

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

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COUNTY ASSEMBLY OF NANDI

**FOR THE YEAR ENDED
30 JUNE, 2023**



NANDI COUNTY ASSEMBLY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2023

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

Count Government of Nandi
Nandi County Assembly
Annual Report and Financial Statements For the year ended 30th June 2023

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1. Acronyms and Glossary of Terms

a) Acronyms

ADP	Annual Development Plan
AIE	Authority to Incur Expenditure
CA	County Assembly
CARA	County Allocation of Revenue Act
CECM	County Executive Committee Member
CE	County Executive
CG	County Government
CIDP	County Integrated Development Plan
CRA	Commission on Revenue Allocation
CRF	County Revenue Fund
CT	County Treasury
IPSAS	International Public Sector Accounting Standards
MCA	Member of County Assembly
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
NT	National Treasury
WB	World Bank
Kshs	Kenya Shillings

b) Glossary of Terms

Comparative FY Means the financial year preceding the current financial year.

(This list is an indication of acronyms and key terms; the County Assembly should include all from the annual report and financial statements prepared)

2. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The Nandi County Assembly is constituted as per the constitution of Kenya and is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. As per the Article 177 of the Constitution, the County Assembly was constituted at the beginning of the financial year comprised of 39 Members of County Assembly (MCAs) and the Speaker up-to August 9th 2022 and thereafter comprised of the 44 MCAs and a Speaker from the September 21st 2022 to June 30, 2023 following the General Election held on the Tuesday 9th of August 2022. The County Assembly Service Board employed 85 public officers to serve in the offices established. Members of the County Assembly Service Board include two member of either gender, both representing the members of the public. The mandate of the MCAs is to maintain close contact with the electorate and consult them on issues before or under discussion in the county assembly; to present views, opinions and proposals of the electorate to the county assembly; to attend sessions of the county assembly and its committees; to provide a linkage between the county assembly and the electorate on public service delivery; and to extend professional knowledge, experience or specialised knowledge to any issue for discussion in the county assembly. The mandate of the County Assembly in its entirety is to vet and approve nominees for appointment to county public offices; to perform the roles set out under Article 185 of the Constitution; to approve the budget and expenditure of the county government in accordance with Article 207 of the Constitution, and the legislation contemplated in Article 220(2) of the Constitution, guided by Articles 201 and 203 of the Constitution; to approve the borrowing by the county government in accordance with Article 212 of the Constitution; to approve county development planning; and to perform any other role as may be set out under the Constitution or legislation.

(b) Key Management

The Nandi County Assembly day-to-day management is under the following key organs:

- I. The Hon. Speaker
- II. The County Assembly
- III. The County Assembly Service Board and
- IV. The Clerk to the County Assembly.

(c) Fiduciary Management

The key management personnel who held office during the year ended June 30th, 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1)	Clerk	Barnaba GK Kosgei
2)	Deputy Clerk	Henry Kipkorir Tarus
3)	Director, Finance	Wesley Cheruiyot Kimeto
4)	Assistant Director, Finance	Luke Kimutai Cherutich

(d) Fiduciary Oversight Arrangements

- *County Assembly Service Board*
- *Internal Audit Reports*
- *County Assembly Inspection and Acceptance Committees*

(e) Entity Headquarters

P.O. Box 673 – 30300,
COUNTY ASSEMBLY
Jean-Marie Seroney Road, Bungei Street,
Kapsabet, KENYA

(f) Entity Contacts

Telephone: (254) 0535252039
E-mail: info@nandiassembly.go.ke
Website: www.nandiassembly.go.ke

(g) Entity Bankers

1. Central Bank of Kenya,
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Cooperative Bank of Kenya Ltd,
P. O. Box 869 – 30300,
KAPSABET
3. National Bank of Kenya Ltd,
P. O. Box 34– 30300,
KAPSABET

(h) Independent Auditors

Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(i) Principal Legal Adviser

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

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(j) County Attorney

The Nandi County Attorney,
County Government of Nandi,
PO Box 802-30300,
KAPSABET

3. GOVERNANCE STATEMENT

The County Assembly

The County Assembly is constituted by the 44 MCAs of County Government of Nandi. It is headed by the Speaker who is elected by the MCAs. The speaker is also the chairperson of the county assembly service board while the county assembly clerk is the secretary. Section 10 (4) of the county governments 2012 provides that a county assembly shall observe the following order of precedence.

