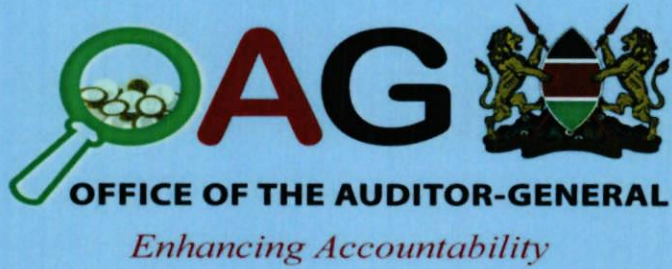


REPUBLIC OF KENYA

Scanned



**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

**THE AUDITOR-GENERAL**

**ON**

**COUNTY EXECUTIVE OF KIAMBU**

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

PAPERS LAID	
DATE	17/02/2022
TABLED BY	SML
COMMITTEE	-
CLERK AT THE TABLE	GETRUDE



**COUNTY GOVERNMENT OF KIAMBU**

---

**REPORTS AND FINANCIAL STATEMENTS**

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

---

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



**TABLE OF CONTENTS**

TABLE OF CONTENTS .....	i
1. KEY ENTITY INFORMATION AND MANAGEMENT .....	ii
2. FORWARD BY THE CEC .....	vii
4. STATEMENT OF MANAGEMENT RESPONSIBILITIES .....	xxxiv
5. REPORT OF THE INDEPENDENT AUDITORS ON THE ENTITY .....	xxxvi
6. FINANCIAL STATEMENTS .....	1
6.1. STATEMENT OF RECEIPTS AND PAYMENTS .....	1
6.2. STATEMENT OF ASSETS AND LIABILITIES .....	2
6.3. STATEMENT OF CASH FLOWS .....	3
6.4. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED .....	6
6.5. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT .....	8
6.6. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT .....	10
6.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES .....	12
6.8. SIGNIFICANT ACCOUNTING POLICIES .....	19
6.9. OTHER IMPORTANT DISCLOSURES .....	40
ANNEXES .....	59
ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE .....	60
ANNEX 3 – ANALYSIS OF PENDING STAFF PAYABLES .....	61
ANNEX 4 – ANALYSIS OF OTHER PENDING PAYABLES .....	62
ANNEX 5 – SUMMARY OF FIXED ASSET REGISTER .....	63
ANNEX 6 – INTER-ENTITY TRANSFERS .....	64
ANNEX 7 – BANK RECONCILIATION/FO 30 REPORT .....	66

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

## 1. KEY ENTITY INFORMATION AND MANAGEMENT

### (a) Background information

- Kiambu County is constituted as per the constitution of Kenya and is headed by the county Executive Committee chaired by the County Governor, who collectively is responsible for the general policy and strategic direction of the County.
- The County is located in the central highlands of Kenya in the former Central province, close Kenya's capital, Nairobi. It covers an area of 2,543.42 square kilometres, with a total population of 1,623,282 which is now projected to be 2.5 Million. It is a leading innovative commercial hub that shares its borders with six other Counties; Nakuru and Kajiado to the West, Murang'a and Nyandarua to the North, Nairobi to the South and Machakos to the East.
- The County constitutes twelve Sub Counties; Gatundu South, Gatundu North, Juja, Thika, Ruiru, Githunguri, Kiambu, Kiambaa, Kabete, Kikuyu, Limuru and Lari.

Main Economic activities/Industries include Farming, Food processing, Manufacturing (leather), Mining (Carbacid), Textile (Cotton), Motor vehicle Assembly, Whole sale and Retail trade.

### Vision

To be the most recognized, modernized and well-organized county with equal opportunities and high standard of living for all.

### Mission

To improve the standard of living and welfare of our citizens by promoting effective governance structures providing quality services through public participation equitable distribution of resources and fiscal responsibility.

### Core Values

Kiambu County upholds the values of accountability, transparency, inclusiveness, visionary, respect and team work.

100

100

100

**(b) Key Management**

*Kiambu County's* day-to-day management is under the following key organs:

1. The Governor
2. The Deputy Governor
3. The Speaker County Assembly
4. The Clerk, Kiambu County Assembly
5. The County Executive Member of Finance & Economic planning
6. The County Executive Member of Trade, Tourism, Industry and Cooperative
7. The County Executive Member of Public Service and Administration
8. The County Executive Member of Lands, Housing and Physical Planning
9. The County Executive Member of Education, Culture and Social Services
10. The County Executive Member of Health Services
11. The County Executive Member of Water, Environment and Natural Resources
12. The County Executive Member of Youths, Sports and Communication
13. The County Executive Member of Roads, Transport, Public Works and Utilities
14. The County Executive Member of Agriculture, Livestock, Veterinary and Fisheries
15. The County Secretary
16. The Secretary County Public Service Board

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

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

a) Fiduciary Management

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

No.	Name	Designation	Department
1	William Kimani	Accounting Officer	Finance, ICT & Economic Planning
2.	John M. Mutie	Accounting Officer	Ag. Lands, Physical planning & Housing
3.	Daniel Kinyanjui Njenga	Accounting Officer	Ag. Administration and Public Service
4.	Isaac Muiru Mwangi	Accounting Officer	Education, Gender, Culture & Social Services
5.	David K. Ndung'u	Accounting Officer	Health Services
6.	John M. Mutie	Accounting Officer	Water, Energy, Environment & Natural Resources
7.	Peninah Njoki Kamau	Accounting Officer	Youth Affairs, Sports And Communication
8.	Irene Wairimu Kuria	Accounting Officer	Trade, Tourism, Cooperatives & Enterprise Development
9.	Daniel Kinyanjui Njenga	Accounting Officer	Roads, transport, Public Works & Utilities
10.	John Ngige Kuria	Accounting Officer	Agriculture, Crop Production & Irrigation
11.	John Ngige Kuria	Accounting Officer	Livestock, Fisheries & Veterinary Services
12.	Simon Kimani Rugu	Accounting Officer	Clerk to County Assembly
13.	Martin Njeri	Accounting Officer	County Public Service Board

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

**b) Fiduciary Oversight Arrangements**

**County Public Accounts Committee (PAC) and County Public Investment Committee (PIC).**

The PAC has the crucial responsibility of checking and overseeing County Government Expenditure in all Public Institutions i.e. Ministries, Departments and related agencies; while the PIC has an equally daunting task of overseeing Public expenditure in Investment. The two oversight committees are absolutely crucial in the fight against corruption because they derive their mandate directly from people in whose name and for whose interest they are expected to speak and act.

**c) Kiambu county Headquarters**

P.O. Box 2344-00900  
Municipal Hall  
Kiambu, Kenya

**d) Kiambu county Contacts**

Telephone: (254) 067858108  
E-mail: [kiambucountygovernment@kiambu.go.ke](mailto:kiambucountygovernment@kiambu.go.ke)  
Website: [www.kiambucountygovernment.go.ke](http://www.kiambucountygovernment.go.ke)

**e) Kiambu county Bankers**

- i. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya
- ii. The Cooperative Bank of Kenya  
Kiambu Branch  
P.O.Box 1064-00900  
Kiambu.  
Tel.254-066-2022720
- iii. Kenya Commercial Bank  
Kiambu Branch  
P.O.Box 81-00900  
Kiambu

100

100

100

100

100

100

100

100

100

100

100

100

100

100

100

100

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

---

iv. Family Bank  
Thika Branch  
P.O.Box 354-01000  
Thika

v. Rafiki Bank  
  
Thika Branch  
P.O Box 12755-00400  
Nairobi

**f) Independent Auditors**

Auditor General  
Kenya National Audit Office  
Anniversary Towers, University Way  
P.O. Box 30084  
GOP 00100  
Nairobi, Kenya

**g) Principal Legal Adviser**

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

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

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

**2. FORWARD BY THE CEC**

**BUDGET PERFORMANCE**

The table below shows summary of budget allocation against actual for the year ended 30<sup>th</sup> June 2020:

Code	Department	Approved Budget	Actual Expenditure	Absorption Rate
4061	County Assembly	971,372,956.00	971,372,956.00	100 %
4062	County Executive	411,661,758	329,285,790	80%
4063	County Public Service Board	68,417,805	56,220,256	82%
4064	Finance, Economic Planning & ICT	2,163,850,853	1,704,730,333	79%
4065	Administration, Public Service & Communication	776,168,246	733,030,338	94%
4066	Agriculture, Crop Production & Irrigation	1,044,807,376	748,280,342	72%
4067	Water, Energy, Environment & Natural Resources	545,746,675	402,757,454	74%
4068	Health Services	5,839,793,266	5,108,362,414	87%
4069	Education, Gender, Culture & Social Services	975,858,011	709,048,811	73%
4070	Youth Affairs, Sports & Communication	239,333,553	195,699,004	82%
4071	Land, Housing, Physical Planning & Urban Development	2,174,463,727	1,640,137,017	75%
4072	Trade, Tourism, Cooperatives & Enterprise Development	368,035,240	181,380,812	49%
4073	Roads, Transport, Public Works & Utilities	2,058,976,888	1,777,203,470	86%
4074	Livestock, Fisheries & Veterinary Services			
	<b>TOTAL</b>	<b>17,638,486,354.00</b>	<b>14,557,156,202.00</b>	<b>82%</b>

10

11

12

## **PERFORMANCE OF KEY DEVELOPMENT PROJECTS**

Some of the progress made by the County includes:

### **1. Health Sector**

In the year under review, the department of health had planned to carry out various interventions across the six programmes namely: Administrative and planning (capital and non- capital projects), Curative and Rehabilitative, Preventive, Reproductive Health, County Health Policy and Pharmaceuticals.

#### **Strategic priorities**

The sector prioritizes scaling up of interventions aimed at enhancing equitable access to high impact healthcare services as outlined in the proposed Medium-Term Plan III and other departmental plans based on the following.

1. Health for all-Ensuring universal health coverage without impoverishment is the foundation for achieving the health objectives of the Sustainable Development Goals – because when people are healthy, their families, communities and countries benefit. Our top priority must be to support national health authorities' efforts to strengthen all the building blocks of health systems and to enact policies aimed at ensuring health care is equitable and affordable for all.
2. Health emergencies-In today public health emergencies can affect anyone, anywhere. The development of resilient and robust global and local health systems capable of preventing, monitoring, detecting and responding to public health emergencies must therefore be a key priority, closely linked to our efforts to achieve universal health coverage.
3. Women, children and adolescents-We cannot achieve the ambitious health and development targets in the Sustainable Development Goals unless we secure the health, dignity and rights of women, children and adolescents. Yet, in too many places, gender gaps, harmful cultural and social practices and gender-based violence are negatively impacting these individuals. Because of that, we must put the well-being of women, children and adolescents at the centre of Kiambu county health and development.

100

100

100

100

4. The health impacts of climate and environmental change-Climate and environmental change impact many aspects of life that are inextricably linked to health, food security, economic livelihoods, air safety and water and sanitation systems and WHO estimates that 12.6 million people die each year as a result of living or working in an unhealthy environment. To address this, Kiambu County has a key role to play advancing both mitigation and adaptation strategies for climate and environmental change, working in close partnership with UN agencies and stakeholders.
5. A transformed County Health sector-Building County Health sector into a more effective, transparent and accountable institution requires striking a balance between bold reform and stability. To meet the evolving needs and challenges of the 21st century and deliver game-changing, sustainable results, Kiambu County Health needs to focus its work where it has the most value, broaden and intensify its engagement across stakeholders, attract more predictable, flexible financing, and work to identify and retain the best talent.
6. Improving quality of healthcare through the revamping and expansion of health infrastructure
7. Building capacity in human resources for health at all levels of the healthcare system.
8. Ending AIDS, TB, Malaria and NCDs as a public health threat by 2030.
9. Increase access to County referral health facilities and specialized services, including mental health and other specialized health services.
10. Strengthening health research and innovation within the county and beyond.
11. Enhance norms and standards and regulations in Kiambu County. Promote automation and interoperability of Healthcare Services in Kiambu County and strengthening of Health Information Systems (HIS) and Community Health Information Systems (CBHIS).

#### **Analysis of planned versus allocated budget**

The planned budget for 2019/2020 financial year was Kshs **5.316 Billion**. The department was allocated Kshs **5.839 Billion** during the financial year 2019/2020.

100

100

100

100

**Key achievements.**

During the period under review, the department of health carried out various interventions across three programmes namely: Preventive and Promotive services, General Administration, Planning and Support Services, and Curative and rehabilitative services.

In the financial year 2019/2020, the department sought to increase access to quality health services, by constructing 3 new health facilities and completing wards in 3 health facilities. The department also carried out renovation and expansion of 2 existing health facilities to improve the working environment as well as the quality of health services being provided. Ablution blocks were also constructed in 7 health facilities to improve sanitation while an incinerator was constructed in 1 health facility for proper waste management. Further, uninterrupted power supply is essential for effective service delivery and thus a standby generator was installed in 1 facility. Additionally, to enhance COVID-19 preparedness and response, the department established an isolation centre at Tigoni level 4 hospital. Notable also, is the launch and commencement of Universal Health Care (UHC) and completion of MAT clinic at Karuri level 4 hospital.

The Preventive and Promotive sub-sector focused on Environmental health, HIV and Tuberculosis control and Immunization. An estimated 24% of global disease burden and 23% of all deaths can be attributed to environmental factors. In 2019/2020, activities carried out were: Indoor Residual Spraying (IRS) was done; jigger infestation control, management of cemeteries; implementation of Community Led Total Sanitation (CLTS); inspection of premises for compliance; per the requirements of OSHA 2007, Public Health Act Cap 242 & Food, Drugs and Chemical Substances Act Cap 254 and workers sensitization on occupational health and safety practices. Realizing the importance of empowering households and communities in the delivery of the KEPH at level 1, the Ministry of Health and sector partners developed and launched a Community Strategy in 2006. During the period under review 2019/2020, there was an improvement in the establishment of Community Health Units (CHUs).

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

In regard to the health workforce which is comprised of 2679 officers, the department has made achievements by recruiting additional staff in various health cadres in the financial year 2019/2020. Every month approximately 8 officers are released to go for training. Over 200 from different cadres during the period under review were sponsored by the County Government for short term courses in Technical, Financial and Management fields. The directorate has managed to hold various performance management and review meetings as per the policy guidelines and established County Health Stakeholders forum.

Health care service delivery in Kiambu County has been enhanced in the curative and rehabilitative programme by providing all health facilities with the required non-pharmaceutical, cleansing and sanitary commodities. In addition, oral rehydration therapy corners have been provided and are operational in all health facilities. Level 4 and 5 facilities are providing baby friendly hospital services while 4 facilities within the county are offering friendly services to people living with disabilities (PWD). Capacity building of the health workforce has been done by staff training on ETAT and IMNCI.

The Pharmacy department has contributed to improved service delivery to the people of Kiambu by increasing the availability of high-quality pharmaceutical products at an affordable price. This has gone a long way, in improving the patient out-comes as well as increasing the patient workload. With the good inventory management, the department has improved accountability, reduced stock-outs and expiries.

### **3. Roads and Infrastructure Sector**

The department had planned to carry out the following works for the financial year 2019/20 in the Roads and Transport directorate, construction 25Km of bituminous road, construction of 240Km of gravel roads, maintenance of 300Km of gravel roads, construction of 2No. Bridges, maintenance of 2No. Bridges, construction of 10Km of Non-motorized transport, construction of 10Km of storm water drainages, Construction of 2 No. Bus parks and maintenance of 4 No. Bus parks, Street lighting within the county towns, purchase of vehicles and equipment; in utility directorate, construction of 60No. 15meters high flood masts, construction of 300 streetlights and completion of 2 No. fire stations in (Githunguri and Limuru) while in public works directorate

22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

planned construction of 4 No. footbridges and support of all the other departments in design, construction and supervision of various facilities.

#### **The Strategic Priorities of the Sector**

Under the directorate of roads, the sector strategic priorities are maintenance of infrastructure to avoid huge costs for reconstruction, maintenance of drainage of all constructed roads, Rehabilitation of fair surface roads to motorable state. It also priorities facilitation of designs and construction of roads, non-motorized Traffic, storm water drains and missing links to ease congestion. The utilities directorate prioritizes the Street lighting in urban and shopping centres, High mast Installation in densely populated areas to improve security while the directorates of public works priorities are construction of foot bridges and to offers designs and construction supervisory services to other departments.

#### **Analysis of Planned versus allocated budget**

The Department had a planned budget of Kshs 1.717 Billion for the FY 2019/2020 budget. However, the Department was allocated Kshs. 2.058 Billion.

#### **Key Achievements in the Previous Financial Year**

The department achieved several planned projects and programs through its directorates during the period FY 2019/20. Below are some of the projects/programs implemented per sub sector/sub sectors

##### **- Roads**

To enhance accessibility the directorate of roads maintained 320KM of roads through spot patching. It also rehabilitated 240KM of road through RMLF and CGK access roads.10.8KM roads were designed and constructed. To enhance connectivity, 8 bridges were constructed. Among the equipment purchased are Drum Roller, 2 Graders, Backhoe also procured to supports in roads opening and maintenance.

##### **- Transport**

2 bus parks were constructed to ease traffic congestion.

##### **- Public works**

To improve on service delivery, the directorate managed to oversee planning, development and maintenance of public buildings, maintenance of inventory of government property, provision of

11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

electrical and mechanical services, consultants for buildings and civil works and material supplied and In addition the directorate offered quality assurance and technical support services to other departments within the county as far as works is concerned during the period under review. The public works directorate designed and constructed 8 bridges to enhance connectivity.

**- Utilities**

27 flood masts were installed in various wards across the county and 100 streetlights to improve security.

**3. Land, Housing, Physical Planning and Urban Development Sector**

The department had planned to hire qualified and competent staffs, conduct research and innovation on emerging urbanization and developments dynamics, prepare integrated strategic urban development plan (ISUDPS), prepare advisory plans/ part development plans (PDP) per sub county, ensure safety and compliance audit of buildings, draft legislative bills, take possession and secure public land, establish GIS based land Information Management System (LIMS), enhance land rates revenue, improve informal settlement and prepare county spatial plan and establish six municipalities within the county.

**The strategic priorities of the sector**

The County Lands, Housing and Physical Planning sector is mandated to undertake spatial planning, land management and promote housing development for orderly spatial development. The Sector has five directorates namely Physical Planning, Housing and Community Development, Survey and Geo-informatics, Valuation and Asset management and Municipal Administration & Urban Development.

**Strategic Priorities for the department for 2019/20;**

- Planning of market centres
- Clearing of the pending bills from previous financial years
- Formalization and registration and titling of land
- Coordination of the implementation of KISIP activities on informal settlements in the county
- Building of Office block and completion of Housing blocks in Thika
- Supplementary valuation roll

Handwritten notes and markings along the right edge of the page, including a circled '0' and several small symbols.

- Completion of the projects under Kenya Urban Support Programme in the six Municipalities that include;
  - Acquisition of Skips
  - Upgrading of 3km kanjiku-king'othua road to bitumen standards in Karuri municipality
  - Construction of A2. NO storey fire station at Karuri Municipality
  - Upgrading of 2 km Kiambu bypass to bituminous standard and Kiambu bus park in Kiambu municipality
  - Construction of trunk sewer from ilri to Mutego and its environs in kikuyu municipality
  - Supply, installation, testing and commissioning of integrated solar lighting in kikuyu and Ruiru municipalities.

#### **Analysis of planned versus allocated budget**

Planned budget for the sector was **Kshs 4.97 Billion** and was allocated **Kshs 2.174 Billion**. The allocated budget was inclusive of a world bank grant of **Kshs 1.889B**

#### **Key achievements**

The key sector achievements are as highlighted below

##### **General Administration & Support Services**

The department was able to engage interns in the various directorates who were deployed to the sub counties to aid in the duties on the ground.

##### **Land Management & Physical Planning**

The department had three draft bills namely County Physical Planning Bill, County Survey and mapping Bill and County Housing bill.

The department prepared a draft County Spatial plan and 6Integrated Strategic Urban Development Plans (ISUDPs). The preparation process of the plans is still ongoing.

The department was also able to achieve the below;

To establish a value for trading mechanism through Developing of market Part Development Plan (PDPs), In securing land tenure rights determining valuation and taxation by undertaking

11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

land administration matters within the County e.g. land disputes, parcel identification for the public, undertaking land ownership verification for parcels (Searches). Also the directorate improves land tenure security through building up on the existing Land Information System Database (LIS).

Registration of land, subdivision of small scale and large-scale farms rural planning and solution of boundary disputes through acquisition of Registry Index Maps (Rims) for 70% of Kiambu County land registration sections. In addition, they gather data about the natural and man-made features of the land as well as its terrain through topographical survey for projects within the County.

For the purpose of right advisory to get the best through development of an advisory plan for Lussigetti market (re-planning). Undertaking Topographical survey for the Affordable Housing Programme Sites within Kiambu to identify the extent of the bus-parks and subdivide to separate it from the Posta Land. Ownership documents verification To subdivide land into parcels for ownership under a land title and to re-establish boundaries of previously surveyed properties through Cadastral Survey for the 39 markets proposed for upgrading. Replanning of slums in Kiambu because of poor planning Verification leases in delmonte. Topographical survey demarcation of the extent of the dam to determine the extent of the affected parcels. Establishing all public primary schools SS for acquisition of titles

#### **Valuation Directorate**

The directorate has been able update the land rates register by capturing 7,632 new properties in the register.it has also drafted new area rates which are awaiting gazettelement for implementation by January 2021. They were able to come up with a new rate struck to be adopted in site value rating in 2021. To avoid errors and delays they streamlined the rating process.

#### **Housing Development**

Facilitated the completion of a Residential housing block of 40 units of 2 bedroom each in Thika Sub-County to bridge the gap on housing in the county. The directorate facilitated the completion of Office Headquarters at Red-Nova. The office block is 90% complete. It will be ready for occupation in September 2020.

11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

Facilitated the completion of Surveying and Planning of Umoja Informal Settlement in Thika Sub-County for the regularization of Security of tenure and infrastructure development. The informal settlement is home to 164 households. The process of generation of title deeds in the said settlement is ongoing with the assistance of Kenya Informal Settlements Improvement Project (KISIP)

### **Municipal Administration & Urban Development**

The directorate was involved in continuous implementation of the KUSP projects within the six municipalities i.e. road construction, street lighting, storm water drainage, sewer systems, street beautification, public parks and amenities and bus park. Conducted citizen fora for financial year 2019/2020 KUSP projects at the municipality levels in collaboration with the municipality boards and managers and the projects were approved by the county assembly. Structuring of the directorate and the municipalities and redeployment of municipal staff.

To provide a basis for improvement and refinement over time through input from scientists, policy makers, indigenous groups and other stakeholders through Commencement of the process of delineation of boundaries for the proposed municipalities towns and other urban areas.

### **5. Agriculture, Crop production, Irrigation and Marketing**

Agriculture, Livestock and Irrigation department has two sub sectors namely Agriculture, crop production, Irrigation and marketing (ACPIM) and Livestock Fisheries and Veterinary Services (LiFiVe).

#### **Analysis of Planned versus allocated budget**

The sector had proposed a budget of Kshs. 899 M but was allocated Kshs 1.0448B in the approved budget.

Agriculture, crop production, Irrigation and marketing (ACPIM) is one of the two section in Agriculture, Livestock and Irrigation department. The ACPIM section comprises of two directorates, namely: Crop development and Irrigation and Agribusiness and Marketing. In addition, there are two institutions namely Agricultural Training Centre (ATC) at Waruhiu and Agricultural Mechanization Service (AMS) in Ruiru.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

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

---

During the FY2019-2020, the department had planned to procure and distribute coffee rehabilitation fertilizer for farmers, establish an agro-processing unit at Waruhiu ATC, set up a coffee pulping unit at the ATC as well as rehabilitate two coffee factories into model ones in Githunguri and Gatundu South sub-counties. The department had also planned to construct small water pans and a community water pan in Juja Sub County. In addition, the department also planned to promote climate smart agriculture, soil conservation, drip irrigation, water harvesting and purchase certified seeds.

Rehabilitation of AMS structures and existing machinery was to be done as well as the purchase of land surveying equipment. In Waruhiu ATC the department had planned to put up a perimeter fence, expand hostel facilities, construct a water dam, erect storage water tank tower and rehabilitate coffee and staff houses. To enhance extension services, the department had planned to procure 2-double cab vehicles and construct an office for Kikuyu Sub County.

Other planned activities included providing extension services, training of staff and farmers on agricultural technologies, establishing conservation agriculture demonstration plots and gazettement of crop inspectors.

**Key achievements included: -**

Kiambu county plays a key role in implementing food and nutrition security which is one of the big four agendas of the government. The county boasts of its rich fertile soils, hardworking and dedicated farmers and its proximity to Nairobi County which serves as a major market for agricultural produce. Food and nutrition security has been enhanced by procuring 96.3 tonnes certified seeds, procuring 84,000 potato mini-tubers and giving out 84,203 fruit tree seedlings in order to increase fruit production.

The certified seeds were issued to 49894 farmers in the county. In addition, the department was able to distribute 6,000 bags of subsidized fertilizer to farmers, provide extension services either through group and individual visits where 53,856 farmers were reached and training of 20 stockiest and 2 farmer groups on quality inputs and food safety standards. 300 farmers were also trained on value addition technologies.

Handwritten marks and symbols along the right edge of the page, including a small circle and several dots.

The county also grows coffee and tea which are the major cash crops. They are mainly grown in the upper and the lower highlands. To increase coffee production, coffee rehabilitation fertilizer was procured and distributed to farmers and also 40 officers and 135 farmers trained on coffee management.

## **6. Water Environment and Natural Resources sector**

The Water, Environment, Energy and Natural Resources Sector consist of four subsectors namely; Water & Sanitation, Environment & Solid Waste Management, Renewable Energy & Climate Change and Natural Resources & Forestry. In line with Article 42 of the Constitution, the four sub sectors are geared towards making the county the leader in sound environmental management, provision of water and sanitation services in Kenya.

During the financial year 2019/2020 the sector had planned to operationalize 8 boreholes, construct and rehabilitate 4 storage tanks with a capacity of 700m<sup>3</sup>, supply 60 plastic water storage tanks with a capacity of 10m<sup>3</sup> and gutters supplied, set up 1 GIS systems, develop and institutionalise 4 policies, construct manual waste management hub, construct one waste segregation unit and procure 20 skips.

Under renewable energy and climate change, the sector had planned to develop 1 Climate change Policy, carry out 10 energy needs assessment and sustainability audits, procure and install 10 energy saving Jikos/Ovens in institutions and households. Additionally, the sector had aimed to raise 10,000 seedlings, establish 3 tree nurseries, plant 500 trees, protect 2 rivers and one wetland, train 30 officers and carry out landscaping and beautification of 3 public amenities.

### **Strategic priorities**

- i. Development of Water, Environment, Climate change and Natural Resource policies
- ii. Statutory compliance with WRA



- iii. Enhance compliance on sanitation standards and ensuring safe quality water and clean environment
- iv. Improved environmental monitoring and management
- v. To increase access to clean and affordable green energy
- vi. To enhance resilience against the negative effects of climate change and to develop adaption and mitigation strategies

#### **Analysis of Planned versus Allocated Budget**

For the financial year 2019/2020 the Sector had proposed a budget of Kshs. 910 Million for Development but was allocated Kshs. 545.7 Million in the approved budget.

#### **Key Achievements.**

In the financial year 2019 /2020 the department achieved the following;

##### **Directorate of Water & Sanitation**

##### **Achievement through financing from County Government of Kiambu**

To provide adequate affordable, safe clean water and sanitation services the directorate drilled 4 boreholes two with a capacity of 40m<sup>3</sup>/hr each targeting 500House holds and two with a capacity of 42m<sup>3</sup>/ hr targeting 600House holds each. The department operationalized 1 borehole powered using solar with a capacity of 8m<sup>3</sup>/hr targeting 150 households. They also provided technical Support in the Mapping and digitization of water and sanitation services infrastructures to reduce NRW in areas under the jurisdiction of Kikuyu Region. Additionally, a 54m<sup>3</sup> ground Masonry storage tank was rehabilitated and 48km of water distribution networks was installed. Following the emergence of the COVID-19 pandemic fight support was given through the installation of hand washing points across the county through the Water Service providers

##### **Achievement through financing from the Nationals government**

Through national government support the department was able to complete Loromo Water supply project, Lay water distribution networks, implement Kambaa water supply project which included the augmentation of Kambaa spring, drilling of a borehole at Kambaa primary, construction of A 108m<sup>3</sup> steel elevated tank and Ground masonry tank and implementation of three water and sewerage projects which are ongoing.

