

REPUBLIC OF KENYA



*Enhancing Accountability*

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# REPORT

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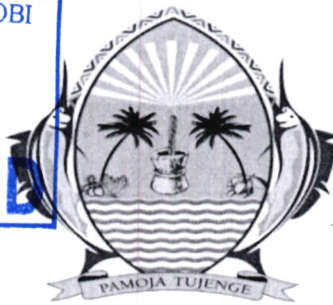
ON

**COUNTY EXECUTIVE OF  
KILIFI**

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



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**COUNTY EXECUTIVE OF KILIFI**

**AMMENDED ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2022**

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**THE COUNTY EXECUTIVE OF KILIFI**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2022.**

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**1. Key Entity Information and Management**

**a) Background information**

The County is constituted as per the Constitution of Kenya is headed by the County Governor, who is responsible for the general policy and strategic direction of the County.

**Vision**

To be a leading, vibrant, highly productive, secure and prosperous county providing high quality life for all its inhabitants

**Mission**

To provide an enabling environment for efficient utilization of resources, industrial growth and effective provision of essential services for improved quality of life for all.

**Core Values**

- Integrity
- Prudent use of public resources
- Appreciation for diversity
- Environmental sustainability
- Transparency and accountability
- Inclusive and public participation

**b) Key Management**

The day-to-day management of the Kilifi County Executive is under the following officers:

No.	Office/ Department
1.	The Governor
2.	County Secretary
3.	Finance and Economic Planning
4.	Agriculture, Fisheries and Livestock Development
5.	Water Environment, Forestry, Natural Resources and Solid Waste Management
6.	Education and ICT
7.	Health Services
8.	Roads, Transport and Public Works
9.	Lands, Energy, Housing, Physical and Urban Development
10.	Gender, Culture, Social Services and Sports
11.	Trade, Tourism and Cooperative Development

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No.	Office/ Department
12.	Devolution, Public Service and Disaster Management

**c) Fiduciary Management**

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

No.	Designation	Name	ICPAK Reg. No.
1.	CEC Member Finance & Economic Planning	CPA Samuel Kombe Nzai- 1 <sup>st</sup> July to 9 <sup>th</sup> February 2022	12429
		Hon. Maureen Munyazi Mwangovya-10 <sup>th</sup> Feb. to 30 <sup>th</sup> June 2022	
2.	Chief Officer Finance	Kennedy Muganga Chilibasi	20920
3.	Chief Officer Office of the Governor	Amina Nassor	
4	Chief Officer Agriculture & Livestock	Fredrick Baraka Kaingu	
5	Chief Officer Water Environment, Forestry, Natural Resources and Solid Waste Management	Kenneth Kazungu	
6	Chief Officer Education, information, Communication & Technology	Everlyne Mwenda Karisa	
7	Chief Officer Health Services	Ibrahim Alio Adan	
8	Chief Office Roads & Public Works	Kenneth Kazungu	
9	Chief Officer Lands, Energy, Housing, Physical & Urban Development	Moses Gunda	
10	Chief Officer Gender, Culture and Social Services	Vincent Mwalimu Lugwe	
11	Chief Officer Trade and Cooperative Development	Mary Mukare	
11	Chief Executive Officer County Public Service Board	Johnson H Randu	
13	Chief Officer Devolution, Disaster & Public Service Management	Adan Mohamed	
14	Director Accounting Services	Bonaventure F.M. Mwakio	3346

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**d) Fiduciary Oversight Arrangements**

The key fiduciary oversight bodies for the County for the year ended 30 June 2022 were:

- County Assembly of Kilifi
- Controller of Budget
- Kilifi County Audit Committee
- The County Assembly of Kilifi Public Accounts Committee
- The County Assembly of Kilifi Budget and Appropriation Committee
- The County Assembly of Kilifi Economic planning and Trade Committee

The following are some of the fiduciary activities undertaken during the financial year

- Approval of the 2021/2022 Executive budget and supplementary estimates by the County Assembly
- Approval of funds withdrawal from the County revenue fund by the Controller of Budget
- Review and recommendations on financial management by the Audit Committee
- Discussion and recommendations on the Executive 2019/2020 Auditor General report by the County Assembly public Investment and Accounts Committee.
- Deliberations and recommendations on the 2021/2022 Executive budget and supplementary estimates by County Assembly Budget and Appropriation Committee

**e) County Executive Headquarters**

County Government of Kilifi  
Governor's office Building  
Bofa Road  
Kilifi, KENYA

**f) County Executive Contacts**

P.O. Box 519-80108, Kilifi  
Telephone: (254)  
E-mail: [info@kilifi.go.ke](mailto:info@kilifi.go.ke)  
Website: [www.kilifi.go.ke](http://www.kilifi.go.ke)

**g) County Executive Bankers**

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

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- 2) Kenya Commercial Bank  
Kilifi Ganze Road, Kilifi  
P.O Box 528- 80108  
Kilifi Branch
- 3) Equity Bank  
Kilifi Shopping Arcade  
P.O Box 381-80108  
Kilifi Branch
- 4) National Bank  
Elite Plaza, Kenyatta Road,  
Mombasa Malindi Highway, Malindi  
P.O Box 2016- 80200  
Malindi Branch
- 5) Cooperative Bank  
Kilifi Ganze Road, Kilifi-  
P.O Box 96- 80108  
Kilifi Branch
- 6) Diamond Trust Bank  
Mombasa Malindi Highway, Next to Naivas Kilifi  
P.O Box 864 -80108  
Kilifi Branch
- 7) NIC Bank  
Kilifi Shopping Aracade  
Kilifi Branch
- 8) Absa Bank(K) PLC  
Coast Area Group of Branches  
Kilifi Branch  
P.O BOX 423 – 80108  
Kilifi, Kenya.  
+254-0417522580
- 9) SBM Bank  
Lamu Road, Opposite Multi Groceries Limited  
Malindi Branch

**h) Independent Auditors**

Auditor-General  
Office of The Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084

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GPO 00100

**NAIROBI, KENYA**

**i) Principal Legal Adviser**

The Attorney General  
State Law Office and Department of Justice  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
**NAIROBI, KENYA**

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**2. Foreword. by the CECM Finance and Economic Planning**

**Preamble**

It is with great pleasure that I present the County Executive of Kilifi financial statements for the year ended 30<sup>th</sup> June 2022. The financial statements present the County's financial performance for the period of twelve months.

The financial statements have been prepared in accordance with section 164 of the Public Finance Management Act, 2012 which requires the accounting officer of a county government entity to prepare financial statements in respect of the entity in the formats to be prescribed by the Accounting Standards Board. These financial statements present a true and fair view of the state of affairs of the County Government of Kilifi operations for the year ended 30<sup>th</sup> June 2022.

**Functions of the County Government as per the County Government Act.**

The county government shall be responsible for—

- (a) County legislation in accordance with Article 185 of the Constitution;
- (b) Exercising executive functions in accordance with Article 183 of the Constitution;
- (c) Functions provided for in Article 186 and assigned in the Fourth Schedule of the Constitution;
- (d) Any other function that may be transferred to county governments from the national government under Article 187 of the Constitution;
- (e) Any functions agreed upon with other county governments under Article 189(2) of the Constitution; and
- (f) Establishment and staffing of its public

**County Government's financing**

Article 202 of the Constitution of Kenya, 2010 provides that revenue raised nationally shall be shared equitably among the national and county governments. The division of revenue between the national and county governments is done through the Division of Revenue Act (DoRA) while the division of the county allocation between county governments is done through the County Allocation of Revenue Act (CARA).

In addition to the national share, Article 209 (3) of the Constitution of Kenya, 2010 gives powers to county governments to impose property rates, entertainment taxes and any other tax that it is authorised to impose by Act of Parliament. This revenue forms the county's own generated revenues.

The CARA allocation and the county government's own generated revenues are consolidated to form the county revenue annual budget which finances the annual expenditure.

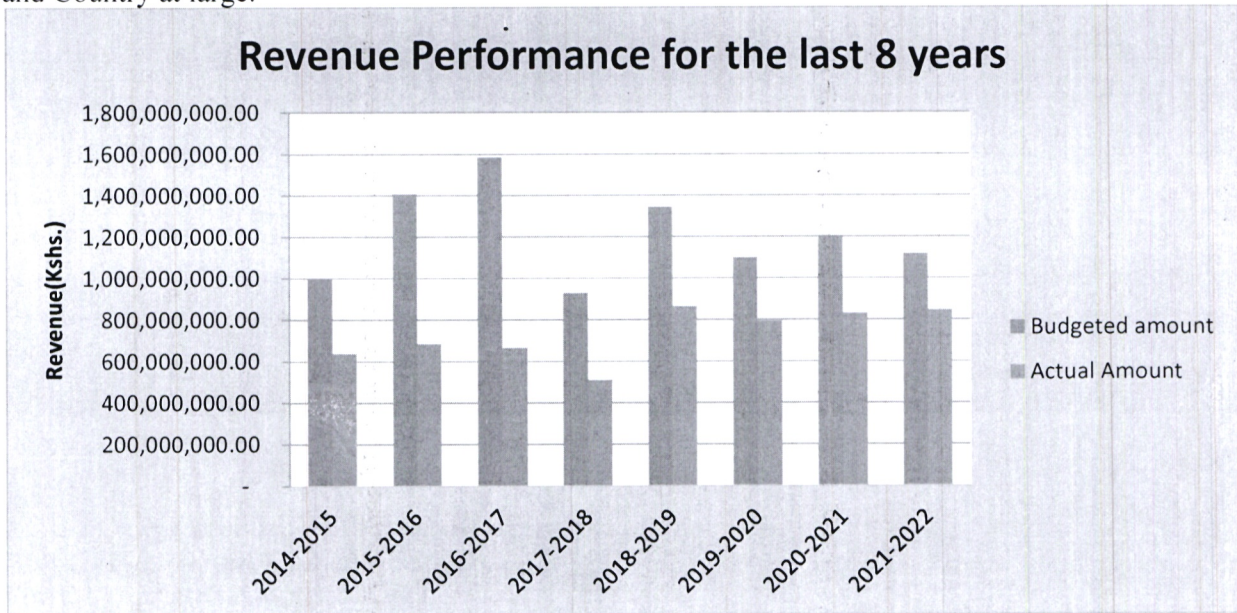
**Financial Performance**

**Receipts**

In the financial year ended 30 June 2022 the County Government had an approved budget of Kshs. 14,987,827,550. The equitable share for the FY 2021/2022 was Kshs. 11,641,592,941 however only Kshs. 10,710,265,505 was received during the year while the balance of Kshs. 931,327,436 was received in the FY 2022/2023. The received equitable share allocation was 92% of its total allocation of the County Allocation of Revenue Act, 2020. The total collection of own source revenue for FY 2021/2022 was Kshs. 847,473,214 which was 76% of the year's target of Kshs. 1,118,754,087. However, the collection was high as compared to Kshs 829,717,651 collected in FY 2020/2021. This was largely attributed to the slow recovery from

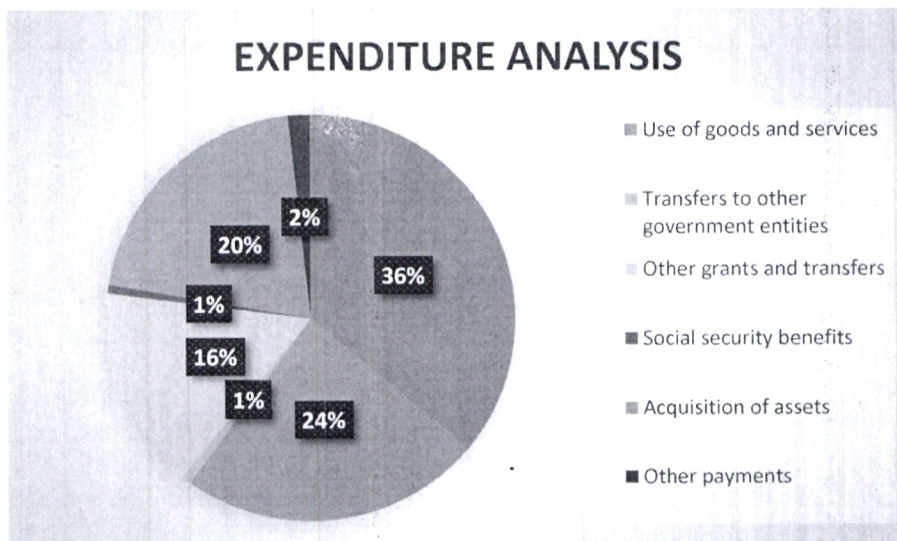
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the global Covid-19 pandemic, which had paralyzed all sectors of the economy in the County and Country at large.



**Expenditure**

The County’s actual expenditure for the FY 2021/2022 was Kshs 11,503,624,552 representing 77% of the approved budget for the year. An expenditure of Kshs. 4,141,325,008 was utilized on compensation to employees. This represents 36% of the total expenditure which is in adherence to the fiscal responsibility principle of salaries and wages. Development expenditure was Kshs 3,027,388,816 which is 26% of the total actual expenditure for the year. A total of Kshs.1,043,413,898, was transferred to the County Assembly of Kilifi as a transfer to other government entities as provided for in the budget ceilings set by the Commission on Revenue Allocation.



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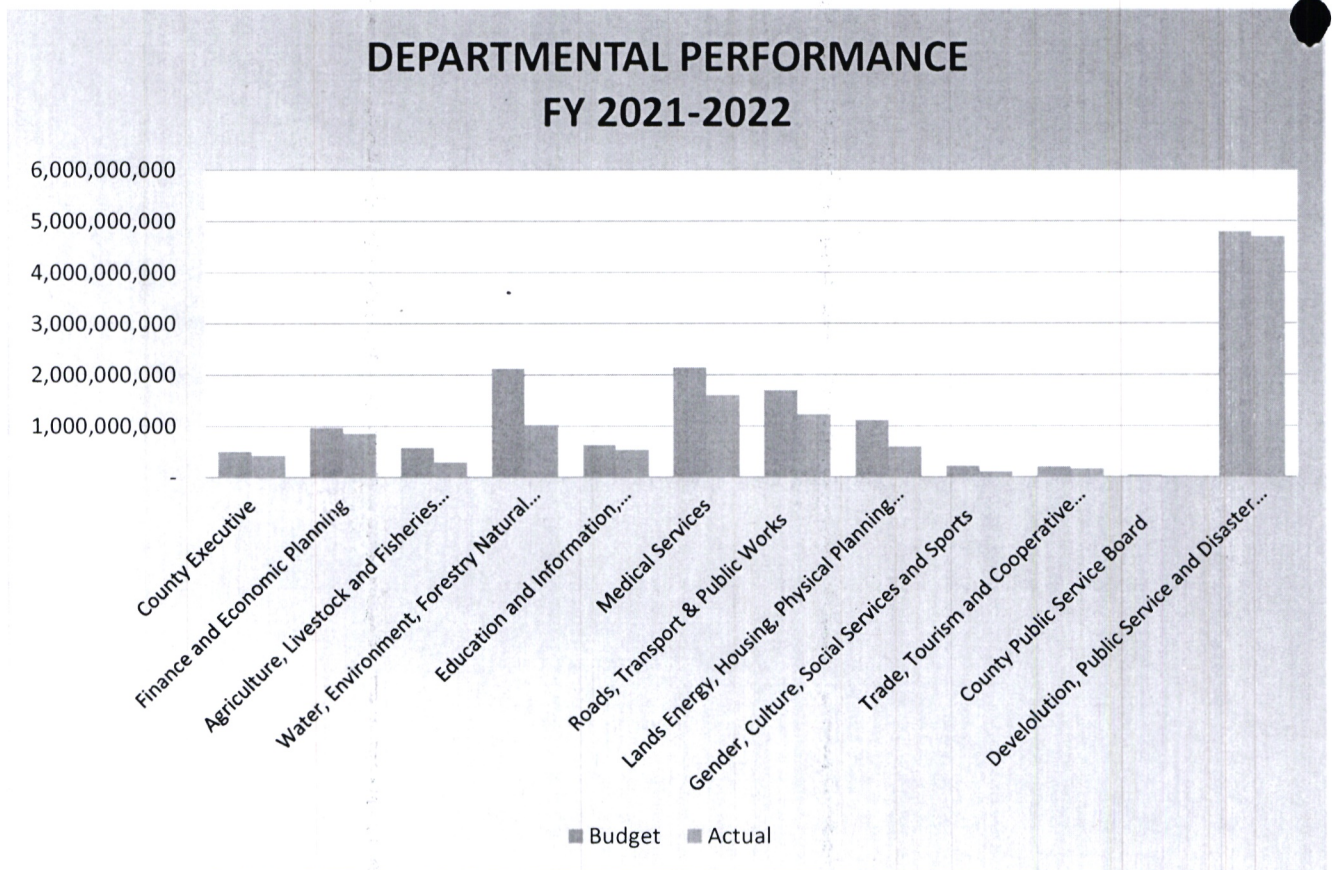
**(i) Departmental Performance**

The County Executive of Kilifi has 12 entities namely;

- The Executive
- Finance & Economic Planning
- Agriculture Fisheries & Livestock Development
- Water Environment, Forestry, Natural Resources and Solid Waste Management
- Education and ICT
- Health Services
- Roads and Public Works
- Lands, Energy, Housing, Physical & Urban Development
- Gender, Culture and Social Services
- Trade and Cooperative Development
- Devolution, Public Service and Disaster Management
- County Public Service Board