- (a) The speaker of the county assembly.
- (b) The leader of the majority party; and
- (c) The leader of the minority party.

The Roles of the county assembly are outlined in Section 8 of the County Governments Act 2012 and they include:

- (a) Vet and approve nominees for appointment to county public office as may be provided for in this Act or any other law.
- (b) Perform the roles set out under Article 185 of the Constitution.
- (c) Approve the budget and expenditure of the county government in accordance with Article 207 of the Constitution, and the legislation contemplated in Article 220(2) of the Constitution, guided by Articles 201 and 203 of the Constitution.
- (d) Approve the borrowing by the county government in accordance with Article 212 of the Constitution.
- (e) Approve county development planning; and
- (f) Perform any other role as may be set out under the Constitution or legislation.

The County Assembly executes its mandate, through committees which are broadly classified into two.

a) Select Committees

Select committees are generally responsible for overseeing the work of government departments and agencies. A distinction is made of two categories of select committees;

- (a) Oversight committees (County Public Investment And Accounts committee, County budget and appropriation committee and Implementation committee)
- (b) House rules committees
- (c) County Assembly leadership committees

b) Sectoral Committees

The mandate of Sectoral Committees is in respect to the subject matter assigned by the Standing Orders and is exercised within the limits contemplated under Part 2 of the Fourth Schedule to the Constitution.

The County Assembly has the following Select and Sectoral committees:

- (1) Agriculture and cooperative development committee

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- (2) Land, environment, mining and natural resources committee
- (3) Health and sanitation committee
- (4) Transport and infrastructure committee
- (5) Tourism, culture and social welfare committee
- (6) Education and vocational training committee
- (7) Trade, investment and industrialization committee
- (8) Youth, gender, sports and social services committee
- (9) Labour, justice and legal affairs committee
- (10) Administration and public service committee
- (11) Finance and economic planning committee
- (12) House business committee
- (13) Selection committee
- (14) County public investment and accounts committee
- (15) County budget and appropriation committee
- (16) Appointment committee
- (17) Members' facilities and services committee
- (18) Procedures and rules committee
- (19) Implementation committee
- (20) Delegated county legislation committee
- (21) Speaker's panel
- (22) Liaison committee
- (23) Powers and privileges committee

a) Committee of Powers and Privileges

There is established committee known as the Committee of Powers and Privileges consisting of the Speaker, who shall be the chairperson of the Committee; and such other members of the county assembly as may be provided in the Standing Orders of the county assembly. The functions of the Committee of Powers and Privileges shall be to inquire into the conduct of a member whose conduct is alleged to constitute a breach of privileges accorded to the county assembly members by any legislation or standing orders and perform such other functions as may be specified by enabling legislation. The committee held 44 meetings in FY 2022/2023. The committee members during FY 2022/2023 were:

Member	Designation	Ward
Hon. Philemon Cheruiyot Melly	Chairman	Speaker
Hon. Sang Wilson Kipkirui	Vice Chairman	Deputy Speaker
Hon. Kagoni Hassan Majani	Member	Kapbwareng
Hon. Keino Sarah Rubety	Member	Kosirai

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Hon. Kipchumba Emmanuel	Member	Kilibwoni
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b) Audit Committee

In addition to the above committees of the County Assembly, the County Assembly has an independent Audit Committee which was constituted in 5 to comply with the PFM (County Government) regulations (2015) on the formation of audit committees for all Counties.

