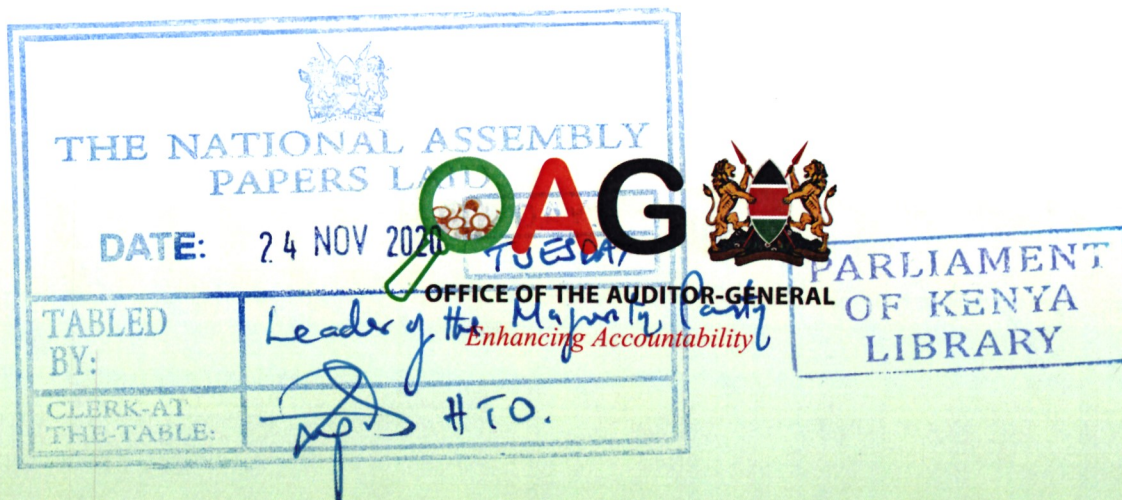
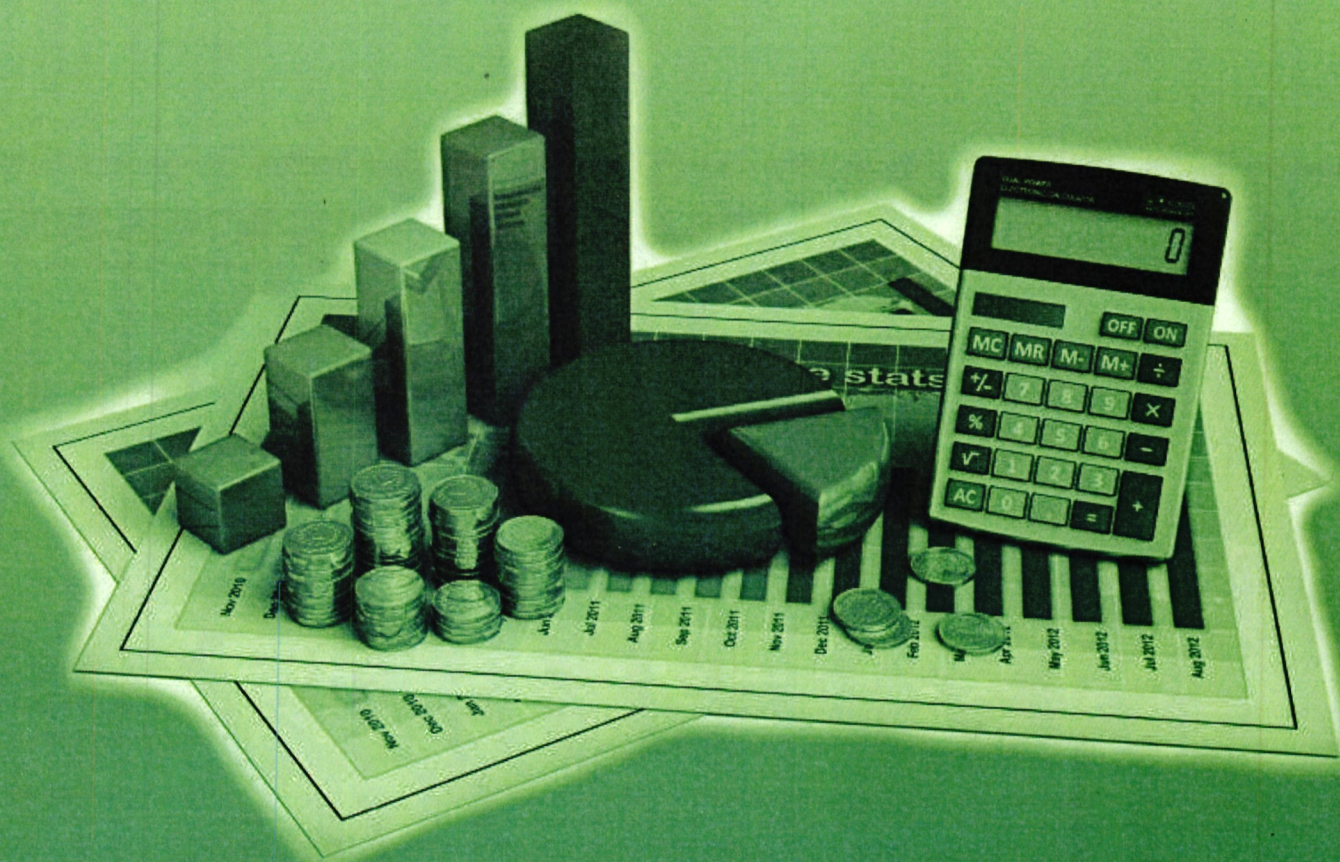




REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2015





OFFICE OF THE AUDITOR GENERAL

REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2015**

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

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KEY OFFICE OF THE AUDITOR GENERAL INFORMATION AND MANAGEMENT

(a) Background information

The Office of Auditor General (OAG) is an independent office established under Article 229 of the Constitution of Kenya, 2010.

The Office is charged with the primary oversight role of ensuring accountability within the three arms of government (the Executive, the Legislature, Judiciary) as well as the Constitutional Commissions and the other Independent Offices.

OAG is headed by the Auditor-General (AG) who is appointed by the President after approval by the National Assembly, in line with the Constitution and the Public Audit Act, 2015. The AG serves for a non-renewable term of eight years.

Mandate of OAG

The mandate of the Auditor-General as stipulated in the Constitution of Kenya, 2010 and the Public Audit Act, 2015 is to carry out audits of all public funded entities and report to Parliament and the relevant County Assemblies within statutory timelines. Specifically;

I. Article 229 of the Constitution of Kenya, 2010 mandates the Auditor-General to audit all accounts of the Government including:

- a) The accounts of the National and County governments;
- b) The accounts of all funds and authorities of the National and County governments;
- c) The accounts of all courts;
- d) The accounts of every Commission and Independent Office established by the Constitution of Kenya, 2010;
- e) The accounts of the National Assembly, the Senate and the County assemblies;
- f) The accounts of political parties funded from public funds;
- g) The public debt; and
- h) The accounts of any other entity that legislation requires the Auditor-General to audit.

II. Article 229(6) requires the Auditor-General to confirm whether or not public money has been applied lawfully and in an effective way. This requires the Auditor-General:

- a) to conduct compliance audits;
- b) to perform work that addresses the economy, efficiency and effectiveness with which public resources have been applied and utilized; and
- c) to evaluate the impact of government funded programs on the lives of citizens.

III. The Public Audit Act Section 7(1), 2015 states that the Auditor-General shall:

- a) give assurance on the effectiveness of internal controls, risk management and overall governance at National and County government.

KEY OFFICE OF THE AUDITOR GENERAL INFORMATION AND MANAGEMENT

b) undertake audit activities in state organs and public entities to confirm whether or not public money has been applied lawfully and in an effective way. Satisfy himself or herself that all public money has been used and applied to the purposes intended and that the expenditure conforms to the authority for such expenditure.

c) confirm that all reasonable precautions have been taken to safeguard the collection of revenue and the acquisition, receipt, issuance and proper use of assets and liabilities; and collection of revenue and acquisition, receipt, issuance and proper use of assets and liabilities conforms to the authority.

d) issue an audit report in accordance with Article 229 of the Constitution.

e) perform any other function as may be prescribed by any other written legislation.

