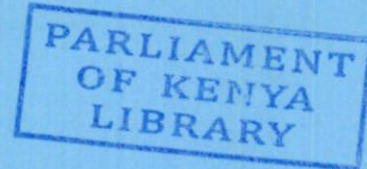
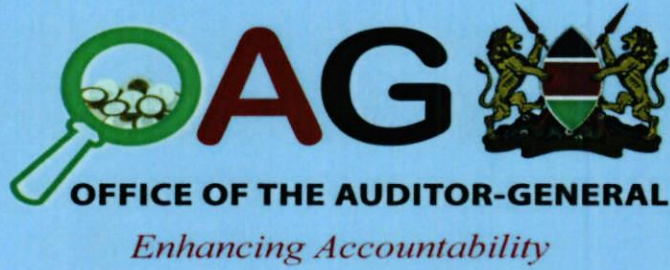


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REPUBLIC OF KENYA



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**COUNTY ASSEMBLY OF TANA RIVER  
CAR LOAN AND MORTGAGE  
SCHEME FUND**

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

PAPERS LAID	
DATE	02/03/2022
TABLED BY	DSMW
COMMITTEE	—
CLERK AT THE TABLE	CHANIA



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COUNTY ASSEMBLY OF TANA RIVER

REPORTS AND FINANCIAL STATEMENTS  
CAR LOAN AND MORTGAGE SCHEME

FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2020

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

## Table of Contents

1. KEY ENTITY INFORMATION AND MANAGEMENT .....	1
2. THE BOARD OF TRUSTEES (or any other corporate governance body for the Fund) .....	3
3. STATEMENT OF PERFORMANCE AGAINST COUNTY PREDETERMINED OBJECTIVES. ....	4
4. MANAGEMENT TEAM .....	5
5. FUND CHAIRPERSON'S REPORT .....	6
6. REPORT OF THE FUND ADMINISTRATOR .....	7
7. CORPORATE GOVERNANCE STATEMENT.....	8
8. MANAGEMENT DISCUSSION AND ANALYSIS .....	9
9. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING .....	10
10. REPORT OF THE TRUSTEES.....	11
11. STATEMENT OF MANAGEMENT'S RESPONSIBILITIES .....	12
12. FINANCIAL STATEMENTS .....	13
<b>10.1. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2020 .....</b>	<b>13</b>
a. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020 .....	14
10.3. STATEMENT OF CHANGES IN NET ASSETS AS AT 30 JUNE 2020 .....	15
10.4. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020 .....	16
10.5. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS FOR THE PERIOD ENDED 30 <sup>th</sup> JUNE .....	17
2020 .....	17
11. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.....	18
11.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED).....	19
11.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED).....	20
12 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) .....	22
13. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS.....	33

**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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1. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

County assembly of Tana River car loan and mortgage scheme fund is established by legal notice no 2 and 8 and derives its authority and accountability from public finance county assembly of Tana-River car loan scheme fund under regulations 2014 on 7<sup>th</sup> July 2014. The Fund is wholly owned by the County assembly of Tana River and is domiciled in Kenya.

The fund's objective is to provide a loan scheme for the purchase of vehicles by members of the scheme and further provide a loan scheme for the purchase, development and renovation or repair of residential property by members of the scheme.

b) Principal Activities

The fund principal activity is to provide easy access of car loan and mortgage with members of the county assembly for purchase of motor vehicle and purchase of land

c) Fund Administration Committee

Ref	Name	Position
1	Hon Masha Boru Dela	chairperson car loan and mortgage
2	Hon Mohamud Gabo	member car loan and mortgage
3	Hon Musa wario	member car loan
4	Hon Abdi Ergamso	member car loan and mortgage
5	Hon Rukia Dara Wayamo	member car loan and mortgage
6	Abdullahi Dayib Hussein	member car loan and mortgage

d) Key Management		
Ref	Name	Position
1	Abdullahi Dayib Hussein	Clerk to Assembly
		Principal Accounts
2	Alex Kibwage Ontumi	Controller

**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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- e) Registered Offices  
**County Assembly of Tana River**  
P.O. Box 113-70101  
Hola.  
KENYA
- f) **Fund Contacts**  
Telephone: (254) 708005459  
E-mail:  
[dayib@tanariverassembly.go.ke](mailto:dayib@tanariverassembly.go.ke)  
Website: [tanariverassembly.go.ke](http://tanariverassembly.go.ke)
- g) Fund Bankers  
Central Bank of Kenya Haile  
Selassie Avenue P.O. Box  
60000  
City Square 00200  
Nairobi, Kenya
- h) Kenya Commercial Bank  
P.O box 100-70101  
HOLA.
- i) Independent Auditors  
Auditor General  
Kenya National Audit Office  
Anniversary Towers, University Way  
P.O. Box 30084  
GOP 00100  
Nairobi, Kenya
- j) The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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2. THE BOARD OF TRUSTEES (or any other corporate governance body for the Fund)

Name	Details of qualifications and experience
1. Hon masha boru dela	-One term Member of the county assembly representing Garsen Central ward. -Majority Leader
2. Hon Mohamud ahmed	-One term Member of the county assembly -Minority Leader
3. Hon Musa wario	-Member of the county assembly
4. Hon Abdi ergamso	-One term Member of the county assembly
5. Hon Mohamed Buya	- Member of the county assembly
6. Abdullahi Dayib Hussein	-Bachelor of Arts Education from Nairobi university -Clerk to Assembly

3. STATEMENT OF PERFORMANCE AGAINST COUNTY PREDETRMINED OBJECTIVES.

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.