The audit committee was constituted in 2021. Its mandate is to advise the County Assembly of Nandi on institutional risk management and compliance. The committee held 23 meetings in FY 2022/2023. The committee members during FY 2022/2023 were:

Member	Designation
Mr. Cleophas K Yego	Chairman
Mr. William Kipletring Koech	Vice Chairman
Mr. Richard Samoei	Member
Mrs. Caroline Chepchumba Rop	Member
Mr. Keneth Kiplimo Kosgei	Member

c) Public Accounts/Investment Committee

The committee was formed to provide oversight on the County's finances. The committee held quarterly mandatory meetings during the year. Additionally, it also held xxx extra sittings to deal with arising matters. The members who served in the committee during the year were:

Member	Designation	Ward
Hon. Kagoni Hassan Majani	Chairman	Kabwareng
Hon. Birech Paul Kipkemboi	Vice Chairman	Tindiret
Hon. Kevolve Geoffrey Imbuchi	Member	Kiptuiya
Hon. Chelulei Raymond Kipkoech	Member	Songhor/Soba
Hon. Chepkemboi Lisa	Member	Nominated Member
Hon. Jebet Joan	Member	Nominated Member

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Hon. Kirwa Eliud	Member	Terik
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d) Budget and Appropriations Committee

The budget and appropriations committee provides guidance in the budgetary process. It is charged with the budget making process and ensuring that there is public participation in the budget process. The members who served in the committee during the period were:

Member	Designation	Ward
(1) Hon. Edwin Kipchumba Korir	Chairman	Kapsimatwo
(2) Hon. Ketter John Kiprotich	Vice Chairman	Chepkunyuk
(3) Hon. Kiplagat Walter	Member	Kabiyet
(4) Hon. Kuto Trufosa Jelagat	Member	Kemeloi/Maraba
(5) Hon. Jepkemei Lucy	Member	Chepterwai
(6) Hon. Ketter Julius Kipruto	Member	Chemundu/Kapng'etuny
(7) Hon. Sang Wilson Kipkirui	Member	Chepkumia

e) County Implementation Committee

The County Implementation committee provides scrutiny of the resolutions of the County Assembly (including adopted committee reports), petitions and the undertakings given by the County Executive Committee and examine;

- a) whether or not such decisions and undertakings have been implemented and where implemented, the extent to which they have been implemented; and whether such implementation has taken place within the minimum time necessary and
- b) whether or not legislation passed by the County Assembly has been operationalized and where operationalized, the extent to which such operationalization has taken place within the minimum time necessary.

The members who served in the committee during the period were:

Member	Designation	Ward
Hon. Isaiah Maina	Chairman	Ol'lessos

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Hon. Mathew Kiprotich Sang	Vice Chairman	Kobujoi
Hon. Kipkoech John Bittok	Member	Nominated
Hon. Pamela Chebichiy Magut	Member	Nominated
Hon. Salima Faraj	Member	Nominated
Hon. Ezra Rotich Kiprotich	Member	Kurgung/Surung'ai

Communication with all Stakeholders

The County is committed to ensuring that all its stakeholders are provided with full and timely information about its programmes and performance. They are also given an opportunity to give feedback. In this regard, the County held an Annual consultative meeting in xxx where the different stakeholders were invited for information sharing. This communication is important in ensuring that stakeholder expectations are aligned to the County's service delivery charter.

The County Assembly also subjected 9 bills through public.

Risk management

The County Assembly has instituted robust arrangements centred on a County Assembly Service Board (CASB) and board sub- committees. County Assembly internal control is a process, effected by CASB, management and other personnel, designed to provide reasonable assurance. The Board approved a Risk Management Policy Framework on the 3rd February 2019 and it is on this basis that the Audit Committee championed the development of the Enterprise Risk Management Policy, In the Enterprise Risk Management policy to improve the ability to deliver the County Government's strategic goals in an effective and efficient manner by managing risks, enhancing risk awareness and entrenching a culture of risk awareness and management. In Chapter two of the ERM Policy approaches to managing risks. The County Assembly has committed to implement a comprehensive risk management framework, as an open and receptive approach to solving risk management problems and ensure that risk management is integrated into all County Assembly processes. The approach to risk management adopted is based on the best practices worldwide notably the COSO and ISO Framework approaches have been considered.

The County Assembly is exposed to ten broad types of risk. The first four of these risks are derived from the COSO framework namely:

- a) Strategic – Risks that are associated with achieving the strategic objectives of the operating departments and agencies and the County Government as a whole.
- b) Financial – Risks that are associated with the financial health and sustainability of departmental and the County Government's programmes.