IV. As an Independent Office, the Office of the Auditor General is expected to meet the objectives and authority of the Commissions and the Independent Offices as stipulated in Article 249(1) of the Constitution of Kenya, 2010, namely:

- a) protect the sovereignty of the people;
- b) secure the observance by all State organs of democratic values and principles; and
- c) promote constitutionalism.

Vision

Accountability and effective management of Public Resources.

Mission

To Audit and report on the management of public resources for improved service delivery to the Kenyan people.

Core values

Integrity: We are committed to honesty, reliability, and trustworthiness in our professional and personal conduct.

Objectivity: Our professional judgment is fair and is not unduly influenced by personal bias, conflict of interest or influence by others.

Professional Competency: Our work is based on appropriate professional knowledge, skills, experience, up-to-date techniques and leading practices.

Innovation: We strive to continually improve on our delivery of services by being open to new ideas that are responsive to a rapidly changing operating environment.

Team spirit: We have a strong sense of mutual commitment which creates the synergy needed to achieve our goal.

KEY OFFICE OF THE AUDITOR GENERAL INFORMATION AND MANAGEMENT

(b) Management

The day-to-day management of the Office of the Auditor General is under the following key organs:

- Auditor -General
- Leadership and Strategy Committee

(c) Fiduciary Management

The key management personnel who held Office during the financial year ended 30 June, 2015 and who had direct fiduciary responsibility were:

Auditor General/Accounting Officer	Edward Ouko (Upto 26 August 2019) Nancy Gathungu (From 17 July 2020)
Deputy Auditor General-Corporate Services (CS)	Agnes Mita (Retired 30 June 2019) Joyce Mbaabu (From 1 July 2019)
Director Finance	Charles Mwitari

(d) Headquarters

P.O. Box 30084 00100,
Anniversary Towers,
University Way, Nairobi, Kenya.

(e) Contacts

Telephone: (254) 20 3342330
E-mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke

(f) Bankers

Central Bank of Kenya,
Haile Selassie Avenue,
P.O. Box 60000,
City Square 00200,
Nairobi, Kenya.

Kenya Commercial Bank,
Moi Avenue Branch,
P.O. Box 30081-00100,
Nairobi, Kenya.

(g) Independent Auditor

PKF Kenya LLP,
Certified Public Accountants,
Kalamu House, Westlands,
P.O. Box 14077-00800,
Nairobi, Kenya.

(h) Principal Legal Advisor

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

FOREWORD BY THE AUDITOR GENERAL

As an Office charged with enhancing accountability in the management and use of public resources, under the provision of Article 229 of the Constitution, we continue to be innovative and professional in discharging our mandate. In an environment of increased public expectation on accountability, the Office is anchoring its operations on four pillars of Independence, Credibility, Relevance and Accountability to adequately address the needs of the citizens and the expectations of other stakeholders.

These pillars feed into the legal framework that establishes the Office and outlines its mandate, and are therefore very critical in our work. The pillars will be catalysts for revamped operations that will ensure we execute our work with an independent mind and produce credible audit reports that are evidence based and stand the test of time. We will also continue adhering to the principle of timeliness so that our reports remain relevant to stakeholders, not only on timeliness but also by addressing issues that resonate with their needs. We hold this Office in public trust and we must be accountable for our actions as well as being open and transparent for scrutiny.

The Office is also focusing on audit work that responds directly to the Bill of Rights and social economic rights of the citizens who are impacted by the development and implementation of programmes addressing issues of health, clean and safe water, education, housing and social security. It is our hope that these interventions will provide value and benefits to the citizens through the management of public resources and will lead to transformed lives.

In order to execute our mandate effectively and professionally, we continue to equip our staff with the relevant skills and knowledge, while tapping into the advancement of technology to automate our processes. We always strive to offer opportunities to enhance knowledge and skills through seminars and in-house trainings and prioritize staff development and retention.

In the coming year, the Office will focus primarily on implementing the key areas of focus identified in our Strategic Plan to effectively deliver on our mandate. We cannot do much without support from our stakeholders. On this score, we are grateful for the continued support from Parliament, the National Treasury and development partners for the financial and technical assistance they have accorded the Office. We are also grateful for the invaluable support of the National Government, Constitutional Commissions, Parliament and affiliate regional and international organisation of Supreme Audit Institutions in helping us achieve our mandate and we shall continue to count on them for continued support and cooperation.

Auditor-General

MANAGEMENT DISCUSSION AND ANALYSIS

During the year 2014/2015, the Office of the Auditor General had a recurrent budget allocation of KShs. 2.911 Billion and development budget allocation of KShs. 405 million. The Office absorbed 98% of recurrent budget translating to KShs 2.88 Billion. The development budget of KShs. 0.405 Billion was however not spent due to unforeseen delay in the purchase of the Eldoret land and time required to identify consultants for the planned OAG Headquarters at Bishop's Road.

The mandate of the Office of the Auditor General is to audit accounts for National and County governments, State Corporations and other Agencies. The total number of clients during the year was 1288, out of which the Office is required to audit and issue an opinion on 1054 financial statements. The Auditor-General issued the National Government audit report for 2013/14 in July 2015 and 47 audit reports for the County Governments.

During the year, additional staff were recruited to enhance capacity and ensure that the Constitutional timelines on audit are adhered to. However, the gap between the optimal number as per the job evaluation report and the strategic plan still remains significant and we will continue to gradually fill the gap by recruiting more staff.

In order to accommodate additional staff and also increase presence for continuous audit at the counties, the Office plans to acquire more office space in Nairobi and at the Regions in the coming financial year. The Office also plans to lease motor vehicles for ease of movement of staff to the field.

Despite these interventions, the Office still requires more resources to achieve its mandate and had factored the same in its recurrent budget for 2015/16. The Office desires to own its own Headquarters and thus plans to start on development of this headquarters at Bishops Road, Nairobi as well as acquire land and build offices in the counties starting with Garissa, Eldoret, Nakuru and Busia. These plans have been factored in the capital projects budget for the next 3 years.

STATEMENT OF THE OFFICE OF THE AUDITOR GENERAL MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the Office of the Auditor General (OAG) is responsible for the preparation and presentation of the OAG's financial statements, which give a true and fair view of the state of affairs of the OAG for and as at the end of the financial year ended on June 30, 2015.

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 entity;
- (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 OAG;
- (v) selecting and applying appropriate accounting policies; and
- (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of OAG accepts responsibility for OAG'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 Accounting Officer is of the opinion that the OAG's financial statements give a true and fair view of the state of OAG's transactions during the financial year ended June 30, 2015, and of OAG's financial position as at that date. The Accounting Officer in charge of the OAG further confirms the completeness of the accounting records maintained by OAG, which have been relied upon in the preparation of OAG's financial statements as well as the adequacy of the systems of internal financial control.

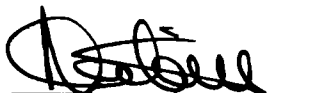
The Accounting Officer in charge of the OAG confirms that the entity has complied fully with applicable Government Regulations, and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further, the Accounting Officer confirms that OAG'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.

The Accounting Officer acknowledges that the independent audit of the financial statements does not relieve them of their responsibilities.

Approval of the financial statements

The OAG's financial statements were approved and signed by the Accounting Officer on

19 October 2020.


Auditor-General


Deputy Auditor General CS

REPORT OF THE INDEPENDENT AUDITOR ON THE FINANCIAL STATEMENTS OF THE OFFICE OF THE AUDITOR GENERAL

**Parliamentary Service Commission,
P.O Box 41882 - 00100,
Nairobi, Kenya.**

Report on the financial statements

We have audited the accompanying financial statements of the Office of the Auditor General, set on pages 8 to 18, which comprise the statement of receipts and payments and statement of cash flows for the period from 1 July 2014 to 30 June 2015, the statement of assets and liabilities as at 30 June 2015 and notes to the financial statements.