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

Below were the expected outputs of the assembly in FY 19/20

<b>Program 1</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Legislation, oversight and representation	Enhanced professional development of MCAs – Provide ongoing professional development of MCAs	Increased ability of MCA in legislation	6 bills passed in the County Assembly	In FY 19/20 MCA were trained on legislation, oversight and representation.
	Enhanced professional development of MCAs – Review standing orders	Review standing orders	70% increase in efficient Assembly operation	2 standing orders were reviewed and resulted to better management chamber business

**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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4. MANAGEMENT TEAM

Name	Details of qualifications and experience
1. Abdullahi dayib hussein	-Officer holds bachelor of education (arts) from Nairobi university and is currently clerk to Assembly.
2. Alex kibwage Ontumi	-Mr Alex holds MBA from United state international University Africa. -He also holds degree in education from the same University. -Mr Alex is currently the principal accounts Controller.

5. FUND CHAIRPERSON'S REPORT

During financial year 2018/2019 assembly car loan and mortgage fund had balance brought forward of Ksh 109,998,780. The fund started operational officially during the financial year 2017/2018.

For the year 2019/2020 Members of the county assembly and staff borrowed to the tune of Ksh Twelve million, six hundred nineteen thousand, six hundred and two only 80% of the loans advanced to members of the county assembly and staff was on mortgage and few on car loan.

Car loan and mortgage fund account has improved life for members of the county assembly and staff since they are given loan to purchase land and their improving their living standards.

Signed: \_\_\_\_\_



Hon Mohamed Buya Yusa

**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

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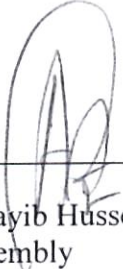
6. REPORT OF THE FUND ADMINISTRATOR

Tana River county assembly car loan and mortgage fund account has been in existence since July 2014 but has not been operationalized to date. During financial year 2018/2019 assembly car loan and mortgage fund had balance brought forward of Ksh 109,998,780. The fund started operational officially during the financial year 2017/2018.

For the year 2019/2020 Members of the county assembly and staff borrowed to the tune of Ksh Twelve million, six hundred nineteen thousand, six hundred and two only 80% of the loans advanced to members of the county assembly and staff was on mortgage and few on car loan.

Car loan and mortgage fund account has improved life for members of the county assembly and staff since they are given loan to purchase land and their improving their living standards

Signed: \_\_\_\_\_

  
Abdullahi Dayib Hussein  
Clerk to Assembly

**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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7. CORPORATE GOVERNANCE STATEMENT

The member of the loans management committee are established under regulation 8 which provides for:-

- The vice-chair of the board who shall be the chairperson
- The leader of minority party
- The chair-person of the member's welfare committee of the members
- Majority whip of the Assembly.
- Minority Whip of the Assembly.

The officer administering the fund shall be ex-officio member of the committee and secretary of the committee.

**County Assembly of Tana River Car Loan and mortgage Scheme Fund  
Reports and Financial Statements  
For the year ended June 30, 2020**

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8. MANAGEMENT DISCUSSION AND ANALYSIS

-Tana River county assembly car loan and mortgage fund account has been dormant until 3<sup>rd</sup> march 2018. The fund committee has advanced loans on both car loan and mortgage to the members of the county. The fund started officially operational during the financial year 2017/2018 and financial year 2018/2019.

During the year 2019/2020 the management loaned members of the county assembly and staff an amount of kshs Twelve million, six hundred nineteen thousand, six hundred and two only in order to improve the lives of the members of the county assembly and staff at affordable rate of 3% which is lower than the prevailing market rate.

## 9. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

*County assembly of Tana River exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on three pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar*

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

*The top management of County assembly of Tana River is committed to the entity sustainability in the foreseeable future. The top management ensures that there is proper implementation of the strategic policy of the entity and by so doing will result better sustainability of the county assembly.*

### **2. Employee welfare**

*County assembly of Tana River has Human Resource policy that clearly give direction on hiring process and take into account gender balancing at the work place. County assembly of Tana River also consider reward for most performing employee.*

### **3. Community Engagements-**

*County assembly Tana River involves community in public participation in various ward in the three sub counties*

10. REPORT OF THE TRUSTEES

The Trustees submit their report together with the unaudited financial statements for the year ended 30<sup>th</sup> June 2018.

**Principal activities**

The principal activities of Tana River car loan and mortgage fund account is to advance loans to the members of the county assembly.

**Auditors**

The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

Member of the Board

Date: \_\_\_\_\_

## 11. STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by *legal notice no 8* shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the County Public Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (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 Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of the County Public Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and *legal notice no 8*. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2020, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.


In preparing the financial statements, the Administrator of the County Public Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

### **Approval of the financial statements**

The Fund's financial statements were approved by the Board on

23/12/

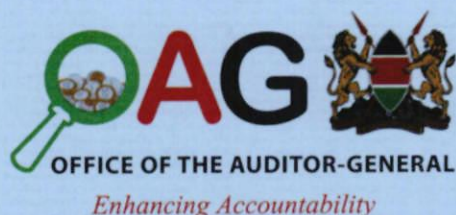
2020 and



\_\_\_\_\_  
Administrator of the County Public fund

# REPUBLIC OF KENYA

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



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

## REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF TANA RIVER CAR LOAN AND MORTGAGE SCHEME FUND FOR THE YEAR ENDED 30 JUNE, 2020

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### REPORT ON THE FINANCIAL STATEMENTS

#### Opinion

I have audited the accompanying financial statements of County Assembly of Tana River Car Loan and Mortgage Scheme Fund as set out on pages 13 to 33, which comprise the statement of financial position as at 30 June, 2020 and the statement of financial performance, statement of changes in net assets, 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, the financial statements present fairly, in all material respects, the financial position of the County Assembly of Tana River Car Loan and Mortgage Scheme Fund as at 30 June, 2020 and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the County Assembly of Tana River Car Loan and Scheme Fund Act, 2014.