Each entity works independently in providing essential services to citizens. The performance of the County Executive entities during the financial 2021/2022 is highlighted below:

<b>Department/entity</b>	<b>Original Budget (Kshs)</b>	<b>Approved Budget (Kshs)</b>	<b>Actual (Kshs) Kshs.</b>	<b>Absorption Rate (%)</b>
<b>County Executive</b>	<b>326,124,182</b>	<b>502,693,550</b>	<b>421,601,326</b>	<b>84%</b>
<b>Finance and Economic Planning</b>	<b>2,704,019,563</b>	<b>966,955,724</b>	<b>856,900,604</b>	<b>89%</b>
<b>Agriculture, Livestock and Fisheries Development</b>	<b>302,769,998</b>	<b>579,277,520</b>	<b>289,062,046</b>	<b>50%</b>
<b>Water, Environment, Forestry Natural Resources and Solid Waste Management</b>	<b>525,748,689</b>	<b>2,118,180,259</b>	<b>1,018,147,113</b>	<b>48%</b>
<b>Education and Information, Communication and Technology</b>	<b>538,020,872</b>	<b>625,215,306</b>	<b>526,286,174</b>	<b>84%</b>
<b>Medical Services</b>	<b>2,098,265,458</b>	<b>2,142,923,421</b>	<b>1,600,450,064</b>	<b>75%</b>
<b>Roads, Transport &amp; Public Works</b>	<b>1,521,984,625</b>	<b>1,692,845,843</b>	<b>1,222,134,492</b>	<b>72%</b>
<b>Lands Energy, Housing, Physical Planning and Urban Development</b>	<b>568,265,125</b>	<b>1,107,478,893</b>	<b>600,284,800</b>	<b>54%</b>
<b>Gender, Culture, Social Services and Sports</b>	<b>135,907,644</b>	<b>215,121,403</b>	<b>98,832,484</b>	<b>46%</b>
<b>Trade, Tourism and Cooperative Development</b>	<b>297,228,852</b>	<b>202,524,754</b>	<b>159,265,596</b>	<b>79%</b>
<b>County Public Service Board</b>	<b>35,546,156</b>	<b>40,827,265</b>	<b>18,892,328</b>	<b>46%</b>
<b>Devolution, Public Service and Disaster Management</b>	<b>4,820,018,266</b>	<b>4,793,783,613</b>	<b>4,692,347,245</b>	<b>98%</b>
<b>GRAND TOTAL</b>	<b>13,873,899,430</b>	<b>14,987,827,550</b>	<b>11,504,204,273</b>	<b>77%</b>



**Major projects**

**(i) Construction and installation of Fish meal Factory ATC MTWAPA**

The project involves construction of a premise that would accommodate the production component of the plant together with work space offices for the personnel manning the plant. In order to afford access to quality and affordable fish feeds for the county fish farmers, the department is through this project intending to relocate an idle fish feed plant that was donated to farmer group in Magarini sub county that has not been utilized.

The construction works commenced on March 2020 at a total cost of Kshs 8,405,977.00. The main construction works is complete as shown in the photos below.

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**(ii) Construction of boat building yard at Malindi fisheries station.**

The boatyard construction project at Malindi is a project conceived to address the challenge of the fishermen in the county to acquire modern fishing boats. The cost of the project is Kshs 11,612,159.00.



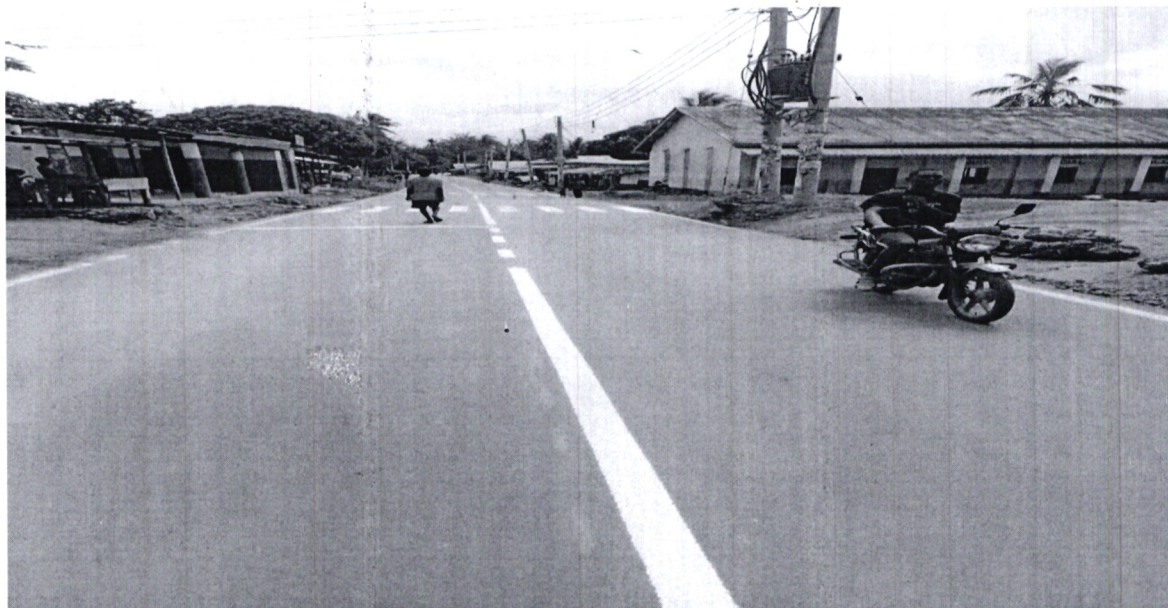
**(iii) Construction of Mtepeni/Majengo Football Grounds**

The project was undertaken at a cost of Ksh.20.9M



**(iv) Upgrading to bitumen standard of Umoja Rubber – Mtwapa Energy Centre Road**

The upgrading of the road to bitumen standard was done at a cost of Kshs. 39,722,756.



**(v) Construction of 2 No. Wards at Marafa Health Center**

The health facility was constructed at a cost of Kshs. 119,000,000. It has a capacity of 112 beds which has reduced the problem of bed sharing of patients.



**(vi) Construction of X-ray Block at Marafa**

The facility was constructed at a cost of Kshs.25,699,128. The facility has Enhanced radiology services for Marafa patients who used to travel a long distance to Malindi for similar services.



**Implementation challenges of strategic objectives and County's future outlook**

**i. Implementation Challenges**

The County encountered the following challenges during the financial year 2021/2022 on implementation of its strategic objectives:

**Delay of funds disbursement from National treasury**

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The disbursement of funds from the National treasury have not been flowing in accordance to the PFM Act where Counties are expected to receive the same in the 15<sup>th</sup> day of every month. There has been a lot of delays with some of the disbursement being received after the end of the financial year. This has adversely affected the County budget implementation.

**High poverty levels**

Kilifi County is one of the Kenyan Counties with a high poverty level. This has had a big effect on the County's local revenue in terms of realizing the target or even increasing its revenue base. This has also been a hindrance in growing the commercial economic activities as majority of citizen only struggle to earn their daily bread.

**Unpredictable and unreliable weather pattern**

Most of the farmers in Kilifi County depend on rainfall. The rainfall patterns have of late been very unpredictable in most cases causing a big loss to farmers due to drought or even floods.

**ii. Mitigation on the challenges**

To overcome the challenges the County has undertaken the following measures:

**Delay of funds disbursement from National treasury**

The Counties through the Council of Governors have been on continuous dialogue with the National Treasury to ensure that funds are disbursed on time.

**High poverty levels**

To reduce the high poverty level the County has come up with programmes on empowering the citizens to accelerate the economic activities. Such programmes include subsidized farm inputs like fertilizers, seeds and seedlings; interest-free loans under Mbegu Fund.

**Unpredictable and unreliable weather pattern**

To overcome the problem of unpredictable rainfall patterns and water shortage the County has undertaken construction of water pans and water pipelines. This enables harvest of water during the rainy season which can sustains the farmers for some periods after the rains. The water pipelines have enabled more citizen to access water.

**iii. County's future outlook**

In the coming financial year 2022/2023 the County has budgeted to spend Kshs. 15,831,254,403. This amount comprises Kshs. 9,109,896,525 for Recurrent and Kshs. 6,721,357,878 for development expenditures. Among the projects which have been earmarked from the County's strategic plan include the following:

No.	Project	Amount (Kshs.)
1	Construction of Sea Wall -Ngomeni fisheries landing site	70,000,000
2	Construction of Kwa Kaloleni Water Pipeline at Jaribuni	20,000,000
3	Construction of ECDE model centre at Zowerani	13,000,000
4	Upgrading of Adu health facility	40,000,000
5	Construction of 2 No. wards at Marafa health center	40,000,000
6	Equipment for the Health Complex	110,638,298

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No.	Project	Amount (Kshs.)
7	Electronic Medical Records (EMR) System	45,960,831
8	Purchase of 4NO. Ambulance	30,394,089
9	Upgrading to bitumen standard of Kibao cha Fundisa -Adu phase II	60,000,000
10	Upgrading to bitumen standard of Weighbridge to Jumba ruins Phase II	60,000,000
11	Upgrading to bitumen standard of Junction of Sala Gate Road to Madunguni	60,000,000
12	Deputy Governor's Residence	45,000,000

**Key risk management strategies applied by the County**

**The County has applied the following strategies in mitigating risks:**

- (i) Revenue enhancement
  - Automation of Revenue collection to minimise leakages and improve efficiency in revenue collection
  - Adoption of mobile banking by use of pay bill numbers
  - Use of bank agents to ensure timely banking of money collected, at the County hospitals
- (ii) Project Management
  - Introduction of a project management system, that will enhance monitoring and evaluation
- (iii) Enhancement of Accountability
  - Recruitment of additional staff in various cadres and designation, for instance project monitoring officers and accountants
  - Rotation of staff from one work station to another
  - Introduction of Hospital Services Improvement Fund (HSIF) at the County Hospitals
- (iv) Payroll management
  - Consolidation of the payroll budget and implementation from a central point, helps to monitor and ensure accuracy of the reports given.
  - Monthly reviews of the casuals' payroll by the County Public Service Board (CPSB) to monitor the casual wages.
- (v) Internal Controls
  - Formulation of policies, guidelines and legislations to mitigate on the identified gaps.
  - Guidelines on disbursement of cash to the elderly and vulnerable
  - Kilifi County persons with disability bill



**Hon. Yaye Shosi Ahmed**  
**County Executive Committee Member**  
**For Finance and Economic Planning**

### **3. Statement of Performance against County Predetermined 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 adopted by the County Government of Kilifi**

The County's 2018-2022 CIDP has identified 53 key strategic development objectives. Broadly, these objectives have been identified through a participatory process where each of the counties programmes has one objective that is aimed to be achieved through implementation of the Programme. These objectives have incorporated the development priorities of the Governor's Manifesto, the National Government's "Big Four", SDGs and the MTP III.

The strategic objectives are a synthesized 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 County's 2018-2022 CIDP are: -

- i. To increase crop productivity, value addition, marketing for sustained income and livelihoods.
- ii. To improve livestock production for wellbeing and wealth creation
- iii. To improve sustainable fisheries development and management for Socio-economic development
- iv. To improve the proportion of people with equitable access to decent and affordable housing
- v. To manage the development and growth of urban areas through integrated planning
- vi. To facilitate land survey for securing land tenure
- vii. To improve management and application of land information
- viii. To develop and manage an effective, efficient and secure road network
- ix. To enhance connectivity and mobility for socio-economic development
- x. To improve the institutional capacity for effective and efficient disaster management
- xi. To improve efficiency in public service delivery systems
- xii. To improve development of energy resources for livelihoods support
- xiii. To enhance access, equity and quality of Early Childhood Development and Education (ECDE) so as to nurture every learner's potential
- xiv. Provide Quality skilled training and increased access to VTC services
- xv. To develop, maintain and enhanced education quality standards
- xvi. To enhance access, equity and quality and relevance of university education through training and research
- xvii. To sustainably manage and conserve the environment
- xviii. To increase availability of safe and adequate water resources
- xix. To improve financial management practices
- xx. To strengthen policy, legislative and institutional framework for effective and efficient governance

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- xxi. To offer preventive and promotive services for improved health in the county
- xxii. To offer quality curative, rehabilitative health care services which are accessible by all
- xxiii. To Improve maternal child and adolescent health
- xxiv. To promote and develop trade and investment for income and wealth creation
- xxv. To enhance tourism development through marketing and product diversification
- xxvi. Promote and develop a vibrant cooperative sector for socio-economic development
- xxvii. To improve social well-being of vulnerable and marginalized persons
- xxviii. To improve access to equitable development opportunities for girls and boys and men and women
- xxix. To improve the utility of sports and talents for leisure, recreation and economic gain

**Below we present the progress made in attaining the objectives of the CIDP (2018-2022) for Kilifi County.**

Ref	Objective as per CIDP	Performance/Progress made up since 2018 up to date	Remarks (The reasons for underperformance/ Overperformance)
1.	To enhance access, equity and quality of Early Childhood Development and Education (ECDE) so as to nurture every learner's potential	Teacher Pupil Ratio reduced from 1:204 to 1: 42	Due to recruitment of more teachers
		487 ECDE Centres constructed and Teachers Recruited increase from initial 282	Budget constraints
		1287 Teachers Recruited instead of a target of 2166	Budget constraints
		Retention rate increased from 63% to 90%	Target was achieved
		Transition rate increased from 45% to 84%	Target was achieved
2.	Provide Quality skilled training and increased access to VTC services	Enrolment increased from 3,291 to 6,821	
		Completion rate increased from 37% to 92%	This is due to improvement in quality of education offered
		Teacher: Pupil Ration increased from 1;36 to 1: 37	Increase in ratio i9d due to more enrolment than the targeted
		133 technical instructors recruited	This is continuous/ ongoing activity
		36 VTC Equipped with modern tools and equipment	Target achieved
24 Workshops Constructed instead of 32	This was due to budget constraints		

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3.	To increase crop production and productivity for food sufficiency	% Change in Maize yield increased from 30% to 60%	Improved land preparation methods and increased utilization of recommended inputs and GAP trainings by KCEP CRAL contributed to better performance
		% Change in Cassava yield increased from 50% to 60%	Adoption of improved cassava varieties especially Tajirika by more farmers as a result of a robust campaign by the dept and stakeholders
		% Change in Cowpeas yield increased from 20% to 30%	GAP trainings by dept projects though targeting other value chains have had a multiplier effect on cowpeas
		% Change in Green grams yield increased from 30% to &70 %	Improved land preparation methods and increased utilization of recommended inputs and GAP trainings by KCEP CRAL contributed to better performance
		% Change in Coconut yield remained constant at 40%	An increase on acreage of coconut is observable, but most recent planted coconut are yet to mature and bear yields.
		% Change in Cashew nuts yield remained constant at 25	An increase on acreage of cashew is observable, but most recent planted cashew are yet to mature and bear yields.
		% of small holders farmers adopting modern agricultural technologies increased from 10% to 50%	Technologies in land preparation (tractor ploughing), maize shelling, and haematic bags have been extensively adopted.
		30000 farmers trained on climate smart agriculture from a target of 3100	KCEP CRAL is largely responsible for the excess achievement as it facilitated the training of over 460 farmer groups
		Trained 199,674 farmers against a target of 350,000	Inadequate funding
		86,555 Ha of arable land put under crop production	This is due to supply of seedlings, fertilizer subsidy and extension services
% of HH holds that are food secure increased to 80%			

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4.	To increase the proportion of land under irrigation for food security	1950 Acreage of land put under irrigation from the initial 1200	Increase in irrigated area achieved through construction of 4 water pans and rehabilitation of Dagamra irrigation scheme
5.	To increase equitable access to agricultural mechanization services for optimal crop	Proportion of farmers adopting mechanization increased from 5% to 50%	Mechanization Technologies in land preparation (tractor ploughing), maize shelling, and cassava chipping have been extensively adopted.
6.	To improve value addition and agribusiness marketing for crop products for income generation and sustained livelihoods	3000 agribusiness farmers supported, and linked to the market. This is above the target of 1181	This was mainly achieved through the 'agribiz' KCIC project targeting women and youth Agri-entrepreneurs and through other stakeholders
7.	To improve livestock production for wellbeing and wealth creation	%Change in milk production from 40% to 58.1%	Survey done by NARIGP
		% Change in beef production decreased from 20% to 17.4%	Outbreak of COVID-19 reduced no of Beef slaughtered and inspected Demand for beef reduced due to closure of many eateries
		% Change in chevon goat meat increased from 40% to 73.3%	Increased consumption of chevon, small size and easier substitute for beef
		% of farmers linked to group marketing ventures increased from 10% to 15%	Linked through efforts of NARIGP and ASDSP projects
		Proportion of farmers adopting new breeding technologies increased from 10% to 35%	Increased access to the service due to subsidized costs.
8.	To increase sustainable capture of fisheries production for livelihoods support and wealth creation by 2022	Number of fishermen adopting modern fishing technologies increased from 400 to 694	Provision of funds by Department, GOK and Executive (Supply of GPS and Fish Finders and 2 boats equipped with fishing technologies (GPS/fish finders)-Dabaso
		marine fishermen acquiring fishing gears increased from 220 to 722	Supply of gill nets, handlines (Gongoni, Kilifi Central, Bofa and Mtwapa)

