area which falls under the national government functions, we have aided schools in the construction of administration blocks, laboratories, sanitation facilities and provision of equipment.

8. Sports

Sports activities not only unite people from all walks of life, but also provide an avenue for many to realize their sporting talents. In light of this, the Mandera county government has been a stakeholder to sports and sporting activities in Mandera County through its annual sponsorship to



various sports ventures. Some of these sporting activities were organized to foster peace among warring communities in the clash torn regions such as Mandera North and Banisa Sub Counties.



All these activities and many others were aimed at supporting the various communities and stakeholders who the county government interacts with in one way or the other as it carries out its mandate.

5. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

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

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

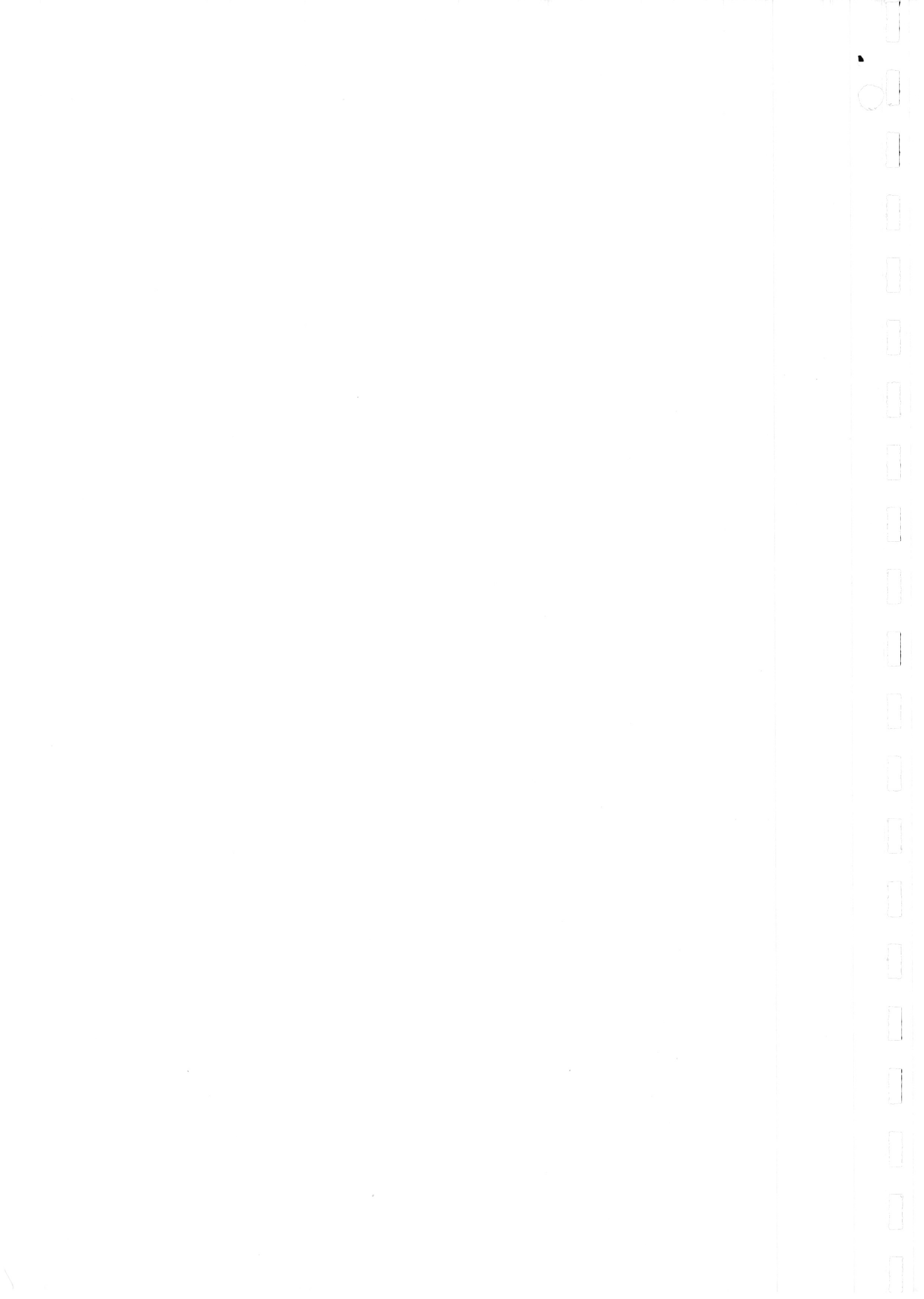
The CEC member for finance confirms that the County Government has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Government's funds received during the year under audit were used for the eligible purposes for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

Approval of the financial statements

The Mander County Government's financial statements were approved and signed by the CEC member for finance on 19/07 2021.

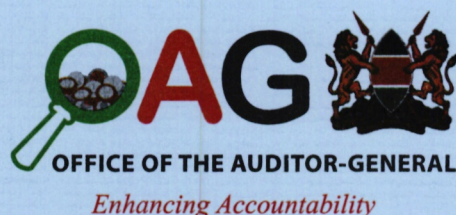


County Executive Committee Member – Finance



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 EXECUTIVE OF MANDERA FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Executive of Mandera set out on pages 1 to 40 which comprise the statement of financial assets and liabilities as at 30 June, 2020, the statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Inaccurate Statement of Cash Flows

As disclosed in Note 27 to the financial statements, the statement of cash flows reflects an increase in accounts payables- deposits and retentions of Kshs.116,327,304. However, the accounts payables increased by an amount of Kshs.6,831,445 from Kshs.109,495,859 reported as at 30 June, 2019 to Kshs.116,327,304 as at 30 June, 2020. Further, accounts payables comparative balance of Kshs.109,495,859 was not indicated in Note 27 to the financial statements.

Consequently, the accuracy of the statement of cash flows could not be confirmed.

2. Unsupported Expenditure on Insurance Services

The statement of receipts and payments reflects an expenditure of Kshs.1,880,140,321 under use of goods and services which, as disclosed in Note 12 to the financial statements, includes an amount of Kshs.294,020,749 incurred on insurance services during the year under review. The latter balance includes an expenditure of Kshs.72,296,554 that was not supported with payment vouchers and tender documents.

Under the circumstances, the accuracy and validity of the expenditure totalling Kshs.72,296,544 on insurance services could not be confirmed.

3. Unsupported Medical Supplies

The expenditure of Kshs.1,880,140,321 under use of goods and services also includes an amount of Kshs.827,035,542 incurred on specialized materials and services. The latter balance includes an amount Kshs.8,000,000 paid for the supply and delivery of medical supplies. However, the medical supplies were said to have been supplied during the previous financial year but were not disclosed as pending bills in the financial statements for 2018/2019 financial year. Further, contract documents for the medical supplies were not provided for audit review.

Under the circumstances, the accuracy and validity of expenditure of Kshs.8,000,000 incurred on purchase of medical supplies could not be confirmed.

4. Unsupported Payments on Repair of Motor Vehicles

The statement of receipts and payments reflects an expenditure of Kshs.1,880,140,321 under use of goods and services which, as disclosed in Note 12 to the financial statements, includes an amount of Kshs.54,584,222 incurred on routine maintenance of vehicles and other transport equipment. However, examination of the respective payment vouchers, procurement records and other supporting documents indicated that the expenditure was not supported with pre and post inspection reports from the Department of Transport and Infrastructure, requisition from user departments and motor vehicle work tickets. The repairs carried out on the vehicles were not recorded in the respective vehicle logbooks (GP55). Further, some of the spare parts were procured through framework agreement exceeding one-year.

In the circumstances, the accuracy and validity of the expenditure totalling Kshs.54,584,222 incurred on maintenance of motor vehicles and other transport equipment could not be confirmed.

5. Unsupported Payment - Rental of Produced Services

Included in the expenditure of Kshs.1,880,140,321 use of goods and services is an amount of Kshs.126,945,514 incurred on rentals of produced services. The following anomalies were noted:-

- i) Payments totalling Kshs.10,035,000 were made to settle pending bills relating to the 2017/2018 and 2018/2019 financial years. However, the pending bills were not disclosed in the audited financial statements for the respective financial years.
- ii) Expenditure totalling Kshs.3,655,924 was not supported with valuation report to confirm whether the rate paid was economical and within the market rate.
- iii) Payments totalling Kshs.4,864,260 were paid to suppliers for hire of motor vehicles. However, the motor vehicles were hired through request for quotations but the suppliers were not in the list of prequalified contractors for the category. Further, some of the payments were not supported with quotations, tax compliance certificate and lease agreements.

Under the circumstances, the accuracy and validity of the expenditure of Kshs.18,555,184 incurred on rentals of produced services could not be confirmed.

6. Unsupported Expenditure - Acquisition of Assets

As disclosed in Note 17 to the financial statements, the statement of receipts and payments reflects an expenditure of Kshs.4,559,610,341 under acquisition of assets. The following observations were made:-

6.1 Construction and Civil Works

The expenditure of Kshs.4,559,610,341 under acquisition of assets includes an amount of Kshs.1,750,639,293 spent on construction and civil works. However, examination of the supporting payments documents revealed the following anomalies: -

- i. Contracts worth Kshs.38,101,227 were not advertised in at least two daily newspapers of nationwide circulation contrary to Section 96(2) of the Public Procurement and Asset Disposal Act, 2015.
- ii. The nature of a payment amounting Kshs.2,056,904 described as project management fees was not disclosed.
- iii. Payments worth Kshs.84,044,121 were made without certificate of partial or practical completion.
- iv. Payments amounting to Kshs.91,065,974 were made to settle pending bills relating to previous years. However, the pending bill were not in the list of the pending bills reported in the financial year 2018/2019.
- v. Payments totalling Kshs.171,470,045 for construction and civil works were not supported with payment vouchers, procurement records and other supporting documents.

- vi. An amount of Kshs.69,999,685 was incurred on construction of Takaba Airstrip which is a National Government function. However, the Project was implemented without a written agreement between the two levels of Governments.

In view of the anomalies, the accuracy and validity of the expenditure totalling Kshs.456,737,956 incurred on construction and civil works could not be confirmed.

6.2 Refurbishment of Buildings

The expenditure of Kshs.4,559,610,341 under acquisition of assets also includes an amount of Kshs.152,741,107 incurred on refurbishment of buildings. However, an expenditure of Kshs.19,173,826 was not supported with inspection and acceptance certificates, user departments requisition, certificate of practical completion, and evaluation committee reports.

In the absence of the supporting records, the accuracy and validity of the expenditure of Kshs.19,173,826 incurred on refurbishment of buildings could not be confirmed.

7. Misclassifications of Expenditure

The statement of receipts and payments reflects an expenditure of Kshs.4,559,610,341 under acquisition of assets which, as disclosed in Note 17 to the financial statements, includes an amount of Kshs.1,604,006,036 on construction of buildings. However, Kshs.141,451,538 out of the amount was wrongly classified as construction of buildings and should have been included under other payments.

Under the circumstances, the accuracy of the reported balance Kshs.1,604,006,036 on construction of buildings could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. I have determined that there are no key audit matters to communicate in my report.

Other Matter

1. Budgetary Control and Performance

The summary statements of appropriation- recurrent and development combined reflects actual expenditure of Kshs.11,588,084,290 against approved budget of Kshs.13,118,313,035 resulting to an under expenditure of Kshs.1,530,228,745 or 12% of the budget. Further, the County Executive reported a total expenditure of Kshs.10,854,910,027 (excluding transfer to County Assembly of Kshs.733,174,263) while the IFMIS vote book indicated a total expenditure of Kshs.10,817,960,514 resulting to an unexplained variance of Kshs.36,949,513. The under absorption of funds may have affected the planned activities thereby impacting negatively on service delivery to the public.

2. Late Exchequer Releases

During the financial year under review, the County Executive received Exchequer releases totalling to Kshs.1,993,475,250 in the month of June from The National Treasury as detailed below.

Date Funds Received in the Bank Account	Kshs.
15-June-2020	1,073,409,750
24-June-2020	920,065,500
Total	1,993,475,250

As a result of the delayed receipt of funds, the County Executive did not have sufficient time to spend its budget for the year.

3. Decline in Own Generated Revenue

A trend analysis on collection of own generated revenue for the past four (4) years between 2016/2017 and 2019/2020 revealed persistent failure to meet budgetary targets and poor performance as indicated below:

Year	Budgeted Revenue Kshs.	Actual Revenue Kshs.	Variance Kshs.	Percentage of Variance
2016/2017	265,643,523	55,843,625	209,799,898	79%
2017/2018	141,000,000	61,031,471	79,968,529	58%
2018/2019	179,089,080	95,421,471	83,667,609	47%
2019/2020	183,840,432	124,961,836	58,878,596	32%

The shortfall and decline in own generated revenue collection may be indications of revenue leakages and inefficient revenue collection system.

4. Pending Bills

As disclosed in Note 7.9(1) to the financial statements on pending accounts payable, the County Executive had pending bills amounting to Kshs.194,324,503 as at 30 June, 2020. Failure to settle pending bills is contrary to Section 41(2) of the Public Finance Management (County Governments) Regulations, 2015 which states that debt service payments should be a first charge on the County Revenue Fund and the Accounting Officer should ensure this is done to the extent possible that the County Government does not default on debt obligations.