#### Basis for Opinion

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

## 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 the 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**

#### **1.0 Unsecured Loan Receivable**

As disclosed in Notes 5 and 7 of the financial statements, the statement of financial position reflects current portion of short-term loan balances of Kshs.26,538,105 and long-term loan balances of Kshs.72,335,355 totalling Kshs.98,973,460. However, a review of the loans disbursed and outstanding revealed that loans amounting to Kshs.18,839,027 were not properly secured. The logbooks used as security for the loans were not kept by the Fund and were not jointly registered between the beneficiary and the Fund. Where the loan was for purchase of land, there was no charge registered on the property financed. Further, car loans amounting to Kshs.1,850,000 awarded during the year under review were not supported by valuation reports.

In the circumstances, the security of the loans amounting to Kshs.20,689,027 disbursed as at 30 June, 2020 could not be confirmed.

#### **2.0 Non-Submission of Bank Reconciliation Statements**

A review of cash and bank records established that bank reconciliations were prepared on a monthly basis. However, the Management did not ensure that bank reconciliation statements prepared were submitted to the Auditor-General on a monthly basis contrary to Regulation 90 of the Public Finance Management (County Governments) Regulations, 2015.

Consequently, the Management was in breach of the law.

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, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

## **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and 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 (Accrual Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

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

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

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

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

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

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and 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

03 February, 2022

**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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12. FINANCIAL STATEMENTS

10.1. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2020


	Note	FY2019/2020	FY2018/2019
		KShs	KShs
<b>Revenue from non-exchange transactions</b>			
Transfers from the County Government	1	-	-
<b>Revenue from exchange transactions</b>			
Interest income	2	3,401,605	2,231,018
Other income		-	-
<b>Total revenue</b>		<b>3,401,605</b>	<b>2,231,018</b>
<b>Expenses</b>			
Bank Charges	3	9,502	33,491.50
<b>Total expenses</b>		<b>9,502</b>	<b>33,491.50</b>
<b>Other gains/losses</b>			
Gain/loss on disposal of assets		-	-
<b>Surplus/( deficit) for the period</b>		<b>3,392,103</b>	<b>2,197,526.90</b>

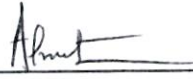
**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

a. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	FY2019/2020	FY2018/2019
		KShs	KShs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	190,427	1,508,122
Short term Receivables	5	26,538,105	24,373,065
Amount receivable from main assembly account	6	53,802,897	33,369,481
<b>Non-Current assets</b>			
Long Term Receivables	7	72,335,355	90,224,013
<b>Total assets</b>		<b>152,866,784</b>	<b>149,474,681</b>
<b>Liabilities</b>			
<b>Total liabilities</b>		-	-
<b>Net assets</b>			
Revolving Fund		147,000,000	147,000,000
Reserves			
Accumulated surplus		5,866,784	2,474,681
<b>Total net assets and liabilities</b>		<b>152,866,784</b>	<b>149,474,681</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 23/12/2020 and signed by:

  
 \_\_\_\_\_  
 Administrator of the Fund  
 Name: **Abdullahi D Hussein**

  
 \_\_\_\_\_  
 Fund Accountant  
 Name: **Alex Kibwage Ontumi**  
 ICPAK Member Number:

**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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10.3. STATEMENT OF CHANGES IN NET ASSETS AS AT 30 JUNE 2020

	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		KShs	KShs	KShs
<b>Balance as at 1 July 2018</b>	110,000,000	-	277,154	110,277,154
Surplus/(deficit) for the period	-	-	2,197,527	2,197,527
Funds received during the year	37,000,000	-	-	37,000,000
Revaluation gain	-	-	-	-
<b>Balance as at 30 June 2019</b>	147,000,000	-	2,474,681	149,474,681
		-		
<b>Balance as at 1 July 2019</b>	147,000,000	-	2,474,681	149,474,681
Surplus/(deficit) for the period	-	-	3,392,103	3,392,103
Funds received during the year		-	-	
Revaluation gain	-	-	-	-
<b>Balance as at 30 June 2020</b>	147,000,000	-	5,866,784	152,866,784

**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

10.4. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	FY2019/2020	FY2018/2019
		KShs	KShs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from the County Government	1	7,909,804	37,000,000
Interest received	2	3,401,605	2,231,018
<b>Total Receipts</b>		<b>11,311,409</b>	<b>39,231,018</b>
<b>Payments</b>			
Fund administration expenses			
General expenses			
Bank Charges	3	9,502	33,492
<b>Total Payments</b>		<b>9,502</b>	<b>33,492</b>
<b>increase in trade receivables</b>		-	-
<b>Net cash flows from operating activities</b>		<b>11,301,907</b>	<b>39,197,527</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		-	-
Proceeds from sale of property, plant and equipment		-	-
long term liability		-	-
Loan disbursements paid out	8	-12,619,602	110,741,084
<b>Net cash flows used in investing activities</b>		-	-
<b>Cash flows from financing activities</b>			
Proceeds from revolving fund receipts		-	-
Additional borrowings		-	-
Repayment of borrowings		-	-
<b>Net cash flows used in financing activities</b>		<b>-12,619,602</b>	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>- 1,317,695</b>	<b>- 71,543,558</b>
Cash and cash equivalents at 1 JULY 2019	4	1,508,122	73,051,680
<b>Cash and cash equivalents at 30 JUNE2020</b>	<b>4</b>	<b>190,427</b>	<b>1,508,122</b>

