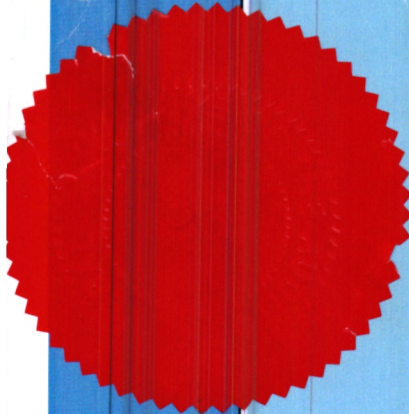
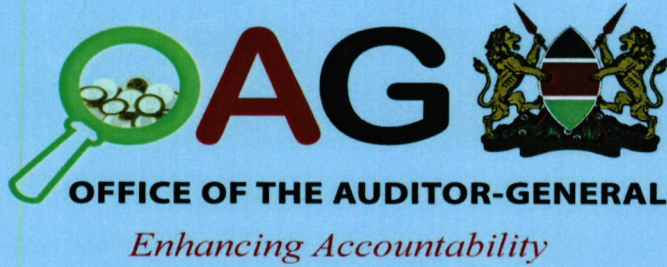


REPUBLIC OF KENYA

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REPORT
OF
THE AUDITOR-GENERAL
ON
KERICHO COUNTY EMERGENCY FUND
FOR THE YEAR ENDED
30 JUNE, 2016

PAPERS LAID	
DATE	28/04/2022
TABLED BY	SML
COMMITTEE	-
CLERK AT THE TABLE	NTHIRI



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COUNTY GOVERNMENT OF KERICHO
FINANCIAL STATEMENT FOR
KERICHO COUNTY EMERGENCY FUND
AS AT 30.06.2016

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



I. FOREWORD

This is the County Government of Kericho Financial report as at 30th Jun 2016 for the Emergency Fund.

The Constitution of Kenya Articles 2010 gives a constitutional right and requirement for the public to participate in budgetary process and prudent financial management of the public resources. According to the County Government Act, 2012 each county shall prepare a county integrated plan which shall be the basis for all budgeting and spending of public funds. The acts clearly states that “A county government shall plan for the county and no public funds shall be appropriated outside a planning framework developed by the County Executive Committee and approved by the County Assembly” The county integrated plan shall focus on economic, physical, social, environmental and spatial planning.

The guiding legislation is the Kericho County Emergency Fund Act, 2014 which was assented and commenced on 21st November, 2014. The Fund Administrator is CEC Finance and Economic Planning and its primary purpose is Payments for urgent and unforeseen needs which don't have a specific legislative authority.

It is expected that this report will enable the county government to adequately monitor the challenges faced in budget implementation and use the lessons learnt in future economic forecasts. In addition, the report expounds on the actionable steps to be taken by all stakeholders in the subsequent reporting periods.

CHALLENGES, WAY FORWARD AND CONCLUSION

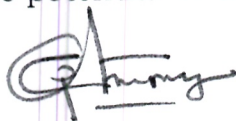
Key challenges

The following key challenges were noted.

- a) Re-classification of Emergency Fund from Development to Recurrent which delayed release of funds
- b) Unfavourable weather condition e.g unexpected heavy rains

Conclusion

The operationalization of the 2015-2016 financial cycle will be greatly determined by the procurement processes. In addition, delay in funding from the national government continues to impact negatively on execution projects which may eventually lead to pending bills. The execution of the budget and the service delivery for citizens of the County Government will be achieved through collaboration of all the stakeholders in the national and county levels to bring out the potential of the County Government of Kericho.

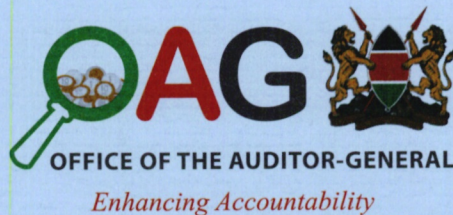


Patrick Mutai

**County Executive Committee Member- Finance and Economic Planning and
Head of County Treasury**

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 KERICHO COUNTY EMERGENCY FUND FOR THE YEAR ENDED 30 JUNE, 2016

REPORT ON THE FINANCIAL STATEMENTS

Disclaimer of Opinion

I have audited the accompanying financial statements of Kericho County Emergency Fund set out on pages 4 to 5, which comprise the statement of financial assets as at 30 June, 2016 and the statement of receipts and payments for the year then ended in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015.