##### **Directorate of Environment & Solid Waste Management**

##### **a) Solid waste management and environmental pollution control**



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

---

To foster improved Solid Waste Management and mitigate environmental pollution risks, the Directorate of Environment and Waste Management achieved where they Purchased 1 Skip loader to ferry an average of 24 tonnes daily funded by County Government of Kiambu, procured 5 dump trucks, 10 Skip loaders and 6 backhoes under the Kenya Urban Support Program through funding supported by the World Bank group (WBG). In addition, the department constructed Skip platforms to enhance solid waste collection, constructed a tipping platform at Kang'oki dump site for enhanced waste collection, transportation from all the 12 Sub-Counties and enhance disposal. The waste is compacted and covered to reduce odour, avoid fires, to reduce possibility of diseases and for easy accessibility of the dumpsite as the platform remains raised and permanent. It also Initiated the operationalization of Kang'oki Sanitary Landfill and improved 0.5Km length of access road to the dumpsite. 14 chaff cutters were installed with a capacity of each shredding one tone of organic waste for Sub-counties with Githurai Market as the pilot project location doing 20 tonnes for composting, decommissioned 2 illegal waste dumping sites one of which is approximately ¼ acre and spilled to surrounding private plots. Additionally, 1 dumpsite in Limuru was closed as they continue to pose Environmental pollution risks and cause public health nuisance. Hence no more dumping but rehabilitation of the sites.

The department registered and issued 350 private garbage collection pickers with Identification Cards at Kang'oki dumpsite, plus registered over 100 trucks for domestic waste collection. Subsequently it increased revenue collection generated from Waste Streams (i.e. tipping charges, exhauster services and Noise permits) from Kenya Shillings 400,000/= to Kenya Shillings 20,000,000/= and increased waste collection capacity from 50% in the previous year to 70% in FY 2019-2020.

The department also repaired over 30 skips for use in major markets and bus parks, and serviced garbage trucks, plant and machinery to enhance efficiency in waste collection and transportation. It also carried out time and motion study aimed at improving waste collection and transportation efficiency in 6 Municipalities in Kiambu County in collaboration with SWAN-Fukuoka.

To improve water and sanitation management, the directorate developed draft policy on Solid Waste Management for the county, procured excavator services totalling 500 machine hours to



clear tipping site and improve drainage at Kang'oki dumpsite and adopted emergency interventions in response to novel Covid-19 pandemic early in year 2020 through provision of personnel protective equipment (PPE) and non-pharmaceuticals for all staff in the 12 sub-counties.

**b) Environmental Education, Research and Public Awareness**

To increase public awareness on environment the department launched Eco-School Environmental Awareness program in 4 Primary Schools, successfully held World Environmental Day in May 5<sup>th</sup> in the year 2019 and conducted 12 environmental education and Public Awareness campaigns in Kiambu County, trained Directorate Staff both locally and internationally (i.e. 18 Environmental Officers trained on Environmental Impacts Assessment (EIA) and 4 Environmental Officers trained by JICA in Japan respectively.

The directorate also Planted 500 tree seedlings in Kang'oki landfill to improve scenic ambience, conducted 30 major environmental clean-up campaigns in Kiambu County

**c) Environmental Pollution Control, Monitoring and Management**

The directorate established Environmental Impacts Assessment (EIA) Review Committee for Kiambu County comprising of 13 members drawn from different departments in the County and the Gazettement of Kiambu County Environment Committee to guide the County in Environmental Compliance Issues which was established in the Kenya School of Government

**Directorate of Natural Resources and Forestry**

To increase forest cover and sustainable management of natural resources the department raised 130,000 seedlings, both **Indigenous trees** (syzygium guineense, Olea africana, Vitex Keniensis (Meru oak) Markhamia lutea and Prunus Africana and **Exotic trees** (Casuarina equisetifolia (Whispering pin e), Cupressus lusitanica (Cypress), Gravellia Rubosta (Mukima) and Mexican green ash. Located in Thika sub-county and Kiambu Sub-county and transplanted 56,400 seedlings in schools, churches, water sources and riparian areas covering approximately 52 hectares. It also established and expanded 2 tree nurseries which accommodated over 130 trees seedlings both indigenous and exotic trees.

In addition, 3 rivers Bathi river catchment area, Gatamaiyu river catchment area, Komothai River and Ondiri wetland were protected where public barazas were organized to sensitize the local community especially farmers along riparian areas on the importance of conservation of riparian areas. The farmers were also requested to uproot all the eucalyptus trees along the riparian areas.

10  
11  
12  
13

14  
15  
16  
17

18  
19  
20  
21

Various indigenous trees, bamboo and fruits trees were donated to farmers and grown along the aforementioned rivers and wetland.

The directorate also completed Landscaping and beautification of three public amenities in Thika town, Kahawa Sukari in Ruiru and Kikuyu town through KUSP funded by World Bank.

#### **Directorate of Renewable Energy and Climate Change**

To Reduce Carbon Footprint and Increase Resilience to Impacts of climate Change the directorate was involved in formulation of the Climate Change Policy, undertook a sustainability audit to know energy consumption (with a major focus on energy use) in county premises and undertook energy needs assessment in four vocational training centres and ten 10 primary schools so as to develop alternative cheaper renewable energy for utilization in County Operations and surplus netted to the national grid for revenue generation.

#### **7. Youths Affairs and Sports**

The youth affairs, sports, and communication sector comprises of three sub sectors namely; Youth affairs, sports, and communication. This department continues to play its strategic role in the County's transformation and economic development through: promotion and development of youth affairs and sports for a vibrant sporting industry, empowered Youth, and embracing top of the range effective and efficient information technology models and communication.

In the financial year 2019/2020, the sector had planned on the upgrade of Thika stadium, Limuru stadium, Ruiru stadium, one field per ward, construction of amphitheatre, youth technical skills enhancement and capacity building.

#### **The strategic priorities of the sector/sub-sector**

The department embarked on, training and funding of County teams, construction and rehabilitation of stadiums and formulation of a legislative policy to govern sporting activities in the county. The department also prioritized identifying and nurturing of sporting talent in the county and enhancing county communication.

#### **Planned vs Allocated budget**

The planned budget for the sector was **571M** and the allocated budget was **239.3M**.

#### **Key Achievements in the Previous Financial Year**

20

10

10

During the 2019/2020 financial year period, the county played a key role in promoting sports and competition among staff in the county by equipping and sponsoring staff to participate in (KICOSCA) Kenya Inter Counties Sports and Cultural Association games where several staff teams emerged winners. The department also sponsored staff to participate in the EALASCA games that were held in Kampala Uganda.

The county embarked on financially promoting and motivating sporting talent among the county youth by awarding a total of 60 football teams that participated in the Super-cup competition. The county also sponsored athletes to inter county and regional cross-country competition.

#### **8. Education Sector**

The Department is made up of four Sub- Sectors namely;

- i. Early Childhood, Education
- ii. Vocational Educational and Training
- iii. Social Services
- iv. Gender and Culture

The Department has endeavored to fulfil its mandate by making various interventions through the four (4) Sub Sectors.

#### **The strategic priorities of the sector/sub-sector**

The Department has the following strategic priorities;

- i. Increase enrolment and boost retention in ECDE Centres.
- ii. Sustain school feeding programme
- iii. Construction, Rehabilitation, refurbishment and equipping of ECDE Centres.
- iv. Maintain access, equity, quality and relevance of education in ECDE and vocational training



- v. Construct new VTCS
- vi. Refurbish and rehabilitate existing VTCs
- vii. Equip VTCS with modern tools and equipment
- viii. Disburse grants to VTCS
- ix. Provide teaching and instructional materials for VTCS and ECDES
- x. Conservation and management of cultural heritage and historical sites
- xi. Mapping cultural resources, gazettement & documentation of cultural heritage, historical sites & narratives
- xii. Promotion of the creative industry
- xiii. Social protection and welfare of the vulnerable members of society
- xiv. Gender and disability mainstreaming and empowerment
- xv. Development of Acts and policies
- xvi. Support of VTC and ECDE co- curricular and cultural activities

#### **Analysis of planned versus allocated budget**

The planned budget for 2019/2020 financial year was Kshs **1.427 Billion**. The department was allocated Kshs **975.8 Million** during the financial year 2019/2020.

#### **Key achievements**

During the 2019/2020 financial year the county focused on efficient service delivery through the various projects. The department enhanced equity and quality services for children from conception to eight years through construction of 9 ECDE classrooms, 11 ablution blocks and perimeter walls. The Uji programme enabled the enrolment rate to increase to 35,263 pupils. To increase equity, quality and relevance skills for formal and self-employment the directorate of vocational training center constructed more centers and engaged 11 VTC instructors on contract basis. On matters pertaining gender, the department enhanced development, protection, preservation and promotion of gender, arts, culture and heritage through training of 58 PWDs on beauty and hairdressing and Distribution of various beauty devices.

#### **9. Administration and Public service**

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

In the Financial Year (FY) 2019/20, the Administration and Public services department implemented its budget through various activities. This included the creation of more office space for staff, conducting public participation and civic education forums, conducting capacity building, provision of medical cover for the workers, fighting illegal activities such as illicit brews, illegal betting, and gaming among others activities.

### **Strategic priorities of the Sector**

In the previous FY (2019/20 ADP), the department planned to create office space and involve different stakeholders in decision-making and formulating various county projects. The department also planned to take service close to people. Further, the department planned to empower its officers, provide the workforce with comprehensive medical cover, work injury benefits, and the Group Insurance Cover. The department also planned to intensify the crackdown on substandard counterfeit, illicit brews, illegal betting, and gaming across the county and digitalize issuance of liquor licenses. Further, the department planned to enforce all county laws and applicable national legislation.

### **Analysis of Planned versus allocated budget**

The planned budget for FY 2019/20 was **754.88M** and was allocated **776.16M**.

### **Key achievements in the previous ADP**

In the previous FY (2019/20 ADP), the department was able to create more office space for the staff through the construction of three offices. The department also played a crucial role in helping other departments to involve various stakeholders in decision making and formulation of various county projects by carrying out 67 public participations in all wards. Further, the department took service delivery closer to people by deploying 60 ward administrators in a bid to coordinate county functions. The department managed to reduce illegal, sub-standard, counterfeit, and illicit brewing through a crackdown and prosecution of the illicit brewers with the help of the enforcement officers. The enforcement officers also helped the department to reduce illegal and irresponsible betting and gambling through crackdown activities on the outlets and machines.

Further, the department utilized the enforcement officers in enforcing the Kiambu County Alcoholic Drinks Control Act 2018 and Kiambu Finance Act 2019 to the public to aid in

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

adherence to the County law and order. The department also empowered workers' skills and improved their output by carrying out capacity building to 150 County staff across all cadres. Further, the department was also able to enhance staff morale, staff welfare, conducive working environment, and staff safety through the processing of staff benefits, recommendations on staff promotions, provision of medical cover, work injury benefits and protective materials (sanitizers and mask) aimed at curbing the spread of Covid -19 pandemic. The department also enhanced payroll system efficiency and accountability by carrying out all payroll system activities such as periodic system data cleaning. Further, the department was able to carry out measurement and assessment of various departmental programmes and projects through Monitoring and evaluation meant at fast-tracking their progress.

#### **10. Trade, Tourism, Co-operatives and Enterprise Development**

The department comprises of four directorates namely: Trade, Tourism, Co-operative development and Industry development. The core mandate of the department is to promote investments in Trade industries, cooperatives development, tourism & investments by providing an enabling environment for sustainable socio-economic development in the County.

##### **The strategic priorities of the sector/sub-sector**

The department Programmes/projects for implementation in the year 2019/2020, included Construction, Rehabilitation and Renovation of Markets; Construction of Bodaboda sheds; Trade promotion and Investment; Industrial development and investment; construction of Modern Stalls Standardization and Metrology of enterprises; Tourism Promotion, Development and Marketing; Tourism Product Development and Management; Co-operative Development and Management and Co-operative Auditing.

##### **Analysis of the planned versus allocated budget**

For the financial year 2019/2020 the sector had planned budget of **Kshs.604 Millin**. It was allocated **Kshs. 368.03Million**.

##### **Key achievements**

##### **Capital Projects for FY 2019-20**



## KIAMBU COUNTY GOVERNMENT

### Reports and Financial Statements

For the year ended June 30, 2020

---

In the Financial year 2019/2020 the department focused on providing an enabling environment for traders by constructing/rehabilitating 5 Markets County wide. It also provided a good working environment for bodaboda operators by constructing 5 bodaboda sheds. The department also aimed to provide a well-regulated trading environment by providing a trade and market policy which is at draft stage. It also provided a conducive business environment for Vendors and others SMES by constructing 4 modern stall which has the capability of hosting 40 businesses. To create market linkages and networks the Industries directorate attended 2 Expos. To promote good governance in cooperatives societies the cooperative directorate trained 210 cooperatives management members. To increase the number of local, regional and international tourist the tourism directorate organised attendance of 5 tourism promotion and international expos. To promote tourism attraction sites the tourism directorate rehabilitated 2 tourism attraction sites. To create a well-regulated tourism sector the Tourism directorate has drafted 2 legal instruments which are in draft stage.

#### **Non-Capital Projects for FY 2019-20**

Non capital expenditure aimed at enhancing staff's welfare by focusing on emolument of staffs as well as provision of efficient service delivery by facilitating the departmental Operations and Maintenance expenses.

#### **11. Livestock, Fisheries and Veterinary Services**

In financial year 2019/2020, the directorate of livestock had planned; purchase of 3 motor vehicles and 20 motorcycles for free AI scheme and staff mobility. The directorate had also planned to license all the 54 slaughterhouses and 900 meat containers. The directorate had also planned to develop 2 policies one on livestock development and the other one on animal welfare. Also, the directorate also planned to improve dairy productivity through subsidized AI services to farmers targeting about 10,000 farmers across the county. The was also plan to purchase 20,000 one-month old indigenous chicks for local poultry improvement. 3 pasteurizers were to be purchased for 3 farmers group to help in milk value addition. 3 vaccination campaigns were also planned across the county on FMD, LSD, RVF, Anthrax and Rabies.

5  
6  
7  
8

9  
10  
11  
12

13  
14  
15  
16

The directorate of fisheries had planned to; stock rivers/ponds/dams with the county with 200,000 fingerlings, train 960 farmers on modern aquaculture technologies to increase fish productivity. To reduce fish post-harvest losses and improve fish marketing, the directorate had also planned to establish 2 fish marketing outlets procure and issue 4 deep freezers to farmers groups.

### **Strategic Priorities**

Priority was given to the purchase of vaccines for disease control, value addition for milk through installation of pasteurizers and dispensers, improved poultry production through purchase of local chicks for the farmers, to increase fish production by training farmers, and fingerling stocking, and reduction of post-harvest losses through purchase and issuance of deep freezers to farmers groups across the county

### **Key achievements**

To increase livestock productivity the department conducted breed improvement through the implementation of the Kiambu county subsidized Artificial Insemination program where 26,250 doses were inseminated. Agriculture extension services play a great role in supporting agricultural production and passing of new ideas from agricultural research centers to farmers, to achieve livestock extension the department purchased double cabs for facilitating the extension officers.

Also, in a bid to prevent unauthorized persons, the public, dogs, and other animals the directorate erected a slaughterhouse perimeter wall. The county values the health of its population and to ensure the consumption of clean and healthy milk; the directorate in collaboration with the World Bank is procuring milk pasteurizers for cooperative societies.

In a bid to reduce the morbidity and mortality rates related to infectious diseases such as RVF, the directorate implemented livestock vaccination campaigns across the county.

To augment fish productivity and ensure that the inland county reservoirs are stocked with economically important fishes the directorate is in the process of procuring fish culture cages. Also, the department is procuring pond liners for both the natural and man-made ponds for maximizing water retention while reducing the chronic loss of water.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

Maintaining water quality is vital for fish health to reduce stress and toxic conditions that may weaken a robust fish, the department, therefore, procured water testing kits to be distributed to farmers.

## **12. County Public Service Board**

In financial year 2019/2020, the County Public Service Board had planned to; establish and abolish offices in the county public service, appoint and recruit persons to hold or act in offices of the county public service, exercise disciplinary control over officers who breach either county policies, regulations or terms of employment, instil in the county public service values and principles of governance, facilitate the development of coherent, integrate human resource planning and budgeting for personnel emoluments in county, advise the county on human resource management development and succession, advise the county on implementation and monitoring of the national performance management system in the county, make recommendations to the SRC on behalf of the County on the remuneration, pensions and gratuities for county public service employees.

### **Strategic priorities of the sector.**

- 1) To provide policy strategic leadership and direction to the County Government structures and institutional frameworks for optimal public service delivery and response to the Kiambu County needs.
- 2) To ensure continuous development, retention and productive human resources and application of best practices in the management of public service for improved performance.
- 3) To promote good governance, transparency and accountability in the public service.

### **Analysis of planned versus allocated budget**

Planned budget for the sector was Kshs **82 Million** and the allocated Kshs **68.4Million**.

### **Key Achievements**

10

To improve service delivery, the sector recruited 282 employees to work in various cadres across the county. The board took lead in the renewal of National Hospital Insurance Fund (NHIF) for all employees and their families' in order to increase their productivity in service delivery. This fund has been very helpful to the employees.

To achieve sustainable standards of service delivery, the board finalized Human Resource Policies and Procedures manual draft for the county public service.

To promote transparency, the Board successfully coordinated, summarized and submitted to EACC the third biennial wealth declaration for the County as per Public Officer Ethics Act, 2003.

### **13. Finance, ICT and Economic Planning**

In the financial year 2019/2020, the Department was mandated with the preparation of annual estimates of revenues and expenditures including the preparation of supplementary estimates as the need arises. It is the County's think tank responsible for policy analysis on a wide range of issues including: fiscal issues, trade issues and private sector development issues. It also ensured that external resources (grants, loans, donations) are effectively mobilized, disbursed and effectively utilized and that there is prudent public debt management.

It was responsible for the administration and enforcement of revenue laws and for that purpose collecting and accounting for all rates, taxes, fees and charges payable by or under any laws in the County; collection of statistical data needed for planning purposes; County budget implementation, monitoring and evaluation.

#### **Strategic priorities**

The core mandate of the department is to mobilize public resources and ensure efficient allocation of the resources to the county expenditure priorities for enhanced accountability and service delivery. The sector is also the link of all other sectors with the national government in matters of finance and resource mobilization.

#### **Planned versus allocated budget**



Planned budget for the sector was Kshs 1.764B and was allocated Kshs 2.163B.

### **Key Achievements**

- Efficient Accounting and Financial services and Procurement services- This is through improving on transparency and accountability through openness and Public Participation.
- Improved management of County development initiatives that involves preparing sector plans.
- Optimal domestic revenue that has been achieved through automation of revenue collection system.
- Country wide networking that has been achieved through registration of staff with professional bodies.
- Consultation forum that has been achieved by formation of CBEF committees.

### **VALUE -FOR-MONEY ACHIEVEMENTS**

#### **Health Sector**

It has been noted that people used to travel for many kilometres to seek medical services. With construction, rehabilitation and equipping of various medical facilities, the distance has shortened and increased the number of patients accessing services on daily basis. The programmes have achieved the value for money objectives.

#### **Tarmac/Access Roads**

With construction of major roads in Kiambu County, the residents are able to connect from one Sub County to another using shorter distances as well as saving of time and money.

#### **Automation of development applications and approval**



Automation of development applications and approval has benefitted the community since they take less time for their building plans to be approved. With the regulation of building plans the County is able to guarantee a healthy and safe community.

Automation of the development applications and approval has also enhanced the county revenue.

#### **Agriculture, Livestock and Fisheries**

Value addition to various farm products such as milk and bananas has led to increased income of the farmers. Food productivity has also ensured there is food security within the county. This in return has led to improved welfare of the residents.

#### **Water Environment and Natural resources sector**

The projects by the department are contributing to the well-being of the beneficiaries meeting the objectives they were meant for. Provision of clean and safe water has increased to very significant levels.

The construction of sanitation facilities especially at public places which includes markets and bus parks have also acquisition of skips and other machinery in waste management has greatly reduce the cost compared to contracting the services. These saving are proof that there is value for funds used in acquiring the plant. The same has resulted to clean and conducive environment to live in.

#### **Youths, Sports and Gender**

Construction and improvement of sports facilities within the County by the department has gone a long way in promoting and exploiting talents among the youth. The facilities are also expected to catapult the youth within the County to international levels and also reduce crime in their midst.

#### **Education Sector**

A large number of youth populations have been empowered after accessing polytechnics services. The school feeding programme has led to increased enrolment rate in ECDE centres within the county. The needy students within the county have benefitted with bursary hence accessing quality education services

100

100

100

### CHALLENGES

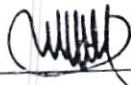
Some challenges which the County have been facing while implementing the projects include;

- Delay in project implementation due to late disbursement of funds from National Treasury.
- Large number of pending bills inherited from the previous County Government. This has caused fewer projects being implemented by the new dispensation.
- Unmet internal revenue target resulting to inadequate funds during implementation process.
- Large wage bill due to large workforce inherited from the defunct local authorities thus putting pressure on implementation of new project.
- Lack of awareness by the public on prioritization of projects

### RECOMMENDED WAY FORWARD

- Disbursement of funds by the National Treasury should be done in time
- Prioritising payment of pending bills so as to give room for the County to implement new projects.
- Increased revenue raising measures so as to enhance internal revenue
- Exploring ways of controlling the wage bill by curtailing new recruitments by the departments.
- Capacity building on Civic education and public participation to the public so as to increase awareness on projects being implemented.

Sign \_\_\_\_\_



William Kimani

For; CEC Finance ICT and Economic Planning

Small, faint markings and artifacts along the right edge of the page, possibly bleed-through or scanning noise.

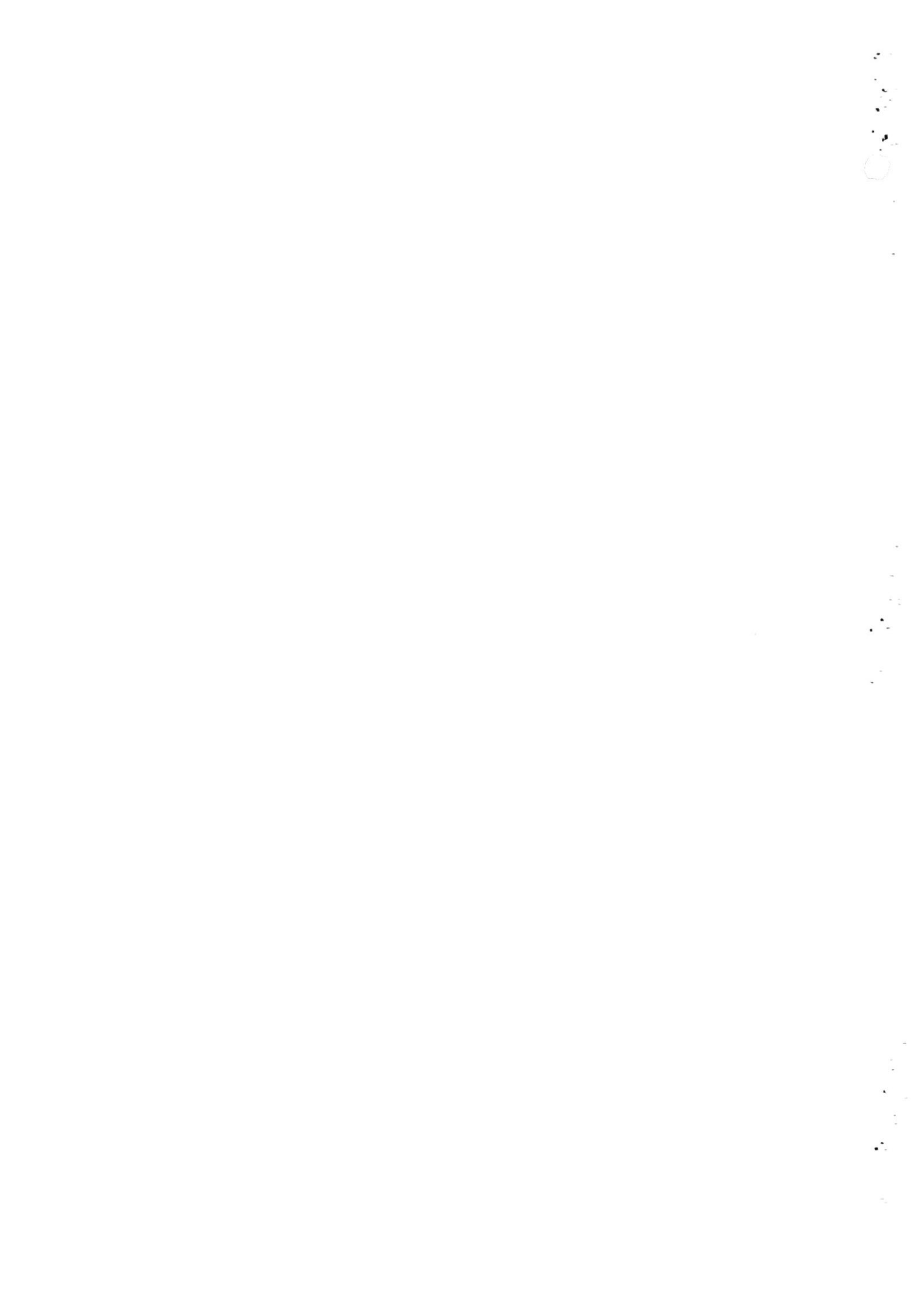
#### 4. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The County Executive Committee (CEC) member for finance of the County Government is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the financial year ended on June 30, 2020. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Government;
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) Safeguarding the assets of the County Government;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

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



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

---

The CEC member for finance further confirms the completeness of the accounting records maintained for the County Government which have been relied upon in the preparation of the financial statements as well as the adequacy of the systems of internal financial control.

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

**Approval of the financial statements**

The County Government's financial statements were approved and signed by the CEC member for finance on 29/03/2021 2021.



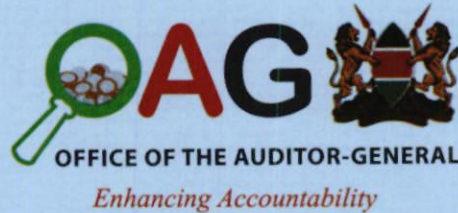
\_\_\_\_\_  
William Kimani

**For; CEC Finance ICT and Economic Planning**

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.

# REPUBLIC OF KENYA

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



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

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

---

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of County Executive of Kiambu set out on pages 1 to 58, which comprise the statement of assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and summary statements of appropriation-recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

#### **Basis for Qualified Opinion**

##### **1.0 County Own-Generated Receipts**

The financial statements reflect several balances with significant discrepancies as follows:

##### **1.1 Outstanding Revenue Arrears**

Examination of revenue records confirmed the existence of arrears of revenue on property rates and ground rent totalling Kshs.915,358,207.50 as at 30 June, 2020. The balance was Kshs.1,243,121,684.50 less than the sum of Kshs.2,149,479,892 reflected in records as outstanding as at 30 June, 2019, one year earlier. However, schedules indicating how balances for ground rent and house rent changed during the year under review were not provided for audit. In addition, ageing analyses for all the arrears were similarly not provided for audit review. As a result, it was not possible to establish how long the arrears had remained uncollected.

In view of the missing information, the accuracy, validity and completeness of the own-generated receipts balance totalling Kshs.2,466,345,109 reflected in the statement of

receipts and payments, and the outstanding receipts totalling Kshs.915,358,207.50 as at 30 June, 2020 reflected in revenue records could not be confirmed.

## 1.2 Unreconciled Building Plans Approval Revenues

Examination of records on building plans approval revenues indicated that the Department of Lands, Housing, Physical Planning and Urban Development used two separate software systems to approve the plans and receipt and account for revenues collected thereof. The plans were approved in the E-dams and charges levied for receipting through County Pro. Review of the two systems revealed discrepancies between the amounts invoiced by E-dams and the actual receipts recorded in County Pro. In some instances, amounts invoiced in E-dams were not recorded.

For example, invoices totalling Kshs.6,069,989 reflected in both County Pro and E-dams' systems were not reflected as paid into County Pro. Further, invoices totalling Kshs.6,832,493 reflected in E-dams did not have matching or corresponding records in the County Pro system. As a result, E-Dams revenues were higher than those reflected in County Pro eventually reflected in the financial statements.

In view of the unreconciled data, the accuracy and completeness of the revenue data reported in the financial statements could not be confirmed.

## 2.0 Cash and Cash Equivalents

The statement of assets and liabilities reflects a cash and cash equivalents balance totalling Kshs. 761,057,633 comprising of a bank balance of the same amount and a nil cash balance. However, the Integrated Financial Management Information System (IFMIS) ledger as at 30 June, 2020 reflects different balances in respect to the two items, as summarized below:

|    |               | Financial Statements Balance (Kshs.) | IFMIS Report Balance (Kshs.) | Variance (Kshs.) |
|----|---------------|--------------------------------------|------------------------------|------------------|
| 1. | Bank Balances | 761,057,633                          | 236,699,992                  | 524,357,641      |
| 2. | Cash Balances | -                                    | 7,015,373                    | (7,015,373)      |

No explanation has been provided by Management for the discrepancies. As a result, the accuracy and completeness of the cash and cash equivalents balance totalling Kshs.761,057,633 reflected in the statement of assets and liabilities has not been confirmed.

## 3.0 Misclassified Expenditure

Examination of expenditure records indicated that transactions totalling Kshs.810,749,024 relating to the five items tabulated below were charged to incorrect accounts:

|    | <b>Sub-item Description</b>                    | <b>Economic Item<br/>(Account Code)</b> | <b>Amount<br/>(Kshs.)</b> |
|----|--|---|---------------------------|
| 1. | Temporary Imprest                              | 6760103                                 | 339,369,658               |
| 2. | Salary Control Account                         | 7320199                                 | 189,668,919               |
| 3. | Ministry Headquarters Development Bank Account | 6540101                                 | 172,630,010               |
| 4. | General Suspense Account                       | 6780101                                 | 109,080,437               |
|    | <b>Total</b>                                   |   | <b>810,749,024</b>        |

As a result of the misclassified transactions, the respective balances are not fairly stated in the financial statements.