**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

**10.5. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS FOR THE PERIOD ENDED 30<sup>th</sup> JUL 2020**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% utilisation
	2020	2020	2020	2020	2020	2020
	KShs	KShs	KShs	KShs	KShs	
<b>Revenue</b>						
Public contributions and donations	-	-	-	-	-	-
Transfers from County Govt.	7,909,804	-	7,909,804	7,909,804		-
Interest income	-	-	-	3,401,605	(3,401,605)	(3,401,605)
Other income	-	-	-	-	-	-
<b>Total income</b>	-	-	-	<b>11,311,409</b>	<b>(3,401,605)</b>	<b>(3,401,605)</b>
						-
<b>Expenses</b>						-
Fund administration expenses	-	-	-	-	-	-
Staff costs	-	-	-	-	-	-
General expenses	-	-	-	-	-	-
Bank Charges	-	-	-	9,502	(9,502)	(9,502)
<b>Total expenditure</b>	-	-	-	<b>9,502</b>	<b>(9,502)</b>	<b>(9,502)</b>
<b>Surplus for the period</b>	-	-	-	<b>11,304,907</b>	<b>(3,392,103)</b>	<b>(3,392,103)</b>

11. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The Fund's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

**County Assembly of Tana River Car Loan and mortgage Scheme Fund  
Reports and Financial Statements  
For the year ended June 30, 2020**

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11.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**3. Revenue recognition**

**i) Revenue from non-exchange transactions Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

**ii) Revenue from exchange transactions**

***Interest income***

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

**4. Budget information**

There were no budget allocation for the financial year 2019/2020 since the fund has not been properly utilized as expected at the beginning of the year and the fund account had a balance of Ksh 73,045,136.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under these financial statements.

11.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**5. Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

**6. Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite.

**7. Financial instruments**

*Financial assets*

*Initial recognition and measurement*

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit

**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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**11.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**8. Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**9. Related parties**

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

**10. 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. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**11. Comparative figures**

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

**12. Events after the reporting period**

There were no material adjusting and non- adjusting events after the reporting period.

**13. Ultimate and Holding Entity**

The entity is a County Public Fund established by legal notice no 8 on Kenya gazette notice under County Assembly of Tana River.

**14. Currency**

The financial statements are presented in Kenya Shillings (KShs).

**County Assembly of Tana River Car Loan and mortgage Scheme Fund  
Reports and Financial Statements  
For the year ended June 30, 2020**

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12 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**1. Transfers from County Government.**

DATE	DETAILS	F/Y 2019/2020	F/Y 2018/2019
	Receipts from County	7,909,804	37,000,000
<b>TOTALS</b>		<b>7,909,804</b>	<b>37,000,000</b>

**2. Interest Income**

S/NOS	NAME	INTEREST INCOME
1	Rodha Raha	42,492
2	sammy abiyo	63,420
3	Salim Bonaya	37,796
4	Farhan Guhad	27,036
5	Ali Wayu	31,710
6	Michiel Nkaduda	264,251
7	Hussein Hirsi	-
8	Abdi Ergamso	66,944
9	Manase Samuel	69,753
10	Idi Uleta	73,251
11	Said Kuri	44,662
12	Fatuma Abadada	58,402
13	Kheiro Sityad	49,171
14	Bahir Nadhir	73792
15	Yahya Issa	39,375
16	Jafar rashid	38,042
17	TIMNA KOMORA	76,763
18	MARYAM ARGAMSO	62,088
19	SADAM GALOLE	63,913
20	ALI GALOLE	74,237
21	DAUD JUGE	31,671
22	TSAELE MAKORANI	72,277
23	IBRAHIM DIDO	36,878
24	POLYCARP MATARA	164,971
25	SUILEMAN JARSO	68,738
26	MOLLIAN	137,670

27	GODANA ABU	83,916
28	NYAGA	136,107
29	WARIO	111,742
30	ALEX ONTUMI	76,612
31	DAYIB ABDULLAHI	107,637
32	ALI WAYU	31,957
33	FARHIYA ABDI	57,158
34	WAKO	81,907
35	RAHA KATISHA	53,261
36	GOLOLI ANTONNY	46566
37	GATTA SUILEMAN	26,956
38	KURI SAID	46,292
39	HIRSI HUSSEIN	120,979
40	ABARоба ABUBAKAR	82,695
41	GABABO HUSSEIN	39,375
42	BUYA YUSA	63,420
43	FATUMA ABADADA	19,089
44	GODFREY DAIDDO	105,964
45	HANNA HACHALALU	19,089
46	FARHIYA GUHAD	57,522
47	KEIRO SNAD	19,089
48	SAUDA LODA	60,397
49	SHAFAT ABDULLAHI	60,500
50	SHAFAT ABDULLAHI	43,214
51	SHOBE SAWEN	24,037
52	SOMAN MAHAD	56,821
	<b>TOTALS</b>	<b>3,401,605</b>