I do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. Presentation of Financial Statements

As reported in 2014/2015, the financial statements for the year ended 30 June, 2016 were prepared on cash basis as opposed to accrual basis. Further, the following statements and reports were not prepared and included in the financial statements:

- (i) The statement of changes in net assets
- (ii) The Statement of cash flows
- (iii) Statement of comparison of budget and actual amounts
- (iv) A summary of significant accounting policies and other explanatory notes
- (v) Statement of performance against County entity's predetermined objectives
- (vi) Key entity information and management
- (vii) Report of the Fund Administrator
- (viii) Statement of Management's Responsibilities

Consequently, the financial statements do not conform to the reporting requirements prescribed by the Public Sector Accounting Standards Board template for the year ended 30 June, 2016.

2. Cash and Cash Equivalents

The statement of financial assets for the year ended 30 June, 2016 reflects bank balances of Kshs.2,386,848. However, this balance was not supported with bank reconciliation statements or bank confirmation certificate.

In the circumstances, the accuracy and validity of the cash and cash equivalents balance of Kshs.2,386,848 as at 30 June, 2016 could not be confirmed.

3. Unsupported Expenditure

The statement of receipts and payments reflects use of goods and services of Kshs.1,661,226 that was not supported with ledgers, schedules, payment vouchers or other relevant documents. In addition, expenditure on acquisition of assets amounting to Kshs.61,474,736 was not supported with ledgers and schedules.

In the circumstances, the propriety of expenditure totalling Kshs.63,135,962 for the year ended 30 June, 2016 could not be confirmed.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

I do not express a conclusion on the lawfulness and effectiveness in the use of public resources as required by Article 229(6) of the Constitution. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

I do not express a conclusion on the effectiveness of internal controls, risk management and governance as required by Section 7 (1)(a) of the Public Audit Act, 2015. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit 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 (Accrual 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.

In preparing the financial statements, Management is responsible for assessing the Fund'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 either intends to terminate the Fund or to cease operations.

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

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

Those charged with governance are responsible for overseeing the Fund'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 governance and risk management, and ensuring the adequacy and effectiveness of the control environment.


Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with International Standards of Supreme Audit Institutions (ISSAIs) 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. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

In addition, my responsibility is to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them, and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution. I also consider internal control, risk management and governance processes and systems in order to give an assurance on the effectiveness of internal controls, risk management and governance 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. However, because of the matters described in the Basis for Disclaimer of Opinion Section of my report, I was not able to obtain

sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

I am independent of the Kericho Emergency Fund 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.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

14 October, 2021

**KERICHO COUNTY EMERGENCY FUND
STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2015-16	2014-15
		Kshs	Kshs
RECEIPTS			
Transfers from CFR	1	57,000,000.00	9,000,000.00
Unspent funds	2	6,537,800.00	0
TOTAL RECEIPTS		63,537,800.00	9,000,000.00
PAYMENTS			
Use of goods and services	3	1,661,226.00	1,006,030.00
Acquisition of Assets	4	61,474,736.15	0
Other Payments (Bank Charges)	5	14,990.00	2010.00
TOTAL PAYMENTS		63,150,952.15	1,008,040.00
SURPLUS/DEFICIT		386,847.85	6,537,800.00



To,

KERICHO COUNTY EMERGENCY FUND
 P.O.BOX 112
 KERICHO
 KE
 20200

EQUITY BANK (KENYA) LTD
 KERICHO BRANCH
 CERTIFIED TRUE COPY
 OF THE ORIGINAL
 Date: 29/08/16

Branch ID : 028
 Customer Name : KERICHO COUNTY EMERGENCY FUND
 Product Name : CAA
 Currency : KES

Account Statement 0280263500766

Statement Period (From 01-07-2015 To 31-07-2016)