- c) Compliance – Risks that are associated with Officers of the County Government complying with all statutory and regulatory requirements governing their work.
- d) Operational – Risks that are associated with the day-to-day operations, projects, or programmes deviating from and not achieving the short, medium and long term County Assembly’s goals.

Other additional types of risk include:

- e) Leadership – Risks that are associated with senior management (the Speaker, Clerk, Deputy Clerk and Directors) in the County Assembly acting in the best interest of the County Assembly at all times.
- f) Hazards – Risks that are associated with the safety and health of the County Assembly working environment and acts or omissions of county public servants.
- g) Reputation – Risks that are associated with acts or omissions of county public servants, putting the County Assembly to disrepute.
- h) External – Risks that are associated with the impact of other County Governments’ acts or omissions, National Government’s acts or omissions, regional markets impact, global markets impact or technological impact on the County Assembly.
- i) Fraud and Corruption- The risk that a perpetrator commits an act using deception or acts contrary to the interest of the County Assembly and abuses position of trust in order to achieve personal gain.
- j) Information Security-The potential that a given threat will exploit vulnerability to cause loss or damage to an information asset.

Risk Management Process

Risk Management Cycle



Risk Identification

The Management will identify potential events that, if they occur, will affect the County Assembly and determine whether they represent opportunities or whether they might adversely affect the County Assembly's ability to successfully implement strategy and achieve objectives. Events with negative impact represent risks, which require management's assessment and response. Events with positive impact represent opportunities, which management channels back into the strategy and objective setting processes. When identifying events, management considers a variety of internal and external factors that may give rise to risks and opportunities, in the context of the full scope of the County Assembly processes.

Risk Assessment

Risk assessment allows the County Government to consider the extent to which potential events will have an impact on achievement of objectives. Management assesses events from two perspectives, likelihood and impact, and normally uses a combination of qualitative and quantitative methods. The positive and negative impacts of potential events will be examined, individually or by category, across the County Government. Risks are assessed on both an inherent and a residual basis. In the process of prioritizing risks, the County Government will use a risk tool table of a three by three matrix that will allow assigning a risk to one of the nine cells based on a qualitative assessment of its relative impact (high, medium or low) and the likelihood of its occurrence (high, medium or low).

Compliance

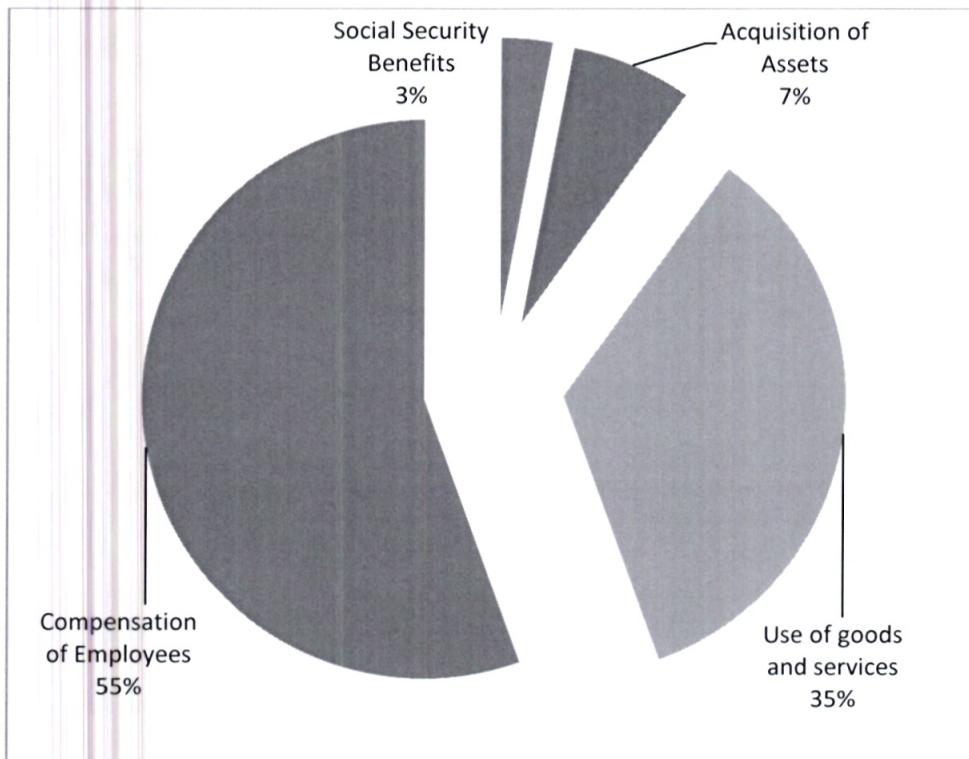
The entity should identify the relevant laws and regulations that governs it and disclose its compliance to these laws. There should also be a disclosure whether reports emanating from such compliance are prepared and discussed at the relevant levels or other government offices.