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		Number of fishermen (4,600) accessing fisheries development credit	The fishermen access credit facilities through Village banks (information based on survey at Kilifi and interrogation with fishers)
9.	To increase by 20% aquaculture fisheries production for livelihoods support and wealth creation	No. of fish farmers acquiring fishing gears increased from 220 to 283	Pond liners, water pumps, fingerlings, fish feed provided, fish ponds constructed
		No. of rehabilitated fish ponds increased to 94	Not funded, but done by <b>individuals' farmers</b>
10	To improve value addition and marketing of fish and fish products for improved livelihoods and wealth creation	5100 fish traders/BMUs trained on fish handling, quality and safety issues. This is below a target of 1020	Trained on issues of cage culture, fish feed formulation, fish post-harvest technologies, sex reversal, use of fish finders
		3 fish auction markets developed	Ngomeni, Kichwa Cha Kati and Malindi markets being constructed by GOK
		852 fishermen and fish farmers trained on fisheries technologies. This is below target of 3000	Limited training funds. CGK-210 fish farmers, 542-fish traders, GOk-100 fisherman)
		25 staff trained on marine surveillance patrols, enforcement, marine rescue and observer operations	inadequate training opportunities
11	To offer preventive and promotive health services for improved health in the county	Number of pregnant women testing positive for malaria	
		Prop. Of children < 5 years testing positive for Malaria receiving treatment was 2.14% against a target of 4.5%	There was uninterrupted supply of anti-malaria drugs
		Percentage of clients tested positive and enrolled into care is at 87% against a target of 90%	There was Stock out of HIV Testing Kits
		Percentage of persons diagnosed with HIV initiated on treatment, care and retained is at 87% against a target of 90%	There was uninterrupted supply of ARVs. However, there are challenges of tracing defaulters, COVID 19 disruptions

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		Percentage of persons diagnosed with HIV on ART achieving viral load suppression of <1000 copies/ml is at 23% against a target of 90%	There was Stock out of viral load sample collection commodities
		Percentage of TB clients completing treatment is at 80% against a target of 95%	9% defaulter rate, late diagnosis
		Proportion of TB patients tested for HIV is at 99% against a target of 100%	Stockout of testing kits -Clients decline testing
		Proportion of households with functional latrines is at over 100% above the target of 77%	Increased support for CLTS activities
		Percentage of Households with hand-washing facilities reached 88% against the target of 77%	Increased support for CLTS activities and COVID-19 measures

**Progress on Attainment of Development Objectives from Annual Development Plan**

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

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Department	Objective	Outcome	Indicator	Performance
Roads, Transport and Public Works	Provide safe, secure and efficient transport networks, transport system and quality works for county prosperity	Increased County and sub-county transport connectivity	Km. Of road paved	In FY 21/22 we managed to pave 20km thus increasing road motorability in the county
			No. of box culverts constructed	In the FY 2021/2022 we managed to construct 5 box culverts
			No. of footbridges constructed	In the FY 2021/22 the county managed to construct 1-foot bridge
			Km of road graveled	In the FY 2021/22 120km of roads were graveled
			Km of Road opened	In the FY 2021/22 1200km of roads were opened
			Cubic meters of potholes patched	In the FY 2021/22 200 cubic meters of potholes were patched to improve on road motorability
			No. of road bumps constructed/installed	In the FY 2021/22 30 bumps were installed in key areas in order to reduce incidences of road accidents
Health Services	To offer preventive and promotive health	A community with reduced preventable diseases	% of persons diagnosed with HIV initiated on treatment and care and retained	In the FY 2021/22 84% of persons diagnosed with HIV initiated on treatment

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Department	Objective	Outcome	Indicator	Performance
	services for improved health in the county			and care and retained
		% HIV + pregnant mothers receiving preventive ARV's	In the FY 2021/22 we achieved 94% of HIV + pregnant mothers receiving preventive ARV's	
		% of TB patients completing treatment	In the FY 2021/22 we achieved 80% against a target of 90%	
		Proportion of general population testing positive for malaria	In the FY 2021/22 3% of the general population tested positive for malaria	
		Proportion of children under five years testing positive for Malaria receiving treatment	In the FY 2021/22 12% tested positive for malaria	
		% of population reached with mass drug administration (MDA) annually	In the FY 2021/22 80% (1.247.820) were reached with MDA	
		% of children 6-11 months supplemented with Vitamin A	In the FY 2021/22 we achieved 100% supplement of vitamin A	
		% of children 12-59 months supplemented with Vitamin A	In the FY 2021/22 we achieved 94% against a target of 90%	
		% of children 12-59 months dewormed twice	In the FY 2021/22 we achieved a target of 94% against a target of 75%	

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Department	Objective	Outcome	Indicator	Performance
	To offer curative, rehabilitative and referral services that are accessible to all	Reduced morbidity and mortality	Proportion of Hospitals with functional HDU units	In FY 2021/22 we managed to have 1 against a target of 2
			Number of functional dialysis beds	In FY 2021/22 we managed to install 5 functional dialysis bed
			Number of facilities with functional mental rehabilitation clinics	In FY 2021/22 we have 3 facilities with functional mental clinics
			Number of integrated outreaches conducted in hard to reach areas	In FY 2021/22 we had 689 outreaches conducted
			% of skilled deliveries conducted	In FY 2021/22 we had 80.2% (42,973) Skilled deliveries
	To ensure planning and coordination for quality service delivery	Efficient service delivery and effective strategic leadership	No. of health care workers undergone management training (SLDP, SMC, Supervisory Course)	In FY 2021/22 we managed 8 against a target of 35
			No. of Health Care Workers recruited in all cadres	In FY 2021/22 we recruited 85 against a target of 110
			No. of staffs appraised	In FY 2021/22 we appraised 1542 staff under the PAS
			Number of new facilities constructed, renovated, equipped and operationalized	In FY 2021/22 11 facilities were done
	Water, Environment,	To increase availability of	Increased access to safe	Km of pipeline

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Department	Objective	Outcome	Indicator	Performance
Natural Resources and Solid Waste Management	safe and adequate water Resources	and adequate water for human consumption	infrastructure laid	pipeline infrastructure were laid
			Proportion of people receiving clean and safe water disaggregated by source	In the FY 2021/22 the proportion of people having access to clean water has been increased to 55%
			Percentage of population using safely managed sanitation services, including a hand washing facility with soap and water	In the FY 2021/22 we managed to have 80% of population has access to sanitary services
	To sustainably manage and conserve the environment	Sustainable environmental conservation and management	Proportion of households with access to functional waste disposal systems,	In FY 2021/22 the proportion increased from 60% to 63%
			Proportion of extractive entities compliant with standards and guidelines disaggregated by type	In the FY 2021/22 the proportion increased from 10% to 72%
	Agriculture, Livestock Development and Fisheries	To increase crop productivity, value addition, marketing for sustained income and livelihoods	Increased food sufficiency and income	No. of cassava cutting procured and distributed
Farmers benefitting from subsidy				In FY 2021/22 Farm input subsidy project enhanced by procurement of 27

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Department	Objective	Outcome	Indicator	Performance
				tons of maize, cowpeas and green grams certified seed and distribution to 6750 farmers
	To Improve administrative planning and support services for efficient service delivery	Improved service delivery	No. of staff recruited	The CPSB recruited 68 staff for agriculture departments
	To improve Livestock Production for wellbeing and wealth creation	Improved Wellbeing and Livelihoods for Livestock Farmers	aluminum milk cans procured and distributed	161 assorted dairy equipment procured and distributed to farmers all sub counties
Milk cooling plants constructed			In FY 2021/22 we completed construction of Ganze milk collection and cooling center.at Ganze ward	
complete bee suits procured and distributed			In FY 2021/22 100 complete bee suits were procured and distributed	
Cooling tanks installed			In FY 2021/22 we purchased and Installed milk cooling tanks in Ganze milk collection and cooling center, Ganze ward.	

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Department	Objective	Outcome	Indicator	Performance
			No. of doses of animal vaccines purchased	In FY 2021/22 we procured 110,000 doses of animal vaccines
			Amount of bull semen purchased	In FY 2021/22 we procured 680 bull semen
			Meat inspection equipment purchased	In the FY 2021/22 we procured 95 liters Inspection ink 130 First Aid Kits, 120 white caps
	Improve sustainable fisheries development and management for social economic development		No. of fingerlings	In FY 2021/22 we procured 80,000 mono sex tilapia fingerlings
			Catfish fingerlings procured and distributed to fish farmers	In FY 2021/22 we procured 40,000 Catfish fingerlings procured and distributed to fish farmers
			No. of bags	In the FY 2021/22 we procured 110 bags of fish ingredient and produce fish feeds
			Kg of fish feeds	In FY 2021/22 we procured 2200kgs of Fish feeds feed for fish farmers

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Department	Objective	Outcome	Indicator	Performance
Education and ICT	Increase access to training, improve quality and relevance of Vocational Education	Improved quality and relevance of Vocational Education and Training	No. of classrooms constructed	In FY 2021/22 we Constructed 6 classrooms for different vocational training centers,
			No. of vocational training centers equipped	In FY 2021/22 we Equipped 3 vocational training centers with modern tools and equipment,
			No. of training instructors employed	In FY 2021/22 we employed 34 more Vocational Training Instructors
	To facilitate provision of quality pre-primary education and Digital literacy	Enhanced quality and access to pre-primary education	No. of classrooms and toilets constructed	In FY 2021/22 we constructed 12 ECD classrooms and 2 toilets in different wards of the county,
			No. of pre-schools furnished	In FY 2021/22 we Furnished 17 pre-schools with furniture among other programs.
			No. of ECD teachers recruited	In FY 2021/22 we Employed 298 ECD teachers
			Amount in Ksh. Of bursary disbursed	In FY 2021/22 we Extended bursaries to needy students at Ksh. 350 million per year for the one year.

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Department	Objective	Outcome	Indicator	Performance
Lands, Energy, Housing, Physical Planning and Urban Development	Improve Land Management	Improved land management for sustainable development	Local physical development Plans	In FY 2021/22 8 Local physical development Plan reports were prepared
			Sector Profile Reports	In FY 2021/22, 3 sector profile reports are being prepared
	Promote utilization and development of green energy	Enhanced usage of green energy in the community	Energy Policy and legislative framework developed and functional	In the FY 2021/22 we developed the county energy bill into completion
			No. of power generating plants constructed and operationalized	Planned to undertake two projects 1.on waste to energy 2.on solar power plant. a private investor has constructed 40MW of solar energy in Lango Baya
	Efficient land use and management	Improved land management for sustainable development	No of trading centers surveyed and allocated	In the FY 2021/22 four trading centers were surveyed and allocated
			No of sections demarcated/surveyed	2 sections demarcated/surveyed
			No of plots surveyed and planned	1836 plots surveyed and planned
	To empower women, men, boys and girls economically, socially and	A Just Society	No of community members reached	70 community members reached on GBV
			No. of women, men,	3000 women, men,

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Department	Objective	Outcome	Indicator	Performance
	politically,		boys and girls reached with messages against GBV	boys and girls reached with messages against GBV
	To improve social well-being of vulnerable and marginalized persons	Improve well-being of vulnerable and marginalized persons	No. of gender champions identified and trained	175 gender champions identified and trained
No of beneficiaries			Distribution of food items to PWDs, OVCs and key people	
No of dignity packs distributed			3000 dignity packs distributed	
Trade, Tourism and Cooperative Development	To promote and develop trade and investment for income and wealth creation	Improved wellbeing and livelihoods of citizens	Amount of loans disbursed	81,000,000 loans disbursed
			No. of SMEs loaned	682 SMEs loaned
			No. of SMEs Trained	1979 SMEs Trained
			No. of Equipment Verified.	1502 Equipment Verified.
			No. of goods pre-packaged inspections.	70 goods pre-packaged inspections.
	To promote a sustainable tourism industry	Increased income from Tourism.	No. of exhibitions attended/ held.	5 tourism exhibitions attended/ held.
			No. Niche tourism promotional events organized and participated	3 Niche tourism promotional events organized and participated
			No. of Tourism stakeholder meetings	3 Tourism stakeholder meetings
	To Create an Enabling Environment	Improved Welfare and Economic	No of New Co-operatives	8 New Co-operatives registered
			No. of co-operative	74 Statutory co-

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Department	Objective	Outcome	Indicator	Performance
	for the Growth of the Co-operative Sector	Status of Citizens	audits done and registered	operative audits conducted (Audit years)
			Amount of Audit Fees Collected	Ksh 777,400 of Audit Fees Collected
			No of Co-operative tax consultancies done	23 Co-operative tax consultancies done
			No Co-operative Leaders Meetings Organized	5 Co-operative Leaders Meetings Organized
Finance and economic planning	To enhance efficiency in the utilization of resources	Effective and efficient utilization of resources.	No. of plans prepared	1 ADP prepared
	To strengthen Monitoring and Evaluation services	Effective Utilization of Public Resources	No. of M & E reports prepared	1 County M & E report prepared
	To improve financial management practices	Increased transparency and accountability in management of public resources	No. of monthly bank reconciliation statement prepared	12 monthly bank reconciliation statement prepared
			Value for money Audit undertaken	1 Value for money Audit undertaken
			No. of procurement plans developed	1 county procurement plans developed
	Devolution, Public Service and Disaster Management	To enhance capacity for disaster preparedness and response	Enhance disaster risk preparedness and management	No of households distributed with food and non-food items
No of early warning system bulletins Developed and				5000 copies of early warning system bulletins Developed

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Department	Objective	Outcome	Indicator	Performance
			disseminated	and disseminated
	To strengthen the delivery of public services	Enhanced outcomes of devolved government initiative	Number of town hall meetings conducted	28 town hall meetings conducted
			Number of meetings conducted	7 county dialogue forums conducted
			No of civic education forums conducted	70 civic education forums conducted
			Budgetary process participation forums	105 Budgetary process participation forums held

#### **4. Environmental and Sustainability Reporting**

##### **1. Sustainability strategy and profile**

In accordance to the International environmental policy which covers a number of issues: climate protection, sustainable energy policy, preservation of biological diversity and the conservation of forests, seas and soils, desertification, sustainable waste management and protection against hazardous substances the County Government of Kilifi has adopted strategies to ensure environmental protection. These include the following:

- Promote circular economy in solid waste management
- Increasing forest cover through nature-based solutions
- Promote the use of clean energy mechanism to reduce deforestation and forest degradation
- Enacted the Environment Impact Assessment Unit and guideline to mitigate environmental pollution
- Legislation of County Environment policy and Acts of parliament to promote environmental standards within the County
- Formulated and gazette climate change act 2021 and County climate change committees
- Undertook protection and rehabilitation of fragile ecosystems within the County
- Community awareness, engagement and behavior change.
- Mainstreaming climate change actions into County planning to mitigate climate change and build community resilience
- Internal procurement

The following have been key achievements:

- Development of Environment Acts and policies
- Conducting Environmental Impact Assessment for County for high risk projects
- Sustainable solid waste managed environment
- Increased forestation from 7.1% to 13.1% by 2021
- Reduced environmental pollution
- Developed institutional frameworks for climate change adaptation and mitigation
- Trained and Gazzetted county environment inspector
- Operationalize County Environment Committee

##### **2. Environmental performance**

During the financial year the department has been able to legislate on the following legal frameworks;

- I. The Kilifi County Solid Waste Management Act No. 7 of 2019
- II. The Kilifi County Forest Conservation and Management Act No. 4 of 2019

- III. The Kilifi County Climate Change Act No. 1 of 2021
- IV. The Kilifi County Climate Change Policy

Success of the Policy in Solid waste management and Biodiversity conservation

- i. There are structures in place to enable stakeholders' engagement in sustainable waste management.
- ii. Community organization can now benefit economically through waste recycling initiatives as well as reduce the amount of waste transferred to the dumpsites thereby lowering the emission of methane gas which is a greenhouse gas into the environment.
- iii. Community resilience will be improved to adapt to the impacts of climate change through development projects which will be implemented by the Climate change fund which is now in place.
- iv. Protection of biodiversity has been ongoing through enforcement and management measures put in place by the forest Act.
- v. There is increased access to clean and adequate water to the community.

Shortcomings

- i. Lack of adequate financial resources to implement the Policies and Acts.
- ii. High poverty levels which put pressure into natural resources as communities struggle to survive.
- iii. Lack of political will especially in allocating resources for environmental conservation
- iv. Inadequate technical staff to implement the policies
- v. Expensive cleaner energy options for the communities

Efforts to manage Biodiversity

- i. The department has worked with stakeholders to empower communities to undertake nature-based enterprises like beekeeping and aqua-culture so that they sustainably use the natural resources.
- ii. In collaboration with other departments like energy and stakeholders, the department is working towards providing communities with cleaner methods of energy.

iii. The department is also working with International and Local organizations to increase financial resources in the County for the purpose of undertaking climate change mitigation and adaptation actions in the County.

iv. Awareness creation programmes on sustainable environmental protection, conservation and management are being undertaken in the County.

v. The Department has an Environmental Impact Assessment Unit which enables other departments to undertake EIAs for development projects and monitor environmental compliance level of these projects within the County.