### 3. Bank Charges

DATE	AMOUNT
01/7/2019	1,100
31/7/2019	60
31/7/2019	300
31/8/2019	60
31/8/2019	300
03/9/2019	126
03/9/2019	630
30/9/2019	60
30/9/2019	300
9/10/2019	600
31/10/2019	60
31/10/2019	300
30/11/2019	60
30/11/2019	300
31/12/2019	60
31/12/2019	300
31/1/2020	60
31/1/2020	300
17/2/2020	126
17/2/2020	630
29/2/2020	60
29/2/2020	300
31/3/2020	60
31/3/2020	300
03/4/2020	600
08/4/2020	600
30/4/2020	60
30/4/2020	300
02/5/2020	550
04/5/2020	220
30/5/2020	60
30/5/2020	300
30/6/2020	60
30/6/2020	300
<b>TOTALS</b>	<b>9,502</b>

#### 4. Cash and cash equivalents

Description	FY2019/2020	FY2018/2019
	KShs	KShs
Fixed deposits account	-	-
On – call deposits	-	-
Current account	190,427	1,508,122
Others	-	-
<b>Total cash and cash equivalents</b>	<b>190,427</b>	<b>1,508,122</b>

Detailed analysis of the cash and cash equivalents are as follows:

		FY2019/2020	FY2018/2019
Financial institution	Account number	KShs	KShs
<b>c) Current account</b>			
Kenya Commercial bank		190,427	1,508,122
Bank B		-	-
<b>Sub- total</b>		<b>190,427</b>	<b>1,508,122</b>
<b>Grand total</b>		<b>190,427</b>	<b>1,508,122</b>

## 5. Short Term Receivables.

S/NO	NAME OF LOAN HOLDER	TYPE OF LOAN	DATE LOANED	AMOUNT LOANED	SHORT TERM LOAN
1	HON. ABDI ARGAMSO	CAR LOAN	3/3/2018	3,800,000.00	971,045.07
2	ABDULLAHI DAYIB	CAR LOAN	21-Mar-19	4,000,000.00	542,619.00
3	ABUBAKAR ABAROBA	CAR LOAN	20-Apr-19	3,000,000.00	404,937.00
4	ALEX ONTUMI	CAR LOAN	21-Mar-19	3,000,000.00	587,606.00
5	ALI GALOLE	MORTGAGE	25-Dec-18	2,700,000.00	245,878.00
6	ALI WAYU	MORTGAGE	20-Sep-18	1,500,000.00	377,608.00
7	ANTONY GALOLI	CAR LOAN	25-Dec-18	1,000,000.00	761,093.00
8	BASHIR NADHIR	CAR LOAN	20-Oct-18	2,883,866.00	395,137.00
9	DAVID WAKO	MORTGAGE	28-Apr-19	2,971,418.00	401,079.00
10	GABABO KALME	MORTGAGE	25-Dec-18	1,500,000.00	204,501.00
11	GATTA ROBLE	CAR LOAN	1-May-19	1,000,000.00	194,407.00
12	GODFREY DAIDO	MORTGAGE	20-Mar-19	3,763,634.00	340,181.00
13	ALI WAYU	CAR LOAN	28-Mar-18	1,800,000.00	459,969.00
14	FARHAN GUHAD	CAR LOAN	30-Sep-18	2,700,000.00	679,694.00
15	FARHAN GUHAD	CAR LOAN	28-Feb-18	1,590,657.00	407,490.00
16	FATUMA ABADADA	MORTGAGE	28-Jun-18	3,000,000.00	760,894.00
17	FELIX WARIO	MORTGAGE	28-Feb-19	4,000,000.00	362,449.00
18	MANASE GWIYO	CAR LOAN	28-May-18	3,700,000.00	940,781.00
19	MOHAMMED BUYA	CAR LOAN	28-Mar-18	3,600,000.00	919,937.00
20	SADDAM GALOLE	CAR LOAN	25-Sep-18	3,000,000.00	755,215.00
21	SAID KURI	MORTGAGE	20-Mar-19	2,000,000.00	671,478.00

22	SALIM BONAYA	CAR LOAN	28-Feb-18	2,223,690.00	569,658.00
23	SAMMY MALIBE	CAR LOAN	28-Mar-18	3,600,000.00	919,937.00
24	HUSSEIN HIRSI	MORTGAGE	30-Dec-18	4,400,000.00	400,689.00
25	IBRAHIM DIDO	MORTGAGE	30-Dec-18	1,500,000.00	295,274.00
26	IDD ULETA	MORTGAGE	25-Jun-18	2,800,000.00	258,833.00
27	JAFAR RASHID	CAR LOAN	20-Dec-19		191,744.00
28	KATISHA RAHA	MORTGAGE	26-Feb-18	2,500,000.00	640,443.00
29	KHEIRA SIYAD	MORTGAGE	25-Dec-18	2,000,000.00	393,697.00
30	MAKORANI TSAELE	MORTGAGE	30-Dec-18	2,700,000.00	317,121.00
31	MARIAM FARHIA	MORTGAGE	30-Oct-18	3,000,000.00	1,019,871.00
32	MICHAL NKADUDA	MORTGAGE	20-Mar-18	15,000,000.00	3,833,073.00
33	MOLLIAN CHAGASO	MORTGAGE	20-Dec-18	5,007,060.00	455,972.00
34	MUSTAFA JUGE	MORTGAGE	20-Dec-19	1,530,304.00	502,366.00
35	NICHOLUS NYAGA	MORTGAGE	20-Feb-19	4,872,211.00	441,482.00
36	POLYCARP MATARA	MORTGAGE	30-Dec-18	6,000,000.00	546,395.00
37	RHODA KATISHA	CAR LOAN	25-Sep-18	2,500,000.00	629,346.00
38	SAUDA LODA	CAR LOAN	20-Oct-18	3,170,000.00	1,077,663.00
39	SOMAN MAHAD	MORTGAGE	20-May-19	2,000,000.00	203,018.00
40	SULEIMAN JARSO	MORTGAGE	1-Dec-18	2,500,000.00	227,664.00
41	TIMNA KOMORA	CAR LOAN	26-Oct-18	3,000,000.00	411,049.00
42	YAHYA ISSA	CAR LOAN	25-Dec-18	1,500,000.00	204,500.00
43	SHAFAT MOHAMED	MORTGAGE	28-Jun-19	2,100,000.00	188,394.00
44	HANNA HACHALALU	MORTGAGE	25-Mar-20	2,604,448.00	228,457.00
45	FATUMA ABADADA	CAR LOAN	25-Sep-20	950,000.00	229,555.00
46	KEIRO SNAD	CAR LOAN	25-Sep-20	950,000.00	229,555.00