Accounting Officer's responsibility for the financial statements

The accounting officer is responsible for the preparation of financial statements that give a true and fair view in accordance with International Public Sector Accounting Standards and the requirements of the Public Audit Act 2015 and for such 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.

Auditor's responsibility

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit qualified opinion.

Basis for qualified opinion

We were unable to determine whether the requirements of the Public Finance Management Act, 2012 (PFM Act) and the Public Procurement and Disposal Act, 2005 (PPDA) were complied with and the validity of:

- a) Expenditure amounting to Kshs. 7,399,251 included with expenditure for which we were not provided with supporting documentation and procurement file;

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PKF Kenya, a partnership carrying on business under BN registration no. 309855 was on 10 March 2020 converted to PKF Kenya LLP (LLP-8519PL), a limited liability partnership under the Limited Liability Partnership Act, 2011.

Partners: R. Shah, A. Shah, A. Vadhwa, P. Shah, R. Mirchandani*, D. Kabeberi, C. Ogutu***, A. Chaudhry, K. Shah**, M. Mburugu, G. Santokh, D. Shah, S. Alibhai, L. Abreu, P. Kuria, N. Shah, J. Shah, E. Njuguna, P. Kahi, A. Chandria, M. Kimundu, S. Chheda**, M. Bhavsar, C. Mukunu, K. Bharadva (*Indian, **British, ***Ugandan)

PKF Kenya LLP and its associates are member firms of the PKF International Limited family of legally independent firms and do not accept any responsibility or liability for the actions or inactions of any other individual member or correspondent firm or firms

REPORT OF THE INDEPENDENT AUDITOR ON THE FINANCIAL STATEMENT OF THE OFFICE OF THE AUDITOR GENERAL (CONTINUED)

- b) Expenditure amounting to Kshs. 27,918,947 included within use of goods and services for which we were not provided with supporting documentation; and
- c) Expenditure amounting to Kshs. 28,058,978 as included in total payments that was not recorded as payments within the payment register under the Integrated Financial Management Information System (IFMIS). We were not provided with a reconciliation or explanation as to why the payments did not appear in IFMIS register.

We were therefore unable to determine whether, in respect of a) and b) above the expenditure was valid and in respect of a), b) and c) above, whether the requirements of the Public Finance Management Act, 2012 and the Public Procurement and Disposal Act, 2005 were complied with.

Qualified Opinion

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying financial statements give a true and fair view of the assets and liabilities of the Office of the Auditor General as at 30 June 2015, and of its receipts and payments and cash flows for the year then ended in accordance with the cash basis of accounting under the International Public Sector Accounting Standards (IPSAS) as described in Note 1 and the requirements of the Public Audit Act, 2015.

Report on other matters prescribed by the Public Audit Act, 2015

As required by the Public Audit Act, 2015 Section 45 (4a), we report to you that except for the matters referred to in the basis for qualified opinion paragraph of our report on above:

- a) the information and explanations that were required to perform the examination and audit were received;
- b) proper books of accounts have been kept and the accounts are in agreement therewith; and
- c) the accounts present a true and fair view of the financial position of the office of the Auditor-General.

With respect to the matters referred to in the basis for qualified opinion paragraph, we are notable to state whether:

- a) money has been spent in a way that was lawful, economical, efficient and effective; and whether
- b) the rules and procedures followed or the records kept were adequate to safeguard assets, liabilities and the collection of revenue,

PKF Kenya LLP

**Certified Public Accountants
NAIROBI**

26 October, 2020

**CPA Chaudhry Mohamed Asif, Practicing Certificate No P/2059
Signing Partner Responsible for the independent audit**

1264/20

STATEMENT OF RECEIPTS AND PAYMENTS

Receipts	Notes	2014 - 2015 KShs	2013 - 2014 KShs
Exchequer releases	1	2,672,400,000	2,935,000,000
Other receipts	2	<u>139,884,000</u>	<u>153,019,618</u>
Total receipts		<u>2,812,284,000</u>	<u>3,088,019,618</u>
Payments			
Compensation of employees	3	1,510,999,999	1,336,072,536
Use of goods and services	4	1,258,609,409	685,925,251
Transfers to other government units	5	18,245,000	143,785,450
Acquisition of assets	6	<u>96,197,000</u>	<u>778,317,835</u>
Total payments		<u>2,884,051,408</u>	<u>2,944,101,072</u>
(Deficit)/surplus for the year		<u><u>(71,767,408)</u></u>	<u><u>143,918,546</u></u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 19 October 2020 and signed by:


Auditor-General

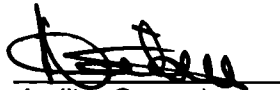

Deputy Auditor General CS

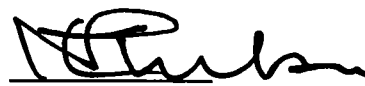
STATEMENT OF ASSETS AND LIABILITIES

	Note	As at 30 June 2015 KShs.	As at 30 June 2014 KShs.
Financial assets			
Cash and cash equivalents	7	992,066	71,905,643
Accounts receivables (outstanding imprest)	8	<u>23,836,301</u>	<u>22,355,839</u>
Total financial assets		24,828,367	94,261,482
Financial liabilities			
Accounts payables (deposits and retentions)	9	<u>2,334,293</u>	<u>-</u>
Net financial position		<u>22,494,074</u>	<u>94,261,482</u>
Fund balance brought forward (Deficit)/surplus for the year	10.3	<u>94,261,482</u> <u>(71,767,408)</u>	<u>(49,657,064)</u> <u>143,918,546</u>
Net financial position		<u>22,494,074</u>	<u>94,261,482</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on

19 October 2020 and signed by:


Auditor-General


Deputy Auditor General CS

STATEMENT OF CASHFLOWS

	Notes	2014 - 2015 KShs.	2013 - 2014 KShs.
Receipts of operating income			
Exchequer releases	1	2,672,400,000	2,935,000,000
Other revenues	2	139,884,000	153,019,618
		2,812,284,000	3,088,019,618
Payments of operating expenses			
Compensation of employees	3	(1,510,999,999)	(1,336,072,536)
Use of goods and services	4	(1,258,609,409)	(685,925,251)
Transfers to other government units	5	(18,245,000)	-
		(2,787,854,408)	(2,021,997,787)
Cash (used in)/from;			
Imprest and staff advances to Staff		(195,590,916)	(128,545,987)
Imprest and staff advances from Staff		194,110,454	31,515,275
Cash from deposits and retentions		2,334,293	719,208
Net cash flow from/(used in) operating activities		853,831	(96,311,504)
Cash flow (used in) investing activities			
Acquisition of assets	6	(96,197,000)	(778,317,835)
Net cash (used in) investing activities		(96,197,000)	(778,317,835)
Net (decrease)/increase in cash and cash equivalents		(70,913,577)	191,392,492
Cash and cash equivalent at beginning of the year		71,905,643	24,298,601
Cash and cash equivalents at the end of the year	7	992,066	71,905,643

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 19 October 2020 and signed by:


Auditor-General


Deputy Auditor General CS

Office of the Auditor General
Report and Financial Statements
For the year ended June 30, 2015

SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/expense item	Original budget a KShs	Adjustments b KShs	Final budget c= a+b KShs	Actual on comparable basis d KShs	Budget utilisation difference e=c-d KShs	% of utilisation f=d/c % %
Receipts						
Exchequer releases	3,016,020,000	300,000,000	3,316,020,000	2,672,400,000	643,620,000	81%
Other receipts-AIA	110,000,000	-	110,000,000	139,884,000	(29,884,000)	127%
Total	3,126,020,000	300,000,000	3,426,020,000	2,812,284,000	613,736,000	82%
Payments						
Compensation of employees	1,511,000,000	-	1,511,000,000	1,510,999,999	(1)	100%
Use of goods and services	994,737,000	300,000,000	1,294,737,000	1,258,609,409	36,127,592	97%
Transfers to other government units	-	-	-	18,245,000	(18,245,000)	-
Acquisition of assets	510,283,000	-	510,283,000	96,197,000	414,086,000	19%
Total	3,016,020,000	300,000,000	3,316,020,000	2,884,051,408	431,968,591	87%