### **3. Employee welfare**

The County Public Service Board recruits on behalf of the executive arm of the County Government. In the hiring process, the overall guiding principles are as outlined by the Constitution of Kenya, 2010 and the County Governments Act, 2012. The guiding principles in the hiring process are as per section 65 of the County Governments Acts, 2012.

In 2016, the County Public Service Board developed Recruitment and Selection Policy, 2016 which was forwarded to the County Assembly for approval. The policy is currently under review after four years of implementation. Under the current policy, gender mainstreaming, considerations on minority communities, marginalized communities, people living with disabilities, the youth etc are deliberately catered for. The policy went through stakeholder engagement. In every financial year, the Board sensitizes the public on its roles and specifically engages them on issues of hiring since this the most visible function of the Board in the public eye. The CPSB also submits annual reports to the County Assembly, the reports segregate the recruitments data as per the requirements of the constitution.

In 2016, the CPSB developed the Training and Development Policy which guides how skills in the County Public Service are improved. The CPSB has delegated the Training and Development function to the respective departments through the County Directorate of Human Resource but retains the overall policy formulation and supervision role through its Human Resource Management and Development committee. However, The CPSB still retains the approval role for long term and oversea trainings.

The Board, through its Performance Management committee implements career management mechanisms including appraisals and reward systems as outlined in the Performance Management tools which it developed in consultation with stake holders. The implementation of the Occupational Health and Safety Act has been delegated to the Directorate of Human Resource but ultimately the Board remains responsible for its implementation.

Give account of the policies guiding the hiring process and whether they consider the gender ratio, whether they take in stakeholder engagements and how often they are improved. Explain efforts made in improving skills and managing careers, appraisal and reward systems. The organisation should also disclose their policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA).

**4. Market place practices-**

**a) Responsible Supply chain and supplier relations-**

The County evaluates suppliers fairly for contracts by use of the standard supplier evaluation process. The entity formulates a project team that works with the supplier for better implementation of contracts. The entity signs Contracts with successful bidders that would be binding on both parties. The entity also endeavours to make payment to suppliers on a first in first out basis depending on availability of funds.

**b) Responsible ethical practices-**

The County has put up measures on Anti-corruption such as posters at the entrance with messages like “THIS IS A NO CORRUPTION ZONE”, training programmes for anti-corruption and legal approach to any corruption proceeds. The County Government employs end-to-end e-procurement to promote competition as well as ensuring suppliers’ confidentiality. Suppliers are also encouraged to express their views. Politicians are majorly involved at public participation in order to come up with the needed projects at the grassroots

**c) Stewardship of goods -**

The County endeavours to make payments on time. It provides access to information through its website to the interested consumers. The County also ensures privacy of suppliers’ information

**5. Community Engagements**

The County Government of Kilifi partnered with various NGOs to support the community under various CSR programmes such as the following:

**a) Sponsoring of sports and social activities:**

In collaboration with Moving the goal post (MTG) they have been sponsoring girls' tournaments and also buying equipment e.g. jersey and balls. Through sports the County has frequently sensitized the girls on menstrual hygiene, campaign against teen pregnancy and drug abuse.

MTG has empowered girls and young mothers on gender-based violence, reproductive health, HIV/AIDS and economic empowerment. It used sports programmes for positive impact on their lives mainly to the disadvantaged girls between the ages of nine to twenty-four. Under this programme it made their voices heard while some have been employed in leadership positions through mentorship programmes.

In conjunction with the partners the County has been distributing sanitary towels to school girls in the county as a campaign tool of ending teen pregnancy.

**b) Health care**

The County has been ensuring that communities access good health care through sensitization, provision of drugs, construction of health facilities and equipment.

A total of Kshs 1,600,450,064 was spent on health care during the year.

**c) Education**

In partnership with NGOs such as Plan International, Kesho Kenya, Action Aid, CREAM and World Vision the County played a big role in improving the standard of education in Kilifi County. This included building of more classrooms and other school facilities in both ECD and village polytechnics. The County has also been providing bursaries to needy students through the scholarship fund. The county spent Kshs. 526,286,174 under education programmes which included Kshs. 350,000,000 on scholarship fund.

**d) Water and sanitation**

In collaboration with other stakeholders like world vision the County has been ensuring availability of water in all parts of the county through construction of dams, laying of distribution lines, drilling of boreholes and provision of water tanks. During the financial year the county spent Kshs. 1,018,147,113 under water and sanitation.

**e) Staff training and development**

The County spent Kshs. 34,058,847 staff training and development under both structured and unstructured programmes.

**f) Care for the Elderly**

The County was able to disburse Kshs. 13,810,375 to the elderly cash transfer program during the year.

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**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 and Economic planning of the County Government is responsible for the preparation and presentation of the County Executive's financial statements, which give a true and fair view of the state of affairs of the County Executive for and as at the end of the financial year ended on June 30<sup>th</sup>, 2022. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the county Executive (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 Executive; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Executive'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 Executive's financial statements give a true and fair view of the state of the County Executive's transactions during the financial year ended June 30, 2022, 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 Executive which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control

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The CEC member for finance confirms that the County Executive has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Executive'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 Executive's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The County Executive's financial statements were approved and signed by the CEC member for finance on 20/01/2023.



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**Hon. Yave Shosi Ahmed**  
**County Executive Committee Member**  
**For Finance and Economic Planning**

# REPUBLIC OF KENYA



*Enhancing Accountability*

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## REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF KILIFI FOR THE YEAR ENDED 30 JUNE, 2022

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### PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of County Executive of Kilifi set out on pages 1 to 39, which comprise the statement of assets and liabilities as at 30 June, 2022,

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*Report of the Auditor-General on County Executive of Kilifi for the year ended 30 June, 2022*

and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the County Executive of Kilifi as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the County Governments Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Exchequer Releases – Variances Between Transfers from County Revenue Fund, County Executive and County Assembly**

##### **1.1 Variance Between County Revenue Fund and County Executive Transfers**

The statement of receipts and payments and as disclosed in Note 1 to the financial statements reflects exchequer releases (transfers from County Revenue Fund) of Kshs.11,381,962,488 while the amount reported in the County Revenue Fund financial statements as transfer to the County Executive was Kshs.10,710,265,505, resulting in an unreconciled variance of Kshs.671,696,983.

In the circumstances, the accuracy of exchequer releases of Kshs.11,381,962,488 reflected in the financial statements could not be confirmed.

##### **1.2 Variance Between County Executive and County Assembly Transfers**

The financial statements of County Executive under related party disclosures reflects transfers to County Assembly of Kshs.1,043,413,898 while financial statements of the County Assembly reflected an amount of Kshs.997,886,898 as received from the County Executive, resulting in an unreconciled variance of Kshs.45,527,000.

In the circumstances, the accuracy, validity and completeness of exchequer releases of Kshs.1,043,413,898 for the year ended 30 June, 2022 could not be confirmed.

#### **2. Cash and Cash Equivalents**

##### **2.1 Unsupported Bank Balances**

The statement of assets and liabilities reflects bank balance of Kshs.332,534,947 which as disclosed in Note 9A to the financial statements includes Kshs.223,179,029 for Kilifi County Deposit Account. However, Management used wrong bank balance of Kshs.206,329,685 instead of Kshs. 205,612,431, resulting in an unreconciled variance of Kshs.717,254.

Further, the bank reconciliation statement and cash book for Kilifi County Government - Standing Imprest Account which reflected nil balance as at 30 June, 2022 was not provided for audit. In addition, the bank balances of Kshs.332,534,947 was adjusted by Kshs.19,637,443 from the original balance of Kshs.352,172,390. However, no supporting adjusting entries were provided for audit review.

In the circumstances, the accuracy and completeness of bank balances of Kshs.332,534,947 as at 30 June, 2022 could not be confirmed.

## **2.2 Unsupported Prior Year Adjustment**

The statement of assets and liabilities reflects bank balance of Kshs.332,534,947 as at 30 June, 2022 and comparative bank balance of Kshs.400,974,434 after a prior year adjustment of Kshs.2,093,276. However, as indicated under Note 13 to the financial statements, the adjusted bank balance as at 30 June, 2021 was Kshs.403,067,709. Management explained that the adjustment was in respect to expenditure under Kenya Devolution Support Program (KSDP) for payment made in 2020/2021 to a wrong supplier, which was returned in 2021/2022 financial year and paid again in 2021/2022. However, the disclosure was neither made in the financial statements nor supported by journal entries.

In the circumstances, the validity of the prior year adjustment of Kshs.2,093,276 and accuracy and completeness of the bank balance of Kshs.332,534,947 as at 30 June, 2022 could not be confirmed.

## **2.3 Variance in Bank Balance Brought Forward**

The statement of assets and liabilities and the statement of cash flows reflects bank balance of Kshs.400,974,434 as at 30 June, 2021. However, the audited financial statements for the year ended 30 June, 2021 reflected a balance of Kshs.1,974,935,346. The resultant variance of Kshs.1,573,960,912 was not explained or reconciled.

In the circumstances, the accuracy of bank balance brought forward of Kshs.400,974,434 could not be confirmed.

## **3. Unsupported Accounts Payables - Deposits and Retentions**

The statement of assets and liabilities and Note 11 to the financial statements reflect deposits and retentions balance of Kshs.287,515,457, being contractors' retention funds held in the Central Bank of Kenya and a commercial bank. However, Management did not provide records to support the outstanding deposits and retentions payable as at 30 June, 2022. Further, the County Executive maintained and operated the retention account in a commercial bank contrary to the provisions of Regulation 82(1)(b) of the Public Finance Management (County Governments) Regulations, 2015, which requires all county government bank accounts to be opened at the Central Bank of Kenya except for imprest bank accounts for petty cash.

In the circumstances, the accuracy and completeness of the deposit and retentions balance of Kshs.287,515,457 as at 30 June, 2022 could not be confirmed and the Management was in breach of the law.

#### **4.0 Unsupported Expenditure on Use of Goods and Services**

##### **4.1 Hospitality Supplies and Services**

The statement of receipts and payments and Note 3 to the financial statements reflects expenditure on use of goods and services totalling Kshs.2,767,678,349. Included in the amount is an expenditure of Kshs.227,559,516 on hospitality supplies and services, out of which payment vouchers and supporting documents to account for expenditure of Kshs.5,682,139 on boards, committees, conferences and seminars/catering services (receptions), accommodation, gifts, food and drinks, were not provided for audit review.

In the circumstances, the propriety and validity of the expenditure of Kshs.5,682,139 incurred on hospitality supplies and services could not be confirmed.

##### **4.2 Legal Services Expenses**

The expenditure on use of goods and services totalling Kshs.2,767,678,349 as disclosed in Note 3 to the financial statements includes other operating expenses amounting to Kshs.295,754,378. Included in other operating expenses are legal services expenses of Kshs.47,173,909 incurred on hire of a private legal consultant for which the approval of the County Executive Committee, written request to engage the services of legal consultant and details of the legal matters handled were not provided for audit. In addition, procurement documents relating to the provision of the services were not provided for audit review.

The engagement of legal consultant was contrary to Section 16 of the Office of the County Attorney Act, 2020, which provides that a department or public entity established within a County Executive shall not engage the services of a consultant to render any legal services relating to the functions of the County Attorney without written approval of the County Executive Committee and a request to engage those services shall be in writing.

In the circumstances, the propriety, regularity and validity of legal services expenses of Kshs.47,173,909 could not be confirmed.

##### **4.3 Routine Maintenance of other Assets**

The expenditure on use of goods and services totalling Kshs.2,767,678,349 as disclosed in Note 3 to the financial statements includes an expenditure of Kshs.260,093,824 on routine maintenance of other assets under the Department of Roads, Transport and Public Works. However, development expenditure amounting to Kshs.79,831,594 relating to grading and gravelling of four (4) access roads was wrongly charged to the recurrent budget. In addition, the amounts were indicated as settlement of pending bills for the year 2020/2021 and earlier years. However, they were not disclosed as pending bills in the prior year financial statements. Further, their requisition was not supported with survey reports indicating the

status of the road, distance and the planned remedial works and there was no evidence that certificates of measured works, site visit minutes and certificates of practical completion were raised by the Project Managers.

In the circumstances, the propriety and validity of the expenditure on routine maintenance of other assets of Kshs.79,831,594 could not be confirmed.

## **5. Pending Bills**

The financial statements under other important disclosures reflects total pending bills of Kshs.3,312,633,790 as at 30 June, 2022, comprising of pending accounts payable of Kshs.3,217,023,349, pending staff payables of Kshs.93,553,208 and other pending payables Kshs.2,057,233. However, the pending accounts payable balance brought forward of Kshs.2,412,822,433 varies with the audited and certified financial statements balance of Kshs.1,253,307,074 by Kshs.1,159,515,359. The resultant variance was not explained or reconciled.

An analysis of a sample of the accounts payable revealed that pending bills amounting to Kshs.127,830,871 paid during the year under review were not disclosed in the financial statements for the year ended 30 June, 2021. In addition, a part payment of Kshs.6,212,211 was made in 2020/2021 for a contract costing of Kshs.7,367,168 leaving a balance of Kshs.1,154,957 as 30 June, 2021. However, the total amount of Kshs.7,367,168 was still reflected as a pending bill in the financial statements for the year ended 30 June, 2022.

Further, the financial statements for the year ended 30 June, 2021 reflected pending bills amounting to Kshs.20,019,807 in respect of six (6) contractors. However, the pending bills were not included in the 2021/2022 financial statements yet Management did not provide evidence that the bills were settled.

In the circumstances, the propriety, accuracy and completeness of the total pending bills of Kshs.3,312,633,790 as at 30 June, 2022 could not be confirmed.

## **6. Unsupported Cash Requests for Exchequer Releases**

Review of the exchequer request documents revealed that the approved exchequer requests in Form A and subsequent approval by the Controller of Budget in Form B amounting to Kshs.11,831,612,001 were not supported with the Accounting Officers' quarterly cash plans and subsequent exchequer notifications to the accounting officers by the County Treasury informing of the amounts authorized, contrary to Regulation 45(4) of the Public Finance Management (County Governments) Regulations, 2015. In addition, Management did not provide disbursement schedules for transactions accompanied by a record from Central Bank of Kenya of payments awaiting funding, up-to-date schedules of pending bills and payment plans, schedules and analysis of salaries for staff paid outside the Integrated Personnel and Payroll Database and project implementation status reports supporting the cash requests.

In the circumstance, the accuracy and validity of the cash requests for the year under review 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 Kilifi Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

### **Other Matter**

#### **1. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.14,987,827,550 and Kshs.11,575,933,036 respectively, resulting to an under-funding of Kshs.3,411,894,514 (or 23%) of the budget. Similarly, the County Executive spent Kshs.11,504,204,273 against an approved budget of Kshs.14,987,343,104, resulting to an under-expenditure of Kshs.3,483,138,831 (or 23%) of the budget.

The under-funding and under-expenditure may have impacted negatively on the achievement of the planned goals and objectives.

#### **2. Unsupported Supplementary Budget and Unexplained Variances**

The County Executive supplementary estimates lacked information regarding actual expenditure and commitments against the planned activities as at the date of request for supplementary allocations. Additionally, the estimates lacked footnotes explaining the reasons for the variations and the impact or implications for the affected programmes, contrary to Regulation 39(6) and (7) of the Public Finance Management (County Governments) Regulations, 2015 which provides that the request for supplementary budget shall be presented in a format that facilitates comparison with the original budget and shall contain all the information necessary to enable a decision on the application to be reached.

Further, the supplementary budget was not supported with memorandum from the Accounting Officers to the County Treasury providing explanation for the additional funding requests, contrary to Regulation 39(7) of the Public Finance Management (County Governments) Regulations, 2015, that provides that the County Government entity requesting additional funds through a supplementary budget process shall submit a memorandum to the County Treasury, on a date determined by County Treasury.

In addition, the supplementary budget reflected approved budget of Kshs.14,987,827,550, while IFMIS Vote Book reflected a budget of Kshs.15,297,995,968, resulting in an unexplained and unreconciled variance of Kshs.310,168,418.

### **3. Unexplained Budgetary Variances and Re-allocations**

The Department of Roads had a final approved budget of Kshs.1,739,845,843 and an approved procurement plan of Kshs.1,489,100,000 for the year ended 30 June, 2022, resulting in an unexplained and unsupported variance of Kshs.250,745,843. Further, the Department's final budget had sixteen (16) planned projects, initially allocated a total of Kshs.90,500,000, but later cancelled and reallocated to other programs. In addition, the Department introduced twenty-six (26) new projects, with total allocation of Kshs.98,840,000 through the supplementary budget. However, no explanation or documentary evidence was provided for the discontinuation of the original sixteen projects which were included in the Annual Development Plan.

### **4. Unresolved Prior Year Matters**

Various prior year audit issues remained unresolved as at 30 June, 2022. Although Management indicated the reason for the delay in resolving the prior year audit issues as the delay in issuance of the Auditor-General's Report, the report was transmitted to the County Executive on 7 June, 2022.

## **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. Irregular Payment of Allowances to Hired Police Officers**

The statement of receipts and payments and Note 3 to the financial statements reflects expenditure on use of goods and services totalling Kshs.2,767,678,349 which includes hospitality supplies and services expenses of Kshs.227,559,516. Included in the hospitality supplies and services expenses is an amount of Kshs.3,914,000 paid directly to police officers engaged in executing a Court order, contrary to Section 104(3) of the National Police Service Act, 2011 which provides that monies paid for the private use of the police as specified in the Act shall be paid to the Treasury.