47	HON. GALOLE SADDAM	CAR LOAN	25-Mar-20	900,000.00	446,592.00
48	ADAN GABO	MORTGAGE	25-Sep-20	2,310,000.00	193,813.00
49	SHOBE SAWEN	MORTGAGE	25-Sep-20	1,100,000.00	97,946.00
	<b>TOTAL</b>				<b>26,538,105.07</b>

## 6. Loan Repayment due

NAME	TYPE OF LOAN	LOAN RECEIVABLES 2017/2018	LOAN RECEIVABLE 2018/2019	LOAN RECEIVABLES 2019/2020	TOTALS
HON. RHODA KATISHA	CAR LOAN	-	664,029.81	971,045.07	1,635,074.88
HON. SAMMY ABIYO	CAR LOAN	175,298.63	536,524.14	542,619.00	1,254,441.77
HON. SALIM OMAR BONAYA	CAR LOAN	237,321.58	726,353.42	404,937.00	1,368,612.00
HON. FARHAN H. GUHAD	CAR LOAN	-	481,913.22	587,606.00	1,069,519.22
HON ABDI ERGAMSO	CAR LOAN		914,564.28	245,878.00	1,160,442.28
TIMNA KOMORA	CAR LOAN		259,380.28	377,608.00	636,988.28
SOMAN MAHAD	MORTGAE		16,153.88	761,093.00	777,246.88
GODFREY DAIDO	MORTGAE		81,000.70	395,137.00	476,137.70
SUILEMAN JARSO	MORTGAE		108,014.24	401,079.00	509,093.24
GATTA ROBLE	CAR LOAN		15,468.69	204,501.00	219,969.69
ALEX ONTUMI	CAR LOAN		186,321.54	194,407.00	380,728.54
MAKORANI TSAELE	MORTGAE		150,456.68	340,181.00	490,637.68
POLYCARP MATARA	MORTGAE		259,234.17	459,969.00	719,203.17
HUSSEIN HIRSI	MORTGAE		190,105.06	679,694.00	869,799.06
IBRAHIM DIDO	MORTGAE		140,091.24	407,490.00	547,581.24
HON MARIAM HARGAMSO	CAR LOAN		643,559.08	760,894.00	1,404,453.08

MARYAM FARHIYA	MORTGAE		81,598.36	362,449.00	444,047.36
JAFAR RASHID	CAR LOAN		93,739.02	940,781.00	1,034,520.02
MUSTAFA JUGE	MORTGAE		245,594.48	919,937.00	1,165,531.48
ABUBAKAR ABARоба	CAR LOAN		64,360.15	755,215.00	819,575.15
HON SAID KURI	CAR LOAN		159,886.31	671,478.00	831,364.31
MOLLIAN CHAGASO	MORTGAE		216,333.52	569,658.00	785,991.52
NICHOLUS NYAGA	MORTGAE		139,987.48	919,937.00	1,059,924.48
MICHAEL NKADUDA	MORTGAE	885,755.42	3,610,122.16	400,689.00	4,896,566.58
BASHIR NADHIR	CAR LOAN		249,339.32	295,274.00	544,613.32
SHAFAT ABDULLAHI	MORTGAE		151,979.51	258,833.00	410,812.51
ABUBAKAR GODANA	MORTGAE		86,195.45	191,744.00	277,939.45
SAUDA LODA	CAR LOAN		680,027.43	640,443.00	1,320,470.43
HON SAID KURI	MORTGAE		716,636.21	393,697.00	1,110,333.21
FATUMA ABADADA	MORTGAGE	-	716,636.21	317,121.00	1,033,757.21
ABDULLAHI DAYIB	CAR LOAN		172,056.67	1,019,871.00	1,191,927.67
DAVID WAKO	MORTGAGE		63,746.97	3,833,073.00	3,896,819.97
GABABO KALME	MORTGAGE	-	120,975.95	455,972.00	576,947.95
IDDI OMAR ULETA	MORTGAGE	-	243,777.92	502,366.00	746,143.92
HON SADAM GALOLE HUSSEIN	CAR LOAN	-	361,096.61	441,482.00	802,578.61
KHEIRA SIYAD	MORTGAGE	-	535,459.14	546,395.00	1,081,854.14
ANTONNY GALOLI	CAR LOAN	-	53,228.87	629,346.00	682,574.87
YAHYA ISSA KOMORA	CAR LOAN	-	97,024.34	1,077,663.00	1,174,687.34
HON MANASE GWIYO	CAR LOAN	72,647.01	886,060.96	203,018.00	1,161,725.97
FELIX WARIO	MORTGAGE	-	114,927.27	227,664.00	342,591.27
HON MOHAMED BUYA	CAR LOAN	212,581.30	866,429.32	411,049.00	1,490,059.62