4. FOREWORD BY THE CLERK OF THE ASSEMBLY

The period under review was the period of planning for a transition from the second County Assembly under the devolution since 2013 to the third County Assembly. The County Assembly was therefore causing payments appropriate in respect of induction of new members while investing in particular assets that will crucial assets to assign staff and also the new members elected on the Tuesday the 9th of August, 2022.

4.1 Budget performance

The Financial Statements for the FY 2022/2023, herein, reflect actual expenditure of KShs. 689,072,186 against a total income (Exchequer Releases) of KShs. 689,072,186, leaving nil balances in the recurrent and development accounts. During the year the County Assembly invested KShs. 21,880,180 in Construction of buildings, KShs. 13,000,000 in the Nandi County Assembly Scheme Fund for domestic household loans and KShs.12, 564,500 in recurrent expenditure purchases while, in the process, retained at the deposit account KShs. 2,188,018. This was a significant 12.45% decrease in actual expenditure on Acquisition of Assets from KShs. 54,189,330 in FY 2021/2022. This report presents 2.43% recurrent expenditure increase from KShs. 651,335,265 in FY 2021/2022 to KShs. 667,192,006 in FY 2022/2023. The County Assembly's recurrent expenditure budget for the FY under review was KShs. 669,452,973 representing 7.88% of the entire county expenditure budget of **KShs. 8,500,581,903**. Further analysis of the County Assembly expenditure in the FY 2022-2023 is given in the pie- chart below:



4.2 Operational Performance

The Members of County Assembly and auxiliary staff attended 12 workshops on diverse dates on the following;

- (1) The form, content and format of the County Fiscal Strategy Paper and the use of the output of the approval process in the County Budgeting and Economic Planning,
- (2) Committee Services and Management
- (3) Processing of Reports and Bills including other legislative proposals like memoranda from the County Executive
- (4) Budget Making Process
- (5) The role of the MCAs
- (6) The public participation processes
- (7) The management of the Chamber
- (8) Parliamentary procedures and conduct of debates

Further the members of the County Assembly discussed on particular matters detailed below in the period under review;

- (i) PIC and PAC Report on Auditor General's Report Year Ended 30th June, 2020
- (ii) Report Labour, Justice & Legal affairs on Defunct Nandi Local Authorities Staff Gratuities
- (iii) Roads Maintenance Levy Funds Projects
- (iv) The State Of Tourism Attraction Sites In The County
- (v) Empowerment Kits Under Endeleva Jamii Initiative

Towards this end, the County Assembly enacted the following bills which were assented into law;

- (1) Nandi County Supplementary Appropriation Bill No. 1, 2019,
- (2) Nandi County Supplementary Appropriation Bill No. 2, 2019
- (3) Nandi County Appropriation Bill No. 3 of 2019,
- (4) Nandi County Health Service Bill, 2019,
- (5) Nandi County Universal Health Care and Wellness Fund Bill, 2019
- (6) Nandi County Immunization Bill, 2019
- (7) Nandi County Youth Service Bill, 2019,
- (8) Nandi County Finance Amendment Bill, 2019,
- (9) Nandi County Public Participation Bill, 2019
- (10) Nandi County Supplementary Appropriation Bill No. 1, 2020,
- (11) Nandi County Emergency Bill, 2020,
- (12) Nandi County Imprest Surrender Policy, 2019
- (13) Nandi County Emergency Response Committee on Covid-19 Bill, 2020.
- (14) Nandi County Coordination of Distribution of Food and Water in Pandemic Bill, 2021.