Under the circumstances, the Management was in breach of the regulations.

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. Covid-19 Funds Received by County Executive

The County Executive through Mandera County Referral Hospital received funds for Covid-19 response as detailed below;

Source	(Kshs.)	Bank and Branch	Recipient Bank Account
GOK conditional grants	91,323,000	Central Bank of Kenya	1000171472
Danida Funds	11,305,000	Central Bank of Kenya	1000171472
GOK Health Workers Allowances	31,845,000	Central Bank of Kenya	1000171472
County Own Resource	180,000,000	Central Bank of Kenya	1000171472
Mandera County Referral Hospital	300,000,000	Kenya Commercial Bank	1149105127
Total	614,473,000		

However, as at 30 June, 2020 funds totalling Kshs.134,473,000 from GOK conditional grant, Danida funds and GOK health workers allowances were still held in the revenue fund account due to lack approved budgets, work plans and procurement plans to facilitate spending. Further, the Mandera county referral hospital funds of Kshs.300,000,00 was received in July, 2021.

Under the circumstances, the public did not benefit from the funds earmarked for Covid-19 response during the year under review.

2. Procurement Irregularities - County Own Resources on Covid-19 Response

The County Executive awarded Covid-19 medical supplies contracts valued at Kshs.167,148,150 to three companies for the supply of medical equipment using an existing framework agreement. The following anomalies were noted:-

- i. The user requisitions for procurement of the medical supplies were done on 13 March, 2020 and 14 March, 2020 while the request for quotations were done on 11 March, 2020, that is, two and three days before the user departmental request were done.
- ii. Further, inspection and acceptance for one of the supplies was done on 3 March, 2020 while the evaluation was carried out on 11 May, 2020, two months after the inspection.
- iii. The companies awarded the contracts had no approvals from the Kenya Medical Supplies (KEMSA) allowing them to supply the drugs and medical equipment contrary to Section 3 of Kenya Medical Supplies Authority Act, 2013. The Section states that a national or county public health facility shall, in the procurement and distribution of drugs and medical supplies, obtain all such drugs and medical supplies from the Authority subject to the drug being duly registered by the board; and the drugs and medical supplies meet the standards of quality and are efficacious as authorized by the board.

Consequently, the County Executive was in breach of Public Procurement and Asset Disposal Act, 2015.

3. Irregular Purchase of Vehicles

Included in the acquisition of assets expenditure of Kshs.4,559,610,341 is an amount of Kshs.29,847,401 incurred on purchase of vehicles and other transport equipment. Information available indicates that Management procured two (2) Land Cruiser Toyota chase cars and Mitsubishi FM 657 at a total cost Kshs.21,591,160 using the supplies branch circular. However, the two Toyota Land Cruisers procured had an engine capacity of 4164cc contrary to Section 137 of the Public Finance Management (County Government) Regulations, 2015 which set the maximum capacity as 3000cc for the vehicle procured for official use for County Governors. Further, the Logbook for Mitsubishi Fuso FM657 was not provided for audit review. In addition, ten (10) motorcycles worth Kshs.1,999,000, procured during the year, were registered in the name of the vendor instead of the County Government Mandera.

Consequently, the propriety of the expenditure totalling Kshs.23,590,160 on purchase of motor vehicles and motorcycles could not be confirmed and Management was in breach of the Regulations.

4. Construction of Buildings

The statement of receipts and payments reflects an expenditure of Kshs.4,559,610,341 under acquisition of assets which, as disclosed in Note 17 to the financial statements, is an amount of Kshs.1,604,006,036 on construction of buildings. The latter balance includes an amount of Kshs.28,441,158 on variations made on two contracts worth Kshs.116,433,200. However, the variations were done before twelve (12) months elapsed from the date of signing the contract agreement contrary to Section 139(4) of the Public Procurement and Asset Disposal Act, 2015.

Under the circumstances, the propriety of the expenditure of Kshs.28,441,158 on variations to the two projects could not be confirmed.

5. Construction of Roads

Included in the expenditure of Kshs.4,559,610,341 under acquisition of assets is an amount of Kshs.502,689,944 incurred on construction of roads, out of which a sum of Kshs.247,479,511 was incurred on bush clearing works across the County. However, an audit scrutiny of the annual development plan revealed that Management had not planned or budgeted to carry out any bush clearing works for the financial year under review. The bush-clearing projects were procured using request for quotation method of procurement and exceeded the threshold matrix for use of request of quotations for some projects.

Under the circumstances, the propriety of the expenditure of Kshs.247,479,511 on construction of roads could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, 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 governance.

In preparing the financial statements, Management is responsible for assessing the County Executive's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to dissolve the County Executive, or cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the County Executive's financial reporting process, reviewing the effectiveness of how the entity 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 overall 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 manner, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the County Executive of Mandera policies and procedures may deteriorate.

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the County Executive of Mandera to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

28 September, 2021

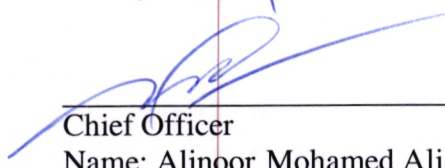
MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

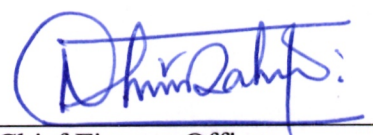
7. FINANCIAL STATEMENTS

7.1. STATEMENT OF RECEIPTS AND PAYMENTS

		2019-2020	2018-2019
	Notes	KShs	KShs
RECEIPTS			
Exchequer releases	1	9,813,682,047	10,777,608,554
Proceeds from Domestic and Foreign Grants	2	-	-
Transfers from Other Government Entities	3	434,788,278	316,096,413
Proceeds from Domestic Borrowings	4	-	-
Proceeds from Foreign Borrowings	5	-	-
Proceeds from Sale of Assets	6	-	-
Reimbursements and Refunds	7	-	-
Returns of Equity Holdings	8	-	-
County Own Generated Receipts	9	124,961,836	95,421,471
Returned CRF issues	10	1,721,741,580	2,477,666,724
TOTAL RECEIPTS		12,095,173,740	13,666,793,162
PAYMENTS			
Compensation of Employees	11	2,335,078,485	2,368,014,846
Use of goods and services	12	1,880,140,321	2,340,068,061
Subsidies	13	-	-
Transfers to Other Government Units	14	1,919,816,768	845,040,877
Other grants and transfers	15	110,000,000	427,846,538
Social Security Benefits	16	-	-
Acquisition of Assets	17	4,559,610,341	5,900,418,167
Finance Costs, including Loan Interest	18	-	-
Repayment of principal on Domestic and Foreign borrowing	19	-	-
Other Payments	20	783,438,375	63,663,093
TOTAL PAYMENTS		11,588,084,290	11,945,051,582
SURPLUS/DEFICIT		507,089,450	1,721,741,580

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Mandera County Executive financial statements were approved on 19/05/2021 and signed by


 Chief Officer
 Name: Alinoor Mohamed Ali

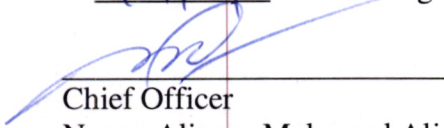

 Chief Finance Officer
 Name: Ahmedsalim Ali Osman
 ICPAK Member Number: 21986

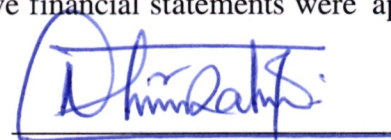
MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

7.2. STATEMENT OF ASSETS AND LIABILITIES

		2019-2020	2018-2019
	Notes	KShs	KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	21A	623,416,754.40	1,831,237,438.00
Cash Balances	21B	-	-
Total Cash and cash equivalent		623,416,754.40	1,831,237,438.00
Accounts receivables – Outstanding Imprests	22	-	-
TOTAL FINANCIAL ASSETS		623,416,754.40	1,831,237,438.00
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	23	116,327,304.40	109,495,859.20
NET FINANCIAL ASSETS		507,089,450.00	1,721,741,578.80
REPRESENTED BY			
Fund balance b/fwd	24	-	-
Prior year adjustments	25	-	-
Surplus/Deficit for the year		507,089,450.00	1,721,741,579.50
NET FINANCIAL POSITION		507,089,450.00	1,721,741,579.50

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Mandera County Executive financial statements were approved on 19/05 2021 and signed by:


 Chief Officer
 Name: Alinoor Mohamed Ali


 Chief Finance Officer
 Name: Ahmedsalim Ali Osman
 ICPAK Member Number: **21986**

MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

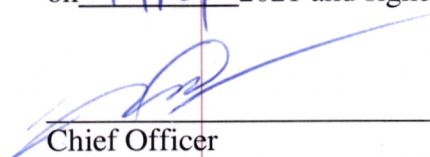
7.3. STATEMENT OF CASH FLOWS

		2019-2020	2018-2019
	Notes	KShs	KShs
Receipts from operating income			
Exchequer releases	1	9,813,682,047	10,777,608,554
Proceeds from Domestic and Foreign Grants	2	-	-
Transfers from Other Government Entities	3	434,788,278	316,096,413
Reimbursements and Refunds	7	-	-
Returns of Equity Holdings	8	-	-
County Own Generated Receipts	9	124,961,836	95,421,471
Returned CRF issues	10	1,721,741,580	2,477,666,724
Total operating receipts		12,095,173,740	13,666,793,162
Payments for operating expenses			
Compensation of Employees	11	-2,335,078,485	-2,368,014,846
Use of goods and services	12	-1,880,140,321	-2,340,068,061
Subsidies	13	-	-
Transfers to Other Government Units	14	-1,919,816,768	-845,040,877
Other grants and transfers	15	-110,000,000	-427,846,538
Social Security Benefits	16	-	-
Finance Costs, including Loan Interest	18	-	-
Other payments	20	-783,438,375	-63,663,093
Total operating payments		-7,028,473,949	-6,044,633,415
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	26	-	-
Increase/(Decrease) in Accounts Payable: (deposits and retention)	27	116,327,304	109,495,859
Other Adjustments	28	-	-
Total adjustments		116,327,304	109,495,859
Net cash flow from operating activities		5,183,027,096	7,731,655,606
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	6	-	-
Acquisition of Assets	17	-4,559,610,341	-5,900,418,167
Net cash flows from Investing Activities		-4,559,610,341	-5,900,418,167
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from Domestic Borrowings	4	-	-
Proceeds from Foreign Borrowings	5	-	-
Repayment of principal on Domestic and Foreign borrowing	19	-	-
Net cash flow from financing activities		-	-

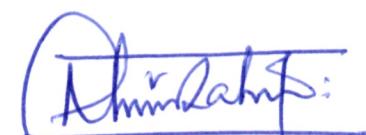
MANDERA COUNTY GOVERNMENT
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NET INCREASE IN CASH AND CASH EQUIVALENTS		623,416,754	1,831,237,439
Cash and cash equivalents at BEGINNING of the year	21	-	-
Cash and cash equivalents at END of the year	24	623,416,754	1,831,237,438

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Mandera County Executive financial statements were approved on 19/08 2021 and signed by:



Chief Officer
Name: Alinoor Mohamed Ali



Chief Finance Officer
Name: Ahmedsalim Ali Osman
ICPAK Member Number: **21986**

MANDEKA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

7.4. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases	10,839,464,454	14,826,792	10,854,291,246	9,813,682,047	911,126,077	92%
Proceeds from Domestic and Foreign Grants						
Transfers from Other Government Entities	313,007,291	2,500,000	315,507,291	434,788,278	53,415,425	89%
Proceeds from Domestic Borrowings	-	-	-	-	-	
Proceeds from Foreign Borrowings	-	-	-	-	-	
Proceeds from Sale of Assets	-	-	-	-	-	
Reimbursements and Refunds	-	-	-	-	-	
Returns of Equity Holdings	-	-	-	-	-	
County Own Generated Receipts	183,559,629	-	183,559,629	124,961,836	58,597,793	68%
Returned CRF issues	1,651,461,467	113,493,402	1,764,954,869	1,721,741,580	-	100%
Total Receipts	12,987,492,841	130,820,194	13,118,313,035	12,095,173,740	1,023,139,295	92%
PAYMENTS						
Compensation of Employees	2,252,665,575	112,051,274	2,364,716,849	2,335,078,485	29,638,364	99%
Use of goods and services	1,725,224,654	161,000,000	1,886,224,654	1,880,140,321	6,084,333	100%
Subsidies	-	-	-	-	-	
Transfers to Other Government Units	2,062,553,228	-	2,062,553,228	1,919,816,768	142,736,460	93%
Other grants and transfers	110,000,000	-	110,000,000	110,000,000	-	100%
Social Security Benefits	-	-	-	-	-	

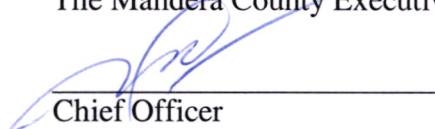
MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