HON FARHAN	CAR LOAN	125,395.17	383,788.15	204,500.00	713,683.32
HON ALI WAYU	CAR LOAN	106,290.65	433,214.66	188,394.00	727,899.31
HON ALI WAYU	MORTGAGE	-	362,455.80	228,457.00	590,912.80
ALI GALOLE	MORTGAGE	-	116,655.38	229,555.00	346,210.38
HON RAHA KARISHA RODHA	MORTGAGE	-	446,215.95	229,555.00	675,770.95
HON SADAM GALOLE HUSSEIN	MORTGAGE		-	446,592.00	446,592.00
ADHAN GABO	MORTGAGE		-	193,813.00	193,813.00
ASSEMBLY	MAIN ACCOUNT		-	7,606,782	7,606,782
MOHAMED SHOBE	MORTGAGE			97,946	97,946
<b>TOTALS</b>		<b>1,815,289.76</b>	<b>17,842,720.00</b>	<b>26,538,105.07</b>	<b>53,802,897</b>

#### 7. Long Term Loan receivable

S/NO	NAME OF LOAN HOLDER	TYPE OF LOAN	DATE LOANED	AMOUNT LOANED	LONG TERM LOAN
1	HON. ABDI ARGAMSO	CAR LOAN	3/3/2018	3,800,000.00	747,408.00
2	ABDULLAHI DAYIB	CAR LOAN	21-Mar-19	4,000,000.00	2,758,591.00
3	ABUBAKAR ABAROBA	CAR LOAN	20-Apr-19	3,000,000.00	2,137,620.00
4	ALEX ONTUMI	CAR LOAN	21-Mar-19	3,000,000.00	1,655,677.00
5	ALI GALOLE	MORTGAGE	25-Dec-18	2,700,000.00	2,098,782.00
6	ALI WAYU	MORTGAGE	20-Sep-18	1,500,000.00	488,119.00
7	ANTONY GALOLI	CAR LOAN	25-Dec-18	1,000,000.00	389,021.00
8	BASHIR NADHIR	CAR LOAN	20-Oct-18	2,883,866.00	1,855,822.00
9	DAVID WAKO	MORTGAGE	28-Apr-19	2,971,418.00	2,117,254.00
10	GABABO KALME	MORTGAGE	25-Dec-18	1,500,000.00	999,961.00
11	GATTA ROBLE	CAR LOAN	1-May-19	1,000,000.00	601,411.00
12	GODFREY DAIDO	MORTGAGE	20-Mar-19	3,763,634.00	3,012,223.00

13	ALI WAYU	CAR LOAN	28-Mar-18	1,800,000.00	354,035.00
14	FARHAN GUHAD	CAR LOAN	30-Sep-18	2,700,000.00	878,614.00
15	FARHAN GUHAD	CAR LOAN	28-Feb-18	1,590,657.00	278,435.00
16	FATUMA ABADADA	MORTGAGE	28-Jun-18	3,000,000.00	783,871.00
17	FELIX WARIO	MORTGAGE	28-Feb-19	4,000,000.00	3,170,778.00
18	MANASE GWIYO	CAR LOAN	28-May-18	3,700,000.00	887,295.00
19	MOHAMMED BUYA	CAR LOAN	28-Mar-18	3,600,000.00	708,070.00
20	SADDAM GALOLE	CAR LOAN	25-Sep-18	3,000,000.00	976,237.00
21	SAID KURI	MORTGAGE	20-Mar-19	2,000,000.00	516,833.00
22	SALIM BONAYA	CAR LOAN	28-Feb-18	2,223,690.00	389,243.00
23	SAMMY MALIBE	CAR LOAN	28-Mar-18	3,600,000.00	708,071.00
24	HUSSEIN HIRSI	MORTGAGE	30-Dec-18	4,400,000.00	3,420,238.00
25	IBRAHIM DIDO	MORTGAGE	30-Dec-18	1,500,000.00	778,010.00
26	IDD ULETA	MORTGAGE	25-Jun-18	2,800,000.00	2,046,129.00
27	JAFAR RASHID	CAR LOAN	20-Dec-19		1,163,678.00
28	KATISHA RAHA	MORTGAGE	26-Feb-18	2,500,000.00	437,610.00
29	KHEIRA SIYAD	MORTGAGE	25-Dec-18	2,000,000.00	1,037,346.00
30	MAKORANI TSAELE	MORTGAGE	30-Dec-18	2,700,000.00	1,924,582.00
31	MARIAM FARHIA	MORTGAGE	30-Oct-18	3,000,000.00	346,587.00
32	MICHAL NKADUDA	MORTGAGE	20-Mar-18	15,000,000.00	2,950,294.00
33	MOLLIAN CHAGASO	MORTGAGE	20-Dec-18	5,007,060.00	3,892,123.00
34	MUSTAFA JUGE	MORTGAGE	20-Dec-19	1,530,304.00	782,233.00
35	NICHOLUS NYAGA	MORTGAGE	20-Feb-19	4,872,211.00	3,862,175.00
36	POLYCARP MATARA	MORTGAGE	30-Dec-18	6,000,000.00	4,663,961.00
37	RHODA KATISHA	CAR LOAN	25-Sep-18	2,500,000.00	813,531.00
38	SAUDA LODA	CAR LOAN	20-Oct-18	3,170,000.00	366,227.00