Acquisition of Assets include the Development budget of Kshs. 0.405 Billion which was however not spent due to unforeseen delay in the purchase of the Eldoret land and time required to identify consultants for the planned OAG Headquarters at Bishop's Road The entity financial statements were approved on _____ 2020 and signed by:


Auditor-General


Deputy Auditor General CS

Office of the Auditor General
Report and Financial Statements
For the year ended June 30, 2015

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 %
	KShs	KShs	KShs	KShs	KShs	%
Receipts						
Exchequer releases	2,501,020,000	300,000,000	2,801,020,000	2,672,400,000	128,620,000	95%
Other receipts – AIA	110,000,000	-	110,000,000	139,884,000	(29,884,000)	127%
Total	2,611,020,000	300,000,000	2,911,020,000	2,812,284,000	98,736,000	97%
Payments						
Compensation of employees	1,511,000,000	-	1,511,000,000	1,510,999,999	(1)	100%
Use of goods and services	994,737,000	300,000,000	1,294,737,000	1,258,609,409	36,127,591	97%
Transfers to other government units	-	-	-	18,245,000	(18,245,000)	0%
Acquisition of assets	105,283,000	-	105,283,000	96,197,000	9,086,000	91%
Total	2,611,020,000	300,000,000	2,911,020,000	2,884,051,408	17,882,590	99%

The entity financial statements were approved on 19 October 2020 and signed by:


Auditor-General


Deputy Auditor General CS

Office of the Auditor General
Report and Financial Statements
For the year ended June 30, 2015

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 %
	KShs	KShs	KShs	KShs	KShs	KShs
Receipts						
Exchequer releases	405,000,000	-	405,000,000	-	405,000,000	0%
Total	405,000,000	-	405,000,000	-	405,000,000	0%
Payments						
Total	-	-	-	-	-	0%

The entity financial statements were approved on 19 October 2020 and signed by:


Auditor-General


Deputy Auditor General CS

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 and comply with International Public Sector Accounting Standards (IPSAS) under the Cash Basis of Accounting and applicable government legislation and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the OAG and all values are rounded to the nearest thousand (Kshs'000). The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of revenue and expenses

The OAG recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the OAG. In addition, the OAG recognises all expenses when the event occurs and the related cash has actually been paid out by the OAG.

3. In-kind contributions

In-kind contributions are donations that are made to the OAG 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 OAG includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

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

5. Accounts Receivable

For the purposes of these financial statements, imprest 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 expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties has 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 by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7. Non-current assets

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

8. Pending bills

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

9. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The OAG's budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the OAG's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

10. Comparative figures

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

11. Subsequent events

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

NOTES TO THE FINANCIAL STATEMENTS

	2014 - 2015	2013 - 2014
	KShs	KShs
1. Exchequer releases		
Total exchequer releases for quarter 1	518,400,000	520,000,000
Total exchequer releases for quarter 2	674,000,000	670,000,000
Total exchequer releases for quarter 3	820,000,000	550,000,000
Total exchequer releases for quarter 4	660,000,000	1,195,000,000
Total	<u>2,672,400,000</u>	<u>2,935,000,000</u>
2. Other receipts		
Receipts from administrative fees and charges - collected as Appropriation in Aid	<u>139,884,000</u>	<u>153,019,618</u>
3. Compensation of employees		
Basic salaries of permanent employees	941,603,999	694,276,533
Personal allowances paid as part of salary	<u>569,396,000</u>	<u>641,796,003</u>
Total	<u>1,510,999,999</u>	<u>1,336,072,536</u>
4. Use of goods and services		
Utilities, supplies and services	29,017,462	15,782,717
Communication, supplies and services	68,568,976	56,927,157
Domestic travel and subsistence	195,590,916	128,545,987
Foreign travel and subsistence	13,180,335	5,661,618
Printing, advertising and information supplies and services	16,312,467	5,691,925
Rentals of produced assets	131,955,639	109,299,245
Training expenses	56,806,119	38,649,870
Hospitality supplies and services	8,108,926	1,883,771
Insurance costs	148,497,983	115,000,044
Specialized materials and services	3,360,788	1,572,314
Office and general supplies and services	23,365,374	17,251,479
Other operating expenses*	533,875,198	159,156,981
Maintenance – vehicles and other transport equipment	12,270,828	15,505,978
Maintenance – other assets	6,587,398	12,249,811
Membership fees and dues and subscriptions	6,000,000	2,746,354
Government pension and retirement benefits	<u>5,111,000</u>	<u>-</u>
Total	<u>1,258,609,409</u>	<u>685,925,251</u>

* Other operating expenses comprise mainly of contracted outsourced professional audit services

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2014 - 2015 Kshs	2013 - 2014 Kshs
5. Transfers to other government units		
Transfers to national government entities (National Treasury)	<u>18,245,000</u>	<u>143,785,450</u>
6. Acquisition of assets		
Non-Financial Assets		
Purchase of vehicles and other transport equipment	-	56,000,000
Overhaul of vehicles and other transport equipment	-	334,082
Purchase of office furniture and general equipment	20,913,600	2,476,587
Purchase of ICT equipment, software and other ICT assets	-	194,507,166
Purchase of specialized plant, equipment and machinery	75,283,400	-
Acquisition of land	-	525,000,000
Total	<u>96,197,000</u>	<u>778,317,835</u>
7. Cash and cash equivalents		
Bank balances		
CBK, 1000181327* KShs Recurrent	(4,983,923)	67,775,718
CBK, 100182598 KShs Recurrent	700,000	-
KCB, 1107839173 KShs Recurrent	<u>1,634,292</u>	<u>719,209</u>
Total	<u>(2,649,631)</u>	<u>68,494,927</u>
Cash in hand	<u>3,641,697</u>	<u>3,410,716</u>
Total	<u>992,066</u>	<u>71,905,643</u>
Cash in hand is analysed as follows:		
Head Office	<u>3,641,697</u>	<u>3,410,716</u>
*The above comprises of book overdraft. The book overdraft arose as a result of cheques and transfers issued but not effected by the bank as at end of year. The total unrepresented cheques were totalling to Shs. 115,916,805.		
8. Accounts receivable - outstanding imprest		
Government imprest and advances	<u>23,836,301</u>	<u>22,355,839</u>
9. Accounts payable		
Funds held on account of creditors	<u>2,334,293</u>	<u>-</u>
This represents a contra account for funds held on account of suppliers as shown below:		
CBK, 100182598 KShs Recurrent	700,000	-
KCB, 1107839173 KShs Recurrent	<u>1,634,292</u>	<u>-</u>
Total	<u>2,334,292</u>	<u>-</u>
10. Other important disclosures	2014 - 2015 KShs.	2013 - 2014 KShs.
10.1 Pending accounts payable (Annex 3)		
Construction of buildings	60,000,000	-
Supply of goods	1,238,000	5,818,000
Supply of services	<u>22,022,000</u>	<u>19,703,000</u>
Total	<u>83,260,000</u>	<u>25,521,000</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Other important disclosures (continued)

10.2 Related party disclosures

The following comprise of related parties to the Office of the Auditor General. Key management personnel that include the Auditor General and Deputy Auditor Generals

	2014 - 2015 KShs	2013 - 2014 KShs
Key Management Compensation	<u>34,174,000</u>	<u>32,466,000</u>

Key Management Compensation excludes compensation to the Auditor General whose salary is paid through the consolidated fund directly by the National Treasury.

Transfers from and to related parties

Transfers from the exchequer	2,672,400,000	2,935,000,000
Fees charged to State and County Corporations and other Agencies	139,884,000	153,019,618
Payments to State and County Corporations and other Agencies	<u>131,693,952</u>	<u>-</u>

10.3 Fund balance brought forward

	2014 - 2015 KShs	2013 - 2014 KShs
Bank Accounts	68,494,927	21,917,031
Cash in Hand	3,410,716	2,381,570
Accounts Receivable	22,355,839	16,301,321
Other receivables	<u>-</u>	<u>9,057,142</u>
Total	<u>94,261,482</u>	<u>49,657,064</u>

These financial statements are prepared on the IPSAS Cash basis of accounting. Not included in these financial statements are debtors amounting to Shs 178,437,917 which are owed to the Organisation by the Defunct Local Authorities. On July 2014, the Chairman of the Defunct Transitional Authority requested the Office of the Auditor General to temporarily suspend the request for payments until such a time the exercise of verifying the assets and liabilities will have been completed.