The County Budget was passed on the 24th June 2022 and supplementary budget passed subsequently in March 2023.

4.3 Role of the County Assemblies

Members of County Assemblies have three major roles:

- Legislation,
- Representation and
- Oversight.

The Legislative Authority of County Assembly is vested in and exercised by its County Assembly. A county Assembly while respecting the Principle of Separation of Powers, may exercise Oversight over the County Executive Committee Members and any other Executive Organs.

4.4 Performance of key development projects

The County Assembly of Nandi since its inception endeavoured to construct modern County Assembly chambers and related amenities and to date; a land mark building has come up in the background of the current Assembly location and is 95% complete. Key development project apart from the Construction of the modern County Assembly chambers includes but has not been limited to the purchase of land for the construction of the Speaker's residence. In order to ensure responsible competition practices, the county Assembly has made every effort to advertise all its procurement opportunities as well conducting public participation in approving all its bills and amendments of laws. In this connection, the County Assembly currently has cleared all its recurrent expenditure pending bills and only has a total of KShs. 21,832,222, a very insignificant 2.91% of its total budget.

4.5 Comment on value-for-money achievements

The construction of the County Assembly Office Chambers and its amenities has created employment opportunities for casual labourers, technicians and experts in built environment while availing market opportunities for the local producers and distributor stores of various products. The purchase of the land earmarked for the construction of the speaker's residence has already availed opportunities for land evaluations, speculations and enhanced value of the adjacent land owners as marketers of specific lands on sale utilize the location in site visits by agents.

The conduct of public participation in consideration of various proposed public affairs policies has endeared the public to the County Assembly of Nandi and created avenues in which the Members of the County Assembly can demonstrate to the public their work. The frequent participation of the County Assembly speaker in various talk shows has always been aimed at improving the public relations status.

4.6 Challenges and Recommended Way Forward

There have been persistent challenges experienced during the period under review including lack of sufficient office space, bureaucratic processes in procurement of works, goods and services and the delays in exchequer releases. Further, budgeting for contingent expenses for COVID 19 virus hadn't been done at the beginning of the financial year especially given the recurrent

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expenditure ceilings instituted on the County Assembly. The purchase of particular goods and procurement of services towards effective combat of the spread of the novel virus could not be undertaken under the circumstances. This exposed the employees to the risk of contracting the virus and as such hampered the activities of the County Assembly.

As previously reported financially, the County Assembly is currently undertaking construction of a County Assembly Office Complex that will effectively address the perennial challenge of lack of office space. However, funding challenges were attributable to delayed release to Nandi County of the approved equitable share of nationally raised revenues. Going forward, the County Assembly shall liaise with the Senate, Commission on Revenue Allocation (CRA), Controller of Budget (COB), CAF and the National Treasury to improve on the achievement in exchequer releases within the timelines stipulated in the procurement plans, work plans, strategic plan County Assembly Service Board resolutions and the County Assembly approvals. The County Assembly shall further establish both the Service Charter and Alternative Dispute Resolution (ADR) mechanism with stakeholders to avoid being engaged in court battles over resolutions that can be amended.

Thank you,



Name: BARNABA GK KOSGEI
Clerk of the Assembly

5. STATEMENT OF PERFORMANCE AGAINST COUNTY ASSEMBLY PREDETERMINED OBJECTIVES

Guidance

The County Assembly of Nandi aims to be a world class assembly that fulfils constitutional mandate to the people of Nandi County by promoting the growth and development of Nandi County through constitutional legislation, Oversight and representation.

The Nandi County Assembly embraces to observe the following values:

1. **Fairness:** In delivering services, we shall treat all equally irrespective of religion, tribe, race, gender background and abilities
2. **Commitment:** The Assembly is committed to adhere to the constitution in delivering its mandate to the people of Nandi County.
3. **Integrity:** We endeavour to be transparent and accountable in providing services to all our clients in an environment of fairness without taking any undue advantage of their vulnerability or abilities.
4. **Teamwork:** We shall always work together as one and to deliver results.