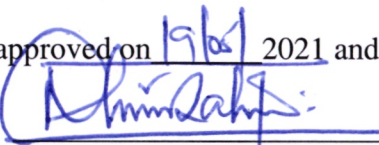
Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Acquisition of Assets	6,091,969,658	-181,431,080	5,910,538,578	4,559,610,341	1,350,928,237	77%
Finance Costs, including Loan Interest	-	-	-	-	-	
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	
Other Payments	745,279,727	39,000,000	784,279,727	783,438,375	841,352	100%
Total	12,987,692,841	130,620,194	13,118,313,035	11,588,084,290	1,530,228,745	88%
SURPLUS/(DEFICIT)						

The local revenues target was not met due to the following reasons;

- Insecurity due terror attacks and inter clan fights affected revenue collection
- drought adversely affected livestock and agricultural related revenues
- Boarder closure due to security issues
- closure of quarry mining site by the national government.
- Break out of Covid-19 Pandemic Immensely affected revenue collection

The Mandera County Executive financial statements were approved on 19/01 2021 and signed by:


 Chief Officer
 Name: Alinoor Mohamed Ali


 Chief Finance Officer
 Name: Ahmedsalim Ali Osman
 ICPAK Member Number: 21986



MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

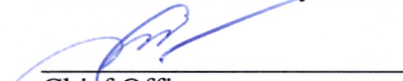
7.5. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases	6,222,222,408	297,681,216	6,519,903,624	6,403,348,278	116,555,346	98 %
Proceeds from Domestic and Foreign Grants			-		-	
Transfers from Other Government Entities			-	-	-	
Proceeds from Domestic Borrowings			-	-	-	
Proceeds from Foreign Borrowings			-	-	-	
Proceeds from Sale of Assets			-	-	-	
Reimbursements and Refunds			-	-	-	
Returns of Equity Holdings			-	-	-	
County Own Generated Receipts	183,559,629	-	183,559,629	124,961,836	58,597,793	68 %
Returned CRF issues	104,741,146	14,570,058	119,311,204	119,311,204	-	100 %
TOTAL	6,510,523,183	312,251,274	6,822,774,457	6,647,621,318	175,153,139	97 %
PAYMENTS						
Compensation of Employees	2,252,665,575	112,051,274	2,364,716,849	2,335,078,485	29,638,364	99 %
Use of goods and services	1,725,224,654	161,000,000	1,886,224,654	1,880,140,321	6,084,333	100 %
Subsidies	-		-	-	-	
Transfers to Other Government Units	2,062,153,228		2,062,153,228	1,919,816,768	142,336,460	93 %
Other grants and transfers	110,000,000		110,000,000	110,000,000	-	100 %
Social Security Benefits					-	
Acquisition of Assets					-	
Finance Costs, including Loan Interest					-	
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	

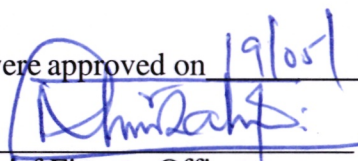
MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Other Payments	360,679,727	39,000,000	399,679,727	399,660,154	19,573	100 %
TOTAL	6,510,723,183	312,051,274	6,822,774,457	6,644,695,728	178,078,730	97 %
SURPLUS/(DEFICIT)						

The Mandera County Executive financial statements were approved on 19/05/2021 and signed by:


 Chief Officer

Name: Alinoor Mohamed Ali


 Chief Finance Officer

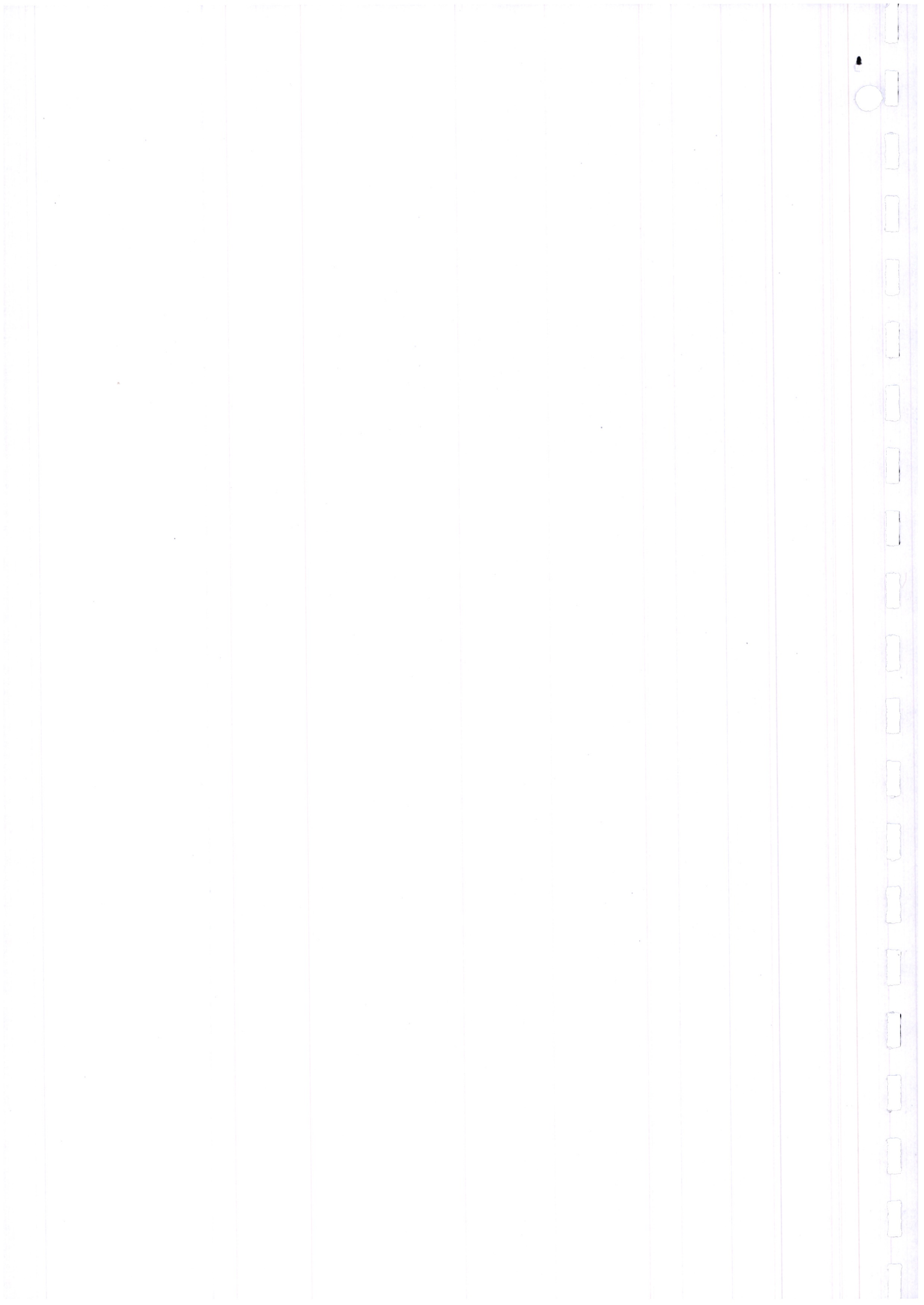
Name: Ahmedsalim Ali Osman

ICPAK Member Number: **21986**

MANDEKA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

7.6. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases	4,617,242,046	-282,854,424.00	4,334,387,622	3,410,333,769	924,053,853	79%
Proceeds from Domestic and Foreign Grants		-	-		-	
Transfers from Other Government Entities	313,007,291	2,500,000	315,507,291	434,788,278	-119,280,987	138%
Proceeds from Domestic Borrowings			-	-	-	
Proceeds from Foreign Borrowings			-	-	-	
Proceeds from Sale of Assets			-	-	-	
Reimbursements and Refunds			-	-	-	
Returns of Equity Holdings			-	-	-	
County Own Generated Receipts			-	-	-	
Returned CRF issues	1,546,720,321	98,923,344	1,645,643,665	1,602,430,376	43,213,289	97%
TOTAL	6,476,969,658	-181,431,080	6,295,538,578	5,447,552,423	847,986,155	87%
PAYMENTS						
Compensation of Employees						
Use of goods and services	-	-	-		-	
Subsidies			-		-	
Transfers to Other Government Units			-		-	
Other grants and transfers	-	-	-	-	-	
Social Security Benefits					-	
Acquisition of Assets	6,091,969,658	-181,431,080	5,910,538,578	4,559,610,341	1,350,928,237	77%

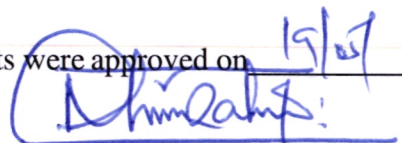


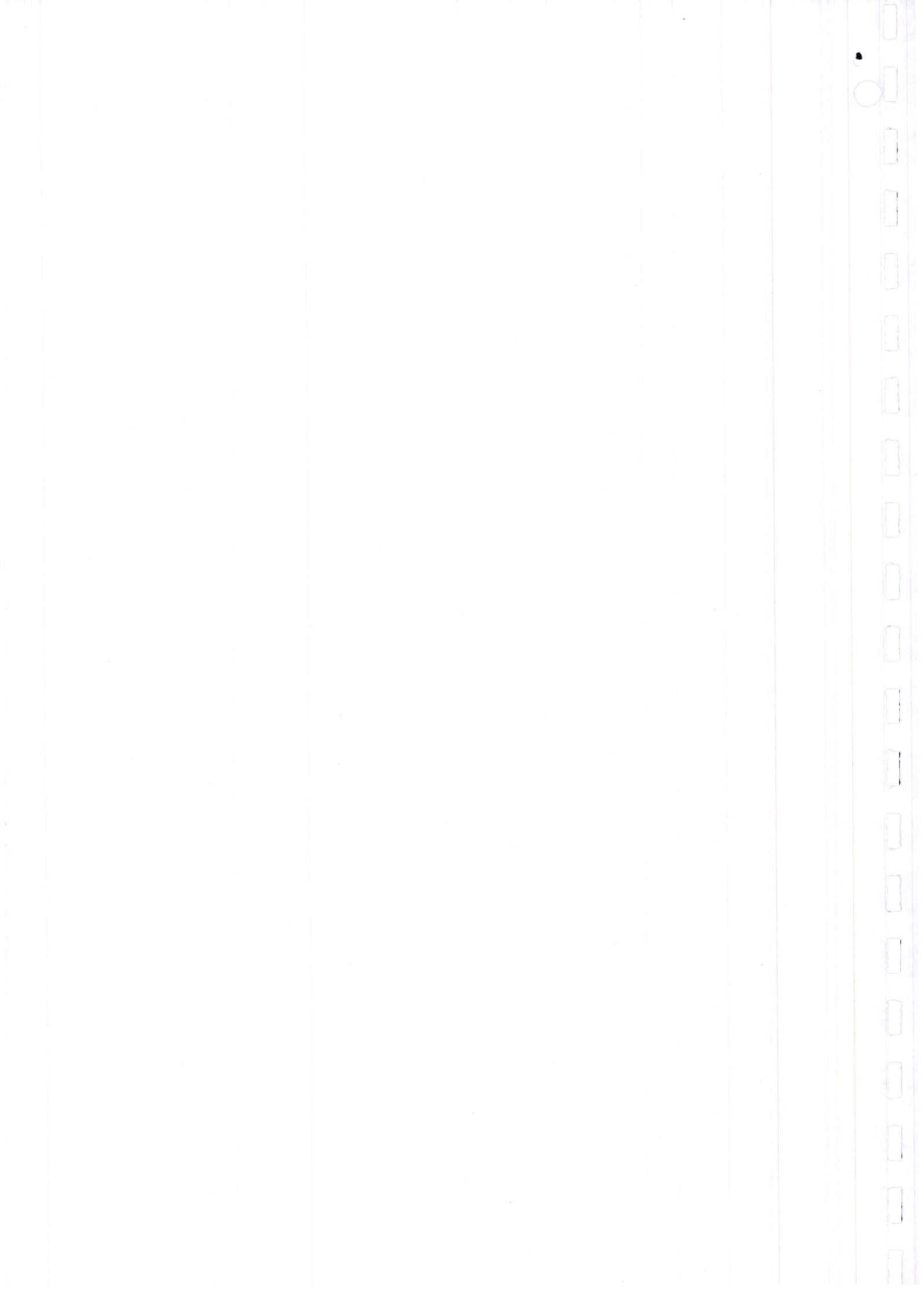
MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Finance Costs, including Loan Interest	-	-	-	-	-	
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	
Other Payments	385,000,000		385,000,000	383,778,221	1,221,779	100 %
TOTALS	6,476,969,658	-181,431,080	6,295,538,578	4,943,388,562	1,352,150,016	79 %
SURPLUS/(DEFICIT)						

The Mandera County Executive financial statements were approved on 19/07 2021 and signed by:

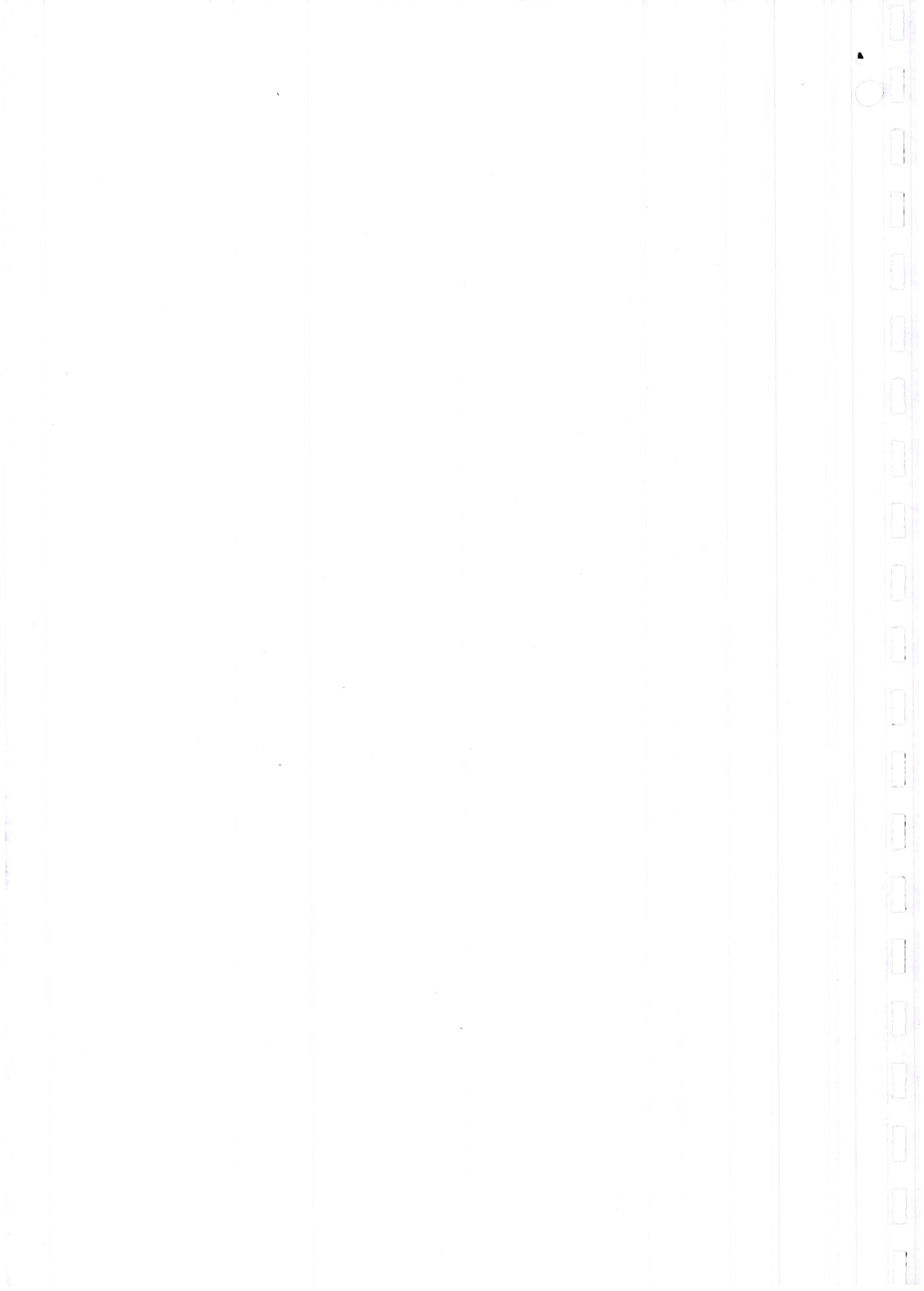

 Chief Officer
 Name: Alinoor Mohamed Ali


 Chief Finance Officer
 Name: **Ahmedsalim Ali Osman**
 ICPAK Member Number: **21986**



MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020
7.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Head	Sub-Program	Approved Budget	Actual Payments	Variance	Implementation Status
		A	B	C=A-B	D=B/A*100
P1: Administration & Compensation	SP1: Administration and Support Services	140,117,422.00	133,102,882.00	7,014,540.00	94.99
	SP2: Administration Services	3,063,517,696.00	2,918,042,451.05	145,475,244.95	95.3
	Sub-Total	3,203,635,118.00	3,051,145,333.05	152,489,784.95	95.2
P2: Livestock Agricultural Sector Support	SP1: Agricultural Infrastructure, Conservation and Research	884,573,792.00	705,436,171.05	179,137,620.95	79.7
	SP2: Livestock Agricultural Sector Support	221,273,247.00	218,042,428.40	3,230,818.60	98.5
	Sub-Total	1,105,847,039.00	923,478,599.45	182,368,439.55	83.5
P3: General Administration and Support Services	SP1: General Administration & Support Services	626,185,628.00	614,881,832.95	11,303,795.05	98.2
	SP2: General Administration & Support Services	2,248,177,659.00	2,162,771,690.37	85,405,968.63	96.2
	Sub-Total	2,874,363,287.00	2,777,653,523.32	96,709,763.68	96.6
P4: Co-operative Development Programmes	SP1: Cooperatives Agricultural Support	8,800,000.00	7,920,000.00	880,000.00	90.0
	Sub-Total	8,800,000.00	7,920,000.00	880,000.00	90.0
P5: Trade development	SP1: Trade development & Promotion	273,757,528.00	231,940,486.75	41,817,041.25	84.7
	Sub-Total	273,757,528.00	231,940,486.75	41,817,041.25	84.7



MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

P6: Youth Rehabilitation and Development	SP1: Youth Development Programmes and Policy	59,848,646.00	53,693,526.05	6,155,119.95	89.7
	Sub-Total	59,848,646.00	53,693,526.05	6,155,119.95	89.7
P7: Physical Infrastructure Development	SP1: Infrastructure & Equipment	307,742,294.00	126,258,560.05	181,483,733.95	41.0
	SP2: Infrastructure Construction, Expansion and Maintenance	825,218,229.00	671,436,150.40	153,782,078.60	81.4
	SP3: Infrastructure Development and Expansion	246,297,599.00	203,505,743.40	42,791,855.60	82.6
	SP4: Infrastructure Development and Expansion	1,288,238,366.00	968,582,492.77	319,655,873.23	75.2
	Sub-Total	2,667,496,488.00	1,969,782,946.62	697,713,541.38	73.8
P8: Sports and Early Childhood Development Education (ECDE)	SP1: ECDE Infrastructure.	452,144,521.00	448,435,129.00	3,709,392.00	99.2
	Sub-Total	452,144,521.00	448,435,129.00	3,709,392.00	99.2
P9: Legislation & Oversight Services	SP1: County Assembly Administration offices	268,827,226.00	218,825,755.00	50,001,471.00	81.4
	Sub-Total	268,827,226.00	218,825,755.00	50,001,471.00	81.4
P10: Financial Services	SP1: Procurement Services	413,374,887.00	412,115,801.65	1,259,085.35	99.7
	SP2: Finance information systems	67,778,989.00	61,410,897.00	6,368,092.00	90.6
	Sub-Total	481,153,876.00	473,526,698.65	7,627,177.35	98.4
P11: Solar Energy and Environmental Services	SP1: Water Storage Structures	1,101,741,987.00	828,601,264.82	273,140,722.18	75.2
	SP2: Water provision services	523,565,832.00	511,966,067.00	11,599,765.00	97.8



MANDEKA COUNTY GOVERNMENT**Reports and Financial Statements****For the year ended June 30, 2020**

	Sub-Total	1,625,307,819.00	1,340,567,331.82	284,740,487.18	82.5
P12: Water Provision Services	SP1: Street lighting	44,803,360.00	42,304,350.00	2,499,010.00	94.4
	SP2: Environmental Protection	52,328,128.00	48,810,610.00	3,517,518.00	93.3
	Sub-Total	97,131,488.00	91,114,960.00	6,016,528.00	93.8
	GRAND TOTAL	13,118,313,036.00	11,588,084,289.70	1,530,228,746.30	88.3

7.8. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

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

2. Reporting entity

The financial statements are for the Mandera County Government (Executive). The financial statements encompass the reporting entity as specified under section 164 of the PFM Act 2012.

3. Recognition of receipts and payments

a) Recognition of receipts

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

Tax receipts

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

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

External Assistance

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

Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

Proceeds from borrowing

Borrowing includes Treasury bill, treasury bonds, corporate bonds; sovereign bonds and external loans acquired by the entity or any other debt the County Government may take on will be treated on cash basis and recognized as receipts during the year of receipt.

Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for projects currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. During the year ended 30th June 2020, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans. The amount of undrawn external assistance for the year is detailed in the notes

County Own Generated Receipts

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

Returns to CRF Issues

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

b) Recognition of payments

The Mandera County Government (Executive) recognises all expenses when the event occurs and the related cash has actually been paid out.



SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensation of employees

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

Use of goods and services

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

Interest on borrowing

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

Repayment of borrowing (principal amount)

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

Acquisition of fixed assets

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

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

4. In-kind contributions

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

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 is detailed in the notes to this financial statement.

6. Cash and cash equivalents

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

Restriction on cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2020, this amounted to KShs.116,327,304 compared to KShs 109,495,859 in prior period as indicated on note 21A.

There were no other restrictions on cash during the year

7. Accounts Receivable

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

8. Accounts Payable

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



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

10. Pending bills

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

11. Contingent Liabilities

A contingent liability is:

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

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

The Mandera County Government (Executive) 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 5 of this financial statement is a register of the contingent liabilities in the year.

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Contingent Assets

The Mandera County Executive 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 Mandera County Executive in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

13. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The Mandera County Executive's budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on 30th Jun 2019 for the period 1st July 2019 to 30 June 2020 as required by law. There was Three (3) number of supplementary budgets passed in the year. A high-level assessment of the Mandera County Executive's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

14. Comparative figures

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

15. Subsequent events

Events subsequent to submission of the financial year end financial statements to the National Treasury and other stakeholders with a significant impact on the financial statements may be adjusted with the concurrence of National Treasury.

16. Errors

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

17. Related party transactions

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



MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

7.9. NOTES TO THE FINANCIAL STATEMENTS

1. EXCHEQUER RELEASES

Description	2019 - 2020	2018 - 2019
	KShs	KShs
Total Exchequer Releases for quarter 1	1,778,793,300	
Total Exchequer Releases for quarter 2	1,931,990,447	
Total Exchequer Releases for quarter 3	1,993,475,250	
Total Exchequer Releases for quarter 4	4,109,423,051	
Total	9,813,682,047	10,777,608,554

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

1A. Equitable Share

Description	2019 - 2020	2018 - 2019
	KShs	KShs
Total Equitable Share for quarter 1	1,778,793,300	507,110,000
Total Equitable Share for quarter 2	1,840,131,000	2,636,972,000
Total Equitable Share for quarter 3	1,993,475,250	2,789,105,000
Total Equitable Share for quarter 4	3,731,376,750	4,209,013,000
Total	9,343,776,300	10,142,200,000

1B: Level 5 Hospitals Allocation

Description	2019 - 2020	2018 - 2019
	KShs	KShs
Transfers for level 5 hospitals	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

Description	2019 - 2020	2018 - 2019
	KShs	KShs
DANIDA - Universal Healthcare in Devolved Units Programme	41,586,250	32,653,126
World Bank – THUSCP	65,351,998	85,173,208
User Fees foregone (Ministry of Health)	25,474,920	-
Kenya Devolution Support Programme	30,000,000	235,542,828
Youth Polytechnic support grant	22,113,298	-
KENYA URBAN SUPPORT PROJECT (KUSP) -URBAN INSTITUTIONAL GRANTS (UIG)	8,800,000	41,200,000
Kenya Urban Support Programme	125,752,927	175,819,500
Agriculture Sector Development Support Project (ASDSP)	-	10,161,036
Kenya Climate Smart Agriculture Project (KCSAP)	150,826,354	54,858,856
TOTAL	469,905,747	635,408,554

2. PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

Name of Donor	Date received	Amount in foreign currency	2019 - 2020	2018 - 2019
			KShs	KShs
Grants Received from Bilateral Donors (Foreign Governments)				
(Insert name of donor)	-	-	-	-
Grants Received from Multilateral Donors (International Organisations)				
(Insert name of donor)	-	-	-	-
(Insert name of donor)	-	-	-	-
Grants Received from other levels of government				
(Insert name of donor)	-	-	-	-
(Insert name of donor)	-	-	-	-
Total			-	-



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2019 - 2020	2018 - 2019
	KShs	KShs
Transfers from Central government entities		
Fuel Levy Fund (State Department of Infrastructure)	290,185,218	267,035,293
Agriculture Sector Development Support Project (ASDSP)	21,435,060	23,586,200
User Fees foregone (Ministry of Health)		25,474,920
Ministry of Health Result Based Financing/ COVID	91,323,000	
Ministry of Health Result Based Financing/ COVID Medical staff allowances	31,845,000	
Ministry of Health World Bank		
Defunct Local Authorities		
Transition Authority		
Transfers from Counties		
(insert name of budget agency)	-	-
(insert name of budget agency)	-	-
TOTAL	434,788,278	316,096,413

4. PROCEEDS FROM DOMESTIC BORROWINGS

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. PROCEEDS FROM FOREIGN BORROWINGS