#### **4.0 Use of Goods and Services**

##### **4.1 Payments for Airtime and Data Bundles**

The statement of receipts and payments reflects payments for purchase of goods and services totalling Kshs.1,866,411,228 as further disclosed in Note 12 to the financial statements. The balance includes communication, supplies and services payments totalling Kshs.29,904,493 which in turn include cash payments totalling Kshs.19,528,653 incurred on purchase of airtime and data bundles. However, the respective payments were not supported with any documentary evidence, including electronic tax register receipts issued by the respective vendors.

Consequently, the occurrence and propriety of the expenditure totalling Kshs.19,528,653 incurred on communication, supplies and services could not be confirmed.

##### **4.2 Domestic Travel and Subsistence**

Disclosed in Note 12 to the financial statements under use of goods and services is an expenditure totalling Kshs.204,729,044 incurred on domestic travel and subsistence. However, examination of sampled records on the expenses revealed the following anomalies:

###### **4.2.1 Facilitation of Members of County Assembly and County Assembly Staff**

Allowances totalling Kshs.58,923,400 were paid to Members of the County Assembly of Kiambu (MCAs) and County Assembly Staff on activities designated as benchmarking trips, retreats, and consultative meetings in Naivasha and Mombasa. Management did not explain why the County Executive funded these trips whereas the County Assembly had its own budget for such activities.

In addition, the following anomalies were noted in regard to expenditures reported to have been incurred at two of the events:

- i. Payments totalling Kshs.1,739,000 to MCAs reported to have attended a Supplementary Budget workshop in Naivasha were classified as research expenditure. In addition, the list of participants and records on their travel to the destination were not provided for audit review.

- ii. Similarly, payments totalling Kshs.1,769,600 were made to staff of the County Assembly of Kiambu who attended a capacity building workshop in Mombasa. The payments were not supported with relevant records such as approvals for the workshop, list of attendees, the workshop's programme and signed attendance lists.

Consequently, the regularity of the expenditure totalling Kshs.58,923,400 and the propriety of payments totalling Kshs.3,508,600 included therein could not be confirmed.

#### **4.3 Hospitality, Supplies and Services**

Disclosed in Note 12 to the financial statements under use of goods and services is expenditure totalling Kshs.76,574,068 on hospitality, supplies and services. The balance includes expenses totalling Kshs.8,956,220 spent through imprests issued to officers to facilitate various events in the County. However, supporting documents including event venues and dates, activities, attendance lists and reports were not provided for review.

In the absence of relevant evidence, the occurrence, propriety and validity of expenditure totalling Kshs.8,956,220 spent on hospitality, supplies and services could not be confirmed.

#### **4.4 Routine Maintenance – Vehicles and Other Transport Equipment**

Disclosed under Note 12 to the financial statements are payments totalling Kshs.63,797,072 relating to routine maintenance – vehicles and other transport equipment. The expenditure includes, Kshs.1,216,754 paid to a company for repair of several motor vehicles.

However, the supplier's invoices were not dated. Further, mechanical reports from the Transport Department indicating defects identified on the vehicles were not presented for audit review. In addition, several Local Service Orders (LSOs) were issued before Request for Quotations were raised, and Tender Opening Minutes were dated after the issuance of the LSOs and the Quotations, which suggested that these documents were not valid.

As a result of these discrepancies, the propriety and validity of the expenditures totaling Kshs.1,216,754 reported to have been incurred on motor vehicle repairs could not be confirmed.

#### **4.5 Specialized Materials and Services**

Disclosed in Note 12 to the financial statements under use of goods and services are specialized materials and services expenses totalling Kshs.290,864,514. The amount includes Kshs.1,006,000 and Kshs.1,042,500 spent on purchase of a saloon car and vehicle clamping equipment, respectively. However, review of procurement records revealed that the respective bids were opened on 30 February, 2019, yet the said month lasted for 28 days only. Further, bid documents for the lorry clamping equipment were not dated and as a result, their authenticity could not be confirmed.

In view of these anomalies, the propriety and validity of the expenditure totalling Kshs.2,048,500 incurred on purchase of the saloon car and the vehicle clamping equipment could not be confirmed.

## 5.0 Pending Bills

Note 6.9(1) on other important disclosures to the financial statements reflects pending bills totalling Kshs.4,295,022,009 as at 30 June, 2020. The balance is comprised of pending accounts payables totalling Kshs.3,192,062,159 pending staff payables totalling Kshs.4,734,941 and other pending payables totalling Kshs.1,098,224,909, as reflected in **Annexure 2, Annexure 3 and Annexure 4** of the financial statements respectively.

Examination of records on the balance disclosed various anomalies, as follows:

### 5.1 Lack of Analysis

The pending bills balance reflects a net increase of Kshs.2,168,887,342 from the sum of Kshs.2,126,134,667 reported as at 30 June, 2019. However, the change has not been analyzed in the annexures to show the identifies of the creditors as well as payments made and new payables arising in the year under review.

### 5.2 Pending Bills for 2017/2018 and Prior Years

According to the special report of the Auditor-General on pending bills, the County Executive had pending bills totalling Kshs.2,312,759,531 as at 30 June, 2018 comprised of eligible and ineligible bills totalling Kshs.1,831,618,030 and Kshs.481,141,501, respectively.

Information provided by Management indicated that eligible bills totaling Kshs.669,556,431 and ineligible ones totalling Kshs.32,437,557 had been paid as at 15 February, 2019. However, there were no records to confirm whether the ineligible bills were verified by the Pending Bills Verification Committee before they were paid, as recommended by The National Treasury. Further, an analysis of bills incurred in 2017/2018 and prior years was not provided for audit and as a result, their status could not be confirmed.

### 5.3 Pending Bills on Streetlights Project

Records presented for audit review indicated that the County Executive awarded several contracts for supply, installation, and commissioning of streetlights and flood masts in various streets and markets within the County. As at 30 June, 2020, total pending bills arising from the contracts amounted to Kshs.556,274,224, having accrued over the years, as summarized below:

|    | <b>Financial Year</b> | <b>Amount<br/>Kshs.</b> | <b>Annual Change</b> | <b>% Change</b> |
|----|-----------------------|-------------------------|----------------------|-----------------|
| 1. | 2015/2016             | 3,631,625               | 0                    | 0               |
| 2. | 2016/2017             | 5,880,168               | 2,248,543            | 62              |
| 3. | 2017/2018             | 44,058,538              | 38,178,370           | 649             |
| 4. | 2018/2019             | 487,114,988             | 443,056,450          | 1006            |
| 5. | 2019/2020             | 15,588,905              | (471,526,083)        | (97)            |
|    | <b>Total</b>          | <b>556,274,224</b>      |                      |                 |

As the data shows, the largest increase totalling Kshs.487,114,988 occurred in 2018/2019.

Review of procurement records relating to the respective contracts revealed the following anomalies:

- i. Local Service Orders (LSOs) were not dated while appointment letters of members of the Tender Opening, Tender Evaluation and Inspection and Acceptance Committees were not provided. In addition, there was no evidence to show that the Head of Procurement was requested to provide a professional opinion on the procurements, as required by public procurement regulations.
- ii. Prequalification letters for the bidding firms, the quotations register, and letters of acceptance and regret to the successful and unsuccessful bidders, respectively, were not provided for audit review.
- iii. The total approved budget under Vote code 3110504 - other infrastructure and civil works for the 2018/19 financial year was Kshs.120,856,000 which included provisions for the street lighting projects. Management has not explained why the County Executive incurred expenditure totalling Kshs.487,114,988 against an approved budget of Kshs.120,856,000 only and thereby caused over-expenditure totalling Kshs.366,258,988.
- iv. Pending bills totalling Kshs.28,982,846 for 2016/2017 and 2018/2019 were not included in the list of pending bills provided for audit:

|    | <b>Financial Year</b> | <b>Amount<br/>Kshs.</b> |
|----|-----------------------|-------------------------|
| 1. | 2016/2017             | 1,390,418               |
| 2. | 2018/2019             | 27,592,428              |
|    | <b>Total</b>          | <b>28,982,846</b>       |

No explanation was provided for the omission of these bills from the list.

#### **5.4 Pending Bills on Road Works**

Records provided for audit indicated that pending bills on road construction and, rehabilitation and maintenance works totalled Kshs.731,541,477 as at 30 June, 2020. However, the following anomalies were noted on audit of bills totalling Kshs.367,417,241 sampled from the balance:

- i. The contracts were entered into without requisitions from user departments. Further, minutes of Tender Opening and Evaluation Committees and records to confirm appointments made to the two Committees were not provided for audit.
- ii. Records on bidders for the tenders including confidential business questionnaires and CR12 forms intended to provide information on owners of the bidding entities, and professional opinion by the Head of the Procurement Unit, were not provided for audit contrary to Public Procurement Regulations.

In view of the foregoing, the regularity, propriety, and value for money on the expenditure totalling Kshs.367,417,241 denoted in the bills could not be confirmed.

## 5.5 Unpaid Gratuity to Staff

Examination of staffing records revealed that the County Executive assessed but did not pay gratuity totalling Kshs.8,944,394 due on contracts for fifteen (15) employees that lapsed in the year under review. The sum comprised of net gratuity totalling Kshs.6,267,972 for the employees and Pay as You Earn (PAYE) tax amounting to Kshs.2,676,422 due to the Kenya Revenue Authority (KRA). Further, the two items were not included in the list of pending bills as at 30 June, 2020.

No explanation was provided for their omission.

## 5.6 Unremitted Statutory Deductions

Review of correspondence from various statutory bodies indicated that the County Executive delayed in remitting deductions and contributions owed to the National Social Security Fund (NSSF), Local Authorities Provident Fund (LAPFUND) and National Hospital Insurance Fund (NHIF) totalling Kshs.982,204,129 as at 30 June, 2020, as tabulated below:

|    | <b>Institution Name</b>                    | <b>Amount Due (Kshs.)</b> |
|----|--|---------------------------|
| 1. | National Social Security Fund (NSSF)       | 1,755,225                 |
| 2. | Local Authorities Provident Fund (LAPFUND) | 154,591,337               |
| 3. | National Hospital Insurance Fund (NHIF)    | 827,612,792               |
|    | <b>Total</b>                               | <b>982,204,129</b>        |

Further, the unpaid statutory deductions were not included in the list of pending bills and the financial statements for the year under review.

No explanation was provided by Management for the failure to remit the deductions to the statutory bodies and include the unpaid balances in the list of pending bills as at 30 June, 2020.

The failure to remit the deductions was irregular. In addition to attracting penalties, the delay could adversely affect the welfare of the County Executive's employees.

In view of the insufficient disclosures provided, the accuracy, validity and propriety of the pending bills balance totalling Kshs.4,295,022,009 reported by the County Executive as at 30 June, 2020 could not be confirmed.

In addition, the large balance of pending bills may indicate that Management entered into financial commitments for which no resources were available contrary to Regulation 50 of the Public Finance Management (County Government) Regulations, 2015.

Failure to pay for goods and services supplied slows down economic activity and may discourage private companies from trading with public entities. Further, unpaid bills adversely affect budgetary provisions for the subsequent years as they form a first charge on such allocations.

## 6.0 Fixed Assets

Disclosed at Annex 5 to the financial statements is a summary of fixed assets register which reflects assets with historical costs totalling Kshs.7,148,279,076 as at 30 June, 2019. The following anomalies were observed in relation to the balance:

## **6.1 Undisclosed Assets**

Although available information indicated that the County Executive owns several parcels of land, only Waruhiu Agricultural Training Centre (ATC) land valued at Kshs.27,900,000 is reflected in the register and Annex 5 to the financial statements. Similarly, the County Executive has many buildings spread in various locations in the County but only twenty-six (26) have been listed in the register.

Further the inventory of computers and electronic equipment, computer accessories, office furniture and plant, machinery and specialized equipment was not presented for audit review.

In view of the omissions, the fixed assets register does not reflect all the assets owned by the County Executive as at 30 June, 2020 and is therefore incomplete. As a result, the accuracy, valuation and completeness of the fixed assets balances totalling Kshs.7,148,279,076 as at 30 June, 2020 could not be confirmed.

## **6.2 Purchase of Certified Seeds, Breeding Stock and Live Animals**

Disclosed in Note 17 to the financial statements under acquisition of assets is expenditure totalling Kshs.55,218,764 spent on purchase of certified seeds, breeding stock and live animals. The balance includes Kshs.1,384,000 spent on supply and delivery of fall armyworm control pesticides. However, examination of the respective procurement documents revealed that none of the bidders filled in the confidential business questionnaire and tax compliance certificate. In addition, records on ownership of the bidding firms were not attached to the bids. Further, the payment for the supplies was not supported with relevant documents including delivery notes, stores counter receipt vouchers and stores records.

In the absence of appropriate evidence, the supply and use of the items reported to have been procured at Kshs.1,384,000 could not be confirmed. Further, the inclusion of the cost of the seeds and pesticides under acquisition of assets may have misstated the expenditure on the item.

## **6.3 Land Without Ownership Documents**

As mentioned previously, the assets register reflects land for Waruhiu Agricultural Training Centre (ATC). However, the land which is reported to measure 55.2 acres was subject of a court case after members of the Waruhiu family sued the Attorney General, Commissioner of Lands and, later, the County Executive of Kiambu. The family sought legal recourse after the Government continued to occupy the land without compensating them upon the expiry of the mutually agreed lease in 1991.

The matter was settled out of court on agreement that the family would be paid sums totalling Kshs.85,524,000 as compensation for compulsory acquisition of the land. The Ministry of Agriculture deposited Kshs.55,905,135 with the Registrar of the High Court on 7 October, 2010. The balance totalling Kshs.29,618,865 was to be paid thereafter. As at 30 June, 2020, payments by the County Executive to the family's lawyers totaled Kshs.27,900,000, leaving a balance of Kshs.2,618,865.

The settlement also required the County Executive to bear the costs of the suit amounting to Kshs.15,000,000. The Waruhiu family was to transfer title documents to the land and all other legal documents on the property to the County Executive.

However, the outstanding balance on the transaction had not been paid as at 30 June, 2020 and the title for the land was still with the family.

No explanation has been provided for the failure by the County Executive to pay the balance amounting to Kshs.2,618,865. With the transfer having not been completed, the County Executive's claim on the land may be disputed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Executive of Kiambu 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**

## **2. Budgetary Control and Performance**

### **2.1. Under-Collection of Revenue**

The summary statement of appropriation-recurrent and development combined indicates that the County Executive had budgeted to raise Kshs.3,540,846,061 from local sources during the year under review. However, actual collections totalled Kshs.2,466,345,109 or 70% of the budgeted amount, resulting in a revenue shortfall of Kshs.1,074,500.952 or 30%.

Management did not provide a plausible explanation for the unsatisfactory performance.

### **2.2. Late Exchequer Release**

The statement of receipts and payments indicates that the County Executive received equitable share of revenue, proceeds from domestic and foreign grants and transfers from other government entities amounting to Kshs.8,620,573,800, Kshs.2,447,628,533 and Kshs.382,476,044 respectively, all totalling Kshs.11,450,678,377. However, review of revenue records indicated that funds amounting to Kshs.3,770,308,994 or 32.9% of the exchequer releases were received during the months of June and July 2020, as summarized below:

|    | <b>Date Received</b> | <b>Description</b>                         | <b>Amount Kshs</b> |
|----|----------------------|--|--------------------|
| 1. | 4-Jun-20             | User fees Foregone                         | 34,671,542         |
| 2. | 4-Jun-20             | Youth polytechnics Grants                  | 27,556,649         |
| 3. | 4-Jun-20             | Grant level 5 Hospitals                    | 151,379,411        |
| 4. | 4-Jun-20             | Equitable Share                            | 990,328,500        |
| 5. | 4-Jun-20             | Medical Health Workers Covid 19 Allowances | 185,492,000        |

|              | <b>Date Received</b> | <b>Description</b>    | <b>Amount Kshs.</b>  |
|--------------|----------------------|-----------------------|----------------------|
| 6.           | 24-Jun-20            | Equitable Share       | 848,853,000          |
| 7.           | 30-Jun-20            | DANIDA Grants         | 10,430,000           |
| 8.           | 2-Jul-20             | KDSP                  | 30,000,000           |
| 9.           | 2-Jul-20             | Equitable Share       | 1,348,935,361        |
| 10           | 2-Jul-20             | KUSP                  | 8,800,000            |
| 11.          | 2-Jul-20             | Road Fuel Levy grants | 133,862,531          |
| <b>Total</b> |                      |                       | <b>3,770,308,994</b> |

### **2.3. Under-Utilization of Approved Budget**

The summary statement of appropriation - recurrent and development combined reflects approved budgeted expenditure totalling Kshs.17,861,836,933 against actual expenditure totalling Kshs.14,557,156,202 resulting in under-expenditure of Kshs.3,304,680,731.

The under-expenditure denotes goods and services that were not procured for execution of development projects and delivery of services.

Late receipt of the Exchequer releases delayed implementation of projects and delivery of services planned for the year and may also partly explain the significant under-expenditure recorded in the year under review.

In view of the revenue shortfall and the under-expenditure, the expectations of the residents of Kiambu County on the County Executive for the year under review may only have been realized in part.

### **3. Prior Year Unresolved Issues**

In the audit report of the previous year, several matters were raised in respect to the financial statements, lawfulness and effectiveness in use of public resources and effectiveness of internal controls, risk management and governance. However, although Management has indicated in the report on progress made in resolving the issues at Note 6 of other important disclosures that some issues had since been resolved, the actual status of the issues shall only be established after they are deliberated upon by the Legislature.

## **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**

### **1.0 Irregularities in Use of Resources**

Examination of procurement and expenditure records disclosed material irregularities in use of resources as follows:

#### **1.0 Personnel Management**

##### **1.1 Excessive Spending on Personnel Emoluments**

The statement of receipts and payments for the year under review indicates that the County Executive spent Kshs.6,404,588,618 on compensation of employees which equivalent to 46% of its revenue receipts for the year under review totalling Kshs.13,917,023,486. The expenditure was in excess of the 35% threshold set for the item in Regulation 25(1)(b) of the Public Finance Management (County Governments) Regulations, 2015.

Excessive use of the County Executive's limited funds in paying salaries and wages may have constrained its capacity to fund services and development projects needed by the majority of the County's residents .

##### **1.2 Lack of Ethnic Diversity in Staffing**

Audit review of the staff complement data revealed that the County Executive had 7,246 employees, out of whom 6,121 or 84% were from the dominant ethnic community in the County contrary to Section 7(2) of the National Cohesion and Integration Act, 2008. The law requires public entities to ensure that their establishments reflect the diversity of the people of Kenya.

### **2.0 Procurement of Goods and Services**

#### **2.1 Unconfirmed Use of Sports Uniforms Consignment**

As previously reported, the County Executive procured branded sports uniforms for football, basketball, athletics and volleyball at a cost of Kshs.51,074,880 in 2018/2019, as shown below:

|    | <b>Description</b>  | <b>Quantity</b>      | <b>Amount<br/>Kshs.</b> |
|----|---------------------|----------------------|-------------------------|
| 1. | Soccer Uniforms     | 600 sets of 15 Pairs | 34,002,000              |
| 2. | Basketball Uniforms | 600 sets of 12 Pairs | 2,836,080               |
| 3. | Volleyball Uniforms | 300 sets of 12 Pairs | 13,780,800              |
| 4. | Athletics Uniforms  | 120 Pairs            | 456,000                 |
|    | <b>Total</b>        |                      | <b>51,074,880</b>       |

Verification of records revealed that all the sports uniforms had been issued out. However, the identities of the recipients and confirmations that they had received the uniforms were not provided for audit. As a result, it was not possible to confirm that the sporting kits worth Kshs.51,074,880 were used for the intended purpose.

## 2.2 Exaggerated Fuel Consumption Rates

Note 12 to the financial statements discloses payments totalling Kshs.147,737,526 relating to purchase of fuel oil and lubricants from the National Oil Corporation of Kenya (NOCK). The items were drawn through detailed fuel orders and fuel cards. However, audit of the sampled data provided indicated that the fuel consumption rates recorded by some motor vehicles were unrealistic, as shown in the following table:

| No. | Vehicle Reg. No | Make/Model   | Kilometres Per Litre |
|-----|-----------------|--------------|----------------------|
| 1.  | 22 CG 205A      | Toyota Hiace | 115.00               |
| 2.  | GKA 122N        | Nissan Urvan | (8.00)               |
| 3.  | 22 CG 203A      | Toyota Hiace | (4.00)               |
| 4.  | 22 CG 236A      | Toyota D/Cab | 33.12                |
| 5.  | 22 CG 230A      | Toyota D/Cab | 28.98                |
| 6.  | 22 CG 082A      | Ford Everest | 33.22                |
| 7.  | GKA 312S        | Toyota D/Cab | 100.78               |
| 8.  | 22 CG 245A      | Nissan D/Cab | 20.12                |
| 9.  | 22 CG 093A      | Toyota D/Cab | 47.15                |
| 10. | GKA 648L        | Toyota D/Cab | 56.20                |
| 11. | GKA 850R        | Nissan D/Cab | 574.39               |

In addition, faulty odometers in six (6) motor vehicles made it impossible to establish actual consumption rates recorded by the vehicles.

The data suggested that fuel was wasted, or may have been stolen, or errors were made in reporting on the amounts consumed. In view of the evidence, the propriety, validity and value for money on the expenditure on fuel, oil, and lubricants totalling Kshs.147,737,526 in the year under review could not be confirmed.

## 2.3 Unauthorized Over-Expenditure on Purchase of Mobile Phones and Tablets

Included in communication, supplies and services expenses totalling Kshs.29,904,493 are payments totalling Kshs.1,696,989 relating to purchase of eleven (11) mobile phones and tablets for senior officials in the County Executive. The County Secretary had in March, 2018 set the maximum allowable cost of mobile phones to be bought for eligible officials at Kshs.80,000. However, the aggregate costs of the phones bought exceeded the limit by Kshs.816,989 as shown in Appendix I to this report.

In addition to being invalid, the excess expenditure totalling Kshs.816,989 was wasteful and therefore denoted imprudent use of public funds.

## 3.0 Unsatisfactory Implementation of Projects

### 3.1 Stalled Projects

Audit inspection of projects and examination of records indicated that that eight (8) major projects valued at Kshs.1,311,389,837 had stalled. Available information indicated that as at 30 June, 2020, payments to the respective contractors totaled Kshs.424,787,569. No satisfactory explanation was provided for the failure to complete the projects which are listed in **Appendix II** of this report.

Due to the projects having stalled before completion, they have not yielded the services they were expected to provide to the residents of Kiambu County. Further public funds totalling Kshs.424,787,569 are at risk of wastage and loss.

### 3.2 Low Quality Works

Examination of expenditure records further indicated that Kshs.10,729,703 was spent on construction of classrooms at three Early Childhood Development Education (ECDE) Centres in the County. However, audit inspection at the three project sites indicated that the construction works were not done as specified in the respective Bills of Quantities:

| No. | Name of Project                                       | Contract Sum<br>Kshs. | Total Payments<br>Kshs. | Balance<br>Kshs. | Audit Observation   |
|-----|---|-----------------------|-------------------------|------------------|---|
| 1.  | Construction of Classrooms at Kariua ECDE             | 3,969,110             | 3,345,310               | 623,800          | Project not completed. Molding of walls due to dampness; leaking roof, ceramic tiles not laid; no foot path to classrooms; damaged ceiling; poor paintwork. |
| 2.  | Construction of a Twin Classroom Block at Chania ECDE | 3,857,490             | 3,857,490               | 0                | Incomplete electrical and ceiling installation; Rainwater gutters not installed; backboard unusable as incorrect paint was applied.                         |
| 3.  | Construction of Classrooms at Ihiga-ini ECDE          | 3,716,045             | 3,526,903               | 189,142          | Floor not tiled; rainwater harvesting system not installed large crack on the floor; steel columns not fitted.  |
|     | <b>Total</b>  | <b>11,542,645</b>     | <b>10,729,703</b>       | <b>812,942</b>   |   |

As a result of the anomalies, value for money is unlikely to have been obtained from the expenditure totalling Kshs.10,729,703 spent on the projects.

### 3.3 Unauthorized Variation of Works

Examination of expenditure records indicated that Kshs.5,466,296 was paid to a contractor for Phase III of the conversion of Municipal Council Offices to County Executive Offices. The contract was awarded at a contract sum of Kshs.10,831,985 on 10 December, 2014 with works scheduled for completion in eight (8) weeks to 10 February, 2015. However, the works were not completed on time as the fifth and final certificate amounting to Kshs.5,466,296 was raised on 29 May, 2017 and paid on 13 February, 2020, five years after the project's scheduled completion date.

Examination of payment vouchers and other records indicated that the final certified works done were valued at Kshs.16,328,110, and as a result, the contract sum was varied by Kshs.5,496,125, or 51%.

However, the Tender Committee Minutes that approved the variation were not provided for audit review. Further, contrary to Section139(6) of the of the Public Procurement and Asset Disposal Act, 2015, the contract price was varied by more than twenty-five percent. It should instead have been tendered for separately as the law provides.

Therefore, the variation was irregular and together with the delay in completion of the project, denoted uneconomic and inefficient use of public funds.

### **3.4 Irregularities in Procurement of Road Works**

Audit review of procurement records for construction of roads indicated that Management awarded contracts for road works totalling to Kshs.127,629,694. However, sampled audit of the contracts disclosed several irregularities:

- i. The works were procured without requisitions from the user Department. In addition, the Head of the Procurement Department did not issue a professional opinion on the works. Therefore, the Accounting Officer may have authorised payments without professional advice.
- ii. Notice of award of tenders, notifications of bidding results including contract offers or regret letters were not issued to bidders as required in Section 87(3) of the Public Procurement and Assets Disposal Act, 2015. In addition, Letters of Appointment of members of Tender Opening, Tender Evaluation, and Inspection and Acceptance Committees were not provided for audit review, even as the Quotations were not subjected to review against engineer's estimates.

As a result of these anomalies, the regularity and value for money on the expenditure totalling Kshs.127,672,200 incurred on the projects could not be confirmed.

### **4.0 Irregularities in Management of Cash Transactions**

Review of cash records indicated that Management may have been lax in carrying out its responsibilities on imp rests and funds collected by health institutions as indicated below:

#### **4.1 Outstanding Imprests**

Examination of expenditure records indicated that there were outstanding imprests totalling Kshs.72,496,556 that ought to have been surrendered or accounted for on or before 30 June 2020 as required by Regulation 93(5) of the Public Finance Management (County Government) Regulations, 2015. The Regulation requires a holder of a temporary imprest to surrender the balance within seven (7) working days after returning to the duty station.

Failure by Management to enforce surrender of the imprests was irregular and may have hampered accountable use of public funds.

## 4.2 Failure to Remit Facility Improvement Funds (FIF) to Hospitals

Revenue records reflected receipts totalling Kshs.916,247,059 from public health facilities in the County, out of which collections by the hospitals under the Facility Improvement Fund (FIF) totalled Kshs.232,604,714 as shown in the following table:

|    | <b>Health Facility Name</b> | <b>Amounts<br/>(Kshs.)</b> |
|----|-----------------------------|----------------------------|
| 1. | Ruiru Level 4 Hospital      | 29,719,839                 |
| 2. | Thika Level 5 Hospital      | 111,564,850                |
| 3. | Gatundu Level 5 Hospital    | 91,320,025                 |
|    | <b>Total</b>                | <b>232,604,714</b>         |

The collections were remitted to the County Revenue Fund (CRF). Conditions set for the use of the funds required Management to refund the hospitals sums equivalent to their respective collections remitted to the CRF. However, as at 30 June, 2020 no refund had been made to the hospitals and no satisfactory explanation was provided by Management for the default.

Failure to refund the Hospitals may have constrained their capacity to provide extensive, good quality health services to the County's residents.

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

#### 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 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 (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk Management and overall governance.

In preparing the financial statements, Management is responsible for assessing the County Executive'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 County Executive.