Subsequent to the year, a publication by Intergovernmental Relation Technical Committee (IGRTC) for the year 2018 recommended that all debts owed by other Government Institutions consider writing off any debts owed by the Defunct Local Authorities.

ANNEX 1 - PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor in the audit of the financial statements for the year ended 30 June 2014, 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.	Issue/Observations	Management comments	Focal Point	Status: (Resolved/not resolved)	Timeframe:
Finding 1	Unplanned change over in OAG financial reporting framework	The changeover was advised by treasury for purpose of consistency in government accounting.	AG	Resolved	N/A
Finding 2	Shortcomings of IFMIS financial management and accounting software	OAG constantly consults with the IFMIS directorate in order to ensure continuous improvement of the different functions in IFMIS. The National treasury requires all payments to have been posted in IFMIS and transferred to the payment module before they can issue exchequer. Delay's in exchequer payments inevitably results into unpaid payments at the end of the period.	AG	Not Resolved	2020
Finding 3	Anomalies cited in the audit vault	The Audit Vault is currently in use	AG	Resolved	N/A

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ANNEX 1 - PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS (CONTINUED)

Reference No. on the external Audit Report	Issue/Observations from the Auditor	Management comments	Focal Point person to resolve the issue	Status: (Resolved/not resolved)	Timeframe:
Finding 4	Anomalies noted in the IFMIS effectiveness audit contract	It should be noted that the JKUATES submitted their report in March 2015 and we had to carry out due diligence with the Auditee on the issues that were raised in the report. Due diligence involved consultative meetings between us and treasury which involved validating all the issues raised. We had a series of meetings with treasury whenever they were available but it should be noted that we occasionally had to postpone our meetings due to non-availability of relevant officers to review the report. We finally had our exit meeting in May 2016 with the Principal secretary/Treasury on the final Report, the availability of IFMIS documentation was the primary cause of the delay. Documents requested for were kept in different locations by different agencies and departments within the Treasury. Please take note that we are still receiving information as late as 2 weeks ago.	DAG Performance Audit	Resolved	N/A

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ANNEX 1 - PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS (CONTINUED)

Reference No. on the external Audit Report	Issue/Observations from the Auditor	Management comments	Focal Point person to resolve the issue	Status: (Resolved/not resolved)	Timeframe:
Finding 5	Procurement transactions with companies not in the prequalified list of suppliers	OAG only procures from prequalified suppliers except for special categories already prequalified by National treasury or Government institutions e.g Kenya School of monetary Studies or where an open tender to the public is floated.	DAG -Corporate Services	Resolved	N/A
Finding 6	Procurement contracts initiated when there were no funds to pay suppliers	Change in the GOK funding policy which came with the GPAY in which first the OAG processes the payment vouchers and posts them into the IFMIS system before the treasury funds the transaction resulting into the IFMIs system showing overdrawn balances	DAG Corporate Services	Resolved	N/A
Finding 7	Difference between balances as per schedules and as per financial statements	The differences occurred as a result of corrections on the financial statements to tie them to the ledger The schedule have been amended to tie.	DAG Corporate Services	Resolved	N/A

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ANNEX 1 - PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS (CONTINUED)

Reference No. on the external Audit Report	Issue/Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status: (Resolved/not resolved)	Timeframe:
Finding 8	Inadequacies noted in the Fixed Assets Register (FAR)	The Valuation of Assets and Upgrading of fixed assets Register was done in 2015/2016. The valuation of motor vehicles has been completed while the valuation of Furniture and equipment is expected to be completed before 30 June 2016.	DAG Corporate Services	Resolved	N/A
Finding 9	Weakness noted in the OAG internal control systems and corporate governance	The OAG is committed to improve its internal controls and has started by having the policies and procedures for all its main functions. Significant improvements have been made in the bank reconciliations and the items that have been made in bank reconciliations and other items that have been closed. Further improvements are expected as the internal audit functions is strengthened.	AG	Resolved	N/A
Findings 10	Over/(under) valuations of inventory	Inventory values shall be determined and adjusted using the quantities and unit values as recommended.	DAG Corporate Services	Resolved	N/A
Findings 11	Other inadequacies in the inventories / stores	Items considered as dead stock have now been earmarked for disposal in the 2015-2016 financial year. However the stores records/ bin cards have been enhanced and are regularly up dated to reflect on the most current and accurate position.	DAG Corporate Services	Resolved	N/A
Finding 12	Non-compliance with Government regulations and procedure relating to temporary interest	Any un-surrendered imprests are recovered in full once inability to surrender is established.	DAG Corporate Services	Resolved	N/A

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ANNEX 1 - PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS (CONTINUED)

Reference No. on the external Audit Report	Issue/Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status: (Resolved/not resolved)	Timeframe:
Finding 13	Inadequate accounting for the receivables / AIA income.	All major clients have been visited and reconciliation done. A receivable management package has been implemented for proper recording and accounting	DAG Corporate Services	Resolved	N/A
Finding 14	Transactions Posted to the incorrect Budget lines.	The OAG will be carrying out quarterly review of the budget against the actual expenditure on individual expenditure lines and request for budget reallocations from the National Treasury. Past budget reallocations are well documented and are contained in the supplementary column of the vote book.	DAG Corporate Services	Resolved	N/A

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ANNEX 1 - PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS (CONTINUED)

Reference No. on the external Audit Report	Issue/Observations from Auditor	Management comments	Focal person to resolve the	Point to	Status: (Resolved/not resolved)	Timeframe:
Finding 15	Overstatement of staff medical insurance costs	The office has a procedure to deal with serious medical cases where a staff is hospitalized for long or undergoes specialized medical procedure beyond their entitlement. The OAG commits itself through an undertaking giving the limit however where the patient is still critical and the amount is exceeded the treatment cannot be stopped or patient discharged in such condition. The OAG will normally settle the bill and charge it to medical expenditure as it engages the staff on a repayment plan of the excess amount or the staff may apply to the Auditor General for a moratorium/Ex-gratia consideration. Kshs 680,484 had already been reversed in the IFMIS system so there is no overstatement. We are pursuing the hospital for a credit note for the Kshs 7,200 as indicated above.	DAG Corporate Services		Resolved	N/A
Finding 16	Inadequacies in personnel management	The OAG is revisiting the issue of an ERP with National Treasury especially after the enactment of Public Audit Act 2015 which allows more room for financial independence. The contract for Mr Rugera had been renewed and a copy has now been filed. Milcah Oluoch who is on secondment to OAG has also now provided the requisite details for her personal file.	DAG Corporate Services		Resolved	N/A
Finding 17	Inadequacies noted in the procurement budget / procurement plan	The Procurement Plan is a cost guide based on a best estimate and some variances will inevitably occur. The Procurement Plan are now being drawn and approved in the beginning of financial year and revised on a need basis as the year progresses.	DAG Corporate Services		Resolved	N/A
Finding 18	Pending confirmations from the EACC	The matters referred above of legal nature were circularized to Attorney General who is OAG's legal advisor. No response has been received to warrant inclusion of a note on contingent liability Further as indicated on note 10 under contingent liabilities the investigations by EACC are not complete and OAG would not like to speculate on the outcome as it has fully cooperated and provided all the requested information.	DAG Corporate Services		Resolved	N/A