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

6. PROCEEDS FROM SALE OF ASSETS

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

7. REIMBURSEMENTS AND REFUNDS

	2019 - 2020	2018 - 2019
	KShs	KShs
Refund from World Food Programme (WFP)	-	-
Reimbursement of Audit Fees	-	-
Reimbursement on Messing Charges (UNICEF)	-	-
Reimbursement from World Bank – ECD	-	-
Reimbursement from Individuals & Private Organisations	-	-
Reimbursement from Local Government Authorities	-	-
Reimbursement from Statutory Organisations	-	-
Reimbursement within Central Government	-	-
Reimbursement Using Bonds	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. RETURNS OF EQUITY HOLDINGS

	2019 - 2020	2018 - 2019
	KShs	KShs
Returns of Equity Holdings in Domestic Organisations	-	-
Returns of Equity Holdings in International Organisations	-	-
Total	-	-

9. COUNTY OWN GENERATED RECEIPTS

	2019 - 2020	2018 - 2019
	KShs	KShs
Hospital Collection	21,577,484	20,314,460
Land Rents	33,999,995	17,885,270
Single Business Permit	12,043,890	9,776,850
Miraa Movements	6,843,700	7,892,200
Barriers	5,809,701	7,495,200
Land Transfers	8,736,350	5,707,000
Slaughter Fees And Charges	6,771,711	4,415,290
Livestock Markets	2,395,975	3,048,300
Markets Stalls	3,700,870	2,997,030
Tender And Quantity Surveying Fees	689,500	2,712,000
Livestock Movement	4,931,720	2,548,700
Income From Water Management	5,951,897	2,136,950
Agriculture Mechanization Services	623,000	1,976,000
Others	3,201,008	1,850,601
Public Health	1,635,770	1,026,300
Market Shades	1,075,480	
Stores	308,250	926,720
Buspark/Taxis	725,469	756,450
Building Plan	1,722,250	741,400
Rental Income	1,194,352	556,300
Produce Cess	411,624	367,400
Income From Quarries	611,840	291,050
Lease / Rental Of Council's Infrastructure Assets	-	-
Infrastructure assets	-	-
Other Miscellaneous Revenues	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	124,961,836	95,421,471

MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

10. RETURNED CRF ISSUES

	2019 - 2020	2018 - 2019
	KShs	KShs
Return to CRF	1,721,741,580	2,477,666,724
Recurrent account	-	-
Development account	-	-
Deposit account	-	-
Total	1,721,741,580	2,477,666,724

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. COMPENSATION OF EMPLOYEES

	2019 - 2020	2018 - 2019
	KShs	KShs
Basic salaries of permanent employees	822,602,658	818,976,451
Basic wages of temporary employees	124,576,589	139,551,626
Personal allowances paid as part of salary	1,117,256,270	1,170,608,568
Personal allowances paid as reimbursements	-	-
Government pension and retirement benefits(gratuity)	76,397,936	37,432,567
Pension and other social security contributions	104,904,875	92,099,382
Compulsory national social security schemes	1,605,600	3,510,900
Compulsory national health insurance schemes	35,495,500	37,092,600
Social benefit schemes outside government	-	-
Other personnel payments	52,239,058	68,742,753
Total	2,335,078,485	2,368,014,846

12. USE OF GOODS AND SERVICES

	2019 - 2020	2018 - 2019
	KShs	KShs
Utilities, supplies and services	3,454,313	9,301,000
Communication, supplies and services	28,346,177	3,675,805
Domestic travel and subsistence	36,709,569	14,925,330
Foreign travel and subsistence	4,537,247	19,924,330
Printing, advertising and information supplies & services	26,448,339	8,436,524
Rentals of produced assets	126,945,514	22,249,697
Training expenses	20,527,240	28,204,710
Hospitality supplies and services	52,656,810	27,755,065
Insurance costs	294,020,749	205,498,340
Specialised materials and services	827,035,542	599,361,702
Office and general supplies and services	61,029,646	24,591,161
Other operating expenses	301,892,116	1,243,240,088
Routine maintenance – vehicles and other transport equipment	54,584,222	35,650,531
Routine maintenance – other assets	4,941,198	77,096,040
Fuel oil and lubricants	37,011,639	20,157,738
Total	1,880,140,321	2,340,068,061

MANDERA COUNTY GOVERNMENT
Reports and Financial Statements
For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. SUBSIDIES

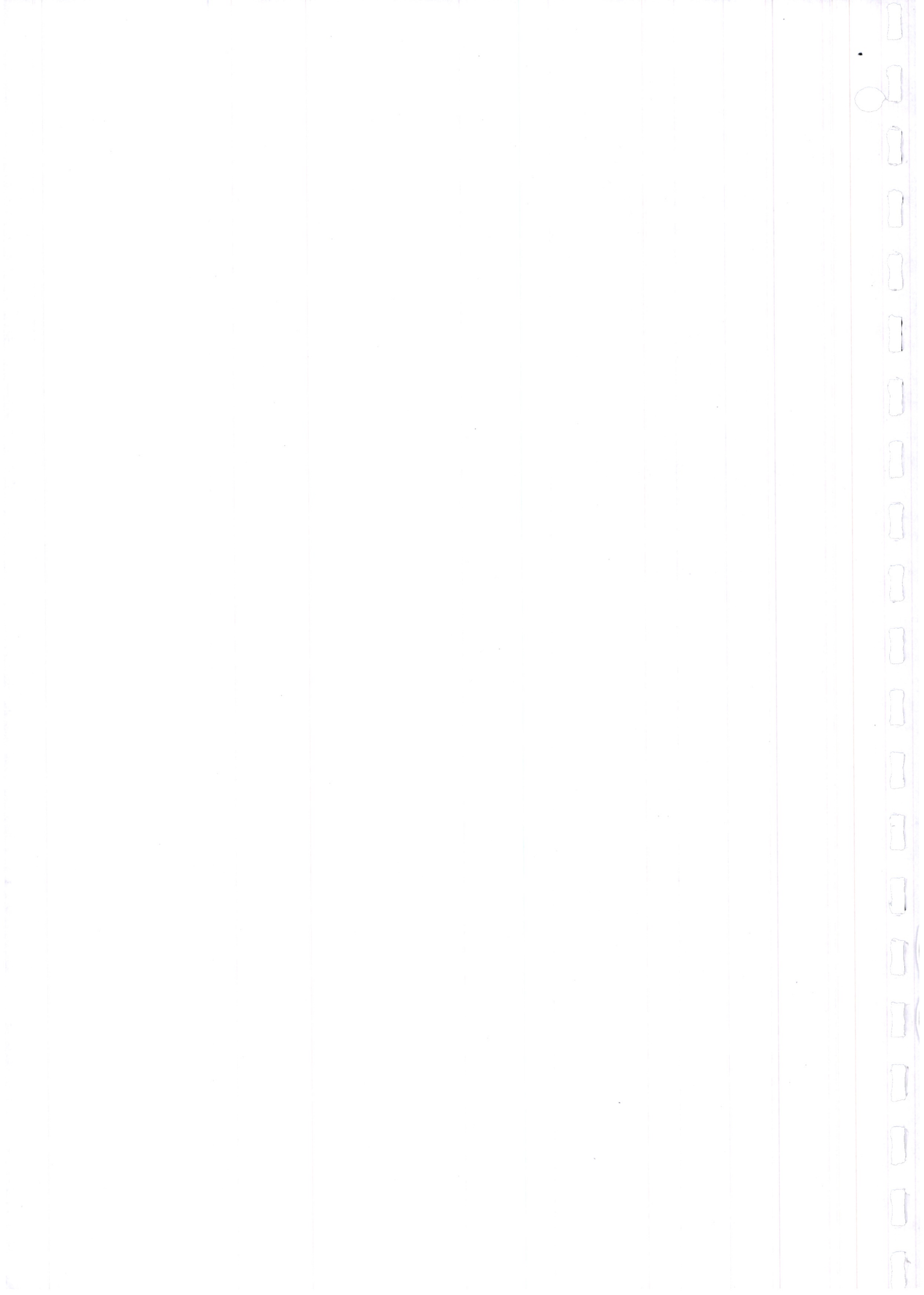
Description	2019 - 2020	2018 - 2019
	KShs	KShs
Subsidies to Public Corporations		
<i>See list attached</i>	-	-
(insert name)	-	-
Subsidies to Private Enterprises	-	-
<i>See list attached</i>	-	-
(insert name)	-	-

14. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019 - 2020	2018 - 2019
	KShs	KShs
Mandera County Assembly	733,174,263	733,921,877
MANDAWASCO	226,550,000	90,000,000
Mandera Municipality	163,867,550	21,119,000
Transfers to Departments	491,201,393	-
Transfers to KCASP	134,963,309	-
Transfers to ASDSP	26,935,060	-
Transfers to Vocational Training Centres	44,219,947	-
Transfers to Hospitals, Dispensary and CHMT	48,905,246	-
Mandera County for Urban Institution	50,000,000	-
(insert name of budget agency)	-	-
TOTAL	1,919,816,768	845,040,877

15. OTHER GRANTS AND PAYMENTS

	2019 - 2020	2018 - 2019
	KShs	KShs
Scholarships and other educational benefits	110,000,000	126,315,000
Emergency relief and refugee assistance		280,731,969
Drought Contingency		20,799,568
Total	110,000,000	427,846,538



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. SOCIAL SECURITY BENEFITS

	2019 - 2020	2018 - 2019
	KShs	KShs
Government pension and retirement benefits	-	-
Social security benefits in cash and in kind	-	-
Employer Social Benefits in cash and in kind	-	-
Total	-	-

17. ACQUISITION OF ASSETS

Non- Financial Assets	2019 - 2020	2018 - 2019
	KShs	KShs
Purchase of Buildings	-	-
Construction of Buildings	1,604,006,036	1,548,159,424
Refurbishment of Buildings	152,741,107	43,419,446
Construction of Roads	502,689,944	1,344,003,018
Construction and Civil Works	1,750,639,293	1,897,471,482
Overhaul and Refurbishment of Construction and Civil Works		230,616,718
Purchase of Vehicles and Other Transport Equipment	29,847,401	176,878,900
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture, ICT and General Equipment	148,953,094	124,527,062
Purchase of ICT Equipment	-	-
Purchase of Specialised Plant, Equipment and Machinery	54,693,991	282,790,579
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Purchase of Certified Seeds, Breeding Stock and Live Animals	-	-
Research, Studies, Project Preparation, Design & Supervision	6,339,655	43,036,256
Rehabilitation of Civil Works	309,699,820	209,515,281
Acquisition of Strategic Stocks and commodities	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total acquisition of non- financial assets	4,559,610,341	5,900,418,167
Financial Assets		
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Total acquisition of financial assets	-	-
Total acquisition of assets	4,559,610,341	5,900,418,167

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. FINANCE COSTS, INCLUDING LOAN INTEREST

	2019 - 2020	2018 - 2019
	KShs	KShs
Exchange Rate Losses	-	-
Interest Payments on Foreign Borrowings	-	-
Interest Payments on Guaranteed Debt Taken over by Govt	-	-
Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
Total	-	-

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

	2019 - 2020	2018 - 2019
	KShs	KShs
Repayments on Borrowings from Domestic	-	-
Principal Repayments on Guaranteed Debt Taken over by Government	-	-
Repayments on Borrowings from Other Domestic Creditors	-	-
Repayment of Principal from Foreign Lending & On – Lending	-	-
Total	-	-

20. OTHER PAYMENTS

	2019 - 2020	2018 - 2019
	KShs	KShs
Budget Reserves	-	-
Civil Contingency Reserves	399,660,154	-
Other payments	383,778,221	63,663,093
Domestic accounts	-	-
	783,438,375	63,663,093

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. CASH AND BANK BALANCES

21A. BANK BALANCES

Name of Bank, Account No. & currency	Amount in bank account currency *	Indicate whether recurrent, Development, deposit, receipts e.t.c	Ex. rate (if in foreign currency)	2019 - 2020	2018 - 2019
				KShs	KShs
Mandera County Recurrent- Central Bank Of Kenya, 1000170913, Kes		Recurrent		53,038	-
Mandera County Development- Central Bank Of Kenya, 1000170848, Kes		Development		54,581	-
Mandera County Road Maint. Levy- Central Bank Of Kenya, 1000297964, Kes				87,479,760	-
Mandera County Village Polytechnic Project- Central Bank Of Kenya, 1000369515 Kes		Deposit		6,650	-
Mandera County Special Purpose Acc- Central Bank Of Kenya, 1000275316, Kes				9,604,002	14,570,058
Mandera County Kenya Dev Supp Progr-Central Bank of Kenya 1000432217 Kes				119,011,758	-
Mandera Municipality Urban Dev Grant- Central Bank of Kenya 1000392762 Kes				79,242,718	-
Mandera County - Revenue Fund Central Bank Of Kenya, 1000171472 Kshs.				211,636,943	1,608,234,894

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Mandera County Retention Account National Bank Of Kenya, 01001100414500 Kshs.				116,327,304	109,495,859
Mandera County Ke Climate Smart Agr Prj- Central Bank Of Kenya Kes 1000368535				-	13,283
Mandera County Salary Account-KCB Mandera Branch 1140745662				-	
Mandera County Urban Institutional- Central Bank Of Kenya Kes 1000392819				-	98,923,344
Mandera County - Revenue Acc Equity Mdr Branch 1000260858505				-	-
Mandera County SP Pur Acc ASDSP Pro-Central Bank Of Kenya 1000368551				-	
Mandera County - Revenue Acc National Bank Mdr Branch 01042097914300				-	-
Mandera County - Revenue Acc Kcb Mdr Branch 1140759469				-	-
Total				623,416,754	1,831,237,438.00

21B. CASH IN HAND

	2019 - 2020	2018 - 2019
	KShs	KShs
Cash in Hand – Held in domestic currency	-	-
Cash in Hand – Held in foreign currency	-	-
Total	-	-

Cash in hand should also be analysed as follows:

	2019 - 2020	2018 - 2019
	KShs	KShs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

<i>Description</i>	2019 - 2020	2018 - 2019
	KShs	KShs
Government Imprests	-	-
Clearance accounts	-	-
Total	-	-

23. ACCOUNTS PAYABLE

	2019 - 2020	2018 - 2019
	KShs	KShs
Deposits		
Retention monies	116,327,304	109,495,859
Total	116,327,304	109,495,859

24. FUND BALANCE BROUGHT FORWARD

	2019 - 2020	2018 - 2019
	KShs	KShs
Bank accounts	-	-
Cash in hand	-	-
Accounts Receivables	-	-
Accounts Payables	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

25. PRIOR YEAR ADJUSTMENTS a prior period adjustment really applies to the correction of an error in the financial statements of a prior period

	Balance b/f FY 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2010/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
	-	-	-

(Explain whether the prior year relates to errors noted in prior year, changes in estimates or accounting policy.)