39	SOMAN MAHAD	MORTGAGE	20-May-19	2,000,000.00	1,583,749.00
40	SULEIMAN JARSO	MORTGAGE	1-Dec-18	2,500,000.00	1,943,317.00
41	TIMNA KOMORA	CAR LOAN	26-Oct-18	3,000,000.00	1,930,556.00
42	YAHYA ISSA	CAR LOAN	25-Dec-18	1,500,000.00	999,961.00
43	SHAFAT MOHAMED	MORTGAGE	28-Jun-19	2,100,000.00	1,728,722.00
44	HANNA HACHALALU	MORTGAGE	25-Mar-20	2,604,448.00	2,319,875.00
45	FATUMA ABADADA	CAR LOAN	25-Sep-20	950,000.00	720,376.00
46	KEIRO SNAD	CAR LOAN	25-Sep-20	950,000.00	720,376.00
47	HON. GALOLE SADDAM	CAR LOAN	25-Mar-20	900,000.00	343,739.00
48	ADAN GABO	MORTGAGE	25-Sep-20	2,310,000.00	2,116,120.00
49	SHOBE SAWEN	MORTGAGE	25-Sep-20	1,100,000.00	930,469.00
	<b>TOTAL</b>				<b>72,335,355.00</b>

#### 8. Loans Disbursed out

S/NOS	NAME	DETAIL	OUSTANDING BALANCES
1	SHAFAT MOHAMED	MORTGAGE	2,100,000
2	HANNA HACHALALU	MORTGAGE	2,604,448
3	FATUMA ABADADA	CAR LOAN	950,000
4	KEIRO SNAD	CAR LOAN	950,000
5	HON. GALOLE SADAM	CAR LOAN	900,000
6	ADAN GABO	MORTGAGE	2,310,000
7	MOHAMED SHOBE	MORTGAGE	2,000,000
8	KEIRO SNAD	MORTGAGE	1,401,605
	<b>TOTALS</b>		<b>12,619,602</b>

**County Assembly of Tana River Car Loan and mortgage Scheme Fund**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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**13. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

	Reference No on External Audit Report	Issue/ Observations from auditor	Focal point person to resolve the issue	Status	Time frame
1					
2					
3					
4					
5					



For the year ended June 30, 2020

	Capital				
6.0	Budget Variations	The management has since analysed the budget variations identified and has since put in measures aimed at ensuring that the budget variations are minimized.	Alex Rading Head of Finance	Not Resolved	Progressive
7.0	Irregular employment	The management has endeavored to ensure that recruitment procedures as laid down in the human resource policies and procedure manual are followed.	Loice Omoga Human Resource Manager	Not Resolved	Progressive

**SIBO Water and Sanitation Company  
Annual Reports and Financial Statements**

**For the year ended June 30, 2020**

<b>Reference No. on the external audit</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Focal Point person to resolve the issue (Name and Designation)</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Date when the issue is expected to be resolved)</b>
<b>8.0</b>	Failure to meet a third rule in staff composition	The management has endeavored to recruitment from other ethnicities to align in third rule staff composition	George Alaka Managing Director.	<b>Resolved</b>	<b>Progressive</b>
<b>9.0</b>	Irregular Procurement of security services	The company has since ensured that all its suppliers for goods and services are procured competitively through open tenders.	Cheril Ariko Procurement Officer	<b>Resolved</b>	<b>December 2019</b>
<b>10.0</b>	Irregular Procurement of fuel	The company has since ensured that all its suppliers for goods and services are procured competitively through open tenders. Fuel register has since been developed by the transport department to monitor the fuel usage	Cheril Ariko Procurement Officer	<b>Resolved</b>	<b>Dec 2019</b>

**SIBO Water and Sanitation Company**

**Annual Reports and Financial Statements**

**For the year ended June 30, 2020**

11.0	Irregular Procurement of a water Pump	The company has since ensured that all its suppliers for goods and services are procured competitively through open tenders.	Cheril Ariko Procurement Officer	<b>Resolved</b>	<b>Dec 2019</b>
12.0	Lack of Approved Policy Documents	The management has now developed policy documents now in draft form awaiting discussion and approval by the board of directors	George Alaka Managing Director.	<b>Not Resolved</b>	<b>June 2020</b>

Managing Director: Sign: 

Date: 10/5/2021

Board Chairperson: Sign: 

Date: 10.05.20

**SIBO Water and Sanitation Company**  
**Annual Reports and Financial Statements**  
**For the year ended June 30, 2020**

**APPENDIX 11: PROJECTS IMPLEMENTED BY THE ENTITY**

Projects implemented by the Company Funded by development partners

Project title	Project Number	Donor	Period/duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
2. Barkowino-Nyawita Water Project	07W/LVSWB/SIAYA/SIBO/50	WSTF	12 Months	17,956,414	NO	YES

**Status of Projects completion**

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of
1	Barkowino-Nyawita Water Project	17,956,414	15,932,113	95%	17,956,113	15,932,113	WSTF

**SIBO Water and Sanitation Company**  
**Annual Reports and Financial Statements**  
**For the year ended June 30, 2020**

RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Transfers from Siaya County Government & WSTF				
<b>a. Recurrent Grants</b>				
		<u>Bank Statement</u> Date	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
	1. Electricity Bills Payment by Siaya County Government	Amounts paid directly to KPLC by County Government		2019/2020
	2. Grants for Pipeline extensions		23,538,462	
		<b>Total</b>	<b>23,538,462</b>	
<b>b. Development Grants</b>				
		<u>Bank Statement</u> Date	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
	WSTF-Barkowino-Nyawita Water Project	30/06/2020		2018/2019
			17,956,414	
		<b>Total</b>	<b>17,956,414</b>	

**SIBO Water and Sanitation Company**  
**Annual Reports and Financial Statements**  
**For the year ended June 30, 2020**

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