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

## **2. Unexplained and Unsupported Expenditure on Emergency Relief**

The Department of Devolution, Public Service, and Disaster Management had original budget of Kshs.80,000,000 for emergency relief for the year under review, which was later revised to Kshs.355,000,000, representing an increase of Kshs.275,000,000 or 255%. However, the budget increase was not supported with a memorandum providing details of the source of extra funding and fiscal impact of the affected program, contrary to Regulation 39(7) of the Public Finance Management (County Governments) Regulations, 2015, that provides that the County Government entity requesting additional funds through a supplementary budget process shall submit a memorandum to the County Treasury.

Further, the Department incurred an expenditure of Kshs.223,929,482 on supply and delivery of emergency relief food, which was not supported, with minutes of the County Disaster Council approving any assessment report of the Disaster Management Unit describing the emergency situation and declaration of the same, contrary to Section 6(1) the Kilifi County Disaster Management Act, 2016, that provides that the County Disaster Council shall have the function to review, approve and endorse where appropriate any recommendation or advice given by the Disaster Management Unit.

In the circumstances, the regularity and value for money of the expenditure of Kshs.223,929,482 on emergency relief could not be confirmed.

## **3. Doubtful Legal Fees for Drafting of Revenue Collection Agreement**

The County Executive contracted a law firm to draft an Agreement for collection of cess and parking fees in Kilifi County by a Limited Company and which was signed on 20 February, 2014 by the County Government of Kilifi but was later amended vide an amended agreement of 04 July, 2014, also drafted by the same law firm. However, the Management did not provide for audit review any documentary evidence to support the procurement process for the contract. In addition, Management did not provide documents to confirm that the legal fee of Kshs.1,010,600,700 was based on the Advocates (Remuneration) (Amendment) Order, 2014.

Further, on 24 May, 2022, the law firm raised a fee note of Kshs.1,010,600,700 for the services rendered. However, Management did not provide an explanation for the failure by the law firm to raise the fee note in 2014 after rendering of the services to the County Executive. In addition, according to the fee note, the amended agreement was executed on 28 March, 2014. However, this was inconsistent with the date of the amended agreement of 04 July, 2014.

In the circumstances, the regularity and validity of the legal consultancy contract and the propriety of the claim of Kshs.1,010,600,700 by the legal firm could not be confirmed.

#### **4. Anomalies in Outsourced Cess and Parking Fees Revenue Collections**

The County Government of Kilifi entered into an Agreement with a service provider on 20 February, 2014 and an amended Agreement dated 04 July, 2014 for collection of cess and parking fees revenue in Kilifi County for a period of fifteen (15) years. Review of revenue collections and procurement records maintained by the County Government on the outsourcing of the service revealed various anomalies in the contract Agreement and also in procurement of the service provider. Several irregularities were also noted on the collection and accounting for cess and parking fees revenue. There were also instances of payments to the service provider long after the revenue collection responsibility had reverted to the County Government. Further, cases of unsupported transfer of funds from the County Revenue Fund and unauthorized payments of service fees were also reported. In addition, various anomalies in the operation of the bank accounts were also noted. These issues are detailed in a special audit report that was issued separately to the County Government.

In the circumstances, the legality of the cess and parking fees revenue collection contract and full accountability for revenue collected 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 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, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

##### **Basis for Conclusion**

#### **1. Human Resource Management**

##### **1.1 Irregular Staff Recruitment**

Comparison of the payrolls for the months of July, 2021 and June, 2022 revealed that three hundred and twenty-one (321) new employees were introduced into the payroll during the year under review, while the list of the newly recruited staff provided during the audit indicated that the County had hired an additional two hundred and seventy-one (271) new staff, the variance of fifty (50) staff between the two records was not explained.

Further, analysis of the new staff details revealed that the County hired two (2) staff in positions requiring certificates of secondary education, yet they had none while seventeen (17) staff had only secondary education certificates but were hired for positions in job groups J and above which required higher education levels. Further, one new staff with an undergraduate degree was placed in a grade lower than degree entry level. The inconsistencies were not explained.

In addition, during the year under review, the eighteen (18) County departments hired nine hundred and twenty-six (926) casual workers against the directive of the County Public Service Board Circular Ref. No. CG/KLF/CPSB/C&CE/24/VOL.3/11 dated 15 October, 2019 to the Chief Officers that directed all County Chief Officers to immediately stop any further hiring of casual workers.

In the circumstances, the Management was in breach of the County Public Service Board Circular Ref. No. CG/KLF/CPSB/C&CE/24/VOL.3/11.

## **1.2 Non-Compliance with Staff Ethnic Composition Requirements**

During the year under review, the County Public Service Board filled three hundred and twenty-one (321) positions, out of which 93% of the positions were filled by persons from the dominant ethnic community in the County. This was contrary to Section 65(e) of the County Governments Act, 2012 which provides that in selecting candidates for appointment, the County Public Service Board shall consider the need to ensure that at least thirty percent of the vacant posts at entry level are filled by candidates who are not from the dominant ethnic community in the County.

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

## **2. Failure to Provide Housing Benefit to the Deputy Governor**

Review of the County Executive expenditure and payroll data revealed that the Deputy Governor was not provided with housing benefit as required. This was contrary to the Salaries and Remuneration Commission Circular Ref. SRC/TS/CGOVT/3/61 VOL.IV (45) dated 25 August, 2017, that provides guidelines on provision of housing benefit to County Deputy Governors.

In the circumstances, the Management was in breach of the Salaries and Remuneration Commission Circular.

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 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the County Executive's ability 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 terminate the County Executive or to cease operations.

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

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

Those charged with governance are responsible for overseeing the County Executive's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

## **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective

way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls 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 controls 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the County Executive's policies and procedures may deteriorate.

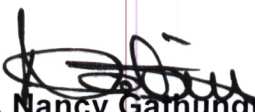
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County Executive's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the County Executive to cease to sustain 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 County Executive to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

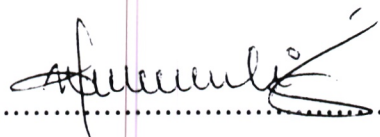
14 March, 2023

THE COUNTY EXECUTIVE OF KILIFI  
Annual Report and Financial Statements  
For the year ended June 30, 2022.

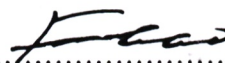
7. Statement of Receipts and Payments for the year ended 30 June 2022.

		2021-2022	2020-2021
			Kshs.
<b>Receipts</b>			
Exchequer releases (Transfers from the CRF)	1	11,381,962,488	12,029,728,360
<b>Total receipts</b>		<b>11,381,962,488</b>	<b>12,029,728,360</b>
<b>Payments</b>			
Compensation of employees	2	4,141,325,008	3,946,254,588
Use of goods and services	3	2,767,678,349	2,418,519,614
Transfers to other government entities	4	87,905,890	760,833
Other grants and transfers	5	1,861,540,665	1,749,424,485
Social security benefits	6	79,379,954	52,498,227
Acquisition of assets	7	2,365,794,686	3,735,962,800
Other payments	8	200,000,000	150,000,000
<b>Total payments</b>		<b>11,503,624,552</b>	<b>12,053,420,562</b>
<b>Surplus/deficit</b>		<b>(121,662,063)</b>	<b>23,692,202</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 20/01/2023 and signed by:



Name: Winnie L. Wakati  
Chief Officer Finance



Name: CPA Bonaventure F. M. Mwakio  
Director Accounting Services  
ICPAK Member No. 3346

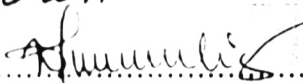
THE COUNTY EXECUTIVE OF KILIFI  
Annual Report and Financial Statements  
For the year ended June 30, 2022.

8. Statement of Assets and Liabilities as at 30 June 2022

		2022	2021
		KSh	KSh
<b>Financial assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	9A	332,534,947	400,974,434
Cash balances	9B	-	-
<b>Total cash and cash equivalent</b>		<b>332,534,947</b>	<b>400,974,434</b>
Outstanding imprests and advances	10	97,656,257	104,233,149
<b>Total financial assets</b>		<b>430,191,204</b>	<b>505,207,583</b>
<b>Financial liabilities</b>			
Deposits and retentions	11	287,515,457	242,963,048
<b>Net financial assets</b>		<b>142,675,747</b>	<b>262,244,535</b>
<b>Represented by</b>			
Fund balance b fwd.	12	262,244,535	285,936,736
Prior year adjustments	13	2,093,276	-
Surplus deficit for the year		(121,662,063)	(23,692,202)
<b>Net financial position</b>		<b>142,675,747</b>	<b>262,244,535</b>

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

20/01/2023 and signed by:



Name: Winnie L. Wakati  
Chief Officer Finance



Name: CPA Bonaventure F. M. Mwakio  
Director Accounting Services  
ICPAK Member No. 3346

THE COUNTY EXECUTIVE OF KILIFI  
Annual Report and Financial Statements  
For the year ended June 30, 2022.

9. Statement of Cash Flows for the period ended 30 June 2022.

		2021-2022	2020-2021
	Vote	Kshs	Kshs
<b>Receipts from operating income</b>			
Exchequer releases (Transfers from the CRF)	1	11,381,962,488	12,029,728,860
<b>Payments for operating expenses</b>			
Compensation of employees	2	(4,141,325,008)	(3,946,254,883)
Use of goods and services	3	(2,767,678,349)	(2,418,519,613)
Transfers to other government units	4	(87,905,890)	(760,831)
Other grants and transfers	5	(1,861,540,665)	(1,749,424,488)
Social security benefits	6	(79,379,954)	(52,498,277)
Other payments	8	(200,000,000)	(150,000,000)
<b>Adjusted for:</b>			
<b>Other adjustments</b>			
Prior year adjustments	13	2,093,276	-
Decrease/(increase) in outstanding imprests & advances	14	6,576,892	(57,489,049)
Increase/(decrease) in deposits and retentions	15	44,552,409	(142,897,817)
<b>Net cash flow from operating activities</b>		<b>2,297,355,199</b>	<b>3,511,884,035</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets	7	(2,365,794,686)	(3,735,962,802)
<b>Net cash flows from investing activities</b>		<b>(2,365,794,686)</b>	<b>(3,735,962,802)</b>
<b>Cash flow from borrowing activities</b>			
Repayment of principal on domestic and foreign		-	-
Borrowing		-	-
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>(68,439,487)</b>	<b>(224,078,767)</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>400,974,434</b>	<b>625,053,201</b>
<b>Cash and cash equivalents at end of the year</b>		<b>332,534,946</b>	<b>400,974,434</b>

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Chief Officer Finance

.....  
Name: CPA Bonaventure F. M. Mwakio

Director Accounting Services

ICPAK Member No. 3346

THE COUNTY EXECUTIVE OF KILIFI  
Annual Report and Financial Statements  
For the year ended June 30, 2022.

10. Statement of Comparison of Budget & Actual Amounts

Receipts/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	Kenya Sh.	Kenya Sh.	Kenya Sh.	Kenya Sh.	Kenya Sh.	Kenya Sh./%
<b>Receipts</b>						
Exchequer releases (Transfers from the CRF)	13,905,690,174	955,069,460	14,809,085,761	11,381,962,488	3,427,123,273	76.9%
Proceeds from sale of assets	-	-	-	-	-	-
Other receipts (Revoted revenue)	-	178,741,789	178,741,789	193,970,548	(15,228,759)	108.5%
<b>Total</b>	<b>13,905,690,174</b>	<b>1,133,811,249</b>	<b>14,987,827,550</b>	<b>11,575,933,036</b>	<b>3,411,894,514</b>	<b>77.2%</b>
<b>Payments</b>						
Compensation of employees	4,323,767,304	(209,100,603)	4,114,666,701	4,141,325,008	(26,658,307)	100.6%
Use of goods and services	2,708,649,781	628,927,739	3,337,577,520	2,762,752,011	574,825,509	82.8%
Subsidies	5,000,000	(5,000,000)	-	-	-	-
Transfers to other government units	-	87,905,890	87,905,890	88,485,611	(579,721)	-
Other grants and transfers	3,108,351,030	1,064,788,195)	2,043,562,834	1,486,426,744	557,136,091	72.7%
Social security benefits	35,000,000	62,042,828	97,042,828	79,379,954	17,662,874	81.8%
Acquisition of assets	3,557,922,059	1,550,665,271	5,108,587,330	2,745,834,946	2,362,752,385	53.7%
Acquisition Of Financial Assets	17,000,000	(17,000,000)	-	-	-	-
Other payments	150,000,000	50,000,000	200,000,000	200,000,000	-	100.0%
<b>Total</b>	<b>13,905,690,174</b>	<b>1,083,652,930</b>	<b>14,989,343,104</b>	<b>11,504,204,273</b>	<b>3,485,138,831</b>	<b>76.7%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>50,158,319</b>	<b>(1,515,554)</b>	<b>71,728,763</b>		

The County Executive's financial statements were approved on 20/01/2023 and signed by:

.....  


Name: Winnie L. Wakati  
Chief Officer Finance

.....  

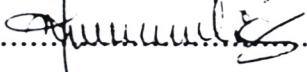

Name: CPA Bonaventure F. M. Mwakio  
Director Accounting Services  
ICPAK Member No. 3346

**THE COUNTY EXECUTIVE OF KILIFI**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2022.**

**11. Statement of Comparison of Budget & Actual Amounts: 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 %
<b>Receipts</b>						
Exchequer releases (Transfers from the CRF)	8,191,074,167	713,327,659	8,904,401,826	8,369,076,947	535,324,879	94%
Proceeds from sale of assets			-		-	
Other receipts (Revoted Revenue)		127,067,916	127,067,916	142,296,675	(15,228,759)	112%
<b>Total</b>	<b>8,191,074,167</b>	<b>840,395,574</b>	<b>9,031,469,741</b>	<b>8,511,373,621</b>	<b>520,096,120</b>	<b>94%</b>
<b>Payments</b>						
Compensation of employees	4,323,767,304	(209,100,603)	4,164,666,701	4,141,325,008	23,341,693	99%
Use of goods and services	2,687,649,781	608,997,389	3,046,647,170	2,722,485,101	324,162,069	89%
Subsidies	5,000,000	(5,000,000)	-	-	-	-
Transfers to other government units	-	87,905,890	87,905,890	86,970,972	934,918	-
Other grants and transfers	826,342,413	163,322,801	989,665,214	885,926,890	103,738,324	90%
Social security benefits	35,000,000	62,042,828	97,042,828	79,379,954	17,662,874	82%
Acquisition of assets	146,314,669	100,742,823	447,057,492	360,727,532	86,329,960	81%
Acquisition Of Financial Assets	17,000,000	(17,000,000)	-			
Other payments	150,000,000	50,000,000	200,000,000	200,000,000	-	100%
<b>Total</b>	<b>8,191,074,167</b>	<b>841,911,128</b>	<b>9,032,985,295</b>	<b>8,476,815,457</b>	<b>556,169,839</b>	<b>94%</b>
<b>Surplus/(deficit)</b>	<b>-</b>	<b>(1,515,554)</b>	<b>(1,515,554)</b>	<b>34,558,164</b>		

The County Executive's financial statements were approved on 20/01/2023 and signed by:

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Name: Winnie L. Wakati  
 Chief Officer Finance

.....  


Name: CPA Bonaventure F. M. Mwakio  
 Director Accounting Services  
 ICPAK Member No. 3346

THE COUNTY EXECUTIVE OF KILIFI  
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For the year ended June 30, 2022.