ANNEX 2 - OUTSTANDING IMPREST

PF Number	Names	Imprest date	Imprest warrant number	Expected surrender date	Outstanding imprest KShs
1977028477	Kamau Mwaura Gitee	02-Mar-15	2243663	30-Apr-15	217,000
1978005650	Maurice Keya Opiyo	21-May-15	2316853	20-Jun-15	63,000
1978097534	Walter Ochieng Gumbo	06-May-15	2243611	30-May-15	84,000
1979049851	Stephen Karimi Mbuko	11-Jun-14	1937748	30-Jun-14	3,000
1980073237	Cecilia Adhiambo Oluoch	21-May-15	2316859	20-Jun-15	28,000
1981051076	Methshell Orina Gichanna	21-May-15	2316872	20-Jun-15	93,800
1981070753	Daniel Akaka Ramoya	13-Jan-15	2155503	20-Feb-15	161,500
1981140003	Donald Kimondiu Kateeti	23-Jul-14	2067720	30-Aug-14	77,500
1982034093	Veronica Wangui Waitthaka	27-Jan-14	1885620	05-Apr-14	81,500
1983066784	Rosalind Njeri Mukuha	16-Feb-15	2148499	05-Mar-15	10,000
1984042783	Anderson Wachagah Kariuki	26-May-15	2316889	15-Jun-15	4,000
1984042791	Anastasia Mugure Thuku	06-Feb-15	2155587	13-Apr-15	11,200
1985001065	John Kiama Githinji	20-Nov-13	1852592	10-Jan-14	160,000
1985014115	Hannah Kahaki Thuku	02-Mar-15	2243662	30-Apr-15	217,000
1985014131	Lawrence Gitenya Mose	11-Nov-14	2148349	10-Dec-14	17,500
1985066879	Japheth Musa Otakwa	30-May-14	1997129	30-Jun-14	120,000
1985067728	Eston Karani M'muthuri	20-Feb-15	2208412	30-Mar-15	23,400
1985098177	Elijah Kihara Mwangi	16-Sep-14	2087531	30-Oct-14	67,500
1986023133	Ronald Nyangoya Bichanga	16-Feb-15	2148497	05-Mar-15	6,000
1986037831	Peter Maina Wilson	21-May-15	2316868	20-Jun-15	58,000
1986037849	Joseph Okoth Nyore	20-Jan-15	2155540	20-Feb-15	48,000
1986097556	Alfred David Sumaili	13-Apr-15	2243560	30-May-15	152,500
1987001736	Lamech Bogita Achikah	10-Sep-14	2100947	30-Oct-14	75,000
1987001752	George Otieno Nashon	26-May-15	2316888	15-Jun-15	4,500
1987044954	Samuel Nzioka Kasyima	19-Aug-14	2100820	08-Oct-14	20,000
1987076529	Monicah Muthoni Githua	06-Aug-14	2067529	05-Sep-14	136,500
1987097876	Dorcas Nyambura Kihanya	19-Mar-15	2243705	11-May-15	255,000
1988010110	Charles Ongaro Kiage	15-Jan-15	2208266	28-Feb-15	308,800
1988107242	James Kipnetich Maiyo	21-May-15	2316866	20-Jun-15	56,100
1989050333	Edward Maxwell Anyona	02-Mar-15	2208423	30-Apr-15	15,000
1989050414	Geoffrey Gikonyo Gitau	27-Jan-14	1885604	05-Apr-14	137,000
1989057335	Catherine Wanjiku Mwangi	07-Nov-14	2148322	15-Dec-14	90,000
1989057377	Nelson Munga Kairu	08-Aug-14	2067621	20-Sep-14	150,000
1989113678	Henry Muthii Manegene	03-Sep-14	2100835	30-Oct-14	55,000
1990007369	Angeline Kavili Kioko	05-Mar-14	1908957	30-Apr-14	44,250
1990018873	Lily Umazi Maita	20-Jan-15	2155538	20-Feb-15	24,500
1990143547	David Kinyua Wanyamu	21-Jan-15	2155625	25-Mar-15	162,000
1990143547	David Kinyua Wanyamu	20-Jan-15	2155527	20-Feb-15	180,000
1990143636	Peter Gachira Mbugua	30-Oct-14	2126438	05-Dec-14	184,000
1990156558	Winfred Wangari Muriithi	26-Nov-13	1852627	27-Dec-13	25,000
1990156558	Winfred Wangari Muriithi	06-Sep-13	1808281	11-Oct-13	45,500
1991038452	Kennedy Mwangi Mwaniki	24-Sep-13	1808417	11-Nov-13	292,000

ANNEX 2 - OUTSTANDING IMPREST (CONTINUED)

PF Number	Names	Imprest date	Imprest warrant number	Expected surrender date	Outstanding KShs
1991038478	Samson Odhiambo Otunga	25-Aug-14	2067724	30-Aug-14	74,000
1991038486	Vincent Fidelis Mboya Mulwa	30-Apr-14	1908898	10-Jun-14	6,000
1991038486	Vincent Fidelis Mboya Mulwa	26-Nov-14	2148398	10-Dec-14	47,000
1991041625	Walter Odhiambo Owele	15-Apr-15	2243567	30-May-15	152,000
1991041633	Winston Winner Sasati	19-Mar-15	2243702	11-May-15	189,000
1991041683	Catherine Nafula Mwasho	20-Feb-15	2208414	30-Mar-15	27,000
1991044110	Richard Nyangau Nyachio	09-May-14	1937620	05-Jun-14	30,000
1991044110	Richard Nyangau Nyachio	19-Feb-15	2208302	30-Mar-15	143,000
1991044110	Richard Nyangau Nyachio	21-May-15	2208476	20-Jun-15	70,000
1991057935	Emmanuel Mukundi Kimani	21-Aug-14	2100782	28-Nov-14	80,000
1991057943	Moses Muyeleele Watima	21-Aug-14	2100779	28-Nov-14	75,000
1991058127	Joshiah Otieno Oyuko	08-Sep-14	2100892	30-Oct-14	100,000
1991058606	Priscilla Nechesa Maina	13-Jan-15	2155510	20-Feb-15	110,000
1991058729	Thomas Arogo Ocharo	26-May-15	2316887	15-Jun-15	10,000
1991058779	Reginah Nyambura Ndung'u	14-Jul-14	2067677	01-Sep-14	101,000
1991060124	Wilson Esau Ambaisi	21-May-15	2316862	20-Jun-15	11,250
1991060158	Charles Otieno Oduor	21-May-15	2316878	20-Jun-15	61,000
1991077650	Caleb Otieno	20-Jan-15	2155522	20-Feb-15	201,000
1991099157	Ruth Nyawira Gitari	10-Mar-15	2208433	30-Apr-15	117,600
1992018764	Susan Wanjiku Kahungu	02-Mar-15	2243660	30-Apr-15	217,000
1992030538	David Osiemo	22-May-14	1997053	20-Jun-14	125,000
1992030538	David Osiemo	21-May-15	2316855	20-Jun-15	70,000
1993013848	Francis Ngángá Kabui	07-Nov-14	2148304	15-Dec-14	337,000
1993013848	Francis Ngángá Kabui	19-Mar-15	2243704	11-May-15	151,200
1993044069	Elijah Okenye Kenyanya	02-Jan-14	1885512	15-Feb-14	252,000
1993071090	Samuel Mokaya Bakora	26-Sep-14	1504126	30-Oct-14	150,000
1993071090	Samuel Mokaya Bakora	10-Nov-14	2148363	10-Dec-14	72,000
1993072355	Kenneth Otieno Nduri	26-Sep-14	1504135	30-Oct-14	270,000
1994012188	Leonard Rang'ala Lari	17-Oct-14	2126401	20-Nov-14	352,500
1994012918	Samuel Baita Mangucia	21-Aug-14	2100780	28-Nov-14	80,000
1995046180	Nathan Nyongesa Wanjala	21-May-15	2316879	20-Jun-15	91,000
1995046203	Joseph Kipkorir Bii	21-May-15	2316874	20-Jun-15	71,000
1995046774	Sabina Wakio Mwadime	13-Jan-15	2155507	20-Feb-15	265,000
1995062160	Dickson Omala Odawa	02-Mar-15	2243653	30-Apr-15	201,600
1996001191	Phineas Awuor Jagowa	02-Sep-14	2100868	29-Sep-14	185,000
1996001379	Raphael Muigai Ikame	13-Jan-15	2155504	20-Feb-15	52,500
1996001379	Raphael Muigai Ikame	21-Jan-15	2155604	25-Mar-15	62,000
1996001989	Francis Gichure	21-May-15	2208478	20-Jun-15	354,000
1996002032	Herrie Njoroge Murage	16-Feb-15	2148498	05-Mar-15	15,000
1997027962	James Rongoei Cheruiyot	20-Jan-15	2155521	20-Feb-15	52,000
1997032200	Evans Sogomi Kaleka	21-May-15	2316851	20-Jun-15	95,600
1997032226	Kenneth Kiprono Biegon	17-Oct-14	2126411	20-Nov-14	380,000
1997032226	Kenneth Kiprono Biegon	21-May-15	2316861	20-Jun-15	35,000
1997032284	Lucy Nyaguthii Mugo	13-Jan-15	2155509	20-Feb-15	251,500
1997032284	Lucy Nyaguthii Mugo	21-May-15	2243625	20-Jun-15	12,590