26. CHANGES IN RECEIVABLES

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

27. CHANGES IN ACCOUNTS PAYABLES – DEPOSITS AND RETENTIONS

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July 2019 (A)	109,495,859	-
Deposit and Retentions held during the year (B)	338,266,023	-
Deposit and Retentions paid during the Year (C)	331,434,578	-
Net changes in account receivables D= A+B-C	116,327,304	-

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8.0. OTHER IMPORTANT DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 2)

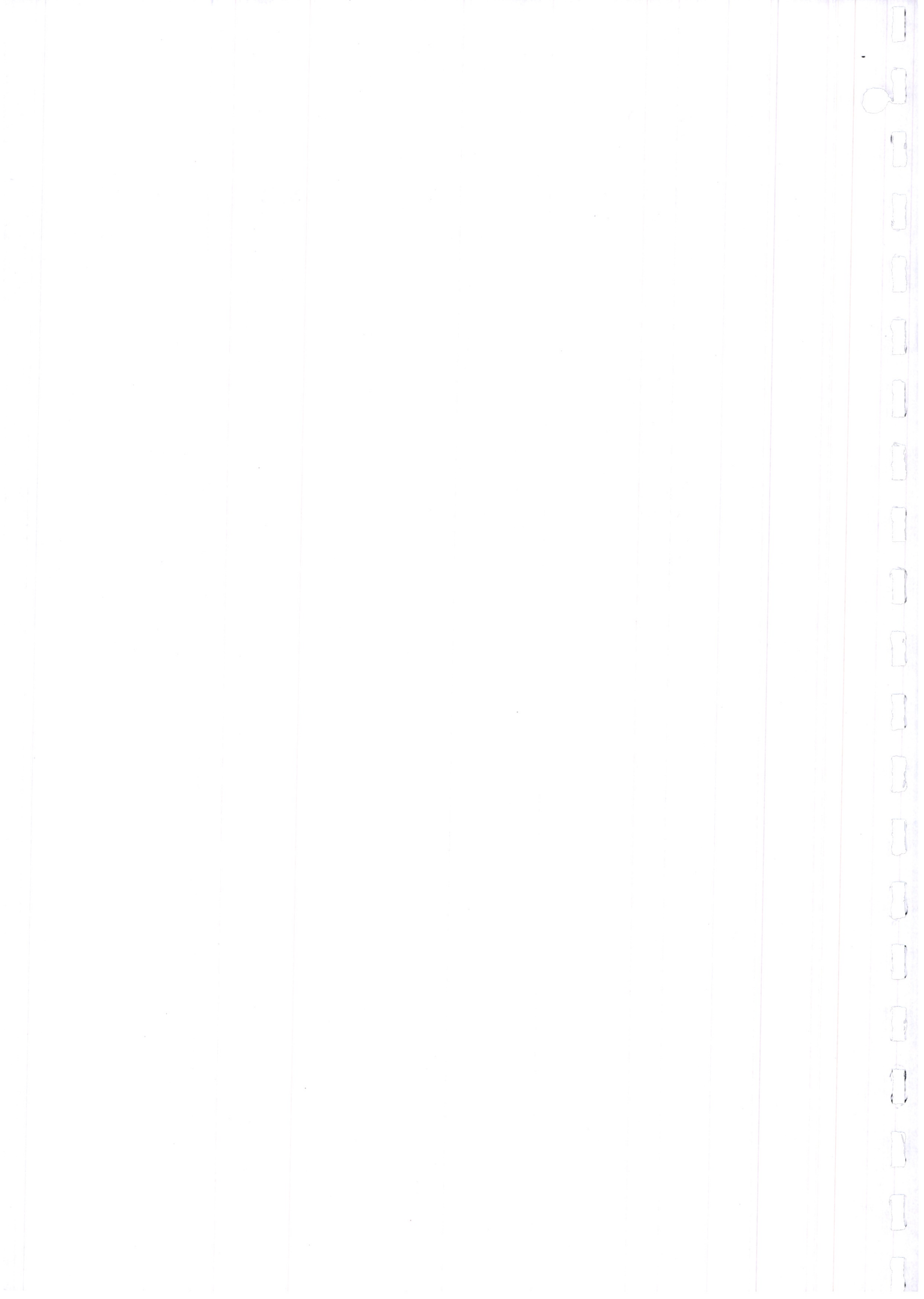
	Balance b/f FY 2018/2019	Additions for the period	Paid during the year	Balance c/f FY 2019/2020
Description	Kshs	Kshs	Kshs	Kshs
Construction of buildings				7,697,510
Construction of civil works				17,421,804
Supply of goods				2,050,000
Supply of services				167,155,189
Total				194,324,503

2. PENDING STAFF PAYABLES (See Annex 2)

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

3. OTHER PENDING PAYABLES (See Annex 3)

	Balance b/f FY 2018/2019	Additions for the period	Paid during the year	Balance c/f FY 2019/2020
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government entities	-	-	-	-
Amounts due to County Government entities	-	-	-	-
Amounts due to third parties	-	-	-	-
Total	-	-	-	-



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4. External Assistance

	FY 2019/2020	FY 2018/2019
Description	Kshs	Kshs
External assistance received in cash	-	-
External assistance received as loans and grants	-	-
External assistance received in kind- as payment by third parties	-	-
Total	-	-

a) External assistance relating loans and grants

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

b) Undrawn external assistance

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

c. Classes of providers of external assistance

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



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d. Non-monetary external assistance

		FY 2019/2020	FY 2018/2019	
	Description	Kshs	Kshs	
	Goods	-	-	-
	Services	-	-	-
	Total	-	-	-

E Purpose and use of external assistance

PAYMENTS MADE BY THIRD PARTIES	FY 2019/2020	FY 2018/2019
Compensation of Employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to Other Government Units	-	-
Other grants and transfers	-	-
Social Security Benefits	-	-
Acquisition of Assets	-	-
Finance Costs, including Loan Interest	-	-
Repayment of principal on Domestic and Foreign borrowing	-	-
Other Payments	-	-
TOTAL	-	-



5. PAYMENTS BY THIRD PARTY ON BEHALF OF THE COUNTY

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.

Classification by Source

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

Classification of payments made by Third Parties by Nature of expenses

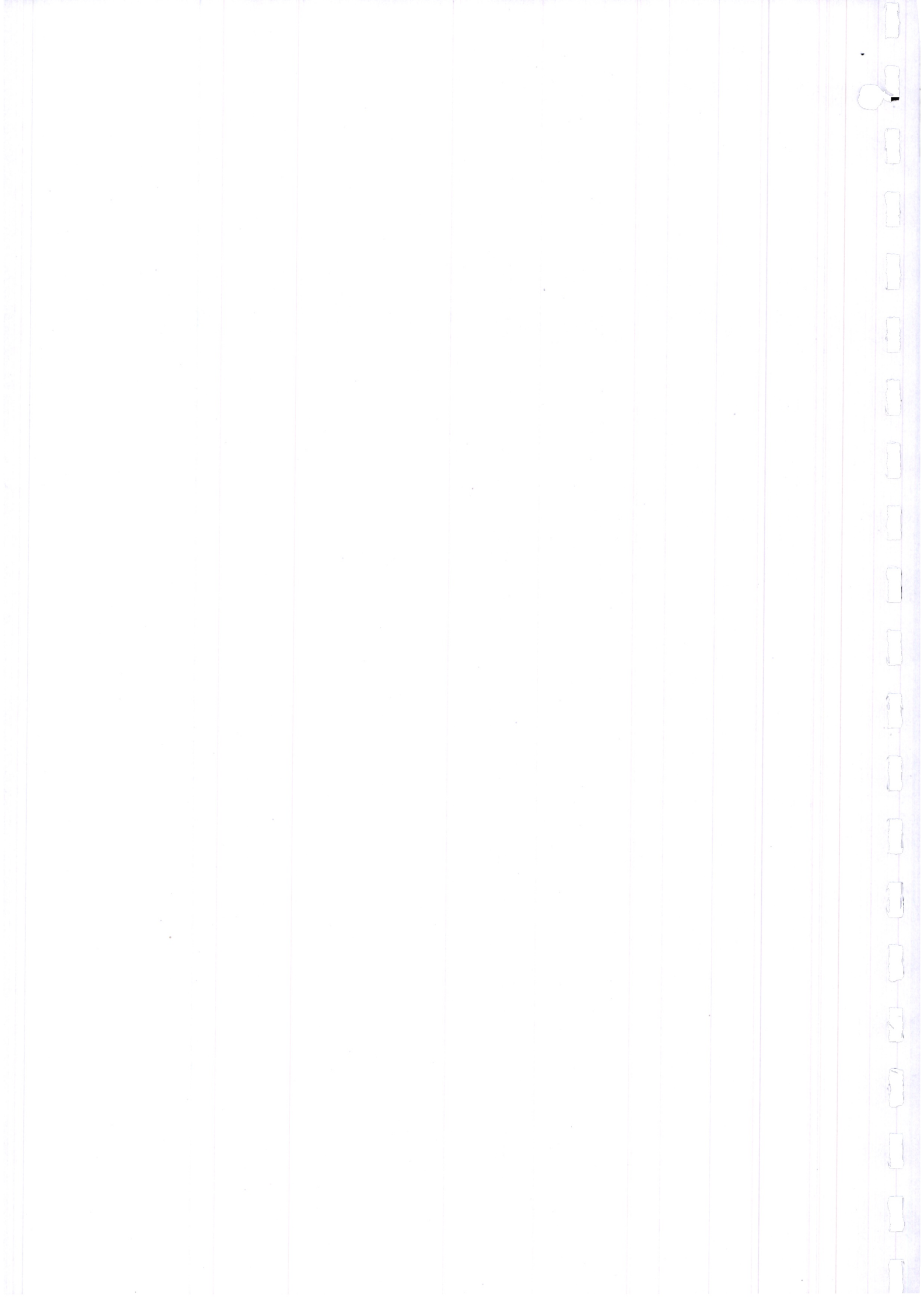
PAYMENTS MADE BY THIRD PARTIES	FY 2019/2020	FY 2018/2019
Compensation of Employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to Other Government Units	-	-
Other grants and transfers	-	-
Social Security Benefits	-	-
Acquisition of Assets	-	-
Finance Costs, including Loan Interest	-	-
Repayment of principal on Domestic and Foreign borrowing	-	-
Other Payments	-	-
TOTAL	-	-

6. RELATED PARTY DISCLOSURES

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

The following comprise of related parties to the County Government:

- Key management personnel that include the Governor, the Deputy Governor, Members of the County Assembly, CECs and Chief Officers for various County Ministries and Departments;
- County Ministries and Departments;



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- The National Government;
- Other County Governments; and
- State Corporations and Semi-Autonomous Government Agencies.

Related party transactions

	2019- 2020	2018- 2019
	Kshs	Kshs
Key Management Compensation (Governors, CEC Members and COs)	-	-
Transfers to related parties		
Transfer to the Mandera County Assembly	733,174,263	733,921,877
Transfers to Mandera Municipality	163,867,550	21,119,000
Transfers to Development Projects	-	-
Transfers to non reporting entities e.g schools and welfare	-	-
Transfers to Mandera Water and Sewerage Company	226,550,000	90,000,000
Expenses paid on behalf of County Water Service Providers	-	-
Total Transfers to related parties	1,123,591,813	845,040,877
Transfers from related parties		
Transfers from the Exchequer	9,343,776,300	10,142,200,000
Transfers from MDAs	-	-
Transfers from SCs and SAGAs- National Government	434,788,278	316,096,413
Grants Received from Bilateral Donors (Foreign Governments)	469,905,747	635,408,553
Total Transfers from related parties	10,248,470,325	11,093,704,967

7. ESTABLISHMENT OF OTHER COUNTY GOVERNMENT ENTITIES

The PFM Act, 2012 section 182 enables the County Government to establish and dissolve County Corporations/ entities. For purposes of follow up on financial reporting, audit and disclosure, outlined below is a list of entities established by the County Government since inception.