12. Statement of Comparison of Budget & Actual Amounts: Development

Receipts/Description	Original Budget	Adjustments	Total Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
<b>Receipts</b>						
Exchequer releases (Transfers from the CRF)	5,714,616,007	241,741,801	5,904,683,935	3,012,885,542	2,891,798,394	51%
Proceeds from sale of assets			-			
Other receipts Revoted Revenue)		51,673,873	51,673,873	51,673,873		100%
<b>Total</b>	<b>5,714,616,007</b>	<b>293,415,674</b>	<b>5,956,357,808</b>	<b>3,064,559,415</b>	<b>2,891,798,394</b>	<b>151%</b>
<b>Payments</b>						
Compensation of employees						
Use of goods and services	21,000,000	19,930,350	40,930,350	40,266,910	663,440	98%
Subsidies	-	-	-	-	-	-
Transfers to other government units	-	-	-	1,514,639	(1,514,639)	-
Other grants and transfers	2,282,008,617	(1,228,110,997)	1,053,897,620	600,499,854	453,397,767	57%
Social security benefits	-	-	-	-	-	-
Acquisition of assets	3,411,607,390	1,449,922,448	4,861,529,838	2,385,107,413	2,476,422,425	49%
Acquisition Of Financial Assets						
Finance costs, including loan interest						
Repayment of principal on borrowings						
Other payments						
<b>Totals</b>	<b>5,714,616,007</b>	<b>241,741,801</b>	<b>5,956,357,808</b>	<b>3,027,388,816</b>	<b>,928,968,993</b>	<b>51%</b>
<b>Surplus/(deficit)</b>	<b>-</b>	<b>51,673,873</b>	<b>-</b>	<b>37,170,599</b>		

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ICPAK Member No. 3346

**THE COUNTY EXECUTIVE OF KILIFI**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2022.**

**13. Budget Execution by Programmes and Sub-Programmes**

<b>Programme/ Sub-Program</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on comparable basis</b>	<b>Budget utilization difference</b>
	<b>FY2021-2022</b>	<b>FY2021-2022</b>	<b>FY2021-2022</b>	<b>30JUNE 2022</b>	<b>FY2021-2022</b>
	<b>Kshs.</b>	<b>Kshs.</b>	<b>Kshs.</b>	<b>Kshs.</b>	<b>Kshs.</b>
<b>County Executive</b>					
County Attorney					
Administration, Planning and Support Services	129,193,400	(11,312,633)	117,880,767	89,372,526	28,508,241
<b>Sub-total County Attorney</b>	<b>129,193,400</b>	<b>(11,312,633)</b>	<b>117,880,767</b>	<b>89,372,526</b>	<b>28,508,241</b>
<b>Office of the Governor</b>					
Administration, Planning and Support Services	163,930,782	143,860,887	307,791,669	279,799,315	27,992,354
General Administration Planning and Support Services	33,000,000	44,021,114	77,021,114	52,429,484	24,591,630
<b>Sub-total Office of the Governor</b>	<b>196,930,782</b>	<b>187,882,001</b>	<b>384,812,783</b>	<b>332,228,799</b>	<b>52,583,984</b>
<b>Total for County Executive</b>	<b>326,124,182</b>	<b>176,569,368</b>	<b>502,693,550</b>	<b>421,601,326</b>	<b>81,092,224</b>
<b>Finance and Economic Planning</b>					
<b>County Division for Finance</b>					
Accounting Services	9,800,000	(500,000)	9,300,000	4,754,745	4,545,255
Audit Services	9,030,000	7,336,085	16,366,085	5,034,487	11,331,598
Budget Formulation, Coordination and Management	47,912,337	(373,008)	47,539,329	29,911,230	17,628,099
Resource Mobilization/Debt Management	101,831,000	(71,178,339)	30,652,661	15,716,712	14,935,949
Supply Chain Management Services	8,444,000	1,408,000	9,852,000	1,820,547	8,031,453
Administration, Planning and Support Services	2,416,408,617	(1,630,362,354)	786,046,263	735,005,999	51,040,264
<b>Sub-total County Division for Finance</b>	<b>2,593,425,954</b>	<b>(1,693,669,616)</b>	<b>899,756,338</b>	<b>792,243,720</b>	<b>107,512,618</b>
<b>County Division for Economic Planning</b>					
County Fiscal Planning	44,700,000	(3,663,131)	41,036,869	41,036,869	-
Statistical Information Services/Monitoring	63,493,609	(37,331,092)	26,162,517	23,040,294	3,122,223

**THE COUNTY EXECUTIVE OF KILIFI**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2022.**

<b>Programme/ Sub-Program</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on comparable basis</b>	<b>Budget utilization difference</b>
Administration, Planning and Support Services	2,400,000	(2,400,000)	-		
<b>Sub-total for County Division for Economic Planning</b>	<b>110,593,609</b>	<b>(43,394,223)</b>	<b>67,199,386</b>	<b>64,077,163</b>	<b>3,122,223</b>
<b>Total for Finance and Economic Planning</b>	<b>2,704,019,563</b>	<b>(1,737,063,839)</b>	<b>966,955,724</b>	<b>856,320,883</b>	<b>110,634,841</b>
<b>Agriculture, Livestock and Fisheries Development</b>					
<b>County Division for Agriculture</b>					
Agribusiness and information management	48,916,520	243,663,043	292,579,563	84,348,337	208,231,226
Food security initiatives	43,007,324	53,295,540	96,302,864	90,296,953	6,005,911
Development Planning and Land Reforms	27,764,845	26,305,888	54,070,733	39,392,037	14,678,697
<b>Sub-total for County Division for Agriculture</b>	<b>119,688,689</b>	<b>323,264,471</b>	<b>442,953,160</b>	<b>214,037,327</b>	<b>228,915,833</b>
<b>County Division for Fisheries</b>					
Development Planning and Land Reforms	131,114,426	(52,336,444)	78,777,982	34,074,327	44,703,655
<b>Sub-total for County Division for Fisheries</b>	<b>131,114,426</b>	<b>(52,336,444)</b>	<b>78,777,982</b>	<b>34,074,327</b>	<b>44,703,655</b>
<b>County Division for Livestock</b>					
Development Planning and Land Reforms	51,966,883	5,579,495	57,546,378	40,950,392	16,595,986
<b>Sub-total for County Division for Livestock</b>	<b>51,966,883</b>	<b>5,579,495</b>	<b>57,546,378</b>	<b>40,950,392</b>	<b>16,595,986</b>
<b>Total for Agriculture, Livestock and Fisheries Development</b>	<b>302,769,998</b>	<b>276,507,522</b>	<b>579,277,520</b>	<b>289,062,046</b>	<b>290,215,474</b>
<b>Water, Environment, Forestry Natural Resources and Solid Waste Management</b>					
<b>County Division for Environment, Natural Resources &amp; Wildlife</b>					
Administration, Planning and Support Services	152,828,466	85,782,775	238,611,241	199,580,431	39,030,810
<b>Sub-total for County Division for Environment, Natural Resources &amp; Wildlife</b>	<b>152,828,466</b>	<b>85,782,775</b>	<b>238,611,241</b>	<b>199,580,431</b>	<b>39,030,810</b>
<b>County Division for Water &amp; Sanitation</b>					
Administration, Planning and Support Services	372,920,223	1,506,648,795	1,879,569,018	818,566,681	1,061,002,337

**THE COUNTY EXECUTIVE OF KILIFI**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2022.**

<b>Programme/ Sub-Program</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on comparable basis</b>	<b>Budget utilization difference</b>
<b>Sub-total for County Division for Water &amp; Sanitation</b>	<b>372,920,223</b>	<b>1,506,648,795</b>	<b>1,879,569,018</b>	<b>818,566,681</b>	<b>1,061,002,337</b>
<b>Total for Water, Environment, Forestry Natural Resources and Solid Waste Management</b>	<b>525,748,689</b>	<b>1,592,431,570</b>	<b>2,118,180,259</b>	<b>1,018,147,113</b>	<b>1,100,033,146</b>
<b>Education and Information, Communication and Technology</b>					
<b>County Division for Education</b>					
Scholarship, Bursary and Loan	359,000,000	(9,000,000)	350,000,000	350,000,000	-
Free Pre Primary Education	62,977,488	66,943,368	129,920,856	89,285,149	40,635,707
Administration, Planning and Support Services	87,860,689	33,471,595	121,332,284	69,306,975	52,025,309
<b>Sub-total for County Division for Education</b>	<b>509,838,177</b>	<b>91,414,963</b>	<b>601,253,140</b>	<b>508,592,124</b>	<b>92,661,016</b>
<b>County Division for Information, Communication &amp; Technology</b>					
E-Government-Information, Communication and Technology	28,182,695	(4,220,529)	23,962,166	17,694,050	6,268,116
<b>Sub-total County Division for Information, Communication &amp; Technology</b>	<b>28,182,695</b>	<b>(4,220,529)</b>	<b>23,962,166</b>	<b>17,694,050</b>	<b>6,268,116</b>
<b>Total for Education and Information, Communication and Technology</b>	<b>538,020,872</b>	<b>87,194,434</b>	<b>625,215,306</b>	<b>526,286,174</b>	<b>98,929,132</b>
<b>Medical Services</b>					
<b>County Division for Medical Services</b>					
Administration, Planning and Support Services	1,330,132,096	(192,143,696)	1,137,988,400	769,067,004	368,921,396
County Health Care Services	652,004,124	156,409,514	808,413,638	726,309,406	82,104,232
County Referral Services	6,500,000	(3,608,260)	2,891,740	1,707,684	1,184,056
<b>Sub-total for County Division for Medical Services</b>	<b>1,988,636,220</b>	<b>(39,342,442)</b>	<b>1,949,293,778</b>	<b>1,497,084,095</b>	<b>452,209,684</b>
<b>County Division for Public Health</b>					
Administration, Planning and Support Services	46,500,000	97,411,905	143,911,905	65,973,270	77,938,635

**THE COUNTY EXECUTIVE OF KILIFI**  
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**For the year ended June 30, 2022.**

<b>Programme/ Sub-Program</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on comparable basis</b>	<b>Budget utilization difference</b>
Heath Promotion	38,429,238	(7,551,500)	30,877,738	25,080,468	5,797,270
Non-Communicable Diseases	24,700,000	(5,860,000)	18,840,000	12,312,232	6,527,768
<b>Sub-total for County Division for Public Health</b>	<b>109,629,238</b>	<b>84,000,405</b>	<b>193,629,643</b>	<b>103,365,970</b>	<b>90,263,673</b>
<b>Total for Medical Services</b>	<b>2,098,265,458</b>	<b>44,657,963</b>	<b>2,142,923,421</b>	<b>1,600,450,064</b>	<b>542,473,357</b>
<b>Roads, Transport &amp; Public Works</b>					
Administrative Planning Support Services	270,184,625	115,768,939	385,953,564	168,344,276	217,609,288
Maintenance of Roads	1,251,800,000	55,092,279	1,306,892,279	1,053,790,217	253,102,063
<b>Total for Roads, Transport &amp; Public Works</b>	<b>1,521,984,625</b>	<b>170,861,218</b>	<b>1,692,845,843</b>	<b>1,222,134,492</b>	<b>470,711,351</b>
<b>Lands Energy, Housing, Physical Planning and Urban Development</b>					
<b>County Division for Lands &amp; Energy</b>					
Agricultural Policy, Legal and Regulatory Frameworks	187,700,000	5,535,568	193,235,568	27,881,701	165,353,867
Development Planning and Land Reforms	204,740,101	141,743,261	346,483,362	320,224,198	26,259,164
Land Settlement-Lands	74,989,137	391,841,279	466,830,416	212,352,254	254,478,162
<b>Sub-total for County Division for Lands &amp; Energy</b>	<b>467,429,238</b>	<b>539,120,108</b>	<b>1,006,549,346</b>	<b>560,458,153</b>	<b>446,091,193</b>
<b>County Division for Physical Planning, Urban Development and Housing</b>					
Housing Development	70,340,062	(46,657,814)	23,682,248	16,717,869	6,964,379
Town administration services	30,495,825	46,751,474	77,247,299	23,108,778	54,138,521
<b>Sub-total for County Division for Physical Planning, Urban Development and Housing</b>	<b>100,835,887</b>	<b>93,660</b>	<b>100,929,547</b>	<b>39,826,647</b>	<b>61,102,900</b>
<b>Total for Lands Energy, Housing, Physical Planning and Urban Development</b>	<b>568,265,125</b>	<b>539,213,768</b>	<b>1,107,478,893</b>	<b>600,284,800</b>	<b>507,194,093</b>
<b>Gender, Culture, Social Services and Sports</b>					
Conservation of Heritage	17,615,680	55,131,517	72,747,197	29,045,034	43,702,163

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<b>Programme/ Sub-Program</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on comparable basis</b>	<b>Budget utilization difference</b>
Library Services	31,405,713	(18,318,663)	13,087,050	1,360,914	11,726,136
ICT Services	26,451,924	23,472,085	49,924,009	19,196,970	30,727,039
Social Welfare and vocational rehabilitation	60,434,327	18,928,820	79,363,147	49,229,566	30,133,581
<b>Total for Gender, Culture, Social Services and Sports</b>	<b>135,907,644</b>	<b>79,213,759</b>	<b>215,121,403</b>	<b>98,832,484</b>	<b>116,288,919</b>
<b>Trade, Tourism and Cooperative Development</b>					
<b>County Division for Cooperative Development</b>					
Promotion of Co operative & Advisory services	10,600,000	(1,038,921)	9,561,079	6,529,873	3,031,206
Co operative marketing and value addition	3,491,348	(300,001)	3,191,347		3,191,347
<b>Sub-total for County Division for Cooperative Development</b>	<b>14,091,348</b>	<b>(1,338,922)</b>	<b>12,752,426</b>	<b>6,529,873</b>	<b>6,222,553</b>
<b>County Division for Trade, &amp; Tourism</b>					
Fair Trade and Consumer Protection	1,000,000	1,236,876	2,236,876	2,092,575	144,301
Market Development	80,200,000	777,538	80,977,538	73,488,220	7,489,318
Niche tourism products development and diversification	900,000	814,090	1,714,090	246,876	1,467,214
Tourism promotion and marketing	18,000,000	2,730,708	20,730,708	18,662,819	2,067,889
Tourism training and capacity building	637,504	(398,504)	239,000	239,000	-
Trade Development	162,800,000	(109,314,926)	53,485,074	33,042,246	20,442,827
Administration Planning and Support Services	19,600,000	10,789,042	30,389,042	24,963,987	5,425,055
<b>Sub-total for County Division for Trade, &amp; Tourism</b>	<b>283,137,504</b>	<b>(93,365,176)</b>	<b>189,772,328</b>	<b>152,735,722</b>	<b>37,036,605</b>
<b>Total for Trade, Tourism and Cooperative Development</b>	<b>297,228,852</b>	<b>(94,704,098)</b>	<b>202,524,754</b>	<b>159,265,596</b>	<b>43,259,158</b>
<b>County Public Service Board</b>					
<b>County Public Service Board</b>					
Administration, Planning and Support Services	35,546,156	5,281,109	40,827,265	18,892,328	21,934,937
<b>Total for County Public Service Board</b>	<b>35,546,156</b>	<b>5,281,109</b>	<b>40,827,265</b>	<b>18,892,328</b>	<b>21,934,937</b>

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<b>Programme/ Sub-Program</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on comparable basis</b>	<b>Budget utilization difference</b>
<b>Devolution, Public Service and Disaster Management</b>					
<b>County Division for Devolution and Disaster Management</b>					
Relief and Rehabilitation	116,422,000	211,967,434	328,389,434	254,309,811	74,079,623
Sub county and ward administration services	16,545,000	(10,530,938)	6,014,062	5,763,700	250,362
Administration, Planning and Support Services	46,424,810	(10,797,430)	35,627,380	14,634,207	20,993,173
<b>Sub-total for County Division for Devolution and Disaster Management</b>	<b>179,391,810</b>	<b>190,639,066</b>	<b>370,030,876</b>	<b>274,707,717</b>	<b>95,323,159</b>
<b>County Division Public Service Management</b>					
Human Resource Development	5,550,000	(1,942,290)	3,607,710	2,289,593	1,318,117
Administration, Planning and Support Services	4,635,076,456	(214,931,429)	4,420,145,027	4,415,349,935	4,795,092
<b>Sub-total County Division Public Service Management</b>	<b>4,640,626,456</b>	<b>(216,873,719)</b>	<b>4,423,752,737</b>	<b>4,417,639,528</b>	<b>6,113,209</b>
<b>Total for Devolution, Public Service and Disaster Management</b>	<b>4,820,018,266</b>	<b>(26,234,653)</b>	<b>4,793,783,613</b>	<b>4,692,347,245</b>	<b>101,436,367</b>
<b>Grand Total</b>	<b>13,873,899,430</b>	<b>1,113,928,120</b>	<b>14,987,827,550</b>	<b>11,503,624,552</b>	<b>3,484,202,998</b>

*(NB: This statement is a disclosure statement indicating the utilisation in the same format at the County budgets which are programmatic)*

#### **14. Significant Accounting Policies**

The key 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 County 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 County Executive of Kilifi. 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 Executive recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the Executive.

**Significant Accounting Policies (Continued)**

**i) Transfers from the County Revenue Fund (CRF)**

Transfer from CRF 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 a notification received by the entity.

**ii) Proceeds from sale of assets**

Proceeds from the sale of assets are recognised in the statement of receipts and payments when the related monies from the sale are received by the entity.

**b) Recognition of payments**

The County Executive recognises all expenses when the event occurs, and the related cash has been paid out.

**i) Compensation of employees**

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

**ii) 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.

**iii) Interest on borrowing**

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

**iv) 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.

**Significant Accounting Policies (Continued)**

**v) Acquisition of fixed assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment. A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

**4. In-kind contributions**

In-kind contributions are donations that are made to the County 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 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.

**5. Third Party Payments**

This relates to payments done directly to supplier on behalf of the county Executives 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 Executive 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.

**Significant Accounting Policies (Continued)**

**a) Restriction on cash**

Restricted cash represents amounts that are limited /restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30 June 2022, this amounted to KShs.0.00.

*(There were no other restrictions on cash during the year)*

**7. Imprests and Advances**

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. Third Party Deposits and Retention**

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.

**9. Non-current assets**

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

**Significant Accounting Policies (Continued)**

**10. Pending bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the County Executive 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.

**11. Contingent Liabilities**

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

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 entity; 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 County 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.

**Significant Accounting Policies (Continued)**

**12. Contingent Assets**

The 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 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 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 2nd July, 2021 for the period 1<sup>st</sup> July 2021 to 30 June 2022 as required by law. There was 3 number of supplementary budgets passed in the year. A high-level assessment of the 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.

**Significant Accounting Policies (Continued)**

**16. Prior Period Adjustment**

During the year, errors that have been corrected are disclosed *under note 13* explaining the nature and amounts.