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
06-07-2015	06-07-2015	ChequeNo.000040 Presented	500,000.00		6,037,800.0
06-07-2015	06-07-2015	Inward Clearing Charge	55.00		6,037,745.0
06-07-2015	06-07-2015	ChequeNo.000039 Presented	50,000.00		5,987,745.0
06-07-2015	06-07-2015	Inward Clearing Charge	55.00		5,987,690.0
20-07-2015	20-07-2015	ChequeNo.000041 Presented	187,047.00		5,800,643.0
20-07-2015	20-07-2015	Inward Clearing Charge	55.00		5,800,588.0
24-07-2015	24-07-2015	ChequeNo.000043 Presented	680,927.35		5,119,660.6
24-07-2015	24-07-2015	Inward Clearing Charge	55.00		5,119,605.6
24-08-2015	24-08-2015	CHQ ISSUED TO MINGET SOLUTIONS LTD	1,372,237.90		3,747,367.7
24-08-2015	24-08-2015	INWARD CLEARING CHARGES	55.00		3,747,312.7
27-08-2015	27-08-2015	Interim statement printing charges	165.00		3,747,147.7
11-09-2015	11-09-2015	ChequeNo.000046 Presented	117,074.00		3,630,073.7
11-09-2015	11-09-2015	Inward Clearing Charge	55.00		3,630,018.7
16-09-2015	16-09-2015	CHQ ISSUED TO MWANANCHI HOTEL	264,531.00		3,365,487.7
16-09-2015	16-09-2015	INWARD CLEARING CHARGES	55.00		3,365,432.7
24-09-2015	24-09-2015	CHQ ISSUED TO CORNER FURNITURE & METAL WORKS	189,655.00		3,175,777.7
24-09-2015	24-09-2015	INWARD CLEARING CHARGES	55.00		3,175,722.7
25-09-2015	25-09-2015	Cash Withdrawal from KERICHO BRANCH	340,010.00		2,835,712.7
25-09-2015	25-09-2015	Cash Withdrawal Charge	110.00		2,835,602.7
05-10-2015	05-10-2015	CHQ ISSUED TO MITEI WORKSHOP	284,483.00		2,551,119.7
05-10-2015	05-10-2015	INWARD CLEARING CHARGES	55.00		2,551,064.7

Note: Any omission or errors in this statement should be promptly advised in writing to the Branch Manager within 30 days from the date of receipt otherwise the account will be presumed to be in order

NR1059120160829094250



Account No. : 0280263500766
 Customer Name : KERICHO COUNTY EMERGENCY FUND

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
			232,565.00		2,318,499.75
14-10-2015	14-10-2015	ChequeNo.000061 Presented	55.00		2,318,444.75
14-10-2015	14-10-2015	Inward Clearing Charge	476,509.00		1,841,935.75
19-11-2015	19-11-2015	ChequeNo.000073 Presented	55.00		1,841,880.75
19-11-2015	19-11-2015	Inward Clearing Charge	118,665.00		1,723,215.75
23-11-2015	23-11-2015	ChequeNo.000075 Presented	92,931.00		1,630,284.75
23-11-2015	23-11-2015	ChequeNo.000074 Presented	55.00		1,630,229.75
23-11-2015	23-11-2015	Inward Clearing Charge	55.00		1,630,174.75
23-11-2015	23-11-2015	Inward Clearing Charge	192,938.00		1,437,236.75
23-11-2015	23-11-2015	ChequeNo.000076 Presented	55.00		1,437,181.75
23-11-2015	23-11-2015	Inward Clearing Charge			737,181.7
07-12-2015	07-12-2015	ChequeNo.000077 Presented	700,000.00		737,126.7
07-12-2015	07-12-2015	Inward Clearing Charge	55.00		348,477.7
10-12-2015	10-12-2015	ChequeNo.000078 Presented	388,649.00		348,422.7
10-12-2015	10-12-2015	Inward Clearing Charge	55.00		5,348,422.7
10-12-2015	10-12-2015	RTGS/RMT KERICHO COUNTY		5,000,000.00	5,301,008.7
18-12-2015	18-12-2015	ChequeNo.000060 Presented	47,414.00		5,300,953.7
18-12-2015	18-12-2015	Inward Clearing Charge	55.00		5,300,403.7
21-12-2015	21-12-2015	remittance charges RTGS/SWIFT no: RTO028410310	550.00		4,152,070.0
21-12-2015	21-12-2015	RTGS:RTO028410310 DEW DROPS SONS LTD.	1,148,333.75		3,488,277.0
24-12-2015	24-12-2015	ChequeNo.000082 Presented	663,793.00		3,488,222.0
24-12-2015	24-12-2015	Inward Clearing Charge	55.00		2,980,079.0
24-12-2015	24-12-2015	ChequeNo.000083 Presented	508,143.00		2,980,024.0
24-12-2015	24-12-2015	Inward Clearing Charge	55.00		2,758,426.0
24-12-2015	24-12-2015	ChequeNo.000085 Presented	221,598.00		2,758,371.0
24-12-2015	24-12-2015	Inward Clearing Charge	55.00		1,830,073.0
18-01-2016	18-01-2016	ChequeNo.000088 Presented	928,297.35		1,830,018.0
18-01-2016	18-01-2016	Inward Clearing Charge	55.00		

Note: Any omission or errors in this statement should be promptly advised in writing to the Branch Manager within 30 days from the date of receipt otherwise the account will be presumed to be in order