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 County Executive monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

The audit objectives are to obtain reasonable assurance about whether the financial statements 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 based on 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 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 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 County Executive's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the County Executive of Kiambu 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 County Executive 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

24 December, 2021

### Appendix I: Over-Expenditure on Purchase of Phones and Tablets

| No. | Phone Description                           | PV No. | Unit Cost-Kshs.  | Maximum Allowable Expenditures Kshs. | Over-Expenditure Kshs. |
|-----|---|--------|------------------|--------------------------------------|------------------------|
| 1.  | Ipad  | 7586   | 170,689          | 80,000                               | 90,689                 |
| 2.  | Samsung S8<br>355257/09/111329/7            | 4799   | 120,000          | 80,000                               | 40,000                 |
| 3.  | Samsung Galaxy note 8<br>354075/09/245936/5 | 1383   | 145,000          | 80,000                               | 65,000                 |
| 4.  | Samsung S10+<br>358815/10/490536/8          | 8549   | 146,160          | 80,000                               | 66,160                 |
| 5.  | Samsung 10+<br>358815/10/570255/8           | 8549   | 146,160          | 80,000                               | 66,160                 |
| 6.  | Samsung Galaxy S4<br>9wv4c18b9001393        | 4894   | 84,100           | 80,000                               | 4,100                  |
| 7.  | iPhone XS (max)<br>G6TYX9ZSKPHG             | 7111   | 198,440          | 80,000                               | 118,440                |
| 8.  | iPhone XS (max)<br>F17YQ02WKPFT             | 7111   | 198,440          | 80,000                               | 118,440                |
| 9.  | iPhone x 354860090223412                    | 1376   | 198,000          | 80,000                               | 118,000                |
| 10. | iPad pro dmptm117h258                       | 1376   | 145,000          | 80,000                               | 65,000                 |
| 11. | iPad Pro 9                                  | 1376   | 145,000          | 80,000                               | 65,000                 |
|     | <b>Total</b>                                |        | <b>1,696,989</b> | <b>880,000</b>                       | <b>816,989</b>         |

## Appendix II: Stalled Projects

| Name of Project  | Commencement Date | Contract Period                                  | Contract Sum Kshs.   | Total Payment to Date (Kshs). |
|--|-------------------|--|----------------------|-------------------------------|
| Construction of Public Washrooms and Landscaping Works at 14 Falls Thika | 27-Jun-2015       | Twelve (12) Calendar Weeks to 28 September, 2015 | 11,396,650           | 6,234,387                     |
| Construction of Karuri Hall  | 17-Dec-2014       | Four (4) Months from 18 December, 2014           | 5,979,180            | 5,163,562                     |
| Construction of two Classrooms and an Ablution Block at Muchatha ECDE    | 08-Jun-2016       | Sixteen (16) Weeks from 8 June, 2016             | 3,136,985            | 2,844,829                     |
| Construction of Hospital Block at Githunguri Level IV Hospital           | 22-Mar-2018       | One Hundred and Two (102) Weeks                  | 676,000,000          | 185,873,271                   |
| Construction of Hospital Block at Bibirioni                              | 22-Mar-2018       | One Hundred and Two (102) Weeks                  | 285,999,964          | 95,796,131                    |
| Construction of Juja Sub-County Offices                                  | 16-Jun-2015       | 40 Weeks   | 49,459,500           | 25,355,888                    |
| Construction of Workshop at Kanyariri Youth Polytechnic                  | 07-Dec-2015       | Four (4) Weeks                                   | 4,890,630            | 2,963,487                     |
| Construction of 4- storied Medical ward Block at Lari Sub-County         | 15-Jun-2015       | 104 Weeks  | 192,598,773          | 82,462,994.87                 |
| Construction of Talent Academy and Amphitheatre                          | 11-May-2016       | Twelve (12) Months                               | 81,928,155           | 18,093,018.85                 |
|  | <b>Total</b>      |  | <b>1,311,389,837</b> | <b>424,787,569</b>            |

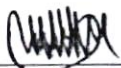
KIAMBU COUNTY GOVERNMENT  
 Reports and Financial Statements  
 For the year ended June 30, 2020

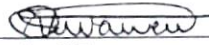
6. FINANCIAL STATEMENTS

6.1. STATEMENT OF RECEIPTS AND PAYMENTS

|  |       | 2019-2020              | 2018-2019              |
|--|-------|------------------------|------------------------|
|  | Notes | KShs                   | KShs                   |
| <b>RECEIPTS</b>  |       |                        |                        |
| Exchequer releases                                       | 1     | 8,620,573,800          | 9,357,200,000          |
| Proceeds from Domestic and Foreign Grants                | 2     | 2,447,628,533          | 2,358,112,475          |
| Transfers from Other Government Entities                 | 3     | 382,476,044            | 996,843,388            |
| Proceeds from Domestic Borrowings                        | 4     | 0                      | 0                      |
| Proceeds from Foreign Borrowings                         | 5     | 0                      | 0                      |
| Proceeds from Sale of Assets                             | 6     | 0                      | 0                      |
| Reimbursements and Refunds                               | 7     | 0                      | 0                      |
| Returns of Equity Holdings                               | 8     | 0                      | 0                      |
| County Own Generated Receipts                            | 9     | 2,466,345,109          | 2,737,467,842          |
| Returned CRF issues                                      | 10    | 1,201,095,086          | 774,055,366            |
| <b>TOTAL RECEIPTS</b>                                    |       | <b>15,118,118,572</b>  | <b>16,223,679,069</b>  |
| <b>PAYMENTS</b>  |       |                        |                        |
| Compensation of Employees                                | 11    | -6,404,588,618         | -7,423,797,191         |
| Use of goods and services                                | 12    | -1,866,411,228         | -1,813,717,264         |
| Subsidies  | 13    | 0                      | 0                      |
| Transfers to Other Government Units                      | 14    | -4,349,872,517         | -5,222,636,114         |
| Other grants and transfers                               | 15    | -100,000,000           | -102,550,150           |
| Social Security Benefits                                 | 16    | -18,550,821            | -31,706,668            |
| Acquisition of Assets                                    | 17    | -1,817,733,018         | -1,162,698,123         |
| Finance Costs, including Loan Interest                   | 18    | 0                      | 0                      |
| Repayment of principal on Domestic and Foreign borrowing | 19    | 0                      | 0                      |
| Other Payments   | 20    | 0                      | 0                      |
| <b>TOTAL PAYMENTS</b>                                    |       | <b>-14,557,156,201</b> | <b>-15,757,105,510</b> |
| <b>SURPLUS/DEFICIT</b>                                   |       | <b>560,962,372</b>     | <b>466,573,562</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 29/03/2021 and signed by:

  
 Chief Officer – Finance  
 Name: William Kimani  
 ICPAK NO. 6066

  
 Head of Treasury - Accounting  
 Name: Solomon Waweru  
 ICPAK NO. 14406





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

6.2. STATEMENT OF ASSETS AND LIABILITIES

|   |       | 2019-2020                 | 2018-2019                   |
|---|-------|---------------------------|-----------------------------|
|   | Notes | KShs                      | KShs                        |
| <b>FINANCIAL ASSETS</b>                     |       |                           |                             |
| <b>Cash and Cash Equivalents</b>            |       |                           |                             |
| Bank Balances                               | 21A   | 761,057,633               | 1,413,761,805               |
| Cash Balances                               | 21B   | 0                         | 0                           |
| <b>Total Cash and cash equivalent</b>       |       | <b><u>761,057,633</u></b> | <b><u>1,413,761,805</u></b> |
| Accounts receivables – Outstanding Imprests | 22    | 72,496,556                | 43,141,833                  |
| <b>TOTAL FINANCIAL ASSETS</b>               |       | <b>833,554,189</b>        | <b>1,456,903,638</b>        |
| <b>FINANCIAL LIABILITIES</b>                |       |                           |                             |
| Accounts Payables – Deposits and retentions | 23    | 146,487,412               | 129,714,136                 |
| <b>NET FINANCIAL ASSETS</b>                 |       | <b>687,066,777</b>        | <b>1,327,189,502</b>        |
| <b>REPRESENTED BY</b>                       |       |                           |                             |
| Fund balance b/fwd                          | 24    | 1,327,189,502             | 779,209,172                 |
| Prior year adjustments                      | 25    | -1,201,085,096            | 81,406,767                  |
| Surplus/Deficit for the year                |       | 560,962,372               | 466,573,562                 |
| <b>NET FINANCIAL POSITION</b>               |       | <b>687,066,777</b>        | <b>1,327,189,502</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 29/03/2021 and signed by:

  
 Chief Officer – Finance  
 Name: William Kimani  
 ICPAK NO. 6066

  
 Head of Treasury - Accounting  
 Name: Solomon Waweru  
 ICPAK NO. 14406



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

6.3. STATEMENT OF CASH FLOWS

|  | Notes | 2019-2020<br>KShs     | 2018-2019<br>KShs    |
|--|-------|-----------------------|----------------------|
| <b>Receipts from operating income</b>                                |       |                       |                      |
| Exchequer Releases   | 1     | 8,620,573,800         | 9,357,200,000        |
| Proceeds from Domestic and Foreign Grants                            | 2     | 2,447,628,532         | 2,358,112,475        |
| Transfers from Other Government Entities                             | 3     | 382,476,043           | 996,843,388          |
| Reimbursements and Refunds   | 7     | 0                     | 0                    |
| Returns of Equity Holdings   | 8     | 0                     | 0                    |
| County Own Generated Receipts  | 9     | 2,466,345,109         | 2,737,467,842        |
| Returned CRF issues  | 10    | 1,201,095,086         | 774,055,367          |
| <b>Payments for operating expenses</b>                               |       |                       |                      |
| Compensation of Employees  | 11    | -6,404,588,617        | -7,423,797,190.60    |
| Use of goods and services  | 12    | -1,866,411,227        | -1,813,717,264       |
| Subsidies  | 13    | 0                     | 0                    |
| Transfers to Other Government Units                                  | 14    | -4,349,872,517        | -5,222,636,114       |
| Other grants and transfers   | 15    | -100,000,000          | -102,550,150         |
| Social Security Benefits   | 16    | -18,550,821           | -31,706,668          |
| Finance Costs, including Loan Interest                               | 18    | 0                     | 0                    |
| Other Payments   | 20    | 0                     | 0                    |
| <b>Adjusted for:</b>   |       |                       |                      |
| Decrease/(Increase) in Accounts receivable:<br>(outstanding imprest) | 26    | -29,354,723           | -37,988,027          |
| Increase/(Decrease) in Accounts Payable:<br>(deposits and retention) | 27    | 16,773,276            | 84,639,050           |
| Prior year Adjustments   | 25    | -1,201,085,096        | 38,264,933           |
|  |       |                       |                      |
| <b>Net cash flow from operating activities</b>                       |       | <b>1,165,028,847</b>  | <b>1,714,187,643</b> |
| <b>CASHFLOW FROM INVESTING<br/>ACTIVITIES</b>                        |       |                       |                      |
| Proceeds from Sale of Assets   | 6     | 0                     | 0                    |
| Acquisition of Assets  | 17    | -1,817,733,018        | -1,162,698,123       |
| <b>Net cash flows from Investing Activities</b>                      |       | <b>-1,817,733,018</b> | <b>1,162,698,123</b> |
| <b>CASHFLOW FROM BORROWING<br/>ACTIVITIES</b>                        |       |                       |                      |
| Proceeds from Domestic Borrowings                                    | 4     | 0                     | 0                    |
| Proceeds from Foreign Borrowings                                     | 5     | 0                     | 0                    |
| Repayment of principal on Domestic and Foreign<br>borrowing          | 19    | 0                     | 0                    |
| <b>Net cash flow from financing activities</b>                       |       | <b>0</b>              | <b>0</b>             |
|  |       |                       |                      |
| <b>NET INCREASE IN CASH AND CASH</b>                                 |       | <b>-652,704,171</b>   | <b>551,489,520</b>   |

10

11

12

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

| <b>EQUIVALENTS</b>                                 |    |               |               |
|--|----|---------------|---------------|
| Cash and cash equivalents at BEGINNING of the year | 21 | 1,413,761,805 | 862,272,285   |
| Cash and cash equivalents at END of the year       | 21 | 761,057,633   | 1,413,761,805 |



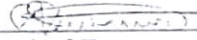
**KIAMBU COUNTY GOVERNMENT**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

---

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 29/03/2021 and signed by:



Chief Officer – Finance  
Name: William Kimani  
ICPAK NO. 6066



Head of Treasury - Accounting  
Name: Solomon Waweru  
ICPAK NO. 14406



**6.4. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

| Receipt/Expense Item                      | Original Budget       | Adjustments          | Final Budget          | Actual on Comparable Basis | Budget Utilisation Difference | % of Utilisation |
|---|-----------------------|----------------------|-----------------------|----------------------------|-------------------------------|------------------|
|   | a                     | b                    | c=a+b                 | d                          | e=c-d                         | f=d/c %          |
| <b>RECEIPTS</b>                           |                       |                      |                       |                            |                               |                  |
| Exchequer releases                        | 9,238,000,000         | 193,700,000          | 9,431,700,000         | 8,620,573,800              | 811,126,200                   | 91%              |
| Proceeds from Domestic and Foreign Grants | 3,409,550,928         | 284,988,141          | 3,694,539,069         | 2,447,628,533              | 1,246,910,536                 | 66%              |
| Transfers from Other Government Entities  |                       | -                    | -                     | 382,476,044                | -                             | 382,476,044      |
| Proceeds from Domestic Borrowings         |                       | -                    | -                     | -                          | -                             | -                |
| Proceeds from Foreign Borrowings          |                       | -                    | -                     | -                          | -                             | -                |
| Proceeds from Sale of Assets              |                       | -                    | -                     | -                          | -                             | -                |
| Reimbursements and Refunds                |                       | -                    | -                     | -                          | -                             | -                |
| Returns of Equity Holdings                |                       | -                    | -                     | -                          | -                             | -                |
| County Own Generated receipts             | 2,991,249,072         | 549,596,989          | 3,540,846,061         | 2,466,345,109              | 1,074,500,952                 | 70%              |
| Return issues to CRF                      |                       | 1,194,751,803        | 1,194,751,803         | 1,201,095,086              | -                             | 101%             |
| <b>TOTAL</b>                              | <b>15,638,800,000</b> | <b>2,223,036,933</b> | <b>17,861,836,933</b> | <b>15,118,118,572</b>      | <b>2,743,718,361</b>          | <b>85%</b>       |
| <b>PAYMENTS</b>                           |                       |                      |                       |                            |                               |                  |
| Compensation of Employees                 | 6,083,624,880         | 741,336,427          | 6,824,961,307         | 6,404,588,618              | 420,372,689                   | 94%              |

100


100

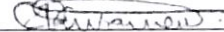
100

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

|  |                       |                      |                       |                       |                      |            |
|--|-----------------------|----------------------|-----------------------|-----------------------|----------------------|------------|
| Use of goods and services              | 2,047,415,459         | 378,888,453          | 2,426,303,912         | 1,866,411,228         | 559,892,684          | 77%        |
| Subsidies                              |                       |                      |                       |                       | 0                    |            |
| Transfers to Other Government Units    | 1,375,864,621         | -181,141,086         | 1,194,723,535.00      | 971,372,956           | 223,350,579          | 81%        |
| Other grants and transfers             | 3,962,023,293         | 972,255,996          | 4,934,279,289         | 3,478,499,561         | 1,455,779,728        | 70%        |
| Social Security Benefits               | 48,322,910            | -20,770,673          | 27,552,237            | 18,550,821            | 9,001,416            | 67%        |
| Acquisition of Assets                  | 2,086,548,837         | 367,467,816          | 2,454,016,653         | 1,817,733,018         | 636,283,635          | 74%        |
| Finance Costs, including Loan Interest |                       | 0                    |                       |                       | 0                    |            |
| Repayment of principal on borrowings   |                       | 0                    |                       |                       | 0                    |            |
| Other Payments                         | 35,000,000            | -35,000,000          |                       | 0                     | 0                    |            |
| <b>TOTAL</b>                           | <b>15,638,800,000</b> | <b>2,223,036,933</b> | <b>17,861,836,933</b> | <b>14,557,156,202</b> | <b>3,304,680,731</b> | <b>81%</b> |
| <b>SURPLUS/(DEFICIT)</b>               | <b>-</b>              | <b>-</b>             | <b>-</b>              | <b>560,962,370</b>    | <b>-</b>             | <b>0</b>   |

The entity financial statements were approved on 29/03/ 2021 and signed by:

  
 Chief Officer – Finance  
 Name: William Kimani  
 ICPAK NO. 6066

  
 Head of Treasury - Accounting  
 Name: Solomon Waweru  
 ICPAK NO. 14406

0.0000

0.0000

0.0000

0.0000

0.0000

0.0000

0.0000

0.0000

0.0000

0.0000

0.0000

0.0000

0.0000

0.0000

0.0000

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

6.5. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

| Revenue/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                        | 6,737,194,282        | - 63,994,266         | 6,673,200,016         | 5,983,853,422              | 689,346,595                   | 90%              |
| Proceeds from Domestic and Foreign Grants | 495,599,180          | 29,060,736           | 524,659,916           | 391,729,795                | 132,930,121                   | 75%              |
| Transfers from Other Government Entities  | -                    | -                    | -                     | -                          | -                             | 0%               |
| Proceeds from Domestic Borrowings         | -                    | -                    | -                     | -                          | -                             | 0%               |
| Proceeds from Foreign Borrowings          | -                    | -                    | -                     | -                          | -                             | 0%               |
| Proceeds from Sale of Assets              | -                    | -                    | -                     | -                          | -                             | 0%               |
| Reimbursements and Refunds                | -                    | -                    | -                     | -                          | -                             | 0%               |
| Returns of Equity Holdings                | -                    | -                    | -                     | -                          | -                             | 0%               |
| County Own Generated receipts             | 1,696,581,183        | 401,571,751          | 2,098,152,934         | 1,441,968,575              | 656,184,359                   | 0%               |
| Return CRF issues                         | -                    | 1,194,751,803        | 1,194,751,803         | 1,194,751,803              | -                             | 100%             |
| <b>TOTAL</b>                              | <b>8,929,374,645</b> | <b>1,561,390,024</b> | <b>10,490,764,669</b> | <b>9,012,303,595</b>       | <b>1,478,461,074</b>          | <b>86%</b>       |
| <b>PAYMENTS</b>                           |                      |                      |                       |                            |                               |                  |
| Compensation of Employees                 | 6,083,624,880        | 74,336,427           | 6,824,961,307         | 6,404,588,619              | 420,372,688                   | 94%              |
| Use of goods and services                 | 1,912,245,869        | 348,334,591          | 2,260,580,460         | 1,754,424,500              | 506,155,960                   | 78%              |
| Subsidies                                 | -                    | -                    | -                     | -                          | -                             | 0%               |
| Transfers to Other Government Units       | 643,071,542          | 484,757,276          | 1,127,828,818         | 675,718,226                | 452,110,592                   | 60%              |
| Other grants and transfers                | 100,000,000          | -                    | 100,000,000           | 100,000,000                | -                             | 100%             |
| Social Security Benefits                  | 48,322,910           | - 20,770,673         | 27,552,237            | 18,550,821                 | 9,001,416                     | 67%              |
| Acquisition of Assets                     | 107,109,444          | 42,732,403           | 149,841,847           | 59,021,429                 | 90,820,418                    | 39%              |
| Finance Costs, including Loan Interest    |                      |                      |                       |                            |                               | 0%               |
| Repayment of principal on borrowings      |                      |                      |                       |                            |                               | 0%               |
| Other Payments                            | 35,000,000           | -                    | -                     | -                          | -                             | 0%               |
| <b>TOTAL</b>                              | <b>8,929,374,645</b> | <b>1,561,390,024</b> | <b>10,490,764,669</b> | <b>9,012,303,595</b>       | <b>1,478,461,074</b>          | <b>0%</b>        |
| <b>SURPLUS/(DEFICIT)</b>                  |                      |                      |                       |                            |                               |                  |

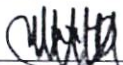
10

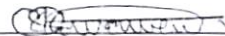
11

12

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

The entity financial statements were approved on 29/03/ 2021 and signed by:

  
\_\_\_\_\_  
Chief Officer – Finance  
Name: William Kimani  
ICPAK NO. 6066

  
\_\_\_\_\_  
Head of Treasury - Accounting  
Name: Solomon Waweru  
ICPAK NO. 14406



6.6. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

| Receipt/Expense Item                      | Original Budget      | Adjustments        | Final Budget         | Actuals on Comparable Basis | Budget Utilisation Difference | % of Utilisation |
|---|----------------------|--------------------|----------------------|-----------------------------|-------------------------------|------------------|
|   |                      |                    |                      |                             |                               |                  |
| <b>RECEIPTS</b>                           |                      |                    |                      |                             |                               |                  |
| Exchequer releases                        | 1,406,232,447        | - 159,692,531      | 1,246,539,915        | 1,827,571,613               | - 581,031,698                 | 147%             |
| Proceeds from Domestic and Foreign Grants | 2,646,226,686        | 780,587,321        | 3,426,814,007        | 2,562,379,514               | 864,434,493                   | 75%              |
| Transfers from Other Government Entities  | 267,725,062          | -                  | 267,725,062          | 267,725,062                 | -                             | 100%             |
| Proceeds from Domestic Borrowings         | -                    | -                  | -                    | -                           | -                             | 0%               |
| Proceeds from Foreign Borrowings          | -                    | -                  | -                    | -                           | -                             | 0%               |
| Proceeds from Sale of Assets              | -                    | -                  | -                    | -                           | -                             | 0%               |
| Reimbursements and Refunds                | -                    | -                  | -                    | -                           | -                             | 0%               |
| Returns of Equity Holdings                | -                    | -                  | -                    | -                           | -                             | 0%               |
| County Own Generated receipts             | 1,013,376,539        | 221,893,207        | 1,235,269,746        | 887,176,417                 | 348,093,329                   | 0%               |
| <b>TOTAL</b>                              | <b>5,333,560,734</b> | <b>842,787,996</b> | <b>6,176,348,730</b> | <b>5,544,852,606</b>        | <b>631,496,124</b>            | <b>90%</b>       |
| <b>PAYMENTS</b>                           |                      |                    |                      |                             |                               |                  |
| Compensation of Employees                 |                      |                    |                      |                             |                               |                  |
| Use of goods and services                 | 135,169,590          | 30,553,863         | 165,723,453          | 111,986,727                 | 53,736,726                    | 68%              |
| Subsidies                                 | -                    | -                  | -                    | -                           | -                             | 0%               |
| Transfers to Other Government Units       | 3,213,951,751        | 492,498,270        | 3,706,450,021        | 3,674,154,290               | 32,296,181                    | 93%              |
| Other grants and transfers                | 5,000,000            | - 5,000,000        | -                    | -                           | -                             | 0%               |
| Social Security Benefits                  | -                    | -                  | -                    | -                           | -                             | 0%               |
| Acquisition of Assets                     | 1,979,439,393        | 324,735,413        | 2,304,174,806        | 1,758,711,589               | 545,463,217                   | 76%              |
| Finance Costs, including Loan Interest    |                      |                    |                      |                             |                               |                  |
| Repayment of principal on borrowings      |                      |                    |                      |                             |                               |                  |
| Other Payments                            |                      |                    |                      |                             |                               |                  |
| <b>TOTALS</b>                             | <b>5,333,560,734</b> | <b>842,787,996</b> | <b>6,176,348,730</b> | <b>5,544,852,606</b>        | <b>631,496,124</b>            | <b>74%</b>       |

100

101

102

103

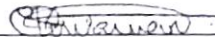
104

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

The entity financial statements were approved on 29/03/ 2021 and signed by:



Chief Officer – Finance  
Name: William Kimani  
ICPAK NO. 6066



Head of Treasury - Accounting  
Name: Solomon Waweru  
ICPAK NO. 14406

10

11

12

5.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

| Program          | Sub Program | Description   | Original Budget       | Adjustments           | Final Budget            | Actual                | Budget utilization difference |
|------------------|-------------|---|-----------------------|-----------------------|-------------------------|-----------------------|-------------------------------|
|                  |             |   | KShs                  | KShs                  | KShs                    | KShs                  | KShs                          |
| 4060             |             | <b>Default - Non Programmatic</b>                                       | 0                     | 0                     | 0                       | 6,000.00              | -6,000.00                     |
|                  | 0           | Default - Non Programmatic  | 0                     | 0                     | 0                       | 6,000.00              | -6,000.00                     |
| <b>101004060</b> |             | <b>Crop, Livestock and Fisheries development and Management</b>         | <b>772,957,049.00</b> | <b>271,850,327.00</b> | <b>1,044,807,376.00</b> | <b>748,274,342.25</b> | <b>296,533,033.75</b>         |
|                  | 101014060   | General administration and support services                             | 487,774,051.00        | 29,524,419.00         | 517,298,470.00          | 409,330,284.85        | 107,968,185.15                |
|                  | 101024060   | Livestock resource management and development                           | 133,618,241.00        | -73,901,775.00        | 59,716,466.00           | 37,217,446.00         | 22,499,020.00                 |
|                  | 101034060   | Fisheries Development   | 7,200,000.00          | 420,000.00            | 7,620,000.00            | 2,569,448.00          | 5,050,552.00                  |
|                  | 101044060   | Crop production and management  | 144,364,757.00        | 315,807,683.00        | 460,172,440.00          | 299,157,163.40        | 161,015,276.60                |
| <b>102004060</b> |             | <b>Land Management and Physical Planning; &amp; Housing Development</b> | <b>197,914,246.00</b> | <b>37,536,612.00</b>  | <b>235,450,858.00</b>   | <b>196,191,788.00</b> | <b>39,259,070.00</b>          |
|                  | 102014060   | General administration and support services                             | 0                     | 0                     | 0                       | 0                     | 0                             |
|                  | 102024060   | Land Management and Physical  | 197,914,246.00        | 37,536,612.00         | 235,450,858.00          | 196,191,788.00        | 39,259,070.00                 |

100

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

|           |            | Planning  |                  |                 |  |  |  |                  |                |  |
|-----------|------------|---|------------------|-----------------|--|--|--|------------------|----------------|--|
| 4060      |            | County Assembly   | 971,372,956.00   | 0               |  |  |  | 971,372,956.00   | 0              |  |
| 105004060 |            | Municipal Administration & Urban Development                              | 1,905,993,000.00 | 33,019,869.00   |  |  |  | 1,443,945,229.15 | 495,067,639.85 |  |
|           | 105014 060 | Municipal Administration and Urban Development                            | 1,905,993,000.00 | 33,019,869.00   |  |  |  | 1,443,945,229.15 | 495,067,639.85 |  |
| 201004060 |            | Maintenance of Roads, Bridges, Land Transport, Construction & Maintenance | 1,147,827,473.00 | 478,414,485.00  |  |  |  | 1,410,051,564.90 | 216,190,393.10 |  |
|           | 201014 060 | General administration and support services                               | 0                | 0               |  |  |  | 0                | 0              |  |
|           | 201024 060 | Construction of road and civil works                                      | 1,147,827,473.00 | 478,414,485.00  |  |  |  | 1,410,051,564.90 | 216,190,393.10 |  |
| 202004060 |            | Administration, planning & support  | 305,528,910.00   | 127,206,020.00  |  |  |  | 367,151,905.95   | 65,583,024.05  |  |
|           | 202014 060 | General Administration and Support services                               | 305,528,910.00   | 127,206,020.00  |  |  |  | 367,151,905.95   | 65,583,024.05  |  |
| 301004060 |            | Industrial, Investments, Trade and Cooperative Development                | 526,844,483.00   | -158,809,243.00 |  |  |  | 181,380,812.90   | 186,654,427.10 |  |
|           | 301014 060 | General administration and  | 133,457,571.00   | 2,486,967.00    |  |  |  | 91,764,174.45    | 44,180,363.55  |  |
|           |            |   |                  |                 |  |  |  | 135,944,538.00   |                |  |







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

|           |               |   |                       |                        |                       |                       |                       |
|-----------|---------------|---|-----------------------|------------------------|-----------------------|-----------------------|-----------------------|
| 405004060 | 404014<br>060 | County Hospital<br>Infrastructure   | 533,000,000.00        | 315,499,051.00         | 848,499,051.00        | 597,626,798.15        | 250,872,252.85        |
|           |               | <b>County<br/>Pharmaceutical<br/>Services</b>                                     | <b>100,000,000.00</b> | <b>185,492,000.00</b>  | <b>285,492,000.00</b> | <b>103,638,874.00</b> | <b>181,853,126.00</b> |
|           | 405024<br>060 | Pharmaceutical and<br>Non<br>Pharmaceutical<br>supplies                           | 100,000,000.00        | 185,492,000.00         | 285,492,000.00        | 103,638,874.00        | 181,853,126.00        |
| 501004060 |               | <b>Pre-primary edu,<br/>Promotion of<br/>Culture; ICT and<br/>social Services</b> | <b>266,299,402.00</b> | <b>-105,863,389.00</b> | <b>160,436,013.00</b> | <b>133,848,848.00</b> | <b>26,587,165.00</b>  |
|           | 501014<br>060 | General<br>administration and<br>support services                                 | 0                     | 0                      | 0                     | 0                     | 0                     |
|           | 501024<br>060 | Pre primary<br>education and<br>youth polytechnics<br>services                    | 266,299,402.00        | -105,863,389.00        | 160,436,013.00        | 133,848,848.00        | 26,587,165.00         |
| 502004060 |               | <b>General<br/>Administration<br/>and support<br/>Services</b>                    | <b>693,396,202.00</b> | <b>-11,821,942.00</b>  | <b>681,574,260.00</b> | <b>457,761,633.90</b> | <b>223,812,626.10</b> |
|           | 502014<br>060 | General<br>Administration and<br>support Services                                 | 693,396,202.00        | -11,821,942.00         | 681,574,260.00        | 457,761,633.90        | 223,812,626.10        |
| 503004060 |               | <b>Pre-primary<br/>education,<br/>Vocational<br/>Education and<br/>Training</b>   | <b>194,700,000.00</b> | <b>-60,852,262.00</b>  | <b>133,847,738.00</b> | <b>117,438,329.40</b> | <b>16,409,408.60</b>  |
|           | 503014<br>060 | Early Childhood<br>Development  | 194,700,000.00        | -70,852,262.00         | 123,847,738.00        | 116,505,329.40        | 7,342,408.60          |
|           | 503024<br>060 | Vocational<br>Training Centres  | 0                     | 10,000,000.00          | 10,000,000.00         | 933,000.00            | 9,067,000.00          |