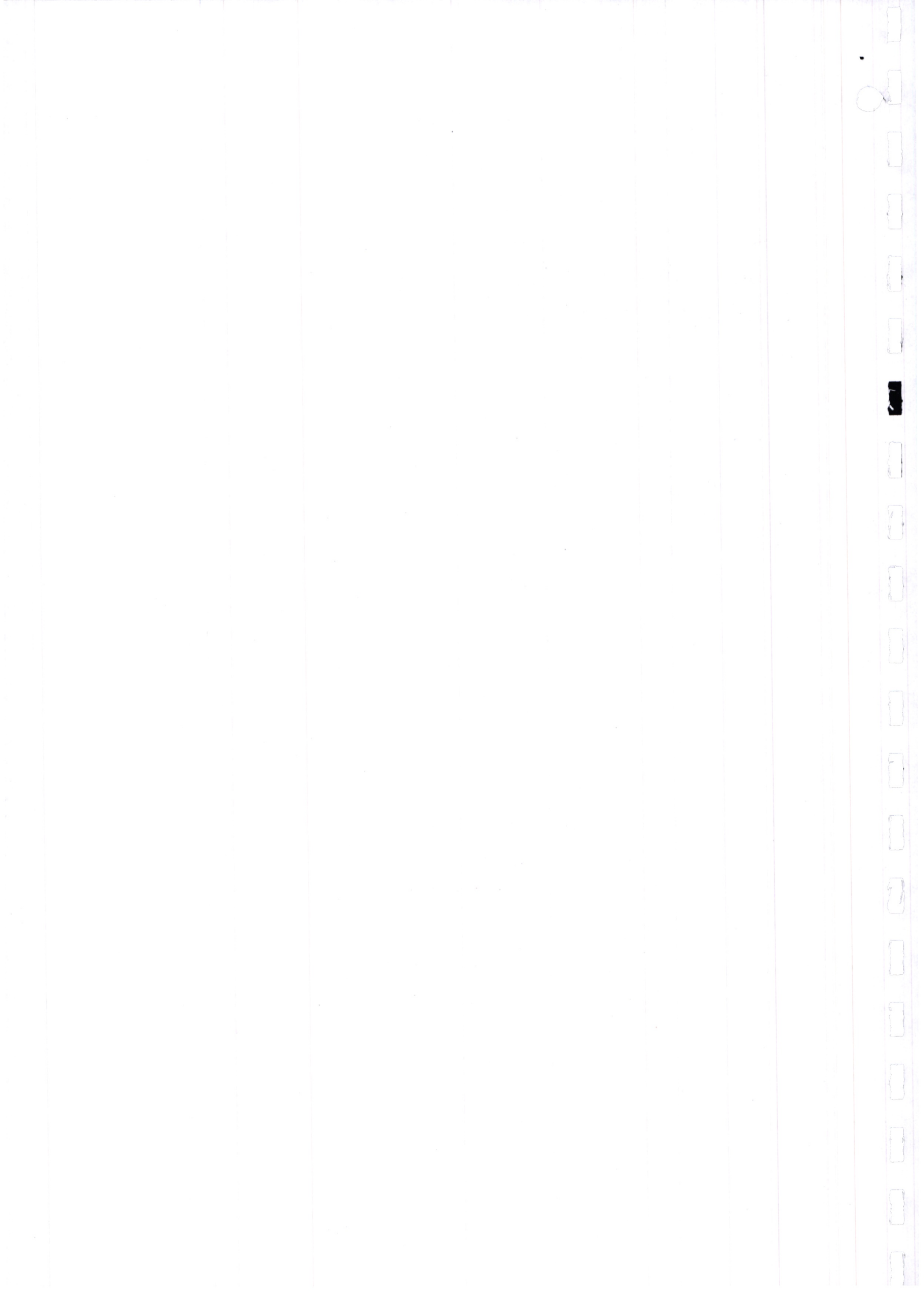
Entity	Date Established/Date taken over	Location	Accounting Officer responsible
Mandera Water and Sewerage Company	August 2018	Mandera East	Mr.Abdikadir M. Tache
Mandera Municipality	June 2018	Mandera East	Mr.Hassan Noor Mohamed Abdulla
Mandera Bursary Board	July 2014	Mandera East	Mr.Abdullahi Mohamed

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8. DISCLOSURE OF BALANCES IN REVENUE COLLECTION ACCOUNTS

County Government Own source revenue is recognized in the financial statements when it has been swiped to CRF. Revenue collection account balances need to be disclosed at the end of the reporting period as below. Revenue collection accounts should be swept to CRF on reporting dates.

Name of Bank, Account No. & currency	Amount in bank account currency*	Ex. rate (if in foreign currency)	2019 - 2020	2018 - 2019
			KShs	KShs
Mandera County - Revenue Acc National Bank Mandera Branch 01042097914300			-	-
Mandera County - Revenue Acc Kcb ManderaBranch 1140759469			-	-
Mandera County - Revenue Acc Equity Mandera Branch 1000260858505			-	-
KCB A/c 01100 Kshs Account			-	-
Total			-	-



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9. PROGRESS ON FOLLOW UP ON PRIOR YEAR AUDITOR'S RECOMMENDATIONS

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

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.	Statement of Assets and liabilities	Reconciliation process has started	Cco Finance	Resolved	2 nd November 2020
2.	Statement of cashflow	Reconciliation with ifmis under way	Cco Finance	Resolved	2 nd November 2020
3.	Statement of Receipts and payment	Reconciliation with ifmis under way	Cco Finance	Resolved	2 nd November 2020
4	Summary Statement of appropriation	Reconciliation with ifmis under way	Cco Finance	Resolved	2 nd November 2020
5.	Unsupported Other Grants and Transfers	Supporting documents to evidence 6% vat submitted is ready for review	Cco Special programme	Resolved	2 nd November 2020
6.	Irregular Procurement of vehicles	The tender documents and inspection for purchase of 6 ambulances is ready for review	Cco Health	Resolved	2 nd January 2020
7.	Procurement of Construction of roads	Tender advert, details of the contract and description of project is available in the file for review	Cco Roads	Resolved	2 nd January 2020
8	Constructions Of irrigation projects	Supporting documents for pre-feasibility study, public participation and environmental impact assessment is ready for review	Cco Agriculture	Resolved	2 nd January 2020
9.	Street Lights Tender	The contract agreement, log books are available in the departmental project files for review	Cco Energy	Resolved	2 nd January 2020
10.	Supply and delivery of motor vehicles	Tender advert, details of the contract and description of project is available in the file for review	Cco Roads	Resolved	2 nd January 2020
11.	Lack of County Budget and Economic Forum(CBEF)	County Budget and Economic Forum has been constituted and the committee is currently working.	CECM Finance	Resolved	2 nd January 2020

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ANNEXES

ANNEX 1 – ANALYSIS OF TRANSFERS FROM THE EXCHEQUER

Period	Equitable Share	DANIDA	Level 5 hospitals allocation	Other transfers- Donor funds transferred through exchequer	Total Transfers from the National Treasury/ Exchequer
Exchequer Releases for quarter 1	1,778,793,300	-	-	-	1,778,793,300
Exchequer Releases for quarter 2	1,840,131,000	15,140,625	-	76,718,822	1,931,990,447
Exchequer Releases for quarter 3	1,993,475,250	-	-	-	1,993,475,250
Exchequer Releases for quarter 4	3,731,376,750	26,445,625	-	351,600,676	4,109,423,051
Total	9,343,776,300	41,586,250	-	428,319,497	9,813,682,047

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ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019/2020	Outstanding Balance 2018/2019	Comment
	A	B	c	d=a-c		
Construction of buildings						
Biba Construction Company Limited	3,936,990	22/12/2017		3,936,990		
Nova General Trading Co.Ltd	3,760,520	22/12/2017		3,760,520		
Sub-Total	7,697,510			7,697,510		
Construction of civil works						
Biftu Investment Limited	3,916,000	20/12/2017	-	3,916,000		
An-Najwa Gen Trading Co Ltd	3,635,290	22/12/2017	3,250,000	385,290		
Adabla General Const Ltd	3,920,514	22/12/2017	-	3,920,514		
Amstrad Engineering Company Limited	1,500,000	10/4/2015	-	1,500,000		
Horyaal Construction Co Ltd	500,000	26/06/2025	-	500,000		
Ismahan General Supplies	22,185,742	20/02/2015	21,385,742	800,000		
Bulsho Construction Company Ltd	2,266,744	30/6/2015	1,566,744	700,000		
Super Mandera	1,000,000	8/5/2015	-	1,000,000		
Arges Awara Construction And Supplies	2,000,000	26/01/2014	-	2,000,000		
Juniors General Suppliers	2,700,000	12/6/2016	-	2,700,000		
Sub-Total	43,624,290		26,202,486	17,421,804		
Supply of goods						
Hardimtu enterprise limited	250,000	28/08/2017	-	250,000		
Yato Enterprises	1,000,000	22/3/2015	-	1,000,000		
Garse Agrovvet construction	800,000	18/6/2015	-	800,000		
Sub-Total	2,050,000			2,050,000		
Supply of services						

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019/2020	Outstanding Balance 2018/2019	Comment
Amibram Investment Ltd	1,743,000	1/8/2019	832,203	910,797		
Sabur Solution Ltd	2,081,640	25/7/2019	993,888	1,087,752		
Sharus Const.Co.Ltd	2,290,800	1/8/2019	1,093,752	1,197,048		
Light House Const. Ltd	1,817,700	20/7/2019	867,869	949,831		
Tarama Const.Co.Ltd	2,091,600	23/7/2019	998,644	1,092,956		
Tabarak Contruction Ltd	2,091,600	21/7/2019	998,644	1,092,956		
Hamdi Trading Company Ltd	2,025,200	1/6/2019	966,941	1,058,259		
Jiran Company Ltd	2,257,600	1/8/2019	1,077,901	1,179,699		
Taqwa Supplies & Const.Co.Ltd	604,800	7/9/2019	288,764	316,036		
Kobadadi Contractors Ltd	1,419,300	15/8/2019	677,651	741,649		
Ahqab Company Limited	1,444,800	16/8/2019	689,826	754,974		
Alrahma Const. Supplies Limited	1,792,800	29/7/2019	855,980	936,820		
Falcon Auto Service	696,000	7/9/2019	332,308	363,692		
Jabana Africa Limited	1,512,000	13/8/2019	721,911	790,089		
Ilme Investment	1,542,240	7/8/2019	736,349	805,891		
Times International Ltd	2,191,200	01/8/209	1,046,198	1,145,002		
Times Auto Express Ltd	1,992,000	2/6/2019	951,089	1,040,911		
Duse Development Ltd	2,158,000	28/5/2019	1,030,347	1,127,653		
An-Najwa Gen Trading Co Ltd	2,158,000	1/8/2019	1,030,347	1,127,653		
Amasa Investment Ltd	2,952,000	8/7/2019	1,409,445	1,542,555		
Udole Construction	3,286,800	3/7/2019	1,569,297	1,717,503		
Mustaqim Limited	2,031,840	29/7/2019	970,111	1,061,729		
Sarman Gen Suppliers Ltd	3,054,400	5/7/2019	1,458,337	1,596,063		
Duugo Company Limited	2,058,152	1/7/2019	982,674	1,075,478		
Eltech Developers Ltd	1,015,920	23/8/2019	485,055	530,865		
Diribkaro Gen Con Ltd	2,300,760	18/07/2019	1,098,508	1,202,252		
Madhab General Supplies Ltd	1,128,800	1/9/2019	538,950	589,850		
Hedgelink Limited	1,948,800	3/5/2019	930,463	1,018,337		

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019/2020	Outstanding Balance 2018/2019	Comment
Yasir Developers Ltd	2,952,000	23/7/2019	1,409,445	1,542,555		
Malbe Young Traders Ltd	1,948,800	4/5/2019	930,463	1,018,337		
Yuhaismo Ltd	3,220,400	17/7/2019	1,537,594	1,682,806		
Asmi Investment Ltd	3,021,200	7/7/2019	1,442,485	1,578,715		
Nurki Construction	2,058,400	5/8/2019	982,792	1,075,608		
Bamba Hawla Suppliers	1,308,720	1/6/2019	624,854	683,866		
Alhamdu Disable Construction	3,197,160	20/6/2019	1,526,498	1,670,662		
Mairer Gen Supplies Co Ltd	4,050,400	1/6/2019	1,933,881	2,116,519		
Bimo Construction	2,898,360	1/7/2019	1,383,835	1,514,525		
Efficient Distributors Ltd	1,848,000	1/6/2019	882,336	965,664		
Deble Construction	2,001,960	1/8/2019	955,845	1,046,115		
Dakane Construction & Transporters Co Ltd	2,898,360	1/7/2019	1,383,835	1,514,525		
Tanzeel Agency Ltd	1,028,160	2/9/2019	490,899	537,261		
Wise Choice Construction Co. Ltd	2,650,000	1/7/2019	1,265,254	1,384,746		
Lafey Contractors And Gen Suppliers Ltd	2,865,024	1/7/2019	1,367,918	1,497,106		
Garsu Holding	2,058,400	1/9/2019	982,792	1,075,608		
Gurumesa Construction Co.Ltd	1,028,160	1/7/2019	490,899	537,261		
Rhamu Service Station	2,121,480	27/6/2019	1,012,910	1,108,570		
Salama Thirteen	3,154,000	1/7/2019	1,505,891	1,648,109		
Dersert Shield	3,185,540	1/9/2019	1,520,950	1,664,590		
Hunain Contractors Ltd	1,058,400	23/7/2019	505,338	553,062		
Abusamab Suppliers	2,128,000	1/9/2019	1,016,023	1,111,977		
Sakina Suppliers	1,149,120	5/5/2019	548,652	600,468		
Madhab Gen	1,703,160	1/7/2019	813,181	889,979		
Ladnan Bakery	2,892,960	3/6/2019	1,381,256	1,511,704		
Kutel Invstments	1,762,920	1/8/2019	841,714	921,206		
Waldiri Suppliers & Con Ltd	2,001,960	5/8/2019	955,845	1,046,115		
Panama Enterprises Ltd	1,852,560	15/7/2019	884,513	968,047		