NR1050120160829094250



Account No. : 0280263500766

Customer Name : KERICHO COUNTY EMERGENCY FUND

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
22-02-2016	22-02-2016	ChequeNo.000090 Presented	499,971.00		1,330,047.
22-02-2016	22-02-2016	ChequeNo.000089 Presented	600,000.00		730,047.
22-02-2016	22-02-2016	Inward Clearing Charge	55.00		729,992.
22-02-2016	22-02-2016	Inward Clearing Charge	55.00		729,937.
21-03-2016	21-03-2016	ChequeNo.000091 Presented	200,000.00		529,937.
21-03-2016	21-03-2016	Inward Clearing Charge	55.00		529,882
01-04-2016	01-04-2016	RTGS/RMT KERICHO COUNTY		2,000,000.00	2,529,882
07-04-2016	07-04-2016	ChequeNo.000093 Presented	818,500.30		1,711,382
07-04-2016	07-04-2016	ChequeNo.000092 Presented	629,618.80		1,081,763
07-04-2016	07-04-2016	Inward Clearing Charge	55.00		1,081,708
07-04-2016	07-04-2016	Inward Clearing Charge	55.00		1,081,653
13-04-2016	13-04-2016	Interim statement printing charges	165.00		1,081,488
25-04-2016	25-04-2016	RTGS/RMT KERICHO COUNTY		50,000,000.00	51,081,488
28-04-2016	28-04-2016	TRF TO ALRO LOGISTIQUE LTD	3,303,740.00		47,777,748
28-04-2016	28-04-2016	Transfer Charge	110.00		47,777,638
28-04-2016	28-04-2016	remittance charges RTGS/SWIFT no: RTO028503116	550.00		47,777,088
28-04-2016	28-04-2016	RTGS:RTO028503116 SAKENYA LIMITED	3,590,400.00		44,186,688
28-04-2016	28-04-2016	remittance charges RTGS/SWIFT no: RTO028503125	550.00		44,186,138
28-04-2016	28-04-2016	RTGS:RTO028503125 ARINZ LTD CO.	2,272,500.40		41,913,638
28-04-2016	28-04-2016	remittance charges RTGS/SWIFT no: RTO028503136	550.00		41,913,088
28-04-2016	28-04-2016	RTGS:RTO028503136 ROLA INVESTMENTS LTD	3,065,010.30		38,848,077
28-04-2016	28-04-2016	Cheque Book Issue Charges	1,650.00		38,846,427
28-04-2016	28-04-2016	chbk Issue Stamp Charges	250.00		38,846,177
29-04-2016	29-04-2016	ChequeNo.000100 Presented	25,746.00		38,820,437
29-04-2016	29-04-2016	Inward Clearing Charge	55.00		38,820,377
29-04-2016	29-04-2016	ChequeNo.000099 Presented	203,720.00		38,616,657

Note: Any omission or errors in this statement should be promptly advised in writing to the Branch Manager within 30 days from the date of receipt otherwise the account will be presumed to be in order.



Account No.: 0280263500766

Customer Name: KERICHO COUNTY EMERGENCY FUND

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
29-04-2016	29-04-2016	Inward Clearing Charge	55.00		38,616,601.8
03-05-2016	03-05-2016	Interim statement printing charges	660.00		38,615,941.8
13-05-2016	13-05-2016	remittance charges RTGS/SWIFT no: RTO028515558	550.00		38,615,391.8
13-05-2016	13-05-2016	RTGS:RTO028515558 LEOLAN ENT LTD	2,454,550.00 ✓		36,160,841.8
13-05-2016	13-05-2016	remittance charges RTGS/SWIFT no: RTO028515535	550.00		36,160,291.8
13-05-2016	13-05-2016	RTGS:RTO028515535 BELKO CO. LTD	2,504,729.00 ✓		33,655,562.8
25-05-2016	25-05-2016	remittance charges RTGS/SWIFT no: RTO028524413	550.00		33,655,012.8
25-05-2016	25-05-2016	RTGS:RTO028524413 KENVA ENTER. CO LTD	1,288,919.00 ✓		32,366,093.8
27-05-2016	27-05-2016	remittance charges RTGS/SWIFT no: RTO028526856	550.00 ✓		32,365,543.8
27-05-2016	27-05-2016	RTGS:RTO028526856 LYSAM CONSTRUCTION LTD	3,936,956.00 ✓		28,428,587.8
27-05-2016	27-05-2016	remittance charges RTGS/SWIFT no: RTO028526835	550.00 ✓		28,428,037.8
27-05-2016	27-05-2016	RTGS:RTO028526835 RIRKOS CONTRACTORS LTD	2,181,732.00 ✓		26,246,305.8
27-05-2016	27-05-2016	remittance charges RTGS/SWIFT no: RTO028526783	550.00 ✓		26,245,755.8
27-05-2016	27-05-2016	RTGS:RTO028526783 GLOBELINK CONTRACTORS LTD	2,814,971.00 ✓		23,430,784.8
02-06-2016	02-06-2016	remittance charges RTGS/SWIFT no: RTO028530567	550.00		23,430,234.8
02-06-2016	02-06-2016	RTGS:RTO028530567 KENVA ENTER. LTD	2,941,334.00		20,488,900.8
02-06-2016	02-06-2016	TRF TO MINGET SOLUTIONS	2,317,096.00		18,171,804.8
02-06-2016	02-06-2016	Transfer Charge	110.00		18,171,694.8
03-06-2016	03-06-2016	ChequeNo.000112 Presented	150,000.00		18,021,694.8
03-06-2016	03-06-2016	Inward Clearing Charge	55.00		18,021,639.8
08-06-2016	08-06-2016	ChequeNo.000111 Presented	150,000.00		17,871,639.8