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

|                  |           |   |                         |                       |                         |                         |                       |
|------------------|-----------|---|-------------------------|-----------------------|-------------------------|-------------------------|-----------------------|
| <b>504004060</b> |           | <b>Culture Gender and Social Service Development</b>                    | <b>60,000,000.00</b>    | <b>-60,000,000.00</b> | <b>0</b>                | <b>0</b>                | <b>0</b>              |
|                  | 504014060 | Culture, Gender and Social services                                     | 60,000,000.00           | -60,000,000.00        | 0                       | 0                       | 0                     |
| <b>702004060</b> |           | <b>Leadership and Co-ord of County Administration and Departments</b>   | <b>0</b>                | <b>0</b>              | <b>0</b>                | <b>1,055,130.00</b>     | <b>-1,055,130.00</b>  |
|                  | 702014060 | General Administration and support services                             | 0                       | 0                     | 0                       | 702,330.00              | -702,330.00           |
|                  | 702024060 | Public Sector Advisory Services   | 0                       | 0                     | 0                       | 352,800.00              | -352,800.00           |
| <b>703004060</b> |           | <b>Leadership and Admin of HR mgnt and dev in County Public Service</b> | <b>78,962,096.00</b>    | <b>-10,544,291.00</b> | <b>68,417,805.00</b>    | <b>56,220,256.80</b>    | <b>12,197,548.20</b>  |
|                  | 703014060 | General Administration and support services                             | 0                       | 0                     | 0                       | 0                       | 0                     |
|                  | 703024060 | Human Resource development and management services                      | 78,962,096.00           | -10,544,291.00        | 68,417,805.00           | 56,220,256.80           | 12,197,548.20         |
| <b>704004060</b> |           | <b>Public Finance Management and Economic Policy and Strategy</b>       | <b>1,307,460,720.00</b> | <b>856,390,133.00</b> | <b>2,163,850,853.00</b> | <b>1,704,883,133.25</b> | <b>458,967,719.75</b> |
|                  | 704014060 | General Administration and support services                             | 1,024,992,846.00        | 872,653,271.00        | 1,903,382,593.00        | 1,462,170,275.60        | 441,212,317.40        |
|                  | 704024060 | financial management services   | 248,376,722.00          | -12,245,552.00        | 232,932,694.00          | 217,436,630.65          | 15,496,063.35         |



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

|                   |               |  |                       |                       |                         |                       |                       |
|-------------------|---------------|--|-----------------------|-----------------------|-------------------------|-----------------------|-----------------------|
|                   | 704034<br>060 | Economic planning services   | 34,091,152.00         | -4,017,586.00         | 27,535,566.00           | 25,276,227.00         | 2,259,339.00          |
| <b>705004060</b>  |               | <b>Admin &amp; co-ord of county affairs, HR Dev, Mngt, Capacity Building</b> | <b>54,309,000.00</b>  | <b>-6,093,482.00</b>  | <b>48,215,518.00</b>    | <b>43,922,475.20</b>  | <b>4,293,042.80</b>   |
|                   | 705034<br>060 | Human resource development and management                                    | 54,309,000.00         | -6,093,482.00         | 48,215,518.00           | 43,922,475.20         | 4,293,042.80          |
| <b>706004060</b>  |               |  | <b>864,385,026.00</b> | <b>216,005,022.00</b> | <b>1,080,390,048.00</b> | <b>961,434,647.40</b> | <b>118,955,400.60</b> |
|                   | 706014<br>060 | General Administration Planning and Support Services                         | 864,385,026.00        | 216,005,022.00        | 1,080,390,048.00        | 961,434,647.40        | 118,955,400.60        |
| <b>707004060</b>  |               |  | <b>60,710,000.00</b>  | <b>-1,485,562.00</b>  | <b>59,224,438.00</b>    | <b>56,003,876.15</b>  | <b>3,220,561.85</b>   |
|                   | 707014<br>060 | Representation services  | 60,710,000.00         | -1,485,562.00         | 59,224,438.00           | 56,003,876.15         | 3,220,561.85          |
| <b>901004060</b>  |               | <b>Promotion and development of sports; Youth services</b>                   | <b>259,708,552.00</b> | <b>-81,527,750.00</b> | <b>178,180,802.00</b>   | <b>146,151,853.10</b> | <b>32,028,948.90</b>  |
|                   | 901014<br>060 | General administration and support services                                  | 259,708,552.00        | -81,527,750.00        | 178,180,802.00          | 146,151,853.10        | 32,028,948.90         |
|                   | 901024<br>060 | Sporting activities  | 0                     | 0                     | 0                       | 0                     | 0                     |
|                   | 901034<br>060 | Youth affairs  | 0                     | 0                     | 0                       | 0                     | 0                     |
| <b>902004060</b>  |               |  | <b>66,249,021.00</b>  | <b>-5,096,270.00</b>  | <b>61,152,751.00</b>    | <b>49,547,151.00</b>  | <b>11,605,600.00</b>  |
|                   | 902014<br>060 | ICT Services   | 66,249,021.00         | -5,096,270.00         | 61,152,751.00           | 49,547,151.00         | 11,605,600.00         |
| <b>1001004060</b> |               | <b>Water Resources Mngt, Environment Protection and Conservation</b>         | <b>204,944,735.00</b> | <b>41,842,057.00</b>  | <b>246,786,792.00</b>   | <b>136,720,514.45</b> | <b>110,066,277.55</b> |



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

|                        |                |   |                          |                         |                          |                          |                         |
|------------------------|----------------|---|--------------------------|-------------------------|--------------------------|--------------------------|-------------------------|
|                        | 100101<br>4060 | General<br>administration and<br>support services | 0                        | 0                       | 0                        | 0                        | 0                       |
|                        | 100102<br>4060 | Environmental<br>management                       | 55,944,735.00            | -10,775,435.00          | 45,169,300.00            | 13,947,040.00            | 31,222,260.00           |
|                        | 100103<br>4060 | Water provision<br>and management                 | 144,000,000.00           | 57,617,492.00           | 201,617,492.00           | 122,773,474.45           | 78,844,017.55           |
|                        | 100105<br>4060 | Renewable Energy<br>and Climate<br>Change         | 5,000,000.00             | -5,000,000.00           | 0                        | 0                        | 0                       |
| <b>100200406<br/>0</b> |                |   | <b>241,811,792.00</b>    | <b>57,148,091.00</b>    | <b>298,959,883.00</b>    | <b>266,036,939.75</b>    | <b>32,922,943.25</b>    |
|                        | 100201<br>4060 | General<br>Administration and<br>Support Services | 241,811,792.00           | 57,148,091.00           | 298,959,883.00           | 266,036,939.75           | 32,922,943.25           |
|                        |                | <b>Grand Total</b>                                | <b>15,234,308,335.00</b> | <b>2,404,178,019.00</b> | <b>17,638,486,354.00</b> | <b>14,557,156,202.00</b> | <b>3,081,330,152.00</b> |

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

10

11

12

## **6.8. SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the entity 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 Kiambu County Government. The financial statements encompass the reporting entity as specified under section 164 of the PFM Act 2012.

### **3. Recognition of receipts and payments**

#### **a) Recognition of receipts**

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

#### **Tax receipts**

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

#### **Transfers from the Exchequer**

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



## **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **External Assistance**

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

#### **Donations and grants**

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

#### **Proceeds from borrowing**

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

#### **Undrawn external assistance**

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

### **County Own Generated Receipts**

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

### **Returns to CRF Issues**

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

### **b) Recognition of payments**

The entity recognises all expenses when the event occurs and the related cash has actually been paid out by the entity.

100

100

100

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Compensation of employees**

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

**Use of goods and services**

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

**Interest on borrowing**

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

**Repayment of borrowing (principal amount)**

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

**Acquisition of fixed assets**

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

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

**4. In-kind contributions**

In-kind contributions are donations that are made to Kiambu 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 Kiambu 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.

Handwritten notes and markings along the right edge of the page, including a small circle and several lines of illegible text.

**KIAMBU COUNTY GOVERNMENT**

Reports and Financial Statements

For the year ended June 30, 2020

---

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Third Party Payments**

This relates to payments done directly to supplier on behalf of the county governments such as; national government may fund the operation of health or education program, a donor may pay directly for construction of a given market etc. Details of payments by third parties on behalf of the county government is detailed in the notes to this financial statement.

**6. Cash and cash equivalents**

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

**Restriction on cash**

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2020, this amounted to KShs 146,487,412 compared to KShs 129,714,136 in prior period as indicated on note 22.

There were no other restrictions on cash during the year

**7. Accounts Receivable**

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

**8. Accounts Payable**

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



**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**9. Non-current assets**

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

**10. Pending bills**

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

**11. Contingent Liabilities**

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the 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 Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. Annex 6 of this financial statement is a register of the contingent liabilities in the year.

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

100

100

100

## SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 12. Contingent Assets

The Entity 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 Entity 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 *entity'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 28<sup>th</sup> June 2020 for the period 1<sup>st</sup> July 2019 to 30 June 2020 as required by law. There were two supplementary budgets passed in March and May 2020 for the year. A high-level assessment of the Kiambu actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

### 14. Comparative figures

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

### 15. Subsequent events

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

### 16. Errors

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

### 17. Related party transactions

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



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

NOTES TO THE FINANCIAL STATEMENTS

1. EXCHQUER RELEASES

|  | 2019 - 2020          | 2018 - 2019          |
|--|----------------------|----------------------|
|  | KShs                 | KShs                 |
| Total Exchequer Releases for quarter 1 | 1,641,115,800        | 1,991,947,838        |
| Total Exchequer Releases for quarter 2 | 1,697,706,000        | 2,620,016,000        |
| Total Exchequer Releases for quarter 3 | 2,688,034,500        | 2,479,658,000        |
| Total Exchequer Releases for quarter 4 | 2,593,717,500        | 2,265,578,162        |
| <b>Total</b>                           | <b>8,620,573,800</b> | <b>9,357,200,000</b> |

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

1. Equitable Share

| Description                         | 2019 - 2020          | 2018 - 2019          |
|-------------------------------------|----------------------|----------------------|
|                                     | KShs                 | KShs                 |
| Total Equitable Share for quarter 1 | 1,641,115,800        | 1,991,947,838        |
| Total Equitable Share for quarter 2 | 1,697,706,000        | 2,620,016,000        |
| Total Equitable Share for quarter 3 | 2,688,034,500        | 2,479,658,000        |
| Total Equitable Share for quarter 4 | 2,593,717,500        | 2,265,578,162        |
| <b>Total</b>                        | <b>8,620,573,800</b> | <b>9,357,200,000</b> |

2A: Proceeds from Domestic and Foreign Grants. Transfers Level 5 Hospitals

| Description                     | 2019 - 2020        | 2018 - 2019        |
|---------------------------------|--------------------|--------------------|
|                                 | KShs               | KShs               |
| Transfers for level 5 hospitals | 538,716,764        | 538,716,763        |
| <b>Total</b>                    | <b>538,716,764</b> | <b>538,716,763</b> |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2B: Proceeds from Domestic and Foreign Grants

| Description   | 2019 - 2020          | 2018 - 2019          |
|---|----------------------|----------------------|
|   | KShs                 | KShs                 |
| DANIDA - Universal Healthcare in Devolved Units Programme       | 38,367,500           | 32,400,000           |
| World Bank – THUSCP   | 0                    | 0                    |
| National Agricultural & Rural Inclusive Growth Project (NARIGP) | 230,751,500          | 50,078,476           |
| Kenya Devolution Support Programme                              | 30,000,000           | 289,565,839          |
| Youth Polytechnic support grant                                 | 55,113,298           | 51,423,050           |
| Abolishment of user fees in health centres and dispensaries     | 0                    | 0                    |
| Kenya Urban Support Programme                                   | 1,357,735,360        | 1,927,193,000        |
| Agriculture Sector Development Support Project (ASDSP)          | 11,452,110           | 7,452,110            |
| Kenya Climate Smart Agriculture Project (KCSAP)                 | 0                    | 0                    |
| COVID   | 185,492,000          | 0                    |
| <b>Total</b>  | <b>1,908,911,768</b> | <b>2,358,112,475</b> |

3. Transfers From Other Government Entities

| Name of Donor  | Date received | Amount in foreign currency | 2019 - 2020        | 2018 - 2019        |
|--|---------------|----------------------------|--------------------|--------------------|
|  |               |                            | KShs               | KShs               |
| <b>Grants Received from Bilateral Donors (Foreign Governments)</b> |               |                            |                    |                    |
| Fuel Levy  |               |                            | 267,725,062        | 302,930,786        |
| User fees foregone   |               |                            | 34,671,542         | 34,671,541         |
| Special health UHC   |               |                            | 80,079,439         | 120,524,297        |
| <b>Total</b>   |               |                            | <b>382,476,043</b> | <b>458,126,623</b> |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. PROCEEDS FROM DOMESTIC BORROWINGS

|  | 2019 - 2020 | 2018 - 2019 |
|--|-------------|-------------|
|  | KShs        | KShs        |
| Borrowing within General Government                          | 0           | 0           |
| Borrowing from Monetary Authorities<br>(Central Bank)        | 0           | 0           |
| Other Domestic Depository Corporations<br>(Commercial Banks) | 0           | 0           |
| Borrowing from Other Domestic Financial<br>Institutions      | 0           | 0           |
| Borrowing from Other Domestic Creditors                      | 0           | 0           |
| Domestic Currency and Domestic Deposits                      | 0           | 0           |
| <b>Total</b>   | <b>0</b>    | <b>0</b>    |

5. PROCEEDS FROM FOREIGN BORROWINGS

|  | 2019 - 2020 | 2018 - 2019 |
|--|-------------|-------------|
|  | KShs        | KShs        |
| Foreign Borrowing – Draw-downs Through Exchequer | 0           | 0           |
| Foreign Borrowing - Direct Payments              | 0           | 0           |
| Foreign Currency and Foreign Deposits            | 0           | 0           |
| <b>Total</b>                                     | <b>0</b>    | <b>0</b>    |

6. PROCEEDS FROM SALE OF ASSETS

|  | 2019 - 2020 | 2018 - 2019 |
|--|-------------|-------------|
|  | KShs        | KShs        |
| Receipts from the Sale of Buildings                          | 0           |             |
| Receipts from Sale of Vehicles and Transport Equipment       | 0           | 0           |
| Receipts from Sale of Plant Machinery and Equipment          | 0           | 0           |
| Receipts from Sale of Certified Seeds and Breeding Stock     | 0           | 0           |
| Receipts from Sale of Strategic Reserves Stocks              | 0           | 0           |
| Receipts from Sale of Inventories, Stocks and<br>Commodities | 0           | 0           |
| Disposal and Sales of Non-Produced Assets                    | 0           | 0           |

10

11

12

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

|       |   |   |
|-------|---|---|
| Total | 0 | 0 |
|-------|---|---|

**7.REIMBURSEMENTS AND REFUNDS**

|   | 2019 - 2020 | 2018 - 2019 |
|---|-------------|-------------|
|   | KShs        | KShs        |
| Refund from World Food Programme (WFP)                | 0           | 0           |
| Reimbursement of Audit Fees                           | 0           | 0           |
| Reimbursement on Messing Charges (UNICEF)             | 0           | 0           |
| Reimbursement from World Bank – ECD                   | 0           | 0           |
| Reimbursement from Individuals& Private Organisations | 0           | 0           |
| Reimbursement from Local Government Authorities       | 0           | 0           |
| Reimbursement from Statutory Organisations            | 0           | 0           |
| Reimbursement within Central Government               | 0           | 0           |
| Reimbursement Using Bonds                             | 0           | 0           |
| <b>Total</b>  | <b>0</b>    | <b>0</b>    |

10

11

12

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8.RETURNS OF EQUITY HOLDINGS

|   | 2019 - 2020 | 2018 - 2019 |
|---|-------------|-------------|
|   | KShs        | KShs        |
| Returns of Equity Holdings in Domestic Organisations      | 0           | 0           |
| Returns of Equity Holdings in International Organisations | 0           | 0           |
| <b>Total</b>  | <b>0</b>    | <b>0</b>    |

9.COUNTY OWN GENERATED RECEIPTS

|  | 2019 - 2020 | 2018 - 2019 |
|--|-------------|-------------|
|  | KShs        | KShs        |
| Receipts from Administrative Fees and Charges - Collected as AIA |             |             |
| Receipts from Sales by Non-Market Establishments                 |             | 2,832,869   |
| Receipts from Sale of Incidental Goods                           |             |             |
| Fines, Penalties and Forfeitures                                 |             |             |
| Receipts from Voluntary transfers other than grants              |             |             |
| Business permits   | 185,192,395 | 320,989,646 |
| Cess   | 95,050,081  | 115,085,406 |
| Poll rates   | 241,976,369 | 333,830,728 |
| Plot rents   |             | 25,480,144  |
| Local levies   |             |             |
| Administrative services fees                                     | 49,307,164  | 71,674,908  |
| Long term loans (over 3 yr repayment)                            |             |             |
| Councils Natural resources exportation                           | 11,374,507  |             |
| Agriculture, livestock and fisheries                             | 7,630,548   |             |
| Fund raising events  |             |             |
| Market/trade Centre fee  | 33,359,712  | 31,143,950  |
| Vehicle parking fees   | 230,746,433 | 221,824,347 |
| Housing  | 17,090,205  |             |
| Social premises use charges                                      |             |             |
| School fees  |             | 224,234     |
| Other education-related receipts                                 | 18,000      |             |
| Public health services   |             |             |
| Public health facilities operations                              | 916,247,059 | 962,654,502 |
| Environment & conservancy Administration                         | 48,308,462  | 57,411,897  |
| Slaughterhouses administration                                   | 36,865,578  | 110,404,322 |
| Water supply administration                                      |             |             |



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

|                                    | 2019 - 2020          | 2018 - 2019          |
|------------------------------------|----------------------|----------------------|
| Sewerage administration            |                      |                      |
| Other health & sanitation receipts |                      |                      |
| Technical services fees            | 497,407,107          | 483,910,889          |
| Liquor licenses management unit    | 89,120,787           |                      |
| Other miscellaneous receipts       | 6,650,702            |                      |
| <b>Total</b>                       | <b>2,466,345,109</b> | <b>2,737,467,842</b> |

**10. RETURNED CRF ISSUES**

|                     | 2019 - 2020          | 2018 - 2019        |
|---------------------|----------------------|--------------------|
|                     | KShs                 | KShs               |
| Recurrent account   | 1,201,095,086        | 774,055,367        |
| Development account | 0                    | 0                  |
| Deposit account     | 0                    | 0                  |
| <b>Total</b>        | <b>1,201,095,086</b> | <b>774,055,367</b> |

**11. COMPENSATION OF EMPLOYEES**

|   | 2019 - 2020          | 2018 - 2019          |
|---|----------------------|----------------------|
|   | KShs                 | KShs                 |
| Basic salaries of permanent employees           | 5,937,701,473        | 6,818,509,945        |
| Basic wages of temporary employees              | 273,037,810          | 356,063,820          |
| Personal allowances paid as part of salary      | 112,608,061          | 139,569,831          |
| Personal allowances paid as reimbursements      | 0                    | 0                    |
| Personal allowances provided in kind            | 0                    | 0                    |
| Pension and other social security contributions | 0                    | 0                    |
| Compulsory national social security schemes     | 81,241,273           | 109,653,591          |
| Compulsory national health insurance schemes    | 0                    | 0                    |
| Social benefit schemes outside government       | 0                    | 0                    |
| Other personnel payments                        | 0                    | 0                    |
| <b>Total</b>                                    | <b>6,404,588,617</b> | <b>7,423,797,187</b> |

100

100

100

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

12. USE OF GOODS AND SERVICES

|  | 2019 - 2020          | 2018 - 2019          |
|--|----------------------|----------------------|
|  | KShs                 | KShs                 |
| Utilities, supplies and services                             | 89,063,281           | 85,742,448           |
| Communication, supplies and services                         | 29,904,493           | 38,320,663           |
| Domestic travel and subsistence                              | 204,729,044          | 202,349,549          |
| Foreign travel and subsistence                               | 50,926,406           | 91,883,869           |
| Printing, advertising and information supplies & services    | 45,558,204           | 89,638,303           |
| Rentals of produced assets                                   | 482,400              | 9,359,023            |
| Training expenses  | 60,252,811           | 93,137,050           |
| Hospitality supplies and services                            | 76,574,068           | 86,936,634           |
| Insurance costs  | 198,187,195          | 181,327,100          |
| Specialized materials and services                           | 290,864,514          | 346,700,760          |
| Office and general supplies and services                     | 49,019,314           | 70,734,689           |
| Other operating expenses                                     | 306,550,186          | 240,538,131          |
| Fuel oil and lubricants                                      | 147,737,526          | 102,094,338          |
| Routine maintenance – vehicles and other transport equipment | 63,797,072           | 57,037,482           |
| Routine maintenance – other assets                           | 252,764,707          | 117,917,226          |
| <b>Total</b>   | <b>1,866,411,227</b> | <b>1,813,717,265</b> |

13. SUBSIDIES

| Description                      | 2019 - 2020 | 2018 - 2019 |
|----------------------------------|-------------|-------------|
|                                  | KShs        | KShs        |
| Subsidies to Public Corporations |             |             |
| <i>See list attached</i>         | 0           | 0           |
| (insert name)                    | 0           | 0           |

10

11

12

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

**14. TRANSFER TO OTHER GOVERNMENT ENTITIES**

| Description                                      | 2019 - 2020          | 2018 - 2019          |
|--|----------------------|----------------------|
|  | KShs                 | KShs                 |
| <b>Transfers to County Government entities</b>   |                      |                      |
| Assembly   | 971,372,957          | 1,102,824,375        |
|  |                      | 8,891,477            |
| Other current transfer, Grants and subsidies     | 640,378,226          | 642,835,119          |
| Other capital grants and Transfers               | 2,738,121,333        | 3,468,085,143        |
| <b>Transfers to National Government entities</b> |                      |                      |
| Transfer to the Council of Governors             |                      |                      |
| <b>TOTAL</b>                                     | <b>4,349,872,517</b> | <b>5,222,636,114</b> |

**15. OTHER GRANTS AND PAYMENTS**

|  | 2019 - 2020        | 2018 - 2019        |
|--|--------------------|--------------------|
|  | KShs               | KShs               |
| Scholarships and other educational benefits                    | 100,000,000        | 102,500,00         |
| Emergency relief and refugee assistance                        | 0                  | 50,150             |
| Subsidies to small businesses, cooperatives, and self employed | 0                  |                    |
| <b>Total</b>   | <b>100,000,000</b> | <b>102,550,150</b> |

100

100

100

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. SOCIAL SECURITY BENEFITS

|  | 2019 - 2020       | 2018 - 2019       |
|--|-------------------|-------------------|
|  | KShs              | KShs              |
| Government pension and retirement benefits   | 18,550,821        | 31,706,668        |
| Social security benefits in cash and in kind | 0                 | 0                 |
| Employer Social Benefits in cash and in kind | 0                 | 0                 |
| <b>Total</b>                                 | <b>18,550,821</b> | <b>31,706,668</b> |

17. ACQUISITION OF ASSETS

| <b>Non-Financial Assets</b>                                  | 2019 - 2020          | 2018 - 2019          |
|--|----------------------|----------------------|
|  | KShs                 | KShs                 |
| Purchase of Buildings  |                      |                      |
| Construction of Buildings                                    | 350,094,626          | 250,511,251          |
| Refurbishment of Buildings                                   | 38,578,391           | 29,972,681           |
| Construction of Roads  | 765,870,093          | 384,448,743          |
| Construction and Civil Works                                 | 404,888,754          | 358,639,384          |
| Overhaul and Refurbishment of Construction and Civil Works   |                      | 7,700,000            |
| Purchase of Vehicles and Other Transport Equipment           | 21,168,635           | 32,211,724           |
| Overhaul of Vehicles and Other Transport Equipment           |                      |                      |
| Purchase of Household Furniture and Institutional Equipment  | 2,255,363            | 4,876,744            |
| Purchase of Office Furniture and General Equipment           | 36,005,494           | 18,360,494           |
| Purchase of ICT Equipment                                    |                      | 26,172,994           |
| Purchase of Specialized Plant, Equipment and Machinery       | 86,666,145           |                      |
| Rehabilitation and Renovation of Plant, Machinery and Equip. |                      |                      |
| Purchase of Certified Seeds, Breeding Stock and Live Animals | 55,218,764           | 40,446,380           |
| Research, Studies, Project Preparation, Design & Supervision | 9,552,196            | 2,918,476            |
| Rehabilitation of Civil Works                                | 47,434,554           | 6,439,252            |
| Acquisition of Strategic Stocks and commodities              |                      |                      |
| Acquisition of Land  |                      |                      |
| Acquisition of Intangible Assets                             |                      |                      |
| <b>Total acquisition of non- financial assets</b>            |                      |                      |
| <b>Financial Assets</b>                                      |                      |                      |
| Domestic Public Non-Financial Enterprises                    |                      |                      |
| Domestic Public Financial Institutions                       |                      |                      |
| <b>Total acquisition of financial assets</b>                 |                      |                      |
| <b>Total acquisition of assets</b>                           | <b>1,817,733,017</b> | <b>1,162,698,123</b> |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. FINANCE COSTS, INCLUDING LOAN INTEREST

|   | 2019 - 2020 | 2018 - 2019 |
|---|-------------|-------------|
|   | KShs        | KShs        |
| Exchange Rate Losses                                    | 0           | 0           |
| Interest Payments on Foreign Borrowings                 | 0           | 0           |
| Interest Payments on Guaranteed Debt Taken over by Govt | 0           | 0           |
| Interest on Domestic Borrowings (Non-Govt)              | 0           | 0           |
| Interest on Borrowings from Other Government Units      | 0           | 0           |
| <b>Total</b>  | <b>0</b>    | <b>0</b>    |

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

|  | 2019 - 2020 | 2018 - 2019 |
|--|-------------|-------------|
|  | KShs        | KShs        |
| Repayments on Borrowings from Domestic                           | 0           | 0           |
| Principal Repayments on Guaranteed Debt Taken over by Government | 0           | 0           |
| Repayments on Borrowings from Other Domestic Creditors           | 0           | 0           |
| Repayment of Principal from Foreign Lending & On -- Lending      | 0           | 0           |
| <b>Total</b>   | <b>0</b>    | <b>0</b>    |

20. OTHER PAYMENTS

|                            | 2019 - 2020 | 2018 - 2019 |
|----------------------------|-------------|-------------|
|                            | KShs        | KShs        |
| Budget Reserves            | 0           | 0           |
| Civil Contingency Reserves | 0           | 0           |
| Other payments             | 0           | 0           |
|                            | <b>0</b>    | <b>0</b>    |



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

CASH AND BANK BALANCES

21A. BANK BALANCES

| Name of Bank, Account No. & currency  | Amount in bank account currency | Indicate whether recurrent Development deposit receipts etc. | Ex. rate (if in foreign currency) | 2019 – 2020<br>KShs | 2018 – 2019<br>KShs |
|---------------------------------------|---------------------------------|--|-----------------------------------|---------------------|---------------------|
| CBK 10000170409                       | Kshs                            | Recurrent  |                                   | 344.40              | 338.75              |
| CBK 10000170457                       | Kshs                            | Development  |                                   | 62,103              | 3,271,798           |
| CBK 10000170646                       | Kshs                            | Revenue  |                                   | 602,470,815         | 1,276,158,570       |
| CBK 10000299142                       | Kshs                            | Deposit  |                                   | 146,487,412         | 129,714,136         |
| Fuel levy 10000250836                 | Kshs                            | Development  |                                   |                     | 4,311,478           |
| Operations Family Bank 001000044058   | Kshs                            | Recurrent  |                                   | 47.18               | 3,397               |
| Ruiru Sub county                      | Kshs                            | Recurrent  |                                   | 556                 |                     |
| Thika Sub county 01141558368800       | Kshs                            | Recurrent  |                                   |                     |                     |
| Juja Sub County 005000048212          | Kshs                            | Recurrent  |                                   |                     |                     |
| Kiambu Sub County 001000030774        | Kshs                            | Recurrent  |                                   |                     |                     |
| Kabete Sub County 102000016634        | Kshs                            | Recurrent  |                                   |                     |                     |
| Kikuyu Sub County 102000016536        | Kshs                            | Recurrent  |                                   | 4,339               |                     |
| Lari Sub County 047000027126          | Kshs                            | Recurrent  |                                   | 147,445             |                     |
| Kiambaa Sub County 051000011625       | Kshs                            | Recurrent  |                                   |                     |                     |
| Limuru Sub County 047000027118        | Kshs                            | Recurrent  |                                   |                     |                     |
| Githunguri Sub County 002000028063    | Kshs                            | Recurrent  |                                   |                     |                     |
| Gatundu North Sub County 004000028892 | Kshs                            | Recurrent  |                                   |                     |                     |
| Gatundu South Sub County              | Kshs                            | Recurrent  |                                   |                     |                     |