ANNEX 2 - OUTSTANDING IMPREST (CONTINUED)

PF Number	Names	Imprest date	Imprest warrant	Expected surrender date	Outstandi KShs
1997034294	Abdi Guhad Omar	15-Apr-14	1937564	30-May-14	9,000
1997034820	Justus Ongera	14-Mar-14	1908851	20-Apr-14	55,000
1997035339	Patrick Kinyanjui Muriuki	22-Jul-14	2067718	30-Aug-14	191,500
1997035363	Josphat Kilemi Nkubitu	10-Sep-14	2100798	30-Oct-14	205,000
1997035371	Japheth Mutua Kasivu	13-Jan-15	2155508	20-Feb-15	279,000
1997035444	George Keoro Onkundi	21-May-15	2316867	20-Jun-15	33,000
1997035834	Moffat Nyabuto Gori	16-Sep-14	1504106	30-Oct-14	275,000
1997036937	Alfred Olombe Ochieng	21-May-15	2316856	20-Jun-15	40,000
1997038963	Samuel Karanja Waigongo	20-Jan-15	2155517	20-Feb-15	182,000
1997039024	Tumuna Michael Mwambingu	13-Jan-15	2155502	20-Feb-15	97,000
1997039032	Noah Simba Ayodo	18-Nov-13	1852573	10-Jan-14	166,000
1997075517	Sophia Atieno Wadulo	13-Jan-15	2155506	20-Feb-15	93,000
1999001467	Eric Onyango Odera	20-Jan-15	2155515	20-Feb-15	60,000
1999001491	Isaac Lubisia Sisungu	23-Jul-14	2067555	30-Aug-14	91,000
2000001137	Caroline Naisanya Yiapan	16-Sep-14	2087528	30-Oct-14	175,000
2000001195	Martin Ongau Mokaya	21-Aug-14	2100784	28-Nov-14	171,500
2000004452	Abdi Sahal Ali	14-Nov-13	1840814	27-Dec-13	80,000
2000004478	Collins Taurah Baoh	07-Jan-15	2155525	25-Mar-15	191,500
2000004509	Evans Gatumbu Gachirigua	20-Jan-15	2155529	20-Feb-15	38,500
2000004541	Charles Tiba Gichuru	19-Mar-15	2243720	11-May-15	189,000
2000004583	Felix Kyalo Itonge	21-May-15	2316863	20-Jun-15	15,000
2000004680	Eric Nzai Kavuku	20-Jan-15	2155524	20-Feb-15	43,000
2000004729	Epaphras Nthigah Kiriah	13-Jan-15	2155511	20-Feb-15	102,000
2000004999	Leonard Waliaro Musungu	21-May-15	2316860	20-Jun-15	35,000
2000005018	Samson Nzwii Mutua	20-Jan-15	2155514	20-Feb-15	47,500
2000005042	Harrison Thuku Mwangi	04-Feb-15	2208395	13-Apr-15	168,000
2000005076	Linus Mwenda Mugwiria	30-May-14	1997116	30-Jun-14	20,000
2000005076	Linus Mwenda Mugwiria	20-Jan-15	2155516	20-Feb-15	57,000
2000005084	Rehema Mzee Mwidadi	20-Jan-15	2155541	20-Feb-15	176,500
2000005173	Ezekiel Mombo Nyairo	21-May-15	2316852	20-Jun-15	63,000
2000005238	Joseph Ogutu Ondus	20-Jan-15	2155536	20-Feb-15	185,000
2000005254	Fredrick Awuonda Odhiambo	21-May-15	2316873	20-Jun-15	93,800
2000006810	Milcah Aloo Oluoch Ondiek	24-Nov-14	2148395	19-Dec-14	35,000
2000006810	Milcah Aloo Oluoch Ondiek	15-Dec-14	2148424	24-Jan-15	40,000
2000006810	Milcah Aloo Oluoch Ondiek	27-Apr-15	2243573	30-May-15	22,908
2000006917	Mohammed Kassim	20-Jan-15	2155528	20-Feb-15	205,000
2000006925	Maxwel Gerald Muchugia	20-May-14	1937729	30-Jun-14	162,500
2000006925	Maxwel Gerald Muchugia	21-Jan-15	2155619	25-Mar-15	56,000
2000006925	Maxwel Gerald Muchugia	20-Jan-15	2155533	20-Feb-15	56,000
2000006967	Rose Ngunju Mwangi	19-Mar-15	2243727	11-May-15	112,000
2000006983	Grace Wavinya Kiamba	21-Jan-15	2155620	25-Mar-15	56,000
2002001793	John Mwanguo Mbogho	20-Jan-15	2155543	20-Feb-15	51,000
2002001816	Joab Otieno Wanga	18-Nov-13	1852588	10-Jan-14	40,000

ANNEX 2 - OUTSTANDING IMPREST (CONTINUED)

PF Number	Names	Imprest date	Imprest warrant number	Expected surrender date	Outstanding imprest
					KShs
2004010560	Kinyanjui Nene Peter	19-Mar-15	2243729	11-May-15	96,600
2005022586	Francis Muyonga Mwimali	18-Nov-13	1840828	10-Jan-14	87,000
2005022586	Francis Muyonga Mwimali	06-Mar-14	1908967	30-Apr-14	72,000
2005022586	Francis Muyonga Mwimali	17-Oct-14	2126404	20-Nov-14	230,000
2005022586	Francis Muyonga Mwimali	21-May-15	2316854	20-Jun-15	63,000
2005022594	Douglas Barongo Nyakeri	21-May-15	2316858	20-Jun-15	35,000
2005028338	Nicholas Mugo Njoki	06-May-15	2243604	30-May-15	42,000
2005028346	Wilberforce Githinji Muriithi	12-Aug-14	2067632	10-Sep-14	16,000
2005028346	Wilberforce Githinji Muriithi	25-Jul-14	1937546	30-Aug-14	50,000
2005028354	Fredrick Githui Muraguri	24-Apr-14	1937588	30-May-14	36,000
2005028354	Fredrick Githui Muraguri	31-Jul-14	2067570	10-Aug-14	24,000
2005046857	David Mwangi Njoka	11-May-15	2208458	20-May-15	169,885
2005046865	Dennis Theuri Kariuki	17-Oct-13	1840668	11-Nov-13	8,000
2005046865	Dennis Theuri Kariuki	06-Feb-15	2155586	13-Apr-15	87,800
2005046920	Joseph Kungu Kimani	19-Mar-15	2243706	11-May-15	311,000
2005047007	Naaman Amuga Odera	20-Jan-15	215544	20-Feb-15	138,000
2005058927	James Githaiga Muriithi	19-Mar-15	2243708	11-May-15	206,000
2005058977	Anthony Maina Mwangi	26-May-15	2316886	15-Jun-15	10,000
2005058985	Onesmus Waihenya Waweru	19-Feb-15	2208310	30-Mar-15	159,600
2005059004	Isaiah Kariuki Kanithi	21-Aug-14	2100776	28-Nov-14	75,000
2005059038	Paul Gikandi Kagwanja	20-Jan-15	2155519	20-Feb-15	191,500
2005059054	Samuel Mathenge Wairimu	02-Mar-15	2243661	30-Apr-15	383,000
2005059169	Tom Marindi Ratemo	04-Feb-15	2208391	13-Apr-15	151,000
2005059478	Mark Gitenya Omare	19-Aug-14	2100818	08-Oct-14	20,000
2005059478	Mark Gitenya Omare	20-Jan-15	2155518	20-Feb-15	104,500
2005059703	Moses Mwangi Kabare	24-Sep-13	1808418	11-Nov-13	96,000
2005059711	Rose Ayuma Nandwa	17-Mar-15	2243693	30-Apr-15	235,200
2005059711	Rose Ayuma Nandwa	13-Apr-15	2243561	30-May-15	78,400
2005059729	Angelina Mutuli Masila	21-May-15	2208480	20-Jun-15	224,000
2005059761	Fredrick Thairu Kimani	20-Jan-15	2155520	20-Feb-15	97,500
2005059892	James Ng'ang'a Ngugi	14-Aug-14	2067647	20-Sep-14	57,000
2005059907	Haron Kiplangat Sigei	21-May-15	2316865	20-Jun-15	34,800
2005063223	David Wachira Githinji	19-Mar-15	2243711	11-May-15	161,000
2008087894	Wycliffe Odiwuor Otieno	26-May-15	2208450	10-Jun-15	50,200
2008087909	Peter Mwaura Thuo	27-Nov-13	1852633	27-Dec-13	15,000
2008087909	Peter Mwaura Thuo	11-May-15	2208454	15-May-15	64,900
2008087975	Evans Kawai Vosen	21-May-15	2316864	20-Jun-15	21,400
2008087991	Richard Odhiambo Odok	25-Jul-14	1997047	30-Aug-14	54,000
2008088044	Francis Waweru Ngani	31-Jul-14	2067744	30-Aug-14	37,000
2008143048	Helen Wambui Wanjiru	19-May-15	2243547	10-Jun-15	6,000
2009009831	Robert Mwaura Njogu	16-Feb-15	2148500	05-Mar-15	6,000