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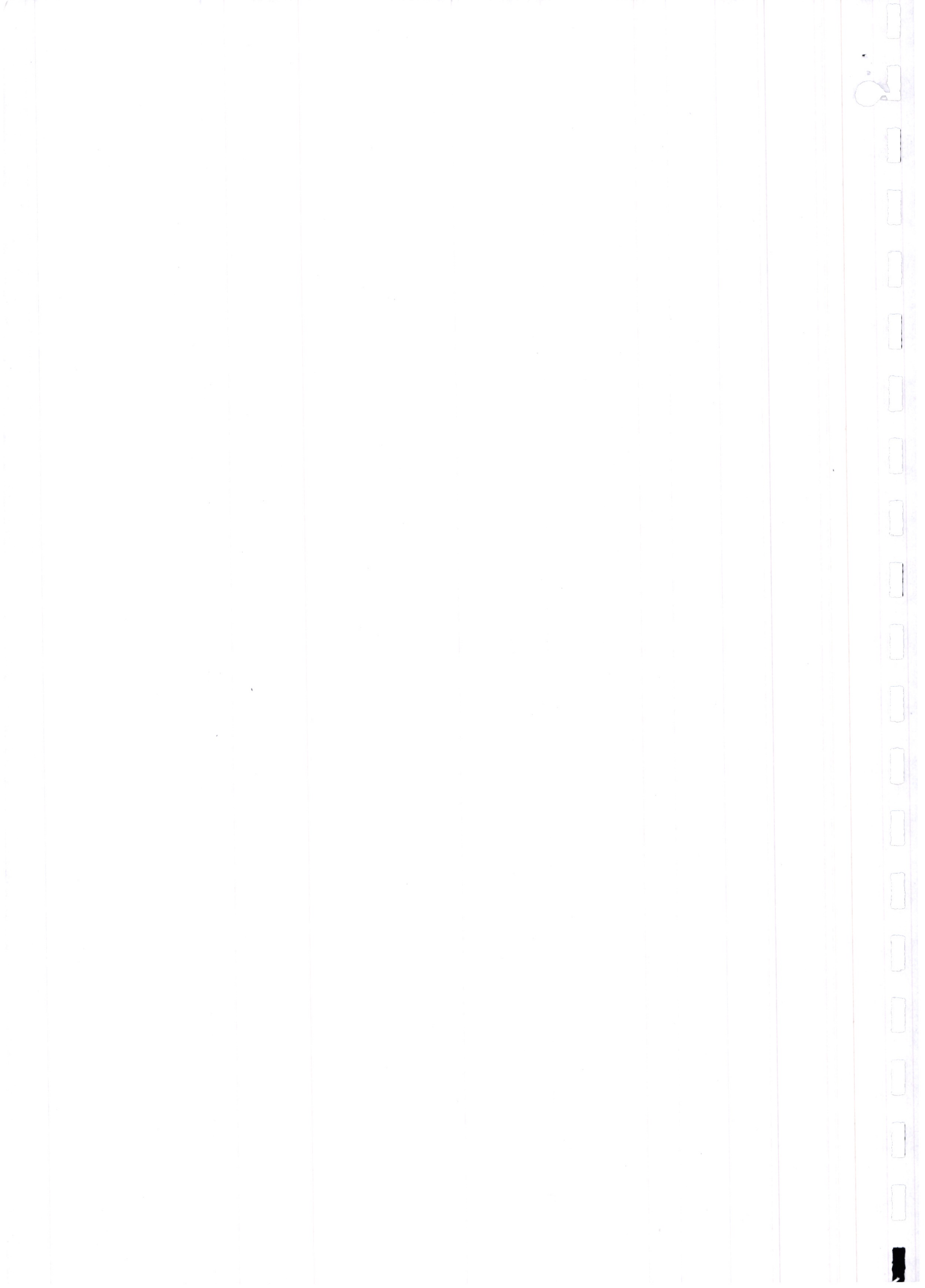
Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019/2020	Outstanding Balance 2018/2019	Comment
Northern Top Ten Holding Ltd	2,585,520	7/7/2019	1,234,468	1,351,052		
Bilal Investment Ltd	1,470,000	7/7/2019	701,858	768,142		
Didow's Trading Company	2,748,960	29/3/2019	1,312,503	1,436,457		
Desert Shield	2,075,000	29/3/2019	990,718	1,084,282		
Guba Investment	1,992,000	29/3/2019	951,089	1,040,911		
Afaad	1,950,500	29/3/2019	931,275	1,019,225		
Taslim Construction	1,260,000	29/3/2019	601,592	658,408		
Eraju Investment Co.Ltd	2,241,000	29/3/2019	1,069,975	1,171,025		
Salama Thirteen Investment	2,490,000	29/3/2019	1,188,861	1,301,139		
Zakir Suppliers	2,091,000	29/3/2019	998,357	1,092,643		
Alhamdu Disable Construction	2,075,000	29/3/2019	990,718	1,084,282		
Mc Village Investment Ltd	522,840	29/3/2019	249,632	273,208		
Iman Petroleum	2,075,000	29/3/2019	990,718	1,084,282		
Man County General	1,260,000	29/3/2019	601,592	658,408		
Seluk Investment Limited	1,867,500	29/3/2019	891,646	975,854		
Malbe Young Traders	1,369,500	29/3/2019	653,874	715,626		
Barros Construction Co.Ltd	2,050,000	29/3/2019	978,781	1,071,219		
Udole Construction Co.Ltd	2,490,000	29/3/2019	1,188,861	1,301,139		
Nova General Trading Co.Ltd	2,490,000	29/3/2019	1,188,861	1,301,139		
Gurumesa Construction Co.Ltd	2,075,000	29/3/2019	990,718	1,084,282		
Native Construction Co.Ltd	1,245,000	29/3/2019	594,431	650,569		
Tanas Contractors Limited	2,050,000	31/3/2019	978,781	1,071,219		
Darur Bridgeways Construction Company Ltd	2,075,000	31/3/2019	990,718	1,084,282		
Ahqab Company Ltd	1,260,000	31/3/2019	601,592	658,408		
Juniors General Suppliers	1,558,000	31/3/2019	743,874	814,126		
Haigurach Construction Company Ltd	2,200,000	1/4/2019	1,050,400	1,149,600		
Landmark Solutions	2,526,810	31/03/2019	1,206,436	1,320,374		
Esa Suppliers Const.Ltd	1,245,000	31/03/2019	594,431	650,569		

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019/2020	Outstanding Balance 2018/2019	Comment
Abytonn Investment	2,268,000	31/03/2019	1,082,866	1,185,134		
Takaba Autoservice	2,490,000	28/03/2019	1,188,861	1,301,139		
Rowla Hotel Limited	2,199,500	1/6/2019	1,050,161	1,149,339		
Ilza Holding Limited	3,550,000	25/02/2019	-	3,550,000		
Biftu Investment Limited	3,231,000	25/02/2019	-	3,231,000		
Biftu Investment Limited	3,315,000	25/02/2019	-	3,315,000		
Koutich Limited	2,000,000	29/8/2019	-	2,000,000		
Tite Agencies Limited	2,000,000	20/8/2019	-	2,000,000		
Rowla Hotel Limited	4,900,000		-	4,900,000		
Seya Global Limited	2,500,000	21/03/2020	-	2,500,000		
Wise Choice Construction Co. Ltd	2,500,000	30/11/2019	-	2,500,000		
Platinum Bridge Ltd	3,750,000		-	3,750,000		
Mairer Gen Supplies Co Ltd	3,250,000		-	3,250,000		
Harafat Trading Co. Ltd	2,500,000	13/12/2019	-	2,500,000		
Adabla General Const Ltd	4,036,000		-	4,036,000		
Tanas Contractors Limited	2,940,000		-	2,940,000		
Abusamab Suppliers and Contractors Co. Ltd	3,500,000	27/12/2019	-	3,500,000		
Yabamo Gen And Supplies Ltd	3,716,000		-	3,716,000		
Goda In Vestment Ltd	2,900,000		-	2,900,000		
Al-ahzab Investment Ltd	2,000,000	23/12/2019	-	2,000,000		
Mairer Gen Supplies Co Ltd	1,500,000		-	1,500,000		
Hulow Enterprises	3,989,000	11/11/2014	-	3,989,000		
Continental Life Investment Ltd	1,000,000	8/10/2014	-	1,000,000		
Abluun Rural And Urban Contractors	1,000,000	20/03/2015	-	1,000,000		
Olad Ibrahim Omar	800,000	6/04/2016	-	800,000		
Kriss Cross Trading Co Ltd	16,900,000	15/12/2014	16,475,000	425,000		
Burati Construction Co	1,800,000	24/06/2015	1,100,000	700,000		
Elite Construction And Building	1,567,500	7/3/2015		1,567,500		

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Ekaya Construction Co.Ltd	1,500,000	16/07/2015		1,500,000		
Abshi and Sons Company limited	2,541,718	25/12/2019	-	2,541,718		
Tabarak Contruction Ltd	1,957,056	13/12/2019		1,957,056		
Tabarak Contruction Ltd	2,390,789	25/12/2019		2,390,789		
Tabarak Contruction Ltd	2,168,638	25/12/2019		2,168,638		
Sub-Total	269,730,189		102,575,000	167,155,189		
Grand Total	323,101,989		128,777,486	194,324,503		



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ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (KShs) 2018/2019	Additions during the year (KShs)	Disposals during the year (KShs)	Transfers in/(out) during the year (KShs)	Historical Cost c/f (KShs) 2019/2020
Land	24,141,291	-	-	-	24,141,291
Buildings and structures	7,178,320,642	1,756,747,143	-	-	8,935,067,785
Transport equipment	756,337,235	29,847,401	-	-	786,184,636
Office equipment, furniture fittings and ICT Equipment, Software and Other ICT Assets	293,816,960	148,953,094	-	-	442,770,054
Specialised Plants, Other Machinery and Equipment	873,772,912	54,693,991	-	-	928,466,903
Intangible assets	982,705,212	6,339,655	-	-	989,044,867
Roads, Other Infrustuctures, Constructions and civil works	15,436,118,822	2,563,029,057	-	-	17,999,147,879
Total	25,545,213,074	4,559,610,341	-	-	30,104,823,415

MANDERA COUNTY GOVERNMENT
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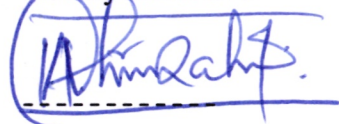
ANNEX 4 – INTER-ENTITY TRANSFERS

Ref	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Amount transferred KShs	Amount Confirmed as received KShs	Difference	Explanation
1	Mandera Municipality		75,000,000	50,000,000	38,867,550	163,867,550	163,867,550	-	
2	Mandera Water and Sewerage Company		110,000,000	37,500,000	79,050,000	226,550,000	226,550,000	-	
3	Mandera County Assembly		360,748,496	89,979,611	282,446,156	733,174,263	733,174,263	-	
4	Mandera County Departments			208,877,611	282,323,782	491,201,393	491,201,393	-	
5	Kenya Climate Smart Agriculture Support Project(Ministry of Agriculture)		46,796,511	14,059,266	74,107,532	134,963,309	134,963,309	-	
6	Agricultural Sector Development Support Programm(Ministry of Agriculture)		5,500,000	21,435,060		26,935,060	26,935,060	-	
7	Vocational Training Centres(Ministry			11,056,649	33,163,298	44,219,947	44,219,947	-	

MANDERA COUNTY GOVERNMENT
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Ref	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Amount transferred KShs	Amount Confirmed as received KShs	Difference	Explanation
	of Education)								
8	Health Centres, Dispensaries and CHMT		15,140,625		33,764,621	48,905,246	48,905,246	-	
9	Mandera County for Urban Institution				50,000,000	50,000,000	50,000,000	-	
	Total	-	613,185,632	432,908,197	873,937,860	1,919,816,768	1,919,816,768	-	

Director of Finance
County Executive



Director of Finance
County Assembly/fund/project



MANDERA COUNTY GOVERNMENT
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ANNEX 5 - CONTINGENT LIABILITIES REGISTER

	Nature of contingent liability	Payable to	Currency	Estimated Amount Kshs	Expected date of payment	Remarks
1				0		
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						