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

|  |      |           |  |                       |                      |
|--|------|-----------|--|-----------------------|----------------------|
| 005000048221                                   |      |           |  |                       |                      |
| Nyathuna Dispensary<br>01141678108800          | Kshs | Receipt   |  | 4,875                 |                      |
| Wangige Dispensary<br>01141678108500           | Kshs | Receipt   |  | 35,505                |                      |
| Cooperative Revenue<br>collection 114137154502 | Kshs | Receipt   |  | 11,843,258            | 133,549              |
| KCB Revenue collection<br>1164796372           | Kshs | Receipt   |  | 935                   | 168,538              |
| Cooperative Operations<br>1141371543500        | Kshs | Recurrent |  |                       |                      |
| <b>TOTAL</b>                                   |      |           |  | <b>761,057,633.33</b> | <b>1,413,761,804</b> |

**21B. CASH IN HAND**

|  | 2019 - 2020 | 2018 - 2019 |
|--|-------------|-------------|
|  | KShs        | KShs        |
| Cash in Hand – Held in domestic currency | 0           | 0           |
| Cash in Hand – Held in foreign currency  | 0           | 0           |
| <b>Total</b>                             | <b>0</b>    | <b>0</b>    |

Cash in hand should also be analysed as follows:

|              | 2019 - 2020 | 2018 - 2019 |
|--------------|-------------|-------------|
|              | KShs        | KShs        |
| Location 1   | 0           | 0           |
| Location 2   | 0           | 0           |
| Location 3   | 0           | 0           |
| <b>Total</b> | <b>0</b>    | <b>0</b>    |

100

100

100

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22.ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

| <i>Description</i>  | 2019 - 2020       | 2018 - 2019       |
|---------------------|-------------------|-------------------|
|                     | KShs              | KShs              |
| Government Imprests | 72,496,556        | 43,141,833        |
| Clearance accounts  |                   |                   |
| <b>Total</b>        | <b>72,496,556</b> | <b>43,141,833</b> |

| <i>Name of Officer or Institution</i> | <i>Date Imprest Taken</i> | <i>Amount Taken</i> | <i>Amount Surrendered</i> | <i>Balance</i>    |
|---------------------------------------|---------------------------|---------------------|---------------------------|-------------------|
|                                       |                           |                     | KShs                      | KShs              |
| Executive department                  | Various dates             |                     |                           | 22,174,420        |
| County Public Service Board           | Various dates             |                     |                           | 4,149,644         |
| Finance Department                    | Various dates             |                     |                           | 13,531,865        |
| Administration department             | Various dates             |                     |                           | 3,265,811         |
| Agriculture department                | Various dates             |                     |                           | 2,324,100         |
| Water department                      | Various dates             |                     |                           | 1,848,280         |
| Health department                     | Various dates             |                     |                           | 2,378,300         |
| Education department                  | Various dates             |                     |                           | 1,819,215         |
| Youth Department                      | Various dates             |                     |                           | 7,866,982         |
| Planning Department                   | Various dates             |                     |                           | 5,252,766         |
| Trade Department                      | Various dates             |                     |                           | 1,113,020         |
| Roads Department                      | Various dates             |                     |                           | 2,746,945         |
| Livestock Department                  | Various dates             |                     |                           | 4,025,208         |
|                                       |                           |                     |                           |                   |
| <b>Total</b>                          |                           |                     |                           | <b>72,496,556</b> |

23.ACCOUNTS PAYABLE

|                  | 2019 - 2020        | 2018 - 2019        |
|------------------|--------------------|--------------------|
|                  | KShs               | KShs               |
|                  |                    |                    |
| Deposits         | 146,487,804        | 129,714,136        |
| Retention monies | 0                  | 0                  |
| <b>Total</b>     | <b>146,487,412</b> | <b>129,714,136</b> |



KIAMBU COUNTY GOVERNMENT

Reports and Financial Statements

For the year ended June 30, 2020

**24.FUND BALANCE BROUGHT FORWARD**

|                      | 2019 - 2020          | 2018 - 2019        |
|----------------------|----------------------|--------------------|
|                      | KShs                 | KShs               |
| Bank accounts        | 1,413,761,804        | 857,990,008        |
| Cash in hand         | 0                    | 20,470             |
| Accounts Receivables | 43,141,833           | 5,153,806          |
| Accounts Payables    | -129,714,136         | -83,955,112        |
| <b>Total</b>         | <b>1,327,189,501</b> | <b>779,209,172</b> |



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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

|   | Balance b/f<br>FY 2018/2019<br>as per<br>Financial<br>statements | Adjustments           | Adjusted<br>Balance b/f<br>FY<br>2018/2019 |
|---|--|-----------------------|--|
| Description of the error                      | Kshs   | Kshs                  | Kshs0                                      |
| Bank Rec Account 1000170409                   | 338.75   | -338.75               | 0  |
| Bank Dev Account 1000170457                   | 943,818  | -943,818              | 0  |
| Bank Dev account 100170457                    | 1,087,651  | -1,087,651            | 0  |
| Road Maintenance Fuel levy Fund<br>1000250836 | 4,311,476  | -4,311,476            | 0  |
| Revenue Account                               | 1,194,751,803  | -1,194,751,803        | 0  |
|   | <b>1,201,095,086</b>   | <b>-1,201,095,086</b> |  |

In the previous year, the bank balances in Revenue, Development and Recurrent accounts that were available at the closure of the year and were returned to the CRF at the beginning of the current financial year as per the PFM Act.

**26. CHANGES IN RECEIVABLES**

| Description of the error                                | 2019 - 2020<br>KShs | 2018 - 2019<br>KShs |
|---|---------------------|---------------------|
| Outstanding Imprest as at 1 <sup>st</sup> July 2019 (A) | 43,141,833          |                     |
| Imprest issued during the year (B)                      | xxx                 |                     |
| Imprest surrendered during the Year (C)                 | xxx                 |                     |
| Net changes in account receivables D= A+B-C             | <b>72,496,556</b>   |                     |

**27. CHANGES IN ACCOUNTS PAYABLES – DEPOSITS AND RETENTIONS**

| Description of the error                                   | 2019 - 2020<br>KShs | 2018 - 2019<br>KShs |
|--|---------------------|---------------------|
| Deposit and Retentions as at 1 <sup>st</sup> July 2019 (A) | 129,714,136         |                     |
| Deposit and Retentions held during the year (B)            | 48,284,094          |                     |
| Deposit and Retentions paid during the Year                | 31,601,600          |                     |
| Net changes in account receivables D= A+B-C                | <b>146,396,630</b>  |                     |



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

6.9. OTHER IMPORTANT DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 2)

| Description                 | Balance b/f          | Additions for the period | Paid during the year | Balance c/f          |
|-----------------------------|----------------------|--------------------------|----------------------|----------------------|
|                             | FY 2018/2019         |                          |                      | FY 2019/2020         |
|                             | Kshs                 | Kshs                     | Kshs                 | Kshs                 |
| Description                 | Kshs                 | Kshs                     | Kshs                 | Kshs                 |
| Construction of buildings   | 179,944,427          | 385,711,597              | 211,002,858          | 354,653,166          |
| Construction of civil works | 535,630,250          | 1,352,579,132            | 150,524,780          | 1,737,684,602        |
| Supply of goods             | 336,400,200          | 1,333,064,681            | 636,956,228          | 1,032,508,653        |
| Supply of services          | 218,625,630          | 223,233,193              | 185,702,543          | 256,156,280          |
| Staffs payable              | 6,534,020            | 8,674,629                | 10,473,708           | 4,734,941            |
| Other pending bills payable | 849,000,140          | 431,229,048              | 370,944,821          | 909,284,367          |
| <b>Total</b>                | <b>2,126,134,667</b> | <b>3,955,551,738</b>     | <b>1,565,604,938</b> | <b>4,295,022,009</b> |

2 External Assistance

| Description   | FY 2019/2020 | FY 2018/2019 |
|---|--------------|--------------|
|   | Kshs         | Kshs         |
| External assistance received in cash                              | 0            | 0            |
| External assistance received as loans and grants                  | 0            | 0            |
| External assistance received in kind- as payment by third parties | 0            | 0            |
| <b>Total</b>  | <b>0</b>     | <b>0</b>     |

a) External assistance relating loans and grants

| Description                            | FY 2019/2020 | FY 2018/2019 |
|--|--------------|--------------|
|  | Kshs         | Kshs         |
| External assistance received as loans  | 0            | 0            |
| External assistance received as grants | 0            | 0            |
| <b>Total</b>                           | <b>0</b>     | <b>0</b>     |

b) Undrawn external assistance

| Purpose for which the | FY 2019/2020 | FY |
|-----------------------|--------------|----|
|-----------------------|--------------|----|



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

| Description                          | undrawn external assistance may be used | 2018/2019 |          |
|--------------------------------------|---|-----------|----------|
|                                      |   | Kshs      | Kshs     |
| Undrawn external assistance - loans  |   | 0         | 0        |
| Undrawn external assistance - grants |   | 0         | 0        |
| <b>Total</b>                         |   | <b>0</b>  | <b>0</b> |

*c. Classes of providers of external assistance*

| Description   | FY 2019/2020         | FY 2018/2019         |
|---|----------------------|----------------------|
|   | Kshs                 | Kshs                 |
| Multilateral donors<br>(DANIDA, NAGRIP, KDSP, YPSG,<br>KUSP, ASDSP) | 2,447,628,533        | 2,358,112,475        |
| Bilateral donors  | 0                    | 0                    |
| International assistance organization                               | 0                    | 0                    |
| NGOs  | 0                    | 0                    |
| National Assistance Organization                                    | 0                    | 0                    |
| <b>Total</b>  | <b>2,447,628,533</b> | <b>2,358,112,475</b> |

*d. Non-monetary external assistance*

| Description  | FY 2019/2020      | FY 2018/2019 |
|--------------|-------------------|--------------|
|              | Kshs              | Kshs         |
| Goods        | 42,753,200        | 0            |
| Services     | 0                 | 0            |
| <b>Total</b> | <b>42,753,200</b> | <b>0</b>     |

*This may occur when goods such as vehicles, computers, medical equipment, food aid etc are contributed to a county by donors, NGO etc*

*N/B : Disclose the basis on which the value of goods and services were determined ( This may be by : depreciated historical cost of physical assets, price attached on the goods, an assessment of value by the management of transferor, recipient on Third Party, Fair value measurement.*

*e.... Purpose and use of external assistance*

| PAYMENTS MADE BY THIRD PARTIES      | FY 2019/2020 | FY 2018/2019 |
|-------------------------------------|--------------|--------------|
| Compensation of Employees           | 0            | 0            |
| Use of goods and services           | 50,253,200   | 0            |
| Subsidies                           | 0            | 0            |
| Transfers to Other Government Units | 0            | 0            |
| Other grants and transfers          | 0            | 0            |



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

|  |                   |          |
|--|-------------------|----------|
| Social Security Benefits                                 | 0                 | 0        |
| Acquisition of Assets                                    | 0                 | 0        |
| Finance Costs, including Loan Interest                   | 0                 | 0        |
| Repayment of principal on Domestic and Foreign borrowing | 0                 | 0        |
| Other Payments   | 0                 | 0        |
| <b>TOTAL</b>   | <b>50,253,200</b> | <b>0</b> |

*N/B The above sub-classification will be adopted based on the purpose of the external assistance and how the external assistance was used.*

**2. PAYMENTS BY THIRD PARTY ON BEHALF OF THE COUNTY**

*This relates to payments done directly to supplier on behalf of the county governments such as; national government may fund the operation of health or education program; a donor may pay directly for construction of a given market etc.*

*Classification by Source*

| Description                           | FY 2019/2020 | FY 2018/2019 |
|---------------------------------------|--------------|--------------|
|                                       | Kshs         | Kshs         |
| National government                   | 0            | 0            |
| Multilateral donors                   | 0            | 0            |
| Bilateral donors                      | 0            | 0            |
| International assistance organization | 0            | 0            |
| NGOs                                  | 0            | 0            |
| National Assistance Organization      | 0            | 0            |
| <b>Total</b>                          | <b>0</b>     | <b>0</b>     |

*Classification of payments made by Third Parties by Nature of expenses*

| PAYMENTS MADE BY THIRD PARTIES                           | FY 2019/2020 | FY 2018/2019 |
|--|--------------|--------------|
| Compensation of Employees                                | 0            | 0            |
| Use of goods and services                                | 0            | 0            |
| Subsidies  | 0            | 0            |
| Transfers to Other Government Units                      | 0            | 0            |
| Other grants and transfers                               | 0            | 0            |
| Social Security Benefits                                 | 0            | 0            |
| Acquisition of Assets                                    | 0            | 0            |
| Finance Costs, including Loan Interest                   | 0            | 0            |
| Repayment of principal on Domestic and Foreign borrowing | 0            | 0            |
| Other Payments   | 0            | 0            |
| <b>TOTAL</b>   | <b>0</b>     | <b>0</b>     |

*N/B The above subclassification will be adopted based on the appropriate county's operations*



### 3. RELATED PARTY DISCLOSURES

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

The following comprise of related parties to the County Government:

- Key management personnel that include the Governor, the Deputy Governor Members of the County Assembly, CECs and Chief Officers for various County Ministries and Departments;
- County Ministries and Departments;
- The National Government;
- Other County Governments; and
- State Corporations and Semi-Autonomous Government Agencies.

#### Related party transactions

|  | 2019-2020             | 2018-2019             |
|--|-----------------------|-----------------------|
|  | Kshs                  | Kshs                  |
| Key Management Compensation (Governors, CEC Members and COs) |                       | 0                     |
| <b>Transfers to related parties</b>                          |                       |                       |
| Transfer to the County Assembly                              |                       | 1,111,715,852         |
| Transfers to other County Government Entities                |                       | 0                     |
| Transfers to Development Projects                            |                       | 2,123,093,000         |
| Transfers to non reporting entities e.g schools and welfare  |                       | 0                     |
| Transfers to County Water Service Providers                  |                       | 0                     |
| Expenses paid on behalf of County Water Service Providers    |                       | 0                     |
| <b>Total Transfers to related parties</b>                    |                       | <b>3,234,808,852</b>  |
| <b>Transfers from related parties</b>                        |                       |                       |
| Transfers from the Exchequer                                 | 7,431,539,264         | 9,357,200,000         |
| Transfers from MDAs  | 2,447,628,533         | 2,358,112,475         |
| Transfers from SCs and SAGAs- National Government            | 382,476,044           | 358,126,679           |
| Local revenue  | 2,466,345,109         | 2,737,467,842         |
| <b>Total Transfers from related parties</b>                  | <b>12,727,988,950</b> | <b>16,223,679,072</b> |



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

**4. 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                  |
|--|----------------------------------|---------------|---|
| Kiambu Bursary Fund                                |                                  | Kiambu county | C.O Education ,Culture Gender & Social Services |
| Kiambu Alcoholics Drinks Control Fund              |                                  | Kiambu county | C.O Administration & Public Service             |
| Kiambu County Executive staff Mortgage Scheme Fund |                                  | Kiambu county | Deputy Director Accounting Services             |
| Kiambu County Jijenge Fund                         |                                  | Kiambu county | C.O Youth Affairs ,Sports ,Ict & Communication  |
| Kiambu County Emergency Fund                       |                                  | Kiambu county | C.E.C.M Finance & Economic Planning             |
| Kiambu Bursary Fund                                |                                  | Kiambu county | C.O Education ,Culture Gender & Social Services |

**5. 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 Banks, Account No. & currency | Amount in bank account currency | Ex. rate (if foreign currency) | 2019 - 2020       | 2018 - 2019    |
|---------------------------------------|---------------------------------|--------------------------------|-------------------|----------------|
|                                       |                                 |                                | KShs              | KShs           |
| Cooperative bank Ac 114137154502      | kshs                            |                                | 11,843,258        | 133,549        |
| KCB Ac 1164796372                     | Kshs                            |                                | 935               | 168,538        |
| <b>Total</b>                          |                                 |                                | <b>11,844,193</b> | <b>302,087</b> |

100

100

100

## 6. PROGRESS ON FOLLOW UP ON PRIOR YEAR AUDITOR'S RECOMMENDATIONS

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

| Reference No. on the external audit Report | Issue / Observation from Auditor  | Management comments   | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|---|--|-----------------------------------|--|
| 1.   | Variations Between the Financial Statements and IFMIS Figures   | <i>Reconciliation has been done and the documents are available for audit verifications.</i>  | Financial Reporting unit                                       | Partially resolved                |  |
| 1.3  | Variations Between the financial Statements and Supporting Schedules  | <i>A print out for the right schedule has been availed to support the figures in this report.</i>   | Financial reporting unit                                       | Resolved                          |  |
| 1.4  | Variations between 2018/2019 Comparative Figures and audited 2017/2018 financial statements                           | <i>The anomalies have been reconciled in the revised financial statements and there are no variances.</i>   | Financial reporting Unit                                       | Resolved                          |  |
| 1.5  | Variations between budget in the statement of Appropriation and statements of budget by programmes and sub-programmes | <i>The IFMIS system produces different figures for both reports and this is not a county specific issue but a system issue. We have communicated to The National treasury who are working to resolve the issue.</i> | Financial reporting unit/ In charge IFMIS                      | Not resolved                      | 3 Months   |

100

100

100

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

| Reference No. on the external audit Report | Issue / Observations from Auditor   | Management comments  | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|--|--|-----------------------------------|--|
| 2.1  | Accuracy of Opening Cash and Cash Equivalents                                     | <i>This presentation error has been addressed in the revised financial statement. Cash and cash equivalent in the revised Financial statement</i>  | Financial Reporting unit                                       | Resolved                          |  |
| 2.2  | Failure to Prepare Bank Reconciliation Statements                                 | <i>The bank reconciliation statements for various bank accounts as raised in the audit report has been prepared and are available for audit verification.</i>  | Financial Reporting unit                                       | Resolved                          |  |
| 2.3  | Variations between the Financial Statements and the Reconciled Cash Book Balances | <i>The cash and bank balances as disclosed in the revised financial statement agree with the reconciled cashbook balances. However;</i><br><br><i>a. The variance in CBK Development account 100001704</i> | Financial Reporting unit                                       | Resolved                          |  |



KIAMBU COUNTY GOVERNMENT

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

| Reference<br>No. on<br>the<br>external<br>audit<br>Report | Issue / Observations<br>from Auditor | Management<br>comments  | Focal Point<br>person to<br>resolve the<br>issue (Name<br>and<br>designation) | Status: (Put a date<br>when you<br>expect the<br>issue to be<br>resolved)<br>Resolved / Not | Timeframe: |
|---|--------------------------------------|---|---|---|------------|
|   |                                      | <p>57 was due to transposition error but has since been rectified in the revised financial statement to reflect the correct balance as per cash book amounting to 3,271,798.00</p> <p>b. The variance in co-op revenue collection and kcb revenue collection account was due to omission of the two accounts but they have been included in</p> |   |   |            |

1000

1000

1000

KIAMBU COUNTY GOVERNMENT

Reports and Financial Statements

For the year ended June 30, 2020

| Reference No. on the external audit Report | Issue / Observations from Auditor  | Management comments   | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|---|--|-----------------------------------|--|
|  |  | <i>the revised financial statement</i>  |  |                                   |  |
| 3  | Unaccounted for Funds Transferred to Operations Bank Account   | <i>The payment documents and relevant supporting annexures used for accounting for all monies transferred to kiambu operation accounts are available for audit.</i> | Accountant in charge of petty cash                             | Partially resolved                | 1 Month  |
| 4.   | The financial statements presented for audit review do not include progress on follow up of auditor recommendations  | <i>The auditors follow up has been included in the revised financial statement</i>  | Financial reporting unit                                       | Resolved                          |  |
| 4.1  | some officers were issued with multiple additional imprests before surrendering or accounting for existing imprests, contrary to the provisions of Regulation 93(3) of the Public Finance Management | <i>The payment documents and relevant supporting annexures used for accounting for all monies transferred to kiambu operation accounts are available for audit.</i> | Imprest accountant   | Partially resolved                | 18 Months  |
| 4.2  | Inaccuracy of Accounts Receivable Balance  | <i>The variance of 40,074,796 was caused by imprests which were</i>   | Imprest Accountant   | Partially resolved                | 1 Month  |



KIAMBU COUNTY GOVERNMENT

Reports and Financial Statements

For the year ended June 30, 2020

| Reference No. on the external audit Report | Issue / Observations from Auditor                          | Management comments  | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|--|--|-----------------------------------|--|
|  |  | <i>surrendered by the end of the financial year under review but had not been capture in the IFMIS though they were captured in the manual register as surrender. However, the management is pursuing the imprest holders to surrender the outstanding imprest</i> |  |                                   |  |
| 4.3  | Undisclosed Outstanding Imprests                           | <i>The management is in the process of tracing supporting documents for these imprests</i>   | Imprest Accountant   | Not Resolved                      | 1 Months   |
| 5  | Wrong Classification of Expenditure and Other Transactions | <i>The figure in suspense account has changed and will continue to change due to the ongoing system</i>  | IFMIS  | Not Resolved                      | 3 Months   |

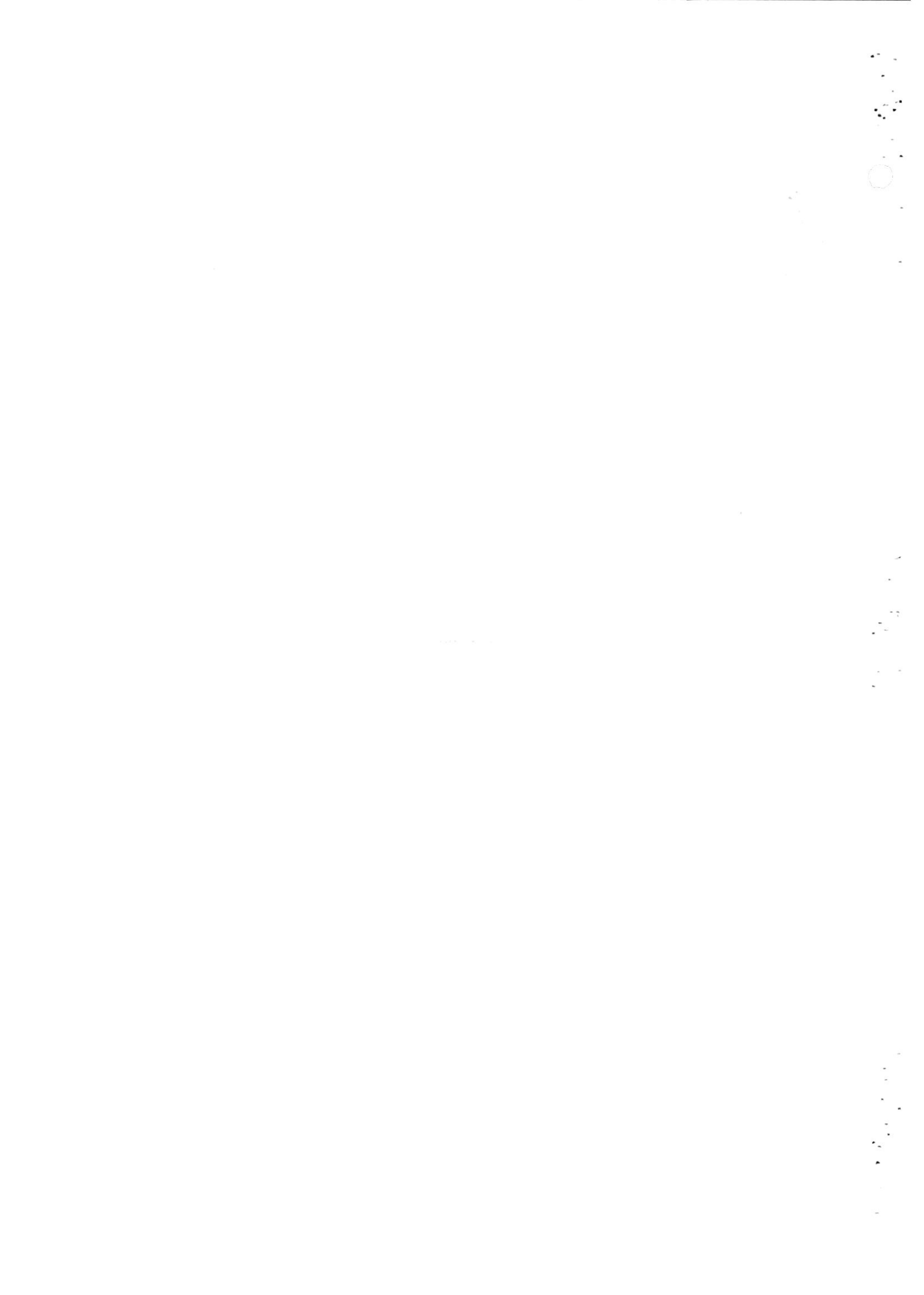
100

100

100

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

| Reference No. on the external audit Report | Issue / Observations from Auditor             | Management comments  | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|--|--|-----------------------------------|--|
|  |   | <p><i>auto reconciliation of cash figure, cash in transit, cash clearances and system generated liabilities.</i></p> <p><i>The figure in the R/D account is due to normal receivable activities of fund received from bank, but the R/D receivable activity has not been defined by National Treasury, hence the figure is yet to be reconciled.</i></p> <p><i>Temporary imprests, prepayments, and standing imprests have changed slightly due to surrenders effected in the system for F/Y 2018/19. The accruing figure has been accumulating since 2014</i></p> |  |                                   |  |
| 6.1  | Variance Between the financial statements and | <i>The revenue systems keep on</i>   | Director revenue   | Not resolved                      | 1 Months   |



KIAMBU COUNTY GOVERNMENT

Reports and Financial Statements

For the year ended June 30, 2020

| Reference No. on the external audit Report | Issue / Observations from Auditor                      | Management comments  | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|--|--|-----------------------------------|--|
|  | Revenue Records  | <i>changing the figures, so we have used the actual collections per Sub County and banking of the same to report the revenue figures.</i>  |  |                                   |  |
| 7  | Unsupported/Unvouched Expenditure                      | <i>The payment vouchers supporting the expenditure are available for audit.</i>  | Director accounting  | Not Resolved                      | 1 Months   |
| 8  | Unaccounted for Funds for Leasing of Medical Equipment | <i>The Kshs.200 millions were recognized in the County Allocation of Revenue Act, CARA 2018. Consequently this had to be accounted for in the county budget and in particular Health services department where the equipments are domiciled.</i><br><br><i>However, the funds are not disbursed to the County (Health Services department) but</i> | Chief Officer Helath   | Partially Resolved                |  |

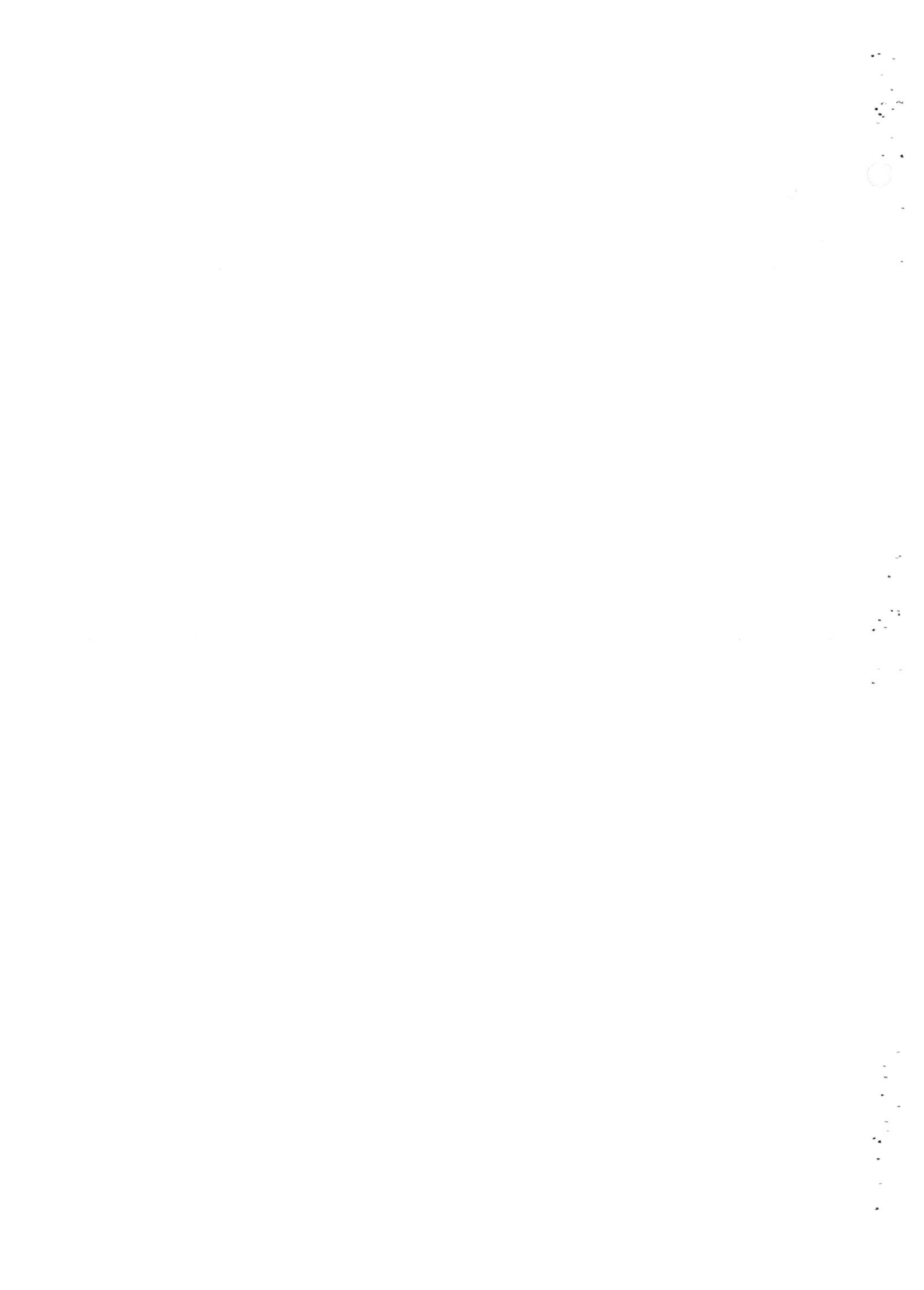


KIAMBU COUNTY GOVERNMENT

Reports and Financial Statements

For the year ended June 30, 2020

| Reference No. on the external audit Report | Issue / Observations from Auditor                       | Management comments   | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|---|--|-----------------------------------|--|
|  |   | <i>settled between the ministry of health and national treasury at the national level</i>   |  |                                   |  |
| 1.1  | <b>Budget Performance</b><br>Overall Budget Performance | <i>The underutilization of the budget was occasioned by Unmet revenue target and over expenditure was brought by reduction of expended budget during supplementary budget approval.</i> | Director Budget  | Resolved                          |  |
| 1.2  | Over-expenditure against approved budget                | <i>The transfer to Other Government units includes transfers to the Assembly which had not been budgeted for</i>  | Financial Reporting unit                                       | Resolved                          |  |
| 1.3  | Revenue Budget on County Own Generated Receipts         | <i>Unexplained under collection was as a result of over projection in some of the revenues stream by the various performance units / departments while coming up with</i>               | Director Revenue   |                                   |  |