**17. Related Party Transactions**

Related party means parties are related if one party has the ability to:

- a) Control the other party or
- b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Related party transaction is a transfer of resources or obligations between related parties regardless of whether a price is charged.

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**15. Notes to the Financial Statements**

**1. Exchequer Releases( Transfer from the CRF)**

Description	2021-2022	2020-2021
	Kshs	Kshs
Total exchequer releases for quarter 1	888,788,786	757,468,111
Total exchequer releases for quarter 2	3,281,535,322	2,562,256,737
Total exchequer releases for quarter 3	1,987,306,756	2,669,602,420
Total exchequer releases for quarter 4	5,224,331,624	6,040,401,092
<b>Total</b>	<b>11,381,962,488</b>	<b>12,029,728,360</b>

**2. Compensation of Employees**

Description	2021-2022	2020-2021
	Kshs	Kshs
Basic salaries of permanent employees	2,030,655,785	1,907,401,133
Basic wages of temporary employees	240,328,124	242,987,599
Personal allowances paid as part of salary	1,625,786,412	1,592,329,795
Personal allowances paid as reimbursements	1,683,405	1,683,601
Employer contribution to compulsory national social schemes	242,871,281	201,852,455
<b>Total</b>	<b>4,141,325,008</b>	<b>3,946,254,583</b>

**3. Use of Goods and Services**

	2021-2022	2020-2021
	Kshs	KShs
Utilities, supplies and services	97,778,996	95,962,549
Communication, supplies and services	14,241,368	27,590,896
Domestic travel and subsistence	110,211,924	112,015,207
Foreign travel and subsistence	29,214,670	5,770,842
Printing, advertising and information supplies & services	121,604,248	128,243,368
Rentals of produced assets	81,808,023	52,155,697
Training expenses	34,058,847	85,405,388
Hospitality supplies and services	227,559,516	105,630,057
Insurance costs	335,352,226	366,747,487
Specialized materials and services	869,663,479	649,951,120
Office and general supplies and services	88,531,757	81,398,785
Fuel, oil and lubricants	105,249,928	89,281,255
Other operating expenses	295,754,378	363,797,900
Routine maintenance – vehicles and other transport equipment	96,555,164	69,837,768
Routine maintenance – other assets	260,093,824	184,731,294
<b>Total</b>	<b>2,767,678,349</b>	<b>2,418,519,613</b>

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**4. Transfer to Other Government entities**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Transfers to county government entities</b>		
Capital Grants to Government Agencies and other Levels of Government	86,390,336	
Transfer to other County Revenue fund	1,515,554	760,831
<b>Total</b>	<b>87,905,890</b>	<b>760,831</b>

*The amount of Kshs.86,390,336 in the FY 2021-2022 under Capital Grants to Government Agencies and other Levels of Government above refers to Kenya Urban Support Grant for the Municipalities. In the FY 2020-2021 it was budgeted under Other Capital Grants and Transfers.*

**5. Other Grants and Payments**

	2021-2022	2020-2021
	Kshs	Kshs
Scholarships and other educational benefits	350,000,000	350,000,000
Emergency relief and refugee assistance	243,540,524	148,513,142
Other current Transfers, grants and Subsidies	443,801,877	490,059,903
Other Capital Grants and Transfers	824,198,264	760,851,410
<b>Total</b>	<b>1,861,540,665</b>	<b>1,749,424,455</b>

**6. Social Security Benefits**

Description	2021-2022	2020-2021
	Kshs	Kshs
Government Pension and Retirement Benefits	79,379,954	52,498,277
<b>Total</b>	<b>79,379,954</b>	<b>52,498,277</b>

*The pension and Retirement benefit above refers to gratuity which is remitted to LAPFUND*

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**Notes to the Financial Statements (Continued)**

**7. Acquisition of Assets**

<b>Non- financial assets</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Construction of buildings	563,340,044	736,003,607
Refurbishment of buildings	12,568,608	29,831,232
Construction of roads	917,513,046	998,479,972
Construction and civil works	80,244,041	1,114,588,713
Purchase of vehicles and other transport equipment	438,799	8,672,250
Purchase of household furniture and institutional equipment	12,012,730	14,506,182
Purchase of office furniture and general equipment	72,331,641	328,609,111
Purchase of specialized plant, equipment and machinery	200,989,087	270,362,655
Purchase of certified seeds, breeding stock and live animals	27,391,754	68,907,422
Research, studies, project preparation, design & supervision	11,965,825	18,540,838
Rehabilitation of civil works	420,311,616	
Acquisition of intangible assets	46,687,496	147,460,822
<b>Total acquisition of non- financial assets</b>	<b>2,365,794,686</b>	<b>3,735,962,802</b>

**8. Other Payments**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Civil Contingency Reserves	200,000,000	150,000,000
	<b>200,000,000</b>	<b>150,000,000</b>

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**Notes to the Financial Statements (Continued)**

**9. Cash and Bank Balances**

**9A. Bank Balances**

Name Of Bank, Account Name & Currency	Bank Name	Indicate whether Rec, Dev, Dep e.t.c	2021-2022	2020-2021
			Kshs	Kshs
<i>KILIFI COUNTY RECURRENT - 1000170239</i>	CBK	Recurrent	7,823	915
<i>KILIFI COUNTY DEVELOPMENT - 1000170198</i>	CBK	Development	53,054	100,053
<i>Kilifi County Road Maintenance Fuel Levy- 1000260928</i>	CBK	Programme	-	1,414,586
KILIFI COUNTY KENYA DEVOLUTION S PR - 1000371684	CBK	Program	37,044,750	47,376,499
KILIFI COUNTY WATER AND SANITATION - 1000394889	CBK	Program	14,840	15,440
KILIFI COUNTY- AGRI. SEC.DEV.SUPP. - 1000366378	CBK	Program	-	-
KILIFI COUNTY CLIMATE CHANGE INST - 1000546778	CBK	Program	-	-
KILIFI COUNTY KENYA URBAN SUPP PROG - 1000396628	CBK	Program	2	86,390,338
KILIFI COUNTY THS UNIVERSAL HEALTH - 1000403853	CBK	Program	26,435,758	39,250,049
KILIFI COUNTY WB AND DANIDA GRANT - 1000268492	CBK	Program	2,150,236	1,426,614
KILIFI COUNTY-NAT. AGRI.& RUR.INC - 1000366389	CBK	Program	-	-
KILIFI COUNTY VILLAGE POLY GRANT-KES - 1000368508	CBK	Program	57,955	2,781,820
The County Government of Kilifi-Project Retention-0028950001	DTB-Kilifi	Deposit	43,011,779	80,871,781
Kilifi County Government - Standing Imprest Account Fin-Mgt-01141465788001	Co-op Bank-Kilifi	Imprest	579,721	579,721
County Government of Kilifi Donation Account-1060279268120	Equity Bank-Kilifi	Programme	-	5,422,545
Kilifi County Deposit Account -1000357339	CBK	Deposit	223,179,029	133,026,460
CGK Cash Transfer Programme Account-1283242303	KCB	Programme	-	2,316,413
Kilifi County Elders Cash Transfer Fund Account-	Equity Bank-Kilifi	Programme		1,200
<b>Total</b>			<b>332,534,947</b>	<b>400,974,434</b>

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**Notes to the Financial Statements (Continued)**

**9 B Cash in Hand**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Cash in hand – Held in Domestic Currency	-	-
Cash in hand – Held in Foreign Currency	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**10. Outstanding imprests and advances**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Government Imprests	12,919,395	4,267,527
Prepayment of PAYE	41,496,123	56,724,882
Other Accounts Receivables-Loss of Cash	43,240,740	43,240,740
<b>Total</b>	<b>97,656,257</b>	<b>104,233,149</b>

<b>Breakdown of Imprest and Salary Advance per Department</b>	<b>2021-2022</b>	<b>2020-2021</b>
<b>Imprest</b>	<b>Kshs</b>	<b>Kshs</b>
FINANCE	473,351	1,421,251
EXECUTIVE	11,381,579	1,387,411
PUBLIC SERVICE MANAGEMENT	600,000	194,100
HEALTH	380,040	380,040
LANDS	68,505	68,505
ROADS	320	320
WATER	15,600	15,600
TRADE		193,500
COUNTY PUBLIC SERVICE BOARD		606,800
<b>Grand Total</b>	<b>12,919,395</b>	<b>4,267,527</b>

*\*See Annex 2 for a detailed analysis of the outstanding imprests and salary advance.*

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**Notes to the Financial Statements (Continued)**

**11. Deposits and Retention**

	2021-2022	2020-2021
	Kshs	Kshs
Contractors Retention CBK	223,179,029	133,026,460
Contractors Retention DTB	64,336,428	102,196,430
		2,317,613
		5,422,545
<b>Total</b>	<b>287,515,457</b>	<b>242,963,048</b>

**12. Fund Balance Brought Forward**

	2021-2022	2020-2021
	Kshs	Kshs
Bank Accounts	400,974,434	625,053,201
Cash in Hand		-
Accounts Receivables	104,233,149	46,744,100
Accounts Payables	242,963,048	385,860,565
<b>Total</b>	<b>262,244,535</b>	<b>285,936,736</b>

**13. Prior Year Adjustments**

	Balance b/f FY 2020-2021 as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted ** Balance b/f FY 2020-2021
Description Of The Error	Kshs	Kshs	Kshs
Bank Account Balances	400,974,434	2,093,276	403,067,709
<b>Total</b>	<b>400,974,434</b>	<b>2,093,276</b>	<b>403,067,709</b>

**FY 2020.2021**

KILIFI COUNTY KENYA DEVOLUTION S PR		2,093,276
<b>Total</b>		<b>2,093,276</b>

**FY2019.2020**

CGK Cash Transfer Programme Account-1283242303		(2,316,413)
County Government of Kilifi Donation Account-1060279268120		(5,422,545)
Kilifi County Elders Cash Transfer Fund Account-1060268537210		(1,200)
<b>Total</b>		<b>(7,740,158)</b>

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**Notes to the Financial Statements (Continued)**

**14. Increase/ (Decrease) in Outstanding Imprests and Advances**

Description	2021-2022	2020-2021
	Kshs	Kshs
Imprest and Advances as at 1 <sup>st</sup> July (A)	104,233,149	46,744,100
Imprest and Advances as at 30 <sup>th</sup> June (B)	97,656,257	104,233,149
Increase/ (Decrease) in Imprest and Advances (C=(B-A))	<b>(6,576,892)</b>	<b>57,489,049</b>

**15. Increase/ (Decrease) in Deposits and Retention**

Description	2021-2022	2020-2021
	Kshs	Kshs
Deposits and Retentions as at 1 <sup>st</sup> July (A)	242,963,048	385,860,565
Deposits and Retentions as at 30 <sup>th</sup> June (B)	287,515,457	242,963,048
Increase/ (Decrease) in Deposits and Retentions C= B-A	<b>44,552,409</b>	<b>(142,897,517)</b>

**16. Re-voted Funds**

These are bank balances for Central bank accounts that remained as at 30<sup>th</sup> June 2021 and became opening balances for FY 2021-2022 and thereby budgeted and used in the year under review.

The PAYE prepayment of Kshs 15,228,759.05 was a payment that had been part of Kshs. 56,724,881.75 erroneously collected by Kenya Revenue Authority as detailed under Note 10. On Receivables. The 15,228,759.05 was allowed by Kenya Revenue Authority to Partly offset July, 2021 PAYE as the balance of Kshs. 41,618,386 is still contentious issue and still in Court.

**a) Recurrent Re-voted funds**

	FY 2021-2022
	KSHS.
<i>KILIFI COUNTY RECURRENT - 1000170239</i>	915
KILIFI COUNTY WB AND DANIDA GRANT - 1000268492	1,426,614
KILIFI COUNTY THS UNIVERSAL HEALTH - 1000403853	39,250,049
KILIFI COUNTY KENYA URBAN SUPP PROG - 1000396628	86,390,338
Prepayment of PAYE	15,228,759
<b>TOTAL</b>	<b>142,296,675</b>

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**b) Development Re-voted funds**

	<b>FY 2021-2022</b>
	<b>KSHS.</b>
KILIFI COUNTY WATER AND SANITATION - 1000394889	15,440
<i>KILIFI COUNTY DEVELOPMENT - 1000170198</i>	100,053
<i>Kilifi County Road Maintenance Fuel Levy-1000260928</i>	1,414,586
KILIFI COUNTY VILLAGE POLY GRANT-KES - 1000368508	2,781,820
KILIFI COUNTY KENYA DEVOLUTION S PR - 1000371684	47,376,499
<b>TOTAL</b>	<b>51,688,398</b>

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**Other Important Disclosures**

**1. Pending Accounts Payable (See Annex 5)**

	Balance b/f FY 2020- 2021	Additions for the period	Paid during the year	Balance c/f FY 2021-2022
Description	Kshs	Kshs	Kshs	Kshs
Construction of buildings	196,011,507	284,287,109	125,268,134	355,030,483
Construction of civil works	1,285,291,727	356,241,415	189,890,290	1,451,642,853
Supply of goods	596,797,967	419,975,396	317,013,488	695,097,356
Supply of services	334,721,232	477,559,076	97,027,650	715,252,658
<b>Total</b>	<b>2,412,822,433</b>	<b>1,538,062,997</b>	<b>729,199,561</b>	<b>3,217,023,349</b>

**2. Pending Staff Payables (See Annex 6)**

	Balance b/f FY 2020-2021	Additions for the period	Paid during the year	Balance c/f FY 2021-2022
Description	Kshs	Kshs	Kshs	Kshs
Senior management	15,005,667	0	0	15,005,667
Middle management	24,583,019	0	0	24,583,019
Unionisable employees	33,671,827	0	0	33,671,827
Others	20,292,695	0	0	20,292,695
<b>Total</b>	<b>93,553,208</b>	<b>0</b>	<b>0</b>	<b>93,553,208</b>

**3. Other Pending Payables (See Annex 7)**

	Balance b/f FY 2020-2021	Additions for the period	Paid during the year	Balance c/f FY 2021-2022
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government entities				
Amounts due to County Government entities				
Amounts due to third parties	4,532,233	0	2,475,000	2,057,233
<b>Total</b>	<b>4,532,233</b>	<b>0</b>	<b>2,475,000</b>	<b>2,057,233</b>

**THE COUNTY EXECUTIVE OF KILIFI**  
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**4. Related party transactions**

Description	2021- 2022	2020- 2021
	Kshs	Kshs
<b>Transfers To Related Parties</b>		
Transfer to the County Assembly	1,043,413,898.00	965,897,386.00
Transfers to County Water Service Providers	751,191,016.00	688,243,864.00
<b>Total Transfers To Related Parties</b>	<b>1,794,604,914.00</b>	<b>1,654,141,250.00</b>
<b>Transfers From Related Parties</b>		
Transfers From The Exchequer	10,710,265,505.00	11,342,727,000.00
Transfers From SCs And SAGAs - National Government	621,056,522.00	1,620,881,224.00
<b>Total Transfers From Related Parties</b>	<b>11,331,322,027.00</b>	<b>12,963,608,224.00</b>

**5. 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
Scholarships Fund	December 2013	County HQ	NEEMA SIRYA
Mbegu Fund	June 2016	County HQ	PETER MSUKO
Kilifi Municipality	June 2018	Kilifi Town	ELIAS CHIPA
Malindi Municipality	June 2018	Malindi Town	ASSAD SHEYUMBE
County Water Service Providers (KIMAWASCO)	March 2013	Kilifi Town	Hezekiah N. Mwarua
Health Services Improvement Fund	2019/2020	County HQ	Bahati Mashalaghu
County Water Service Providers (MAWASCO)	March 2013	Malindi Town	Gerald Mwambire

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**6. 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	Exc. rate	2021/22	2020/21
			Kshs	Kshs
KCG - Main Revenue Account-01141691026400	4,928,356.02	-	4,928,356	243,073
Kilifi County Revenue Collection-1140769235	11,197,230.64	-	11,197,230	958,845
KCG-Land Rates Revenue-01001135200100 - NBK Kilifi	5,051.05	-	5,051	357,473
The County Government of Kilifi-Cess Revenue Account-0198094843001	553,845,444.85	-	553,845,444	503,044,754
The County Government of Kilifi-Parking Fee Revenue Account-0198094843002	137,026,334.65	-	137,026,334	121,929,491
The County Government of Kilifi-Savings Revenue Account-0191094843003	5,077,909.45	-	5,077,909	4,814,850
CGK Cess Revenue Account 1292544562 - KCB Kilifi	11,529,952.50		11,529,952	-
CGK Parking Fees Revenue Account 1292544872 -KCB Kilifi	1,696,474.00		1,696,474	-
KCG-Agriculture Revenue Collection Account-01141466268700	-	-	-	-
Kilifi County Govt. ATC Revenue-1173577289 - KCB Mtwapa	73,935.00	-	73,935	80
KCG-Lands and Housing Revenue Collection-2031340988 - Absa Kilifi	1,571,142.90	-	1,571,142	248
KCG-Payroll Commissions-1006089603 - NIC Kilifi	2,396,400.18	-	2,396,400	12,227,703
KCG Land and Housing Revenue-01141779473400 - Co-op Kilifi	599.96	-	599	0
KCG Jibana Sub-County Hospital PBF - 1168061334 - KCB	152,966.50		152,966	950,197
Kilifi County Hospital PBF - 01001068243400-NBK KILIFI	5,312,960.00	-	5,312,960	31,622,702
Mariakani Sub-County Hospital PBF-01141254535100-CO-OP BANK KILIFI	414,120.00	-	414,120	13,136,437
KCG Bamba Sub-County Hospital PBF-01001068243700-NBK BANK MALINDI	657,310.00	-	657,310	5,370,682
KCG Malindi Sub County Hospital PBF-01001018366800 NBK BANK MALINDI	4,038,379.00	-	4,038,379	46,906,530
KCG FIF Revenue Collection Account-01141779176400 CO-OP BANK KILIFI	626,415.79	-	626,415	-
CGK Health Revenue Collection Account-1275498507-KCB BANK KILIFI	13,473,913.00	-	13,473,913	17,728,941
<b>Total</b>	<b>754,023,695</b>	<b>-</b>	<b>754,023,695</b>	<b>759,292,010</b>

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**7. Other Banks**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Kilifi County Elders Cash Transfer Fund Account-1060268537210	16,126,671	2,317,613
County Government of Kilifi Donation Account-1060279268120	4,090,493	5,422,545
<b>Total</b>	<b>307,732,620</b>	<b>242,963,048</b>

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**16. 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.