Introduction

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each County Government entity Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity's performance against predetermined objectives.

The key mandate of the County Assembly of Nandi is legislation, oversight, and representation. To achieve this, the assembly's program was document in terms of objective, key performance indicators, and output. Below were the expected outputs of the assembly in FY 2021/2022.

Program 1	Objective	Outcome	Indicator	Performance
Programme: P.1 Administration, Planning and Support Services	Improved efficiency in service delivery	Timely payment of MCAs and Staff monthly salaries	100%	100%
	Effectiveness in service delivery: Nandi County Assembly Strategic Plan	Formulate the Nandi County Assembly Strategic Plan	1	1

Program 1	Objective	Outcome	Indicator	Performance
	Effectiveness in service delivery: Institute County Assembly service charter	Institute County Assembly service charter	1	1
	Effectiveness in service delivery: Timeliness in committee meetings and public participation for a	Timeliness in committee meetings and public participation for a	100%	100%
	Effectiveness in service delivery: Customer satisfaction surveys	Customer satisfaction surveys	1	1
	Performance appraisal system (PAS) in place	No. of PAS evaluations done	4	4
	Efficient network established	Number of offices networked	100%	100%
Programme: P.2 Physical Infrastructure and Equipment	Improved Physical Infrastructure and Equipment for better working environment	Acquire piece of land for construction of speaker's residence	0	0
	Improved Physical Infrastructure and Equipment for better working environment	Speaker's residence Constructed	0	0
	Improved Physical Infrastructure and Equipment for better working environment	Acquisition of furniture for new offices	0	0

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Program 1	Objective	Outcome	Indicator	Performance
	Improved Physical Infrastructure and Equipment for better working environment	County Assembly renovation & speaker's residence Alterations & Extensions	0	0
	Improved Physical Infrastructure and Equipment for better working environment	Construct of County Assembly Office Complex	0	0
	Improved Physical Infrastructure and Equipment for better working environment	Acquisition of Projects Monitoring and Evaluation vehicles	0	0
	Improved Physical Infrastructure and Equipment for better working environment	Acquisition of Computers, printers and IT equipment for MCAs	10	10
Programme: P.3 County Assembly Clerk Services	Effective and efficient delivery of services.	No. of bills passed	20	20
	Effective and efficient delivery of services.	No. of policies passed	20	20

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Program 1	Objective	Outcome	Indicator	Performance
	Effective and efficient delivery of services.	No. of cases litigated	100%	100%
	Effective and efficient delivery of services.	No. of budgets prepared	1	1
	Effective and efficient delivery of services.	No. of payments effected	100%	100%
	Effective and efficient delivery of services.	No. of internal audits done	4	4
	Effective and efficient delivery of services.	No. of payments effected	100%	100%
	Research done	No. of Research Done	4	4
	Meetings held	No. of minutes of committee meetings	72	144
	Reports generated	No. of committee reports generated	80	80

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Program 1	Objective	Outcome	Indicator	Performance
Programme: P.4 County Assembly Service Board; Enhanced professionalism, staff development and member's welfare	Recruitment and placement done	No. of Employees recruited to vacancies	100%	100%
	Human resource structure established	No. of Human Resource Structures Established	10	0
	Members capacity built	No. of workshops attended	10	15

6. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

a) SUSTAINABILITY STRATEGY AND PROFILE

The County Assembly of Nandi has been in the situation where it is having a broad range of programmes and priorities. The County Assembly occasionally employs practitioners working in private companies to share tangible evidence of achievement of its targets documented in the strategic planning documents that have to be achieved.

County Assembly of Nandi exists to legislate, represent and undertake oversight on behalf of the people of Nandi County. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on County Assembly of Nandi pillars:

- (i) Putting the citizen first,
- (ii) delivering relevant goods and Services
- (iii) Improving operational excellence.

The three pillars are explained as follows;

(i) Putting the citizen first

Making citizens the focus of policy interventions and involving them in the delivery and design is for County Assembly of Nandi a normative ideal; it is a worthy objective and sounds easy to achieve. The Constitution of Kenya 2010, calls for concerted efforts to ensure citizen-centric development. By overseeing the activities of the County Executive, the Assembly is able to ensure that service delivery takes place, so that all citizens can live a better quality life.