KIAMBU COUNTY GOVERNMENT

Reports and Financial Statements

For the year ended June 30, 2020

| Reference No. on the external audit Report | Issue / Observations from Auditor                         | Management comments   | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|---|--|-----------------------------------|--|
|  |   | <i>their budgets. Failing to take cognizance of the revenue trends from these streams over the past years caused such huge variances between the projected and actual revenues.</i>   |  |                                   |  |
| 2  | Arrears of Revenue  | <i>There were court cases filed by JAMOFOSTA (Thika Subcounty) and KIKOTWA(Kiambu Subcounty) which no determination has been reached hence the county was not able to collect rent as expected. Further, lack of political goodwill has made it impossible to collect arrears on these houses</i> | Director revenue   | Not Resolved                      | 1 month  |
| 3.1  | <b><u>Compensation of Employees</u></b><br>High Wage Bill | <i>The huge wage bill has been caused by the inherited staff members from defunct local authorities</i>   | County Public Service Board                                    | Not Resolved                      | Continuing   |

100

100

100

KIAMBU COUNTY GOVERNMENT

Reports and Financial Statements

For the year ended June 30, 2020

| Reference No. on the external audit Report | Issue / Observations from Auditor   | Management comments  | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|-------------------------------------|--|--|-----------------------------------|--|
| 3.2  | Unauthorized Changes in the payroll | <p><i>The IPPD requires regular update of staff data in the staff register and the payroll. Editing is entrusted to officers with passwords. It is true that there was editing done as indicated. The editing was prompted by special circumstances where officers were required to work over the weekend in 2014 after the adoption of the IPPD system. Also, in 2017, a return to work formula was negotiated and agreed between the management and nurses who had gone on strike prompting an urgent intervention to have the nurses reinstated on payroll.</i></p> | Director Human Resource  | Resolved                          |  |

100

100

100

100

KIAMBU COUNTY GOVERNMENT

Reports and Financial Statements

For the year ended June 30, 2020

| Reference No. on the external audit Report | Issue / Observations from Auditor            | Management comments   | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|---|--|-----------------------------------|--|
| 3.3  | Payment of Salaries Outside the IPPD Payroll | <p>Employees in the IPPD system are defined under the following categories. AA- Devolved Officers<br/>                     BA- CPSB recruited officers,<br/>                     AC- Local Authorities<br/>                     AB- Formerly in TSC and<br/>                     AY –Political Appointees. There are disparities in the earnings of the various categories. The officer indicated, payroll number 2009000339 is in pay group AC (Local Authorities category) job group N and as per the CBA, she is in salary scale point 2</p> | Director Human Resources                                       |                                   |  |



KIAMBU COUNTY GOVERNMENT

Reports and Financial Statements

For the year ended June 30, 2020

| Reference No. on the external audit Report | Issue / Observations from Auditor   | Management comments   | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|---|--|-----------------------------------|--|
|  |   | <p><i>in the basic salary progression amounting to 59,630/= as per the attached salary scales points schedule from the IPPD system. She is therefore earning the correct basic pay</i></p>                            |  |                                   |  |
| 4.1  | <p><b><u>Communication supplies and Services</u></b><br/>Procurement of goods from non-prequalified suppliers</p> | <p><i>The head of procurement function shall maintain and update lists of registered suppliers, contractors and consultants in the categories of good, works and services according to the procurement needs.</i></p> | Director procurement   | Not Resolved                      | 1 Month  |



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

| Reference No. on the external audit Report | Issue/ Observations from Auditor  | Management comments   | Focal Point person to resolve the issue (Name and designation) | Status (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|---|--|----------------------------------|--|
|  |   | <i>Currently this process has been automated and therefore the county is in the process of validating all previous manual lists</i> |  |                                  |  |
| 5.1  | <b><u>Domestic Travel and Subsistence</u></b><br>Unsupported and Unaccounted for Domestic Travel and Allowances | <i>Supporting Documents have been availed for verification</i>  | Imprest Accountant   | Resolved                         |  |
| 6  | Foreign Travel and Subsistence  | <i>Documents have been availed for audit verification</i>   | Imprest Accountant   | Resolved                         |  |
|  |   |   |  |                                  |  |
|  |   |   |  |                                  |  |

**Guidance Notes:**

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;

11

12

13

KIAMBU COUNTY GOVERNMENT

Reports and Financial Statements

For the year ended June 30, 2020

(iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.

CEC, County Treasury

Sign.....

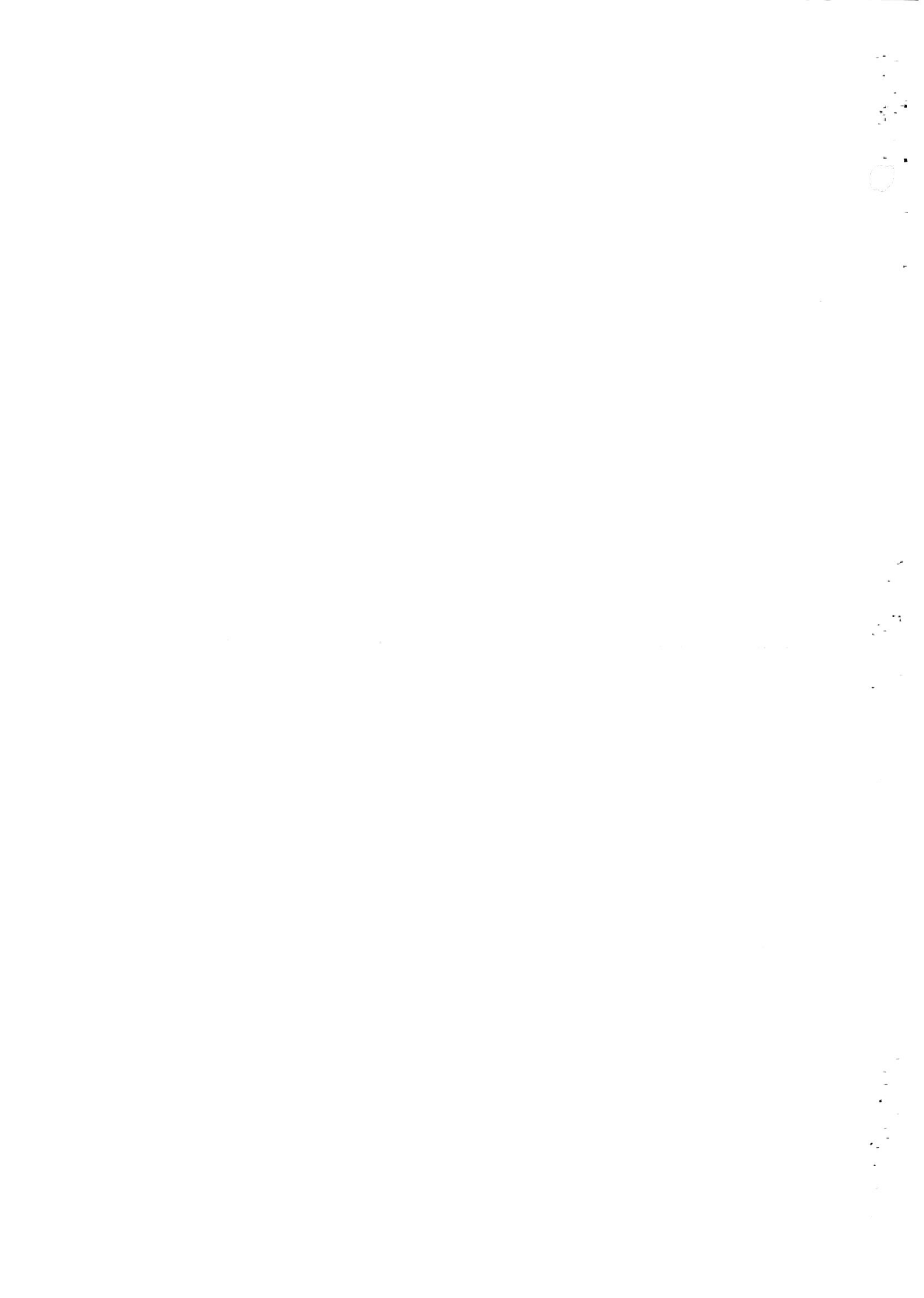
Date.....29/3/2024



**ANNEXES**

**ANNEX 1 – ANALYSIS OF TRANSFERS FROM THE EXCHEQUER**

| <b>Period</b>                    | <b>Equitable Share</b> | <b>DANIDA</b>     | <b>Level 5 hospitals allocation</b> | <b>Other transfers- Donor funds transferred through exchequer</b> | <b>Total from the National Treasury/ Exchequer</b> |
|----------------------------------|------------------------|-------------------|-------------------------------------|---|--|
| Exchequer Releases for quarter 1 | 1,641,115,800          |                   |                                     |   | 1,641,115,800                                      |
| Exchequer Releases for quarter 2 | 1,697,706,000          |                   |                                     |   | 1,697,706,000                                      |
| Exchequer Releases for quarter 3 | 2,688,034,500          |                   |                                     |   | 2,688,034,500                                      |
| Exchequer Releases for quarter 4 | 2,593,717,500          | 38,367,500        | 538,716,764                         | 2,359,655,311   | 5,530,457,075                                      |
| <b>Total</b>                     | <b>8,620,573,800</b>   | <b>38,367,500</b> | <b>538,716,764</b>                  | <b>2,359,655,311</b>  | <b>11,557,313,375</b>                              |



**KIAMBU COUNTY GOVERNMENT**

Reports and Financial Statements

For the year ended June 30, 2020

**ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE**

| Supplier of Goods or Services      | Original Amount      | Date Contracted | Amount Paid To-Date | Outstanding Balance 2018/2019 | Outstanding Balance 2017/2018 | Comments |
|------------------------------------|----------------------|-----------------|---------------------|-------------------------------|-------------------------------|----------|
|                                    | A                    | B               | c                   | d=a-c                         |                               |          |
| <b>Construction of buildings</b>   |                      |                 |                     |                               |                               |          |
| 1. Total                           | 154,653,165.90       |                 | 0                   | 154,653,165.90                |                               |          |
| 2.                                 |                      |                 |                     |                               |                               |          |
| 3.                                 |                      |                 |                     |                               |                               |          |
| <b>Sub-Total</b>                   |                      |                 |                     |                               |                               |          |
| <b>Construction of civil works</b> |                      |                 |                     |                               |                               |          |
| 4. Total                           | 1,958,744,059.52     |                 | 0                   | 1,958,744,059.52              |                               |          |
| 5.                                 |                      |                 |                     |                               |                               |          |
| 6.                                 |                      |                 |                     |                               |                               |          |
| <b>Sub-Total</b>                   |                      |                 |                     |                               |                               |          |
| <b>Supply of goods</b>             |                      |                 |                     |                               |                               |          |
| 7. Total                           | 832,508,653.30       |                 | 0                   | 832,508,653.30                |                               |          |
| 8.                                 |                      |                 |                     |                               |                               |          |
| 9.                                 |                      |                 |                     |                               |                               |          |
| <b>Sub-Total</b>                   |                      |                 |                     |                               |                               |          |
| <b>Supply of services</b>          |                      |                 |                     |                               |                               |          |
| 10. Total Services                 | 246,156,280.57       |                 | 0                   | 246,156,280.57                |                               |          |
| 11.                                |                      |                 |                     |                               |                               |          |
| 12.                                |                      |                 |                     |                               |                               |          |
| <b>Sub-Total</b>                   |                      |                 |                     |                               |                               |          |
| <b>Grand Total</b>                 | <b>3,192,062,159</b> |                 | <b>0</b>            | <b>3,192,062,159</b>          |                               |          |



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

**ANNEX 3 – ANALYSIS OF PENDING STAFF PAYABLES**

| Name of Staff                | Job Grade | Original Amount | Date Payable Contracted | Amount Paid No-Date | Outstanding Balance 2019/2020 | Outstanding Balance 2017/2018 | Comments |
|------------------------------|-----------|-----------------|-------------------------|---------------------|-------------------------------|-------------------------------|----------|
|                              |           | a               | b                       | c                   | d=a-c                         |                               |          |
| <b>Senior Management</b>     |           | 4,734,941       |                         | 0                   | 4,734,941                     |                               |          |
| 1. Total staff Payables      |           |                 |                         |                     |                               |                               |          |
| 2.                           |           |                 |                         |                     |                               |                               |          |
| 3.                           |           |                 |                         |                     |                               |                               |          |
| <b>Sub-Total</b>             |           |                 |                         |                     |                               |                               |          |
| <b>Middle Management</b>     |           |                 |                         |                     |                               |                               |          |
| 4.                           |           |                 |                         |                     |                               |                               |          |
| 5.                           |           |                 |                         |                     |                               |                               |          |
| 6.                           |           |                 |                         |                     |                               |                               |          |
| <b>Sub-Total</b>             |           |                 |                         |                     |                               |                               |          |
| <b>Unionisable Employees</b> |           |                 |                         |                     |                               |                               |          |
| 7.                           |           |                 |                         |                     |                               |                               |          |
| 8.                           |           |                 |                         |                     |                               |                               |          |
| 9.                           |           |                 |                         |                     |                               |                               |          |
| <b>Sub-Total</b>             |           |                 |                         |                     |                               |                               |          |
| <b>Others (specify)</b>      |           |                 |                         |                     |                               |                               |          |
| 10.                          |           |                 |                         |                     |                               |                               |          |
| 11.                          |           |                 |                         |                     |                               |                               |          |
| 12.                          |           |                 |                         |                     |                               |                               |          |
| <b>Sub-Total</b>             |           |                 |                         |                     |                               |                               |          |
| <b>Grand Total</b>           |           | 4,734,941       |                         | 0                   | 4,734,941                     |                               |          |

0.000000

0.000000

0.000000

**KLAMBU COUNTY GOVERNMENT**

**Reports and Financial Statements**

For the year ended June 30, 2020

**ANNEX 4 – ANALYSIS OF OTHER PENDING PAYABLES**

| Name   | Brief Transaction Description | Original Amount | Date Payable Contract | Amount Paid To-Date | Outstanding Balance 2018/2019 | Outstanding Balance 2017/2018 | Comments |
|--|-------------------------------|-----------------|-----------------------|---------------------|-------------------------------|-------------------------------|----------|
|  |                               | a               | b                     | c                   | d=a-c                         |                               |          |
| <b>Amounts due to National Govt Entities</b> |                               |                 |                       |                     |                               |                               |          |
| 1. Total                                     |                               | 403,941         |                       | 0                   | 403,941                       |                               |          |
| 2.   |                               |                 |                       |                     |                               |                               |          |
| 3.   |                               |                 |                       |                     |                               |                               |          |
| <b>Sub-Total</b>                             |                               |                 |                       |                     |                               |                               |          |
| <b>Amounts due to County Govt Entities</b>   |                               |                 |                       |                     |                               |                               |          |
| 4. Total                                     |                               | 1,097,820,968   |                       | 0                   | 1,097,820,968                 |                               |          |
| 5.   |                               |                 |                       |                     |                               |                               |          |
| 6.   |                               |                 |                       |                     |                               |                               |          |
| <b>Sub-Total</b>                             |                               |                 |                       |                     |                               |                               |          |
| <b>Amounts due to Third Parties</b>          |                               |                 |                       |                     |                               |                               |          |
| 7.   |                               |                 |                       |                     |                               |                               |          |
| 8.   |                               |                 |                       |                     |                               |                               |          |
| 9.   |                               |                 |                       |                     |                               |                               |          |
| <b>Sub-Total</b>                             |                               |                 |                       |                     |                               |                               |          |
| <b>Others (specify)</b>                      |                               |                 |                       |                     |                               |                               |          |
| 10.  |                               |                 |                       |                     |                               |                               |          |
| 11.  |                               |                 |                       |                     |                               |                               |          |
| 12.  |                               |                 |                       |                     |                               |                               |          |
| <b>Sub-Total</b>                             |                               |                 |                       |                     |                               |                               |          |
| <b>Grand Total</b>                           |                               | 1,098,224,909   |                       | 0                   | 1,098,224,909                 |                               |          |

100

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

**ANNEX 5 – SUMMARY OF FIXED ASSET REGISTER**

| Asset class                              | Historical Cost<br>b/f | Additions<br>during the year | Disposals<br>during the<br>year | Transfers<br>in/(out) during<br>the year | Historical Cost c/f  |
|--|------------------------|------------------------------|---------------------------------|--|----------------------|
|  | (KShs.)                |                              |                                 |  | (KShs.)              |
|  | 2017/2018              | (KShs.)                      | (KShs.)                         | (KShs.)                                  | 2018/2019            |
| Land                                     | 27,900,000             | 0                            | 0                               | 0  | 27,900,000           |
| Buildings and structures                 | 1,577,150,490          | 388,673,017                  | 0                               | 0  | 1,965,823,507        |
| Transport equipment                      | 208,359,443            | 21,168,635                   | 0                               | 0  | 229,528,078          |
| Office equipment, furniture and fittings | 319,333,761            | 38,260,857                   | 0                               | 0  | 357,594,618          |
| ICT Equipment                            | 431,405,314            | 0                            | 0                               | 0  | 431,405,314          |
| Machinery and Equipment                  | 1,056,030,646          | 86,666,145                   | 0                               | 0  | 1,142,696,791        |
| Heritage and cultural assets             | 0                      | 0                            | 0                               | 0  | 0                    |
| Biological assets                        | 59,003,265             | 55,218,764                   | 0                               | 0  | 114,222,029          |
| Intangible assets                        | 2,918,476              | 9,552,196                    | 0                               | 0  | 12,470,672           |
| Infrastructure assets- Roads, Rails      | 757,227,379            | 1,218,193,401                | 0                               | 0  | 1,975,420,780        |
| Work in progress                         | 831,217,287            | 0                            | 0                               | 0  | 831,217,287          |
| Investments                              | 60,000,000             | 0                            | 0                               | 0  | 60,000,000           |
| <b>Total</b>                             | <b>5,330,546,061</b>   | <b>1,817,733,015</b>         | <b>0</b>                        | <b>0</b>                                 | <b>7,148,279,076</b> |




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

**ANNEX 6 – INTER-ENTITY TRANSFERS**

| Ref | Entity          | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Amount transferred<br>KShs | Amount Confirmed<br>as received<br>KShs | difference | explanation |
|-----|-----------------|-----------|-----------|-----------|-----------|----------------------------|---|------------|-------------|
| 1   | County Assembly |           |           |           |           | 971,372,956                |   |            |             |
|     | <b>Total</b>    |           |           |           |           | 971,372,956                |   |            |             |

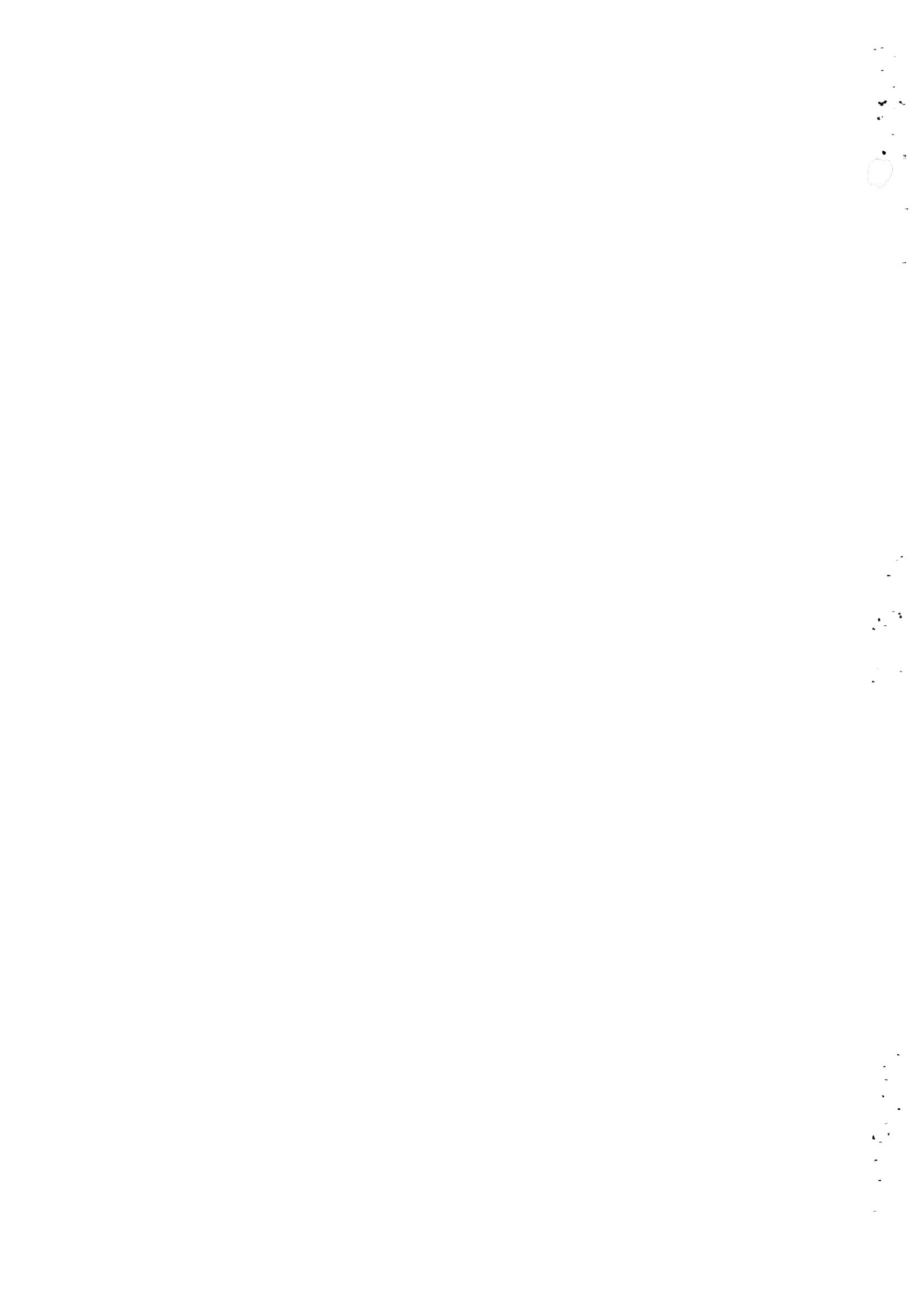
Director of Finance  
 County Executive



Director of Finance  
 County Assembly/fund/project

-----

(NB: This appendix must be agreed and signed by the issuing and receiving party)



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

**ANNEX 6 Contingent liabilities register**

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

0.0000

0.0000

0.0000

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

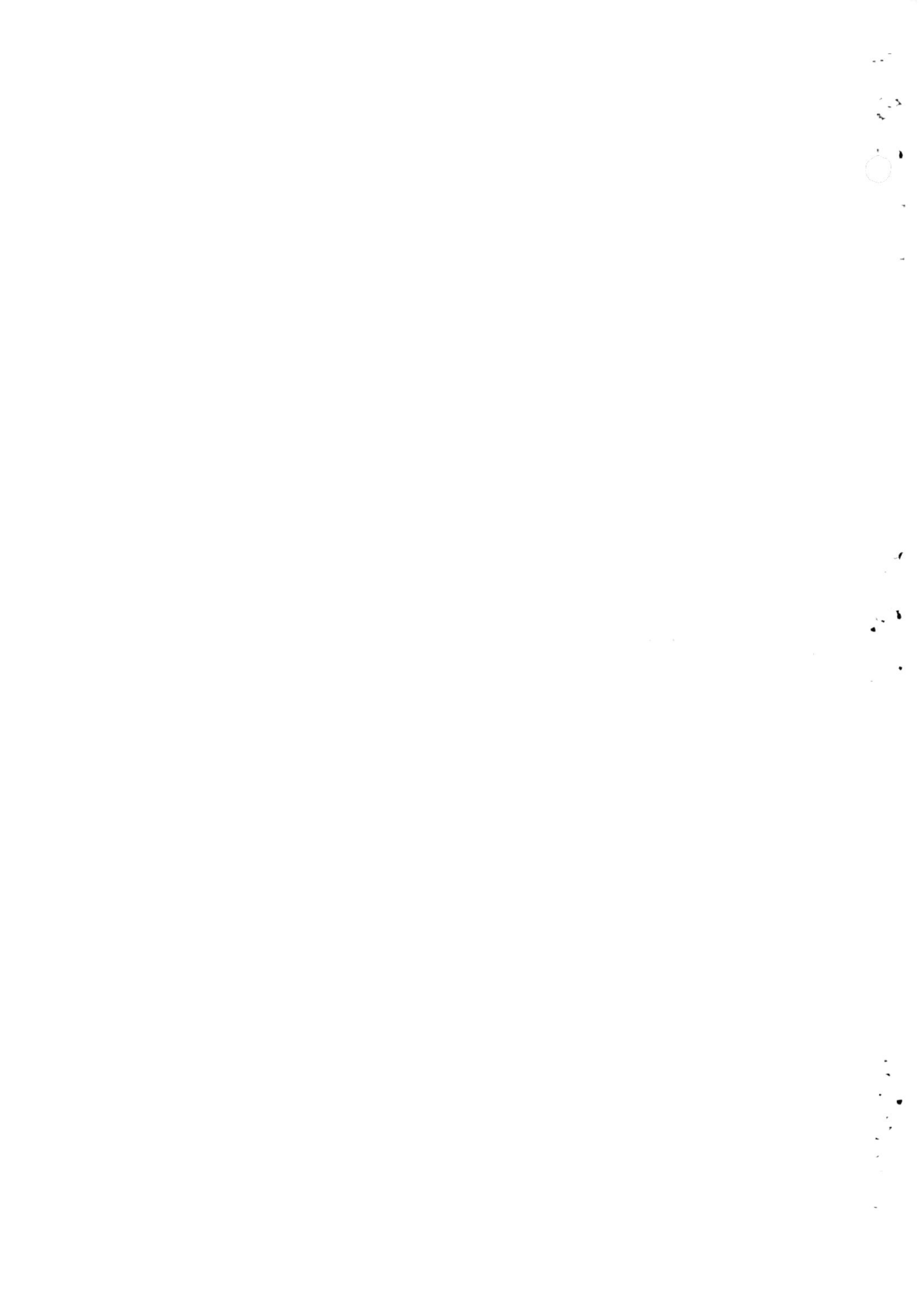
---

**ANNEX7 – BANK RECONCILIATION/FO 30 REPORT**

*(Attach FO 30 Reports from IFMIS)*

Handwritten notes and markings along the right edge of the page, including a circle and various illegible characters.