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
Presentation and Disclosures in the Financial Statements				
1.0	<b>Presentation and Disclosures in the Financial Statements</b> Review of the financial statements and the other accompanying information for the year ended 30 June, 2021 presented for audit revealed non-compliance in full with the reporting guidelines and template prescribed by the Public Sector Accounting Standards Board (PSASB)	Detailed explanations to observation given in the Audit response	Resolved	
2.1	Variance between the Statement of Receipts and Payments and Summary Statement of Appropriation –	Detailed explanations to observation given in the Audit response	Resolved	

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<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
	Recurrent and Development			
2.2	Casting Errors in the Statement of Budget Execution by Programmes and Sub-Programmes	Detailed explanations to observation given in the Audit response	Resolved	
2.3	Unexplained Variances between the Financial Statements and IFMIS Balances	Detailed explanations to observation given in the Audit response	Not Resolved	2023
2.4	Unsupported Adjustments to the Financial Statements	Detailed explanations to observation given in the Audit response	Resolved	
3.1	Understatement of Revenue	Detailed explanations to observation given in the Audit response	Resolved	
3.2	Unsupported County Own Generated Receipts	Detailed explanations to observation given in the Audit response	Not Resolved	2023
4.0	Accounts Receivable - Loss of Cash-Kshs.43,240,740.	Detailed explanations to observation given in the Audit response	Not Resolved	2023
5.0	Cash and Cash Equivalent	Detailed explanations to	Resolved	

**THE COUNTY EXECUTIVE OF KILIFI**  
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>The statement of assets and liabilities as at 30 June, 2021 reflects cash and cash equivalents balance of Kshs.1,974,950,001, out of which an amount of Kshs.1,974,935,346 was held in forty-nine (49) bank accounts. Comparison of the cash books and the financial statements revealed variances in the bank balances between the two records</p>	<p>observation given in the Audit response</p>		
6.0	<p>Unconfirmed Contractors' Retention</p>	<p>Detailed explanations to observation given in the Audit response</p>	<p>Resolved</p>	
7.0	<p>Unsupported Expenditure</p>	<p>Detailed explanations to observation given in the Audit response</p>	<p>Resolved</p>	
<b>Key Audit Matters</b>				
1.1	<p>Unsupported Paid Pending Bills</p>	<p>Detailed explanations to</p>	<p>Resolved</p>	

**THE COUNTY EXECUTIVE OF KILIFI**  
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		observation given in the Audit response		
1.2	Variances in the Confirmed Pending Bills	Detailed explanations to observation given in the Audit response	Not Resolved	2023
<b>REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES</b>				
1.1	Incomplete Projects implementation Status Report	Detailed explanations to observation given in the Audit response	Resolved	
1.2	Failure to Spend Fully on the Projects as Budgeted	Detailed explanations to observation given in the Audit response	Not Resolved	2023
1.3	Delayed Projects Implementation	Detailed explanations to observation given in the Audit response	Not Resolved	2023
1.4	Elapsed Contract Periods - Department of Trade	Detailed explanations to observation given in the Audit	Resolved	

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<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
		response		
1.5	Stalled Projects - Department of Medical Services	Detailed explanations to observation given in the Audit response	Resolved	
1.6	Completed Projects Not in Use	Detailed explanations to observation given in the Audit response	Not Resolved	
2.0	Lack of Project Feasibility Reports and Performance Bonds	Detailed explanations to observation given in the Audit response	Resolved	
3.0	Irregular Construction, Upgrading and Routine Maintenance of Roads Projects	Detailed explanations to observation given in the Audit response	Resolved	
4.0	Unsupported Supply and Delivery of Dry Maize and Beans	Detailed explanations to observation given in the Audit response	Resolved	
5.0	Incomplete Information on Contract for Land Demarcation Consultancy	Detailed explanations to observation given in the Audit response	Resolved	
6.0	Failure to Provide Performance Bond for Purchase of	Detailed explanations to observation given	Resolved	

**THE COUNTY EXECUTIVE OF KILIFI**  
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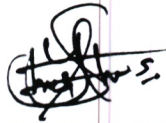
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Certified Seeds, Breeding Stock and Live Animals	in the Audit response		
7.0	Unsupported Supply and Delivery of Furniture	Detailed explanations to observation given in the Audit response	Resolved	
8.0	Unsupported Proposed Installation of Solar High Masts	Detailed explanations to observation given in the Audit response	Resolved	
9.0	Consultancy Services for Development of Training Manual	Detailed explanations to observation given in the Audit response	Resolved	
10	Construction of Shade and Cabro Access Road	Detailed explanations to observation given in the Audit response	Resolved	
11	Construction of Cubicle Pit Latrines	Detailed explanations to observation given in the Audit response	Resolved	
12	Garbage Collection and Disposal Services in Mtwapa Town and its Environs	Detailed explanations to observation given in the Audit response	Resolved	
13	Underpayment of	Detailed	Resolved	

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<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
	Statutory Deductions	explanations to observation given in the Audit response		
14	Prepayment of PAYE	Detailed explanations to observation given in the Audit response	Resolved	
15	Unconfirmed Delivery of Procured Gala Goats	Detailed explanations to observation given in the Audit response	Resolved	
16	Revenue Collections Not Banked into County Revenue Fund Account	Detailed explanations to observation given in the Audit response	Resolved	
17	Long Outstanding Imprests	Detailed explanations to observation given in the Audit response	Resolved	
18	Casual Staff Engaged For More Than Three Months	Detailed explanations to observation given in the Audit response	Resolved	
REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND				

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comment	Status (Resolved/ Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
GOVERNANCE				
1.0	Duplicate ID Numbers	Detailed explanations to observation given in the Audit response	Resolved	
2.0	Incomplete Payroll Data	Detailed explanations to observation given in the Audit response	Resolved	



Hon. Yaye Shosi Ahmed  
 County Executive Committee Member  
 For Finance and Economic Planning

Date: 20/01/2023

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17. Annexes

Annex 1 – Analysis Of Transfers From the CRF

Period (2021-2022)	Quarter 1 (Ksh)	Quarter 2 (Ksh)	Quarter 3 (Ksh)	Quarter 4 (Ksh)	Total (Ksh)
Equitable Share	888,788,786	2,837,893,213	1,957,306,756	4,670,889,133	10,354,877,888
Level 5 Hospitals					-
DANIDA - Universal Healthcare in Devolved Units Programme				11,570,625	11,570,625
World Bank – THUSCP				36,548,224	36,548,224
National Agricultural & Rural Inclusive Growth Project (NARIGP)				43,301,887	43,301,887
Kenya Devolution Support Programme		102,491,953			102,491,953
Youth Polytechnic support grant					-
Abolishment of user fees in health centres and dispensaries					-
Kenya Urban Support Programme				40,000,000	40,000,000
Agriculture Sector Development Support Project (ASDSP)				16,981,496	16,981,496
Kenya Climate Smart Agriculture Project (KCSAP)				25,000,000	25,000,000
Water and Sanitation Development Project	-	341,150,156	30,000,000	380,040,259	751,190,416
Construction of County Headquarters					-
<b>Total</b>	<b>888,788,786</b>	<b>3,281,535,322</b>	<b>1,987,306,756</b>	<b>5,224,331,624</b>	<b>11,381,962,488</b>

Note: The above comprises transfers from the Exchequer from CARA, comprising of equitable share, Level 5 and donor funds released through the exchequer.

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**Annex 2 –Analysis Of imprests and Advances**  
**(a)Government Imprest**

Name of Officer or Institution	Department	Date Imprest Taken	Amount Taken		
				<i>Amount Surrendered</i>	<i>Balance</i>
				Kshs	Kshs
FELIX LALO WANJE	FINANCE	B/F 20-21	118,600		118,600
ABDUL MBARAK	FINANCE	B/F 16-17	60,000		60,000
DUNCAN OBURA	FINANCE	B/F 16-17	83,500		83,500
KIETI KIGEN KELVIN	FINANCE	B/F 16-17	123,251		123,251
VINCENT MBITO	FINANCE	B/F 16-17	88,000		88,000
ARNOLD MKARE JEFWA	EXECUTIVE	B/F 18-19	47,800		47,800
ARNOLD MKARE JEFWA	EXECUTIVE	B/F 18-19	1,312,811		1,312,811
ARNOLD MKARE JEFWA	EXECUTIVE	B/F 19-20	26,800		26,800
JOHN MWAGONA MANGI	EXECUTIVE	15/03/2022	21,000		21,000
MWASAMBU JOEL CHIBOE	EXECUTIVE	6/9/2021	42,800		42,800
AHMED BELELI IBRAHIM	EXECUTIVE	20/05/2022	418,176		418,176

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Name of Officer or Institution	Department	Date Imprest Taken	Amount Taken	<i>Amount Surrendered</i>	<i>Balance</i>
				Kshs	Kshs
AMINA NASSOR ABDALLA	EXECUTIVE	20/05/2022	529,200		529,200
DAVID KADENGE	EXECUTIVE	20/05/2022	1,203,096		1,203,096
RENSON KAMBI	EXECUTIVE	20/05/2022	1,203,096		1,203,096
ALPHONCE MWAYA	EXECUTIVE	20/05/2022	1,203,096		1,203,096
AMINA NASSOR	EXECUTIVE	20/05/2022	1,358,755		1,358,755
ELIEZER MULEI JAMES	EXECUTIVE	17-Sep-21	250,000		250,000
SAMUEL NDAGO GAMBO	EXECUTIVE	20-May-22	1,203,096		1,203,096
MAUREEN MUNYAZI MWANGOVYA	EXECUTIVE	20-May-22	1,358,755		1,358,755
WILBERFORCE MWINGA KATUMO	EXECUTIVE	20-May-22	1,203,096		1,203,096
ARNOLD MKARE JEFWA	PSM	15/10/2021	500,000		500,000
STANLEY MAALIM KADENGE	PSM	18-Nov-21	50,000.00		50,000
WILSON GODANA KOKANI	PSM	18-Nov-21	50,000.00		50,000
EVERLYNE CHEPCHIRCHIR	HEALTH	B/F	375,000		375,000

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Name of Officer or Institution	Department	Date Imprest Taken	Amount Taken	<i>Amount Surrendered</i>	<i>Balance</i>
			<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
SHADRACK JEFWA	HEALTH	B/F	5,040		5,040
MAURICE POLE TSUMA	LANDS	B/F 19-20	500		500
KENNEDY OCHIENG OLUDO	LANDS	B/F 19-20	36,660		36,660
MARGARET MAGOMBE MUNGA	LANDS	B/F 19-20	10,798		10,798
MAURICE POLE TSUMA	LANDS	B/F 20-21	20,000		20,000
MARGARET MAGOMBE MUNGA	LANDS	B/F 20-21	547		547
BUSARA CANANA KONGWE	ROADS	B/F 18-19	320		320
Joseph Tinga	WATER		600		600
ALI MWAMBITI	WATER	B/F	15,000		15,000
<b>TOTALS</b>			<b>12,919,395</b>	<b>-</b>	<b>12,919,395</b>

**THE COUNTY EXECUTIVE OF KILIFI**  
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**Annex 3 – Summary Of Non-Current Asset Register**

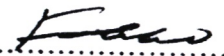
Asset class	Historical Cost b/f	Additions during the year	Disposals during the year	Transfers in/(out) during the year	Historical Cost c/f
	(KShs)	(KShs )	(KShs )	(KShs)	(KShs)
	2020/2021				2021/2022
Land	-	-	-	-	-
Buildings and structures	4,010,044,818	616,066,543	-	-	958,867,480
Transport equipment	439,093,893	438,799	-	-	200,371,945
Office Furniture and General Equipment	833,987,664	223,074,443	-	-	309,380,274
ICT Equipment, Software and Other ICT Assets	147,347,123	16,039,000	-	-	64,850,040
Other Machinery and Equipment	951,341,533	23,739,590	-	-	223,037,232
Household Furniture and Institutional Equipment	6,175,312	32,906,330	-	-	40,506,146
Research, Feasibility Studies, Project Preparation and Design, Project Supervision	46,002,067	6,052,980	-	-	15,053,745
Heritage and cultural assets	-	-	-	-	-
Biological assets	175,525,145	-	-	-	-
Intangible assets	17,580,000	-	-	-	-
Water supplies	11,999,998	-	-	-	-
Infrastructure assets- Roads, Rails	-	-	-	-	-
Work in progress	-	-	-	-	-
<b>Total</b>	<b>6,639,097,553</b>	<b>918,317,684</b>	<b>-</b>	<b>-</b>	<b>1,812,066,860</b>


THE COUNTY EXECUTIVE OF KILIFI  
 Annual Report and Financial Statements  
 For the year ended June 30, 2022.

Annex 4 – Inter-Entity Transfers

a) Transfer to County Assembly of Kilifi

Item	County Executive	County Assembly	County Executive	County Assembly	County Executive	County Assembly	County Executive	County Assembly	Difference
1	County Assembly	145,935,250	292,386,275	224,461,385	380,630,988	1,043,413,898	1,043,413,898	-	
	<b>Total</b>	<b>145,935,250</b>	<b>292,386,275</b>	<b>224,461,385</b>	<b>380,630,988</b>	<b>1,043,413,898</b>	<b>1,043,413,898</b>		

  
 .....  
 Director of Finance  
 County Executive

  
 .....  
 Director of Finance  
 County Assembly

b) Transfer to KILIFI MARIAKANI WATER AND SEWARAGE COMPANY LIMITED

Ref	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cumulative amount transferred KShs	Amount Confirmed as received KShs	Difference	Explanation
1	KIMASWASO	-	205,000,000	-	190,020,130	395,020,130	395,020,130	-	
	Total	-	205,000,000	-	190,020,130	395,020,130	395,020,130	-	

*Fraso*  
 .....  
 Director of Accounting Services  
 County Executive

*[Signature]*  
 .....  
 Director of Finance  
 KILIFI MARIAKANI WATER AND SEWARAGE COMPANY  
 LIMITED

FINANCE DEPARTMENT  
 KILIFI - MARIAKANI  
 WATER & SEWAGE CO. LTD.  
 ★ 29 SEP 2022 ★  
 P.O. Box 275 - 80108  
 KILIFI

c) TRANSFER TO MALINDI WATER AND SEWERAGE COMPANY LIMITED

Ref	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cumulative Amount transferred KShs	Amount Confirmed as received KShs	Difference	Explanation
1	MAWASCO	-	136,150,75 6	30,000,000	190,020,13 0	356,170,88 6	356,170,88 6	-	
	<b>Total</b>	-	136,150,75 6	30,000,000	190,020,13 0	356,170,88 6	356,170,88 6	-	

*[Signature]*

Director of Accounting Services  
County Executive

*[Signature]*

for Director of Finance  
MALINDI WATER AND SEWERAGE COMPANY LIMITED

Malindi Water & Sewerage  
Company Limited  
**MAWASCO**  
P. O. Box 410, Malindi

190,020,129.65 was received on 07/07/2022

*[Signature]*

d) KILIFI COUNTY WARD SCHOLARSHIP FUND ACCOUNT

Ref	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Commitment Amount transferred KShs	Amounts Committed as received KShs	Difference	Expiration Date
1	KILIFI WARD SCHOLARSHIP FUND	175,000,000	-	87,500,000	87,500,000	350,000,000 0	350,000,000	-	
0	Total	175,000,000	-	87,500,000	87,500,000	350,000,000 0	350,000,000	-	

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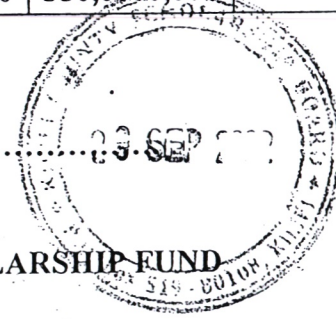
Director of Accounting Services

County Executive

*[Signature]*

Fund Administrator

KILIFI WARD SCHOLARSHIP FUND



**THE COUNTY EXECUTIVE OF KILIFI**  
**Annual Report and Financial Statements**  
**For the year ended June 30, 2022.**

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**Annex11: – Bank Reconciliation/FO 30 Reports**

*(Attach FO 30 Reports from IFMIS for all CBK Accounts)*

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