ANNEX 2 - OUTSTANDING IMPREST (CONTINUED)

PF Number	Names	Imprest date	Imprest warrant	Expected surrender	Outstanding
					KShs
2009009873	Jonathan Karube Pkatey	21-May-15	2316875	20-Jun-15	61,000
2009048542	Dennis Muli Mulili	05-Nov-13	1840727	27-Dec-13	117,000
2009048542	Dennis Muli Mulili	20-Jan-15	2155523	20-Feb-15	103,000
2011005267	Stanley Mugo Mwangi	13-Jan-15	2155501	20-Feb-15	160,000
2011282730	Hassan Lwambi Kimandi	20-Jan-15	2155526	20-Feb-15	144,500
2011282743	Joseph Wanganju Murigi	19-Mar-15	2243725	11-May-15	161,000
2011282744	Kennedy Ochieng Otege	21-May-15	2316869	20-Jun-15	48,000
2011282749	Timothy Komen	21-May-15	2316877	20-Jun-15	61,000
2011282750	Obadiah Muthoka Mbindyo	21-May-15	2208481	20-Jun-15	224,000
2011282760	Biko Mochama Magara	21-May-15	2316857	20-Jun-15	35,000
2011282762	Christopher Atiya Lilako	19-Feb-15	2208320	30-Mar-15	109,200
2011282767	Peter Horace Nguta	19-Mar-15	2243717	11-May-15	161,000
2011282779	Dekow Abdullahi Hussein	15-Aug-14	2100803	30-Sep-14	120,000
2011282785	Andrew Owino Makatso	21-May-15	2316876	20-Jun-15	61,000
2011282786	Abdi Dabar Abdirahman	15-Apr-14	1937563	30-May-14	9,000
2011282794	Keith Njiru Kathendu	21-Jan-15	2155628	25-Mar-15	112,000
2011282794	Keith Njiru Kathendu	20-Jan-15	2155531	20-Feb-15	132,000
2012280102	Nyamai Michael Mutua	20-Jan-15	2155542	20-Feb-15	150,000
2012280106	Mnjala Micah Ngozi	20-Jan-15	2155545	20-Feb-15	146,500
2012280107	Florence Adhiambo	28-May-15	2243628	10-Jun-15	7,200
2012280110	Noah Sambai	21-May-15	2316880	20-Jun-15	33,800
2012282815	Edith Mapesa Lubanga	26-May-15	2316883	02-Jun-15	85,000
2012282817	charles kiprotich Bii	20-Jan-15	2155537	20-Feb-15	119,000
2012282823	Morgan Fundi Mutui	26-Nov-14	2148405	10-Dec-14	25,000
2012282824	James Ndumo Gathungu	21-May-15	2316870	20-Jun-15	48,000
2012282848	FLORENCE JUMA	21-Aug-14	2100781	28-Nov-14	80,000
2012282851	CHRISTINE NAMAAFU	21-May-15	2208482	20-Jun-15	224,000
2012282861	violet Akinyi Odoyo	26-Nov-14	2148382	10-Dec-14	61,918
2013282084	Milgo Leonard Kimutai	19-Jun-15	2243645	19-Jun-15	170,280
2013282529	Peter Gitonga Maina	19-Mar-15	2243703	11-May-15	255,000
2013282865	Kimunguyi Sammy	21-May-15	2208479	20-Jun-15	294,000
2013282873	Christopher Mwinamo Abib	13-Jan-15	2155505	20-Feb-15	69,000
2014282875	Fredrick Oluoch Odhiambo	19-Feb-15	2208301	30-Mar-15	142,600
2014282875	Fredrick Oluoch Odhiambo	06-Mar-15	2243686	27-Mar-15	73,682
2014282875	Fredrick Oluoch Odhiambo	17-Mar-15	2243690	30-Apr-15	168,000
2014282875	Fredrick Oluoch Odhiambo	13-Apr-15	2243558	30-May-15	84,000
2014282875	Fredrick Oluoch Odhiambo	11-May-15	2208459	20-May-15	169,885
2014282879	obala felix okumu	17-Mar-15	2243694	30-Apr-15	235,200
2014282879	obala felix okumu	13-Apr-15	2243562	30-May-15	78,400
2014282889	Rajab Owel Ogoro	20-Jan-15	2155530	20-Feb-15	56,300
2014282924	Mwangi Christopher	19-Mar-15	2243718	11-May-15	161,000
2014282928	Paul Arithi Muthuri	24-Mar-15	2243734	30-Apr-15	95,800
2014282934	Ben Muok	31-Oct-14	2126736	05-Dec-14	84,680
2014282934	Ben Muok	30-Jan-15	2155638	15-Mar-15	295,000
2014282934	Ben Muok	21-May-15	2243548	15-Jun-15	82,318
2014282936	Awiti Millicent Awino	24-Mar-15	2208445	30-Apr-15	25,000
2014282938	Maurice Odhiambo Otieno	10-Mar-15	2208430	30-Apr-15	84,000
88064583	Francis Onyango	28-May-15	2243627	20-Jun-15	173,655
Total					23,836,301

ANNEX 3 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid to Date	Outstanding Balance	Outstanding Balance
				2014/15	2013/14
	a	b	c	d=a-c	
Construction of buildings	KShs		KShs	KShs	KShs
Purchase of land from Kenya Railways	60,000,000	Mar-15		60,000,000	-
Sub-Total	60,000,000			60,000,000	-
Supply of goods					
Printing and Stationary	1,238,000	Apr-15		1,238,000	-
Sub-total	1,238,000			1,238,000	-
Supply of services					
Various Services	22,022,000	All through the year		22,022,000	-
Sub-total	22,022,000			22,022,000	-
Grand total	83,260,000			83,260,000	-

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost	Historical Cost
	2014/15	2013/14
	KShs	KShs
Land	525,000,000	525,000,000
Buildings and structures	-	-
Transport equipment	203,394,400	203,394,000
Office equipment, furniture and fittings	309,384,600	288,471,000
ICT Equipment, Software and Other ICT Assets	498,625,000	423,342,000
Other Machinery and Equipment	-	-
Heritage and cultural assets	-	-
Intangible assets	5,767,000	5,767,000
Total	1,542,171,000	1,445,974,000

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