(ii) Delivering relevant goods and services

Timeliness in our endeavours; The Assembly strives to deliver timely decisions and to implement the decisions in a timely manner for the benefit of all its stakeholders.

(iii) Improving operational excellence

The County Assembly of Nandi shall undertake performance management, continuous improvement, culture, organizational excellence, and process excellence.

b) ENVIRONMENTAL PERFORMANCE

The County Assembly of Nandi aims to reduce environmental impact by quantifying, monitoring and controlling the ongoing environmental impact of our operations and undertake cost savings through better energy management, efficient use of resources such as water and reduced waste. The Assembly has been targeting to implement energy efficient technology on all its business.

c) EMPLOYEE WELFARE

The Assembly has had to undertake efforts aimed to make life worth living for work men and women, by ensuring the following is in place in the precincts and work environment of the County Assembly of Nandi;

- (i) Labour welfare includes various facilities, services and amenities provided to workers for improving their health, efficiency, economic betterment and social status.
 - To enhance the level of morale of employees.
 - To create a loyal, contented workforce in organization.
 - To develop a better image of the County Assembly in the minds of the employees.
 - To enable the workers to live comfortably and happily.
 - To develop efficiency of the workers.
- (ii) Welfare measures are in addition to regular wages and other economic benefits available to workers due to legal provisions and collective bargaining.
 - To reduce influence of trade unions over the workers.
 - To expose philanthropic and benevolent activities of the County Assembly.
 - To make the workers know that the County Assembly takes care of them.
- (iii) Labour welfare measures are flexible and ever-changing. New welfare measures are added to the existing ones from time to time.
 - To develop positive attitude towards job, County Assembly and management.
 - To reduce tax burden.
 - To develop a feeling of satisfaction of employees with the County Assembly.
- (iv) Welfare measures may be introduced by the employers, government, employees or by any social or charitable agency.
- (v) The purpose of labour welfare is to bring about the development of the whole personality of the worker to make him a good worker and a good citizen.

d) MARKET PLACE PRACTICES-

In order to maximize legislations and approval of county executive plans and nominations for appointments, the County Assembly of Nandi must position its products or services in the marketplace in such a way that consumers believe they need a particular product for service or that a product or service they need has a particular benefit. The following is taken into account in implementation of any guidance, policy or circular on legislation, representation and oversight;

a) Responsible Supply chain and supplier relations-

The County Assembly primarily undertakes its supply chain management and upholds its supplier relations as per the Constitution, the Public Finance Management Act, 2012, Public Procurement and Disposal Act, 2015 and attendant regulations. All the

tender forms to be filled by competing bidders are derived, with necessary modification/customization, from nationally prescribed and standard procurement forms. The County Assembly automated its procurement processes since 2019 and has since upheld transparency standards as anticipated by the law. Upon advertisement of opportunities with strict adherence to provisions on affirmative procurement opportunities, the County Assembly subjects bids to tender opening, tender evaluation by a constitution of relevant committees and due diligence on the successful bids. The head of supply chain management in the County Assembly thereafter delivers a professional opinion to the Accounting Officer. The Accounting Officer is availed with the opportunity to consider thoroughly the bidders documentation, tender opening and tender evaluation committees' resolutions, due diligence reports, the market surveys, and head of supply chain management opinion prior to making a decision to award the tender to least evaluated and priced, most deserving and successful bidder by a way of 14 day notice. Thereafter receiving acceptance letter from the bidder the accounting officer is obliged to enter into agreement with the successful bidder who then will be issued with any of;

- (i) Works commencement notices in respect of works,
- (ii) Local Purchase Orders in respect of goods, or
- (iii) Local Service Order in respect off services.

b) Responsible ethical practices

The County Assembly is a corruption free environment. During the course of executing programs in the last decade of its operations, the County Assembly has ensured that its state and public officers of the County Assembly Service Board undertake refresher courses in every year on 12 key ethical principles including emerging issues on: Honesty, fairness, leadership, integrity, compassion, respect, responsibility, loyalty, law-abiding, transparency, and environmental concerns. This is among the