100

100

100

A/C NO  
BANK

KIAMBU  
100017409  
CBK RECURRENT

REPUBLIC OF KENYA

MBU COUNTY HEAD QUART

AS AT 30TH JUNE 2020

Balance as per Bank certificate  
Less  
1. Payments in cashbook not yet  
recorded in Bank statement  
(unpresented cheques)  
2. Receipts in bank statement not  
yet recorded in Cash Book  
Add  
3. Payments in bank statement  
not yet recorded in Cash Book  
4. Receipts in cash Book not yet  
recorded in Bank Statement

| Shs            | Shs                           | Shs              |
|----------------|-------------------------------|------------------|
|                |                               | 406,062,007.40   |
| 515,065,228.25 |                               |                  |
|                | 515,065,228.25                |                  |
|                |                               |                  |
| 109,003,565.25 | 109,003,565.25                | (406,061,663.00) |
| 0              | Bank Balance as Per Cash Book | 344.40           |

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation

1. PAYMENTS IN THE CASH BOOK NOT YET RECORDED IN THE BANK STATEMENT (UNPRESENTED CHEQUES)

| CHEQUE |      | PAYEE | AMOUNT | CHEQUE | PAYEE | AMOUNT |
|--------|------|-------|--------|--------|-------|--------|
| NO.    | DATE |       | SHS    | NO.    |       | SHS    |
| 1      |      |       |        |        |       |        |
| TOTAL  |      |       |        | TOTAL  |       |        |

1. PAYMENTS IN THE CASH BOOK NOT YET RECORDED IN THE BANK STATEMENT

| CHEQUE | DATE | PAYEE | AMOUNT | DETAILS | AMOUNT |
|--------|------|-------|--------|---------|--------|
|        |      |       | SHS    |         | SHS    |
|        |      |       |        |         |        |
| TOTAL  |      |       |        | TOTAL   |        |

2. RECEIPT IN BANK STATEMENT

3. PAYMENTS IN BANK STATEMENT NOT YET RECORDED IN THE CASH BOOK

| DETAILS | AMOUNT | DETAILS | AMOUNT |
|---------|--------|---------|--------|
|         |        |         | SHS    |
|         |        |         |        |
| TOTAL   |        | TOTAL   |        |

4. RECEIPTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT.

PREPARED BY: JOSPHAT NJUGUNA

SIGN: 

100

100

100







100

100

100



100

100

100

Date 6/30/2020

Report of the Board of Survey on the Cash and Bank Balances of \_\_\_\_\_

business on \_\_\_\_\_, 19\_\_\_\_

as at the close of

The Board, consisting of (Names and official titles)–

DR. CHRISTINE GUANTAI

LYDIA KINGORI

JOSHUA GITTHUKA – ACCOUNTANT – M.A.C.P.

assembled at the office of MEDICAL SUPERINTENDENT

at 10:00 AM (time) on the 06<sup>TH</sup> JULY 2020, 19\_\_\_\_  
and the following cash was produced:

|                                     |     |                  |
|-------------------------------------|-----|------------------|
| Notes                               | Sh. | <u>N/A</u>       |
| Silver                              | Sh. | <u>N/A</u>       |
| Copper                              | Sh. | <u>N/A</u>       |
| Cheques (as per details on reverse) | Sh. | <u>19,363.00</u> |
|                                     |     | <u>19,363.00</u> |

It was observed that cheques amounting to Sh. 4094 cts. had been on hand for more than 14 days prior to the date of the survey.

The cash consists of East African currency and does not contain any demonetized coin or notes.

The Cash Book reflected the following balances as at the close of business on the 30/6/2020, 19\_\_\_\_

|              |     |                |
|--------------|-----|----------------|
| Cash on hand | Sh. | <u>N/A</u>     |
| Bank Balance | Sh. | <u>4875.60</u> |

The Bank Certificate of Balance showed a sum of Sh. Twenty four thousand two hundred and thirty eight cts. SIXTY (Sh. 24238 cts. 60)

standing to the credit of the account on \_\_\_\_\_, 19\_\_\_\_

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation Statement (F.O. 30) attached.

Chairman

100

100

100



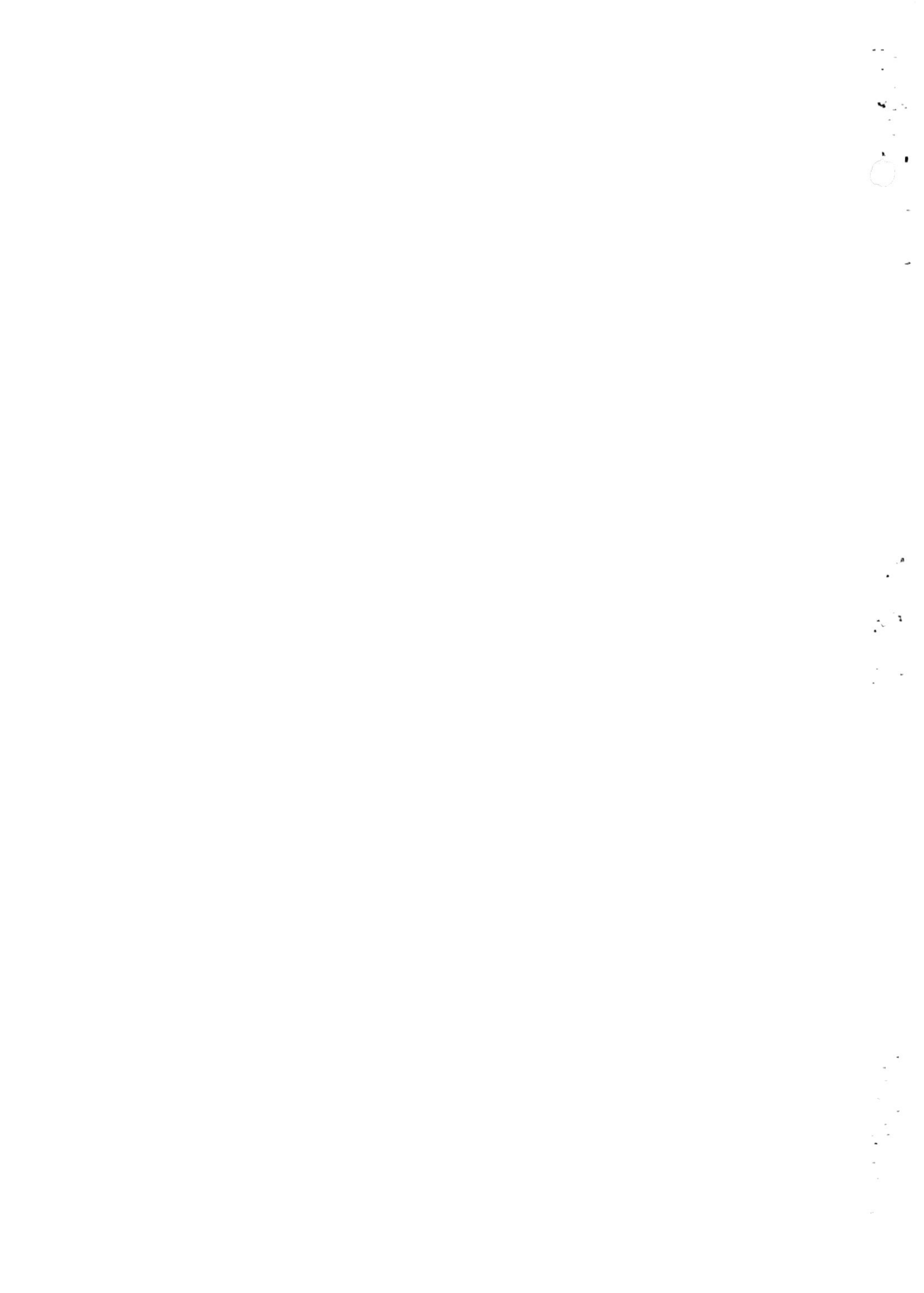
100

100

100

|                        |  |               |              |            |
|------------------------|--|---------------|--------------|------------|
| 07 JUL 2020            | Certificate of Entrance Charge AT-DPC CERT2016 07 JUL 2020     | -1 365 00     |              | 24 365 00  |
| 14 JUL 2020            | SWIFT Remit Cha AT-KK YU 154 AG-115/590187 FT:91 14 JUL 2020   | -600 00       |              | 23 765 00  |
| 14 JUL 2020            | Transfer CHO464 AT-KK YU SW-CBKENX COU NTY REVEN 14 JUL 2020   | -4 875 00     |              | 18 890 00  |
| 16 JUL 2020            | Inward Cheque D CHO45 9 AT-DPC CHO No. 0004 57 KES 16 JUL 2020 | -3 490 00     |              | 15 400 00  |
| 16 JUL 2020            | Inward Cheque D CHO45 7 AT-DPC CHO No. 0004 57 KES 16 JUL 2020 | -3 490 00     |              | 11 910 00  |
| 28 JUL 2020            | Inward Cheque D CHO46 0 AT-DPC CHO No. 0004 60 KES 28 JUL 2020 | -2 825 00     |              | 9 085 00   |
| 28 JUL 2020            | Inward Cheque D CHO45 8 AT-DPC CHO No. 0004 56 KES 28 JUL 2020 | -2 825 00     |              | 6 260 00   |
| 07 AUG 2020            | Tax Amount Due AT-DPC CHG20220HG442 CHG? 0220HG4 07 AUG 2020   | 21            |              | 6 481 00   |
| 07 AUG 2020            | Interim Stmt Charge AT-D PC CHG20220HG442 CH G202 07 AUG 2020  | -105          |              | 6 376 00   |
| 12 AUG 2020            | Inward SWIFT Pa AT-DP C KIAMBU COUNTY /RE C'000009 12 AUG 2020 |               | 168 560 00   | 474 936 00 |
| 17 AUG 2020            | Tax Amount Due AT-DPC CHG20230FLJ5M CHG? 230FLJ5M 17 AUG 2020  | -21           |              | 474 915 00 |
| 17 AUG 2020            | Interim Stmt Charge AT-D PC CHG20230FLJ5M CH G202 17 AUG 2020  | 105           |              | 475 020 00 |
| BALANCE AT PERIOD END: |  | -1 467 203 00 | 1 762 117 00 | 473 557 00 |

FOR: KCB BANK KENYA LTD.  
*[Signature]*  
 CUSTOMER SERVICE  
 KIKUYU



*Approved*  
CUSTOMER SERVICE

7 September 202  
9:52:3

| Date        | Description   | Amount     | Balance    |
|-------------|---|------------|------------|
| 17 DEC 2019 | Inward Cheque D CHO001<br>7 AT-DPC CHO No. 0004<br>97 KES | 40,700.00  | 40,700.00  |
| 18 DEC 2019 | Inward Cheque D CHO01<br>6 AT-DPC CHO No. 0004<br>16 KES  | 11,240.00  | 51,940.00  |
| 16 DEC 2019 | Inward Cheque D CHO01<br>5 AT-DPC CHO No. 0004<br>18 KES  | 13,693.00  | 65,633.00  |
| 17 DEC 2019 | INHouse CHO000413 AT<br>DPC NHIF SETTLEMENT<br>ACCOUN     | -2,100.00  | 63,533.00  |
| 27 DEC 2019 | Inward Cheque D CHO01<br>8 AT-DPC CHO No. 0004<br>18 KES  | 12,150.00  | 75,683.00  |
| 13 JAN 2020 | Tax Amount Due AT-DPC<br>CHG20013STL85 CHG2<br>0013STL    | -21        | 75,662.00  |
| 13 JAN 2020 | Interim Stmt Charge AT-D<br>PC CHG20013STL85 CH<br>G200   | -105       | 75,557.00  |
| 20 JAN 2020 | INHouse CHO000413 AT<br>DPC NHIF SETTLEMENT<br>ACCOUN     | -2,100.00  | 73,457.00  |
| 28 JAN 2020 | INHouse CHO000413 AT<br>DPC NSSF - BRANCH IN<br>COME AC   | -1,600.00  | 71,857.00  |
| 28 JAN 2020 | INHouse CHO000407 AT<br>DPC NSSF - BRANCH IN<br>COME AC   | -3,200.00  | 68,657.00  |
| 14 FEB 2020 | Transfer AT-SARIT NHIF<br>SETTLEMENT ACCOUN<br>T FT200    | -2,000.00  | 66,657.00  |
| 14 FEB 2020 | Transfer AT-SARIT NHIF<br>SETTLEMENT ACCOUN<br>T FT200    | -2,000.00  | 64,657.00  |
| 14 FEB 2020 | Transfer AT-SARIT NHIF<br>SETTLEMENT ACCOUN<br>T FT200    | 2,100.00   | 66,757.00  |
| 14 FEB 2020 | Transfer AT-SARIT NHIF<br>SETTLEMENT ACCOUN<br>T FT200    | -2,100.00  | 64,657.00  |
| 17 FEB 2020 | Inward SWIFT Pa AT-DP<br>C KIAMBUI COUNTY JRE<br>C000008  | 91,732.00  | 156,389.00 |
| 17 FEB 2020 | INHouse CHO000402 AT<br>DPC NSSF - BRANCH IN<br>COME AC   | -800.00    | 155,589.00 |
| 17 FEB 2020 | INHouse CHO000420 AT<br>DPC NSSF - BRANCH IN<br>COME AC   | -3,200.00  | 152,389.00 |
| 18 FEB 2020 | Inward Cheque D CHO01<br>9 AT-DPC CHO No. 0004<br>19 KES  | 30,000.00  | 182,389.00 |
| 24 FEB 2020 | Inward Cheque D CHO02<br>6 AT-DPC CHO No. 0004<br>26 KES  | -58,063.00 | 124,326.00 |
| 27 FEB 2020 | Inward Cheque D CHO03<br>5 AT-DPC CHO No. 0004<br>35 KES  | -17,350.00 | 106,976.00 |
| 28 FEB 2020 | INHouse CHO000431 AT<br>DPC NHIF SETTLEMENT<br>ACCOUN     | -2,100.00  | 104,876.00 |
| 28 FEB 2020 | INHouse CHO000432 AT<br>DPC NHIF SETTLEMENT<br>ACCOUN     | -2,100.00  | 102,776.00 |
| 03 MAR 2020 | INHouse CHO000428 AT<br>DPC 10401164119-West<br>ands C    | -800.00    | 101,976.00 |
| 03 MAR 2020 | INHouse CHO000429 AT<br>DPC 10401164119-West<br>ands C    | 1,000.00   | 102,976.00 |

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100





JUNE 2020

PAYMENTS

1

F.O. 26 (Small)

| Date | To Whom Paid           | Description of Payment | Allocation | Voucher No. | Cheque No. | Sh. | cts. | Sh. | cts. | Sh.   | cts. |
|------|------------------------|------------------------|------------|-------------|------------|-----|------|-----|------|-------|------|
|      | NSSF                   | Deductions             |            |             | 440        |     |      |     |      | 3200  | 00   |
|      | FRUIT BANK             | Carnal wages           |            |             | 448        |     |      |     |      | 5806  | 30   |
|      | NHIF                   | Deductions             |            |             | 450        |     |      |     |      | 2100  | 00   |
|      | NSSF                   | Deductions             |            |             | 451        |     |      |     |      | 1600  | 00   |
|      | Jecinta Wanjiku        | C.O. Locum             |            |             | 452        |     |      |     |      | 1200  | 00   |
|      | KEMISA                 | Medical drugs          |            |             | 453        |     |      |     |      | 1614  | 20   |
|      | Jecinta Wanjiku        | C.O. Locum             |            |             | 454        |     |      |     |      | 8000  | 00   |
|      | Kabele Dairies         | Fresh milk supply      |            |             | 455        |     |      |     |      | 8350  | 00   |
|      | Christine Gwantai      | Imprest                |            |             | 456        |     |      |     |      | 5193  | 60   |
|      | Certificate of Balance | Bank charges           |            |             |            |     |      |     |      | 1065  | 00   |
|      | Balance B/D            |                        |            |             |            |     |      |     |      | 2530  | 30   |
|      |                        |                        |            |             |            |     |      |     |      | 6700  | 00   |
|      | Balance B/D            |                        |            |             |            |     |      |     |      | 2423  | 00   |
|      |                        |                        |            |             |            |     |      |     |      | 18670 | 00   |

JOSHUA GITTHIKA NGANGA - ACCOUNTANT - ~~M~~

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

Account Name KIAMBU COUNTY REVENUE FUND  
 Account Number 1000170646  
 Legacy Number

Currency KES  
 Balance 1,451,975,525.55  
 Working Balance 1,451,975,525.55

OF ACCOUNT  
 BANK OF KENYA  
 UUYA KENYA,  
 60000-0200,

Run Date: 10 AUG 2020  
 Runtime: 12:06:22  
 Customer number: 119464  
 Account number: 1000170646  
 Account name: KIAMBU COUNTY REVENUE FUND-KES  
 Opening Balance: 504,340,710.00

ENT PERIOD: From 01 JUL 2020 To 31 JUL 2020

| In. Date        | Value Date  | Reference No. | Transaction Details  | Dr. Amount       | Cr. Amount       | Balance        |
|-----------------|-------------|---------------|--|------------------|------------------|----------------|
| JUL 2020        | 13 JUL 2020 | FT2019559CVM  | Inward RTGS Payment MT 103<br>COOPERATIVE BANK OF KENYA LTD., THE<br>/ROC/FUNDS TRANSFER                           | 0.00             | 591,400.00       | 415,831,091.75 |
| JUL 2020        | 13 JUL 2020 | FT2019559QRWC | Inward RTGS Payment MT 103<br>COOPERATIVE BANK OF KENYA LTD., THE<br>/ROC/KIAMBU COUNTY                            | 0.00             | 31,648,210.00    | 447,479,301.75 |
| JUL 2020        | 13 JUL 2020 | FT201955ZSFG8 | Inward RTGS Payment MT 103<br>KENYA COMMERCIAL BANK LIMITED<br>NHIIF REIMBURSEMENT                                 | 0.00             | 36,928,200.00    | 484,407,501.75 |
| JUL 2020        | 13 JUL 2020 | FT201950H0JL  | Inward RTGS Payment MT 103<br>KENYA COMMERCIAL BANK LIMITED<br>TRANSFER OF NHIIF REVENUE TO COUNTY<br>REVENUE FUND | 0.00             | 61,400,000.00    | 545,807,501.75 |
| JUL 2020        | 14 JUL 2020 | FT2019670PBD  | Inward RTGS Payment MT 103<br>KENYA COMMERCIAL BANK LIMITED<br>SURRENDER OF BANK BALANCE                           | 0.00             | 4,875.00         | 545,812,376.75 |
| JUL 2020        | 14 JUL 2020 | FT201964TR44  | Inward RTGS Payment MT 103<br>KENYA COMMERCIAL BANK LIMITED<br>SURRENDER OF BANK BALANCE<br>AS AT 30TH JUNE 2020   | 0.00             | 35,502.00        | 545,847,878.75 |
| JUL 2020        | 17 JUL 2020 | FT201990CFJR  | Account Transfer<br>REFUND OF UNSPENT BALANCES<br>REF.FEFP/2/02/VOL.111D/61<br>DD 15072020                         | 0.00             | 344.40           | 545,848,223.15 |
| JUL 2020        | 17 JUL 2020 | FT201990CVHM  | Inward RTGS Payment MT 103<br>FAMILY BANK LIMITED<br>UNSPENT BALANCE   | 0.00             | 556.90           | 545,848,780.05 |
| JUL 2020        | 17 JUL 2020 | FT201990TDP57 | Account Transfer<br>REFUND OF UNSPENT BALANCES<br>REF.FEFP/2/02/VOL.111D/61<br>DD 15072020                         | 0.00             | 62,103.70        | 545,910,883.75 |
| JUL 2020        | 20 JUL 2020 | FT202022HWDD  | Inward RTGS Payment MT 103<br>COOPERATIVE BANK OF KENYA LTD., THE<br>/ROC/KIAMBU COUNTY LIQUOR<br>REVENUE COLL ACC | 0.00             | 222,400.00       | 546,133,283.75 |
| JUL 2020        | 20 JUL 2020 | FT202020XQ9B  | Inward RTGS Payment MT 103<br>COOPERATIVE BANK OF KENYA LTD., THE<br>/ROC/KIAMBU COUNTY                            | 0.00             | 30,493,181.15    | 576,626,464.90 |
| JUL 2020        | 27 JUL 2020 | FT202009D29N4 | Inward RTGS Payment MT 103<br>COOPERATIVE BANK OF KENYA LTD., THE<br>/ROC/FUNDS TRANSFER                           | 0.00             | 149,400.00       | 576,775,864.90 |
| JUL 2020        | 27 JUL 2020 | FT20200965H4J | Inward RTGS Payment MT 103<br>COOPERATIVE BANK OF KENYA LTD., THE<br>/ROC/FUNDS TRANSFER                           | 0.00             | 27,763,648.15    | 604,539,513.05 |
| Totals          |             |               |  | 1,859,565,410.00 | 1,959,764,213.05 |                |
| Closing Balance |             |               |  |                  |                  | 604,539,513.05 |

First Previous 1 2



OUR REF: FBL/KIKUYU/102000016536

FBL/KIKUYU/102000016536

July 1, 2020

TO WHOM IT MAY CONCERN.

**SUBJECT: CERTIFICATE OF BALANCE- KIKUYU SUB COUNTY  
OPERATING ACCOUNT NUMBER 102000016536**

This is to certify that KES 4,339.93/= read as (Four Thousand Three Hundred Thirty Nine shillings and ninety three cents only) is the correct balance standing in our books at Family Bank LTD account.102000016536 as at 30<sup>TH</sup> June 2020.

Authorized Signatory  
Kikuyu Branch

**FAMILY BANK LTD.  
KIKUYU BRANCH**

  
Approved

11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

| 1. PAYMENTS IN THE CASH BOOK NOT YET RECORDED IN THE BANK STATEMENT (UNPRESENTED CHEQUES) |      |       |            |              |       |            |
|---|------|-------|------------|--------------|-------|------------|
| CHEQUE NO.  | DATE | PAYEE | AMOUNT SHS | CHEQUE NO.   | PAYEE | AMOUNT SHS |
|   |      |       |            |              |       |            |
|   |      |       |            |              |       |            |
|   |      |       |            |              |       |            |
|   |      |       |            |              |       |            |
| <b>TOTAL</b>  |      |       | -          | <b>TOTAL</b> |       | 0.00       |

| 1. PAYMENTS IN THE CASH BOOK NOT YET RECORDED IN THE BANK STATEMENT (UNPRESENTED CHEQUES) |      |       |            | 2. RECEIPT IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK. |            |
|---|------|-------|------------|---|------------|
| CHEQUE NO.  | DATE | PAYEE | AMOUNT SHS | DETAILS   | AMOUNT SHS |
|   |      |       |            |   |            |
|   |      |       |            |   |            |
|   |      |       |            |   |            |
|   |      |       |            |   |            |
| <b>TOTAL</b>  |      |       |            | <b>TOTAL</b>  | 0.00       |

| 3. PAYMENTS IN BANK STATEMENT NOT YET RECORDED IN THE CASH BOOK |  |            | 4. RECEIPTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT. |            |
|---|--|------------|--|------------|
| DETAILS   |  | AMOUNT SHS | DETAILS  | AMOUNT SHS |
|   |  |            |  |            |
|   |  |            |  |            |
|   |  |            |  |            |
|   |  |            |  |            |
|   |  |            |  |            |
| <b>TOTAL</b>  |  | 0.00       | <b>TOTAL</b>   | 0.00       |

|        |  |  |  |  |  |
|--------|--|--|--|--|--|
| GPK(L) |  |  |  |  |  |
|--------|--|--|--|--|--|

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100

Report of the Board of Survey on the Cash and Bank Balances of

business on

5/11 June 1950

as at the close of

The Board, consisting of (Names and official titles) -

1. Mr. H. G. ...

2. Frederick Ogo ...

3. ...

assembled at the office of

at

...

(time) on the

...

and the following cash was produced:

Notes

Sh. ...

Silver

Sh. ...

Copper

Sh. ...

Cheques (as per details on reverse)

Sh. ...

It was observed that cheques amounting to Sh. ... had been on hand for more than 14 days prior to the date of the survey.

The cash consists of East African currency and does not contain any demonetized coins or notes.

The Cash Book reflected the following balances as at the close of business on the ... 19...

Cash on hand

Sh. ...

Bank Balance

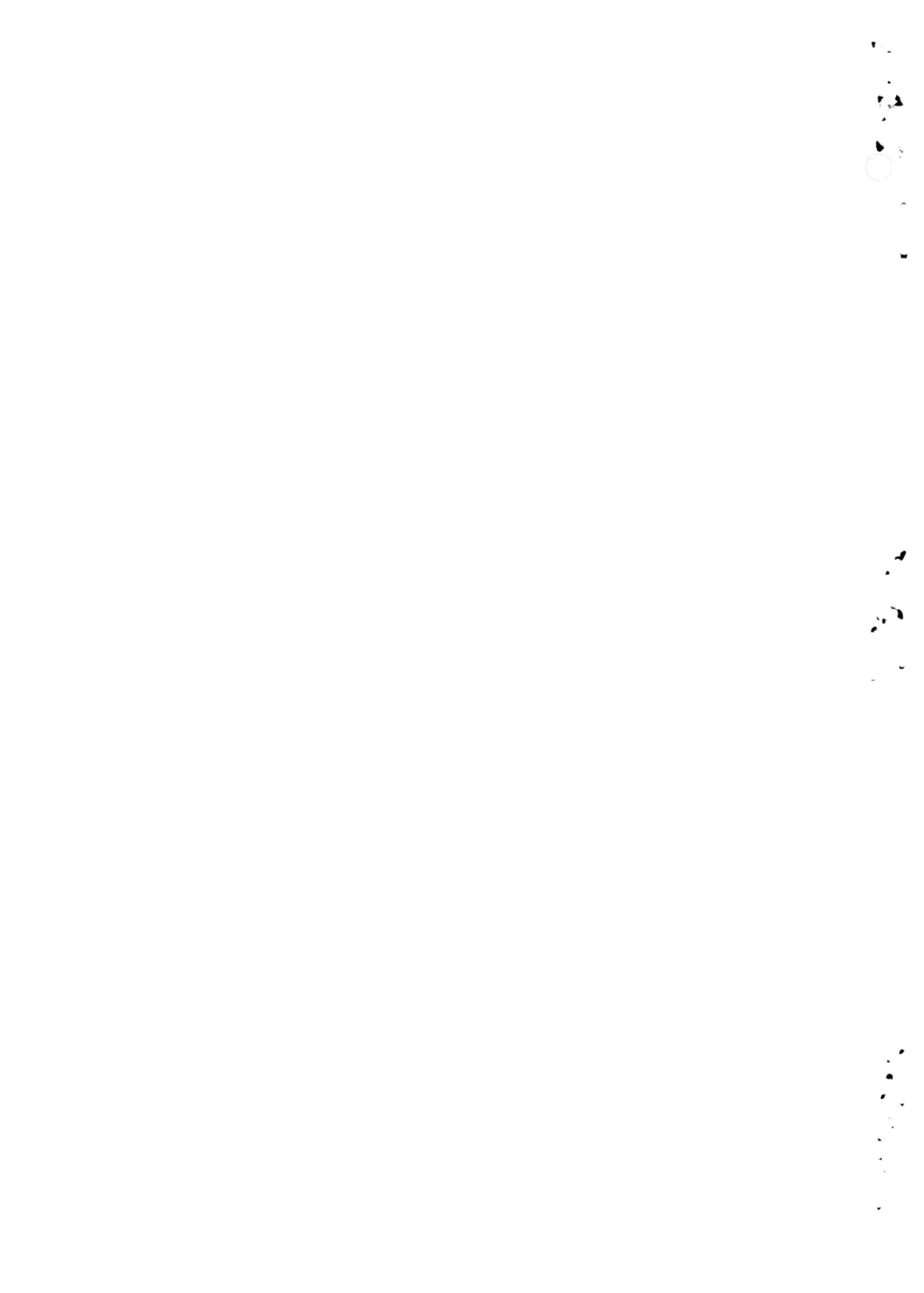
Sh. ...

The Bank Certificate of Balance showed a sum of Sh. ...

... standing to the credit of the account on ... 19...

The difference between this figure and the Bank Balance as shown by the Cash Book is accounted for in the Bank Reconciliation Statement (F.O. 30) attached.

Chairman



COUNTY

SUBCOUNTY

A/C NO

BANK

KIAMBU

KABETE

102000016634

FAMILY BANK

F.O 30

# REPUBLIC OF KENYA BANK RECONCILIATION

AS AT 30TH JUNE 2020

Station KABETE SUB COUNTY

Balance as per Bank certificate  
 Less  
 1. Payments in cashbook not yet  
 recorded in Bank statement  
 (unpresented cheques)  
 2. Receipts in bank statement not yet  
 recorded in Cash Book  
 Add  
 3. Payments in bank statement not yet  
 recorded in Cash Book  
 4. Receipts in cash Book not yet  
 recorded in Bank Statement

| Shs                                  | Shs  | Shs    |
|--------------------------------------|------|--------|
|                                      |      | 463.12 |
| 0.00                                 | 0.00 | 0.00   |
| 0.00                                 | 0.00 |        |
| 0.00                                 |      | 0.00   |
| 0.00                                 | 0.00 | 0.00   |
| <b>Bank Balance as Per Cash Book</b> |      | 463.12 |

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct.

.....  
SIGNATURE

Sc-Fo  
.....  
DESIGNATION

30th June 2020  
.....  
DATE

|  |  |  |  |  |  |
|--|--|--|--|--|--|
|  |  |  |  |  |  |
|--|--|--|--|--|--|