Note: Any omission or errors in this statement should be promptly advised in writing to the Branch Manager within 30 days from the date of receipt otherwise the account will be presumed to be in order



Account No. : 0280263500766

Customer Name : KERICHO COUNTY EMERGENCY FUND

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
08-06-2016	08-06-2016	Inward Clearing Charge	55.00		17,871,584
09-06-2016	09-06-2016	remittance charges RTGS/SWIFT no: RTO028537234	550.00		17,871,034
09-06-2016	09-06-2016	RTGS:RTO028537234 VANPERS ENTERPRISES LTD	2,879,929.00		14,991,105
14-06-2016	14-06-2016	Interim statement printing charges	165.00		14,990,940
16-06-2016	16-06-2016	remittance charges RTGS/SWIFT no: RTO028543401	550.00		14,990,390
16-06-2016	16-06-2016	RTGS:RTO028543401 RIRKOS CONTRACTORS LTD	2,222,518.00		12,767,872
22-06-2016	22-06-2016	Interim statement printing charges	330.00		12,767,542
23-06-2016	23-06-2016	remittance charges RTGS/SWIFT no: RTO028549895	550.00		12,766,992
23-06-2016	23-06-2016	RTGS:RTO028549895 RICA INTERNATIONAL CO LTD	3,543,840.00		9,223,152
23-06-2016	23-06-2016	remittance charges RTGS/SWIFT no: RTO028549891	550.00		9,222,602
23-06-2016	23-06-2016	RTGS:RTO028549891 KAPSIGOWO LIMITED	4,247,579.00		4,975,023
23-06-2016	23-06-2016	TRF TO BENPAL BUILDING & CIVIL WORKS CONTRACTORS	1,500,000.00		3,475,023
23-06-2016	23-06-2016	Transfer Charge	110.00		3,474,913
23-06-2016	23-06-2016	remittance charges RTGS/SWIFT no: RTO028550092	550.00		3,474,363
23-06-2016	23-06-2016	RTGS:RTO028550092 KENDI AGENCIES & SUPPLIES LTD	1,500,000.00		1,974,363
23-06-2016	23-06-2016	remittance charges RTGS/SWIFT no: RTO028550097	550.00		1,973,813
23-06-2016	23-06-2016	RTGS:RTO028550097 SUPASPOT TECHNOLOGIES LTD	1,586,801.00		387,012
30-06-2016	30-06-2016	Interim statement printing charges	165.00		386,847
21-07-2016	21-07-2016	ChequeNo.000127 Presented	210,000.00		176,847
21-07-2016	21-07-2016	Inward Clearing Charge	55.00		176,792

Note: Any omission or errors in this statement should be promptly advised in writing to the Branch Manager within 30 days from the date of receipt otherwise the account will be presumed to be in order



Account No.: 0280263500766

Customer Name: KERICHO COUNTY EMERGENCY FUND

Tran Date	Value Date	Tran Particulars	Debit	Credit	Balance
		Grand Total	63,361,007.15	57,000,000.00	176,792.

EQUITY BANK (KENYA) LTD.
 KERICHO BRANCH
 CERTIFIED TRUE COPY
 OF THE ORIGINAL.
 Sign: *[Signature]* Date: 24/05/2016

Note: Any omission or errors in this statement should be promptly advised in writing to the Branch Manager within 30 days from the date of receipt otherwise the account will be presumed to be in order

END

NR1050120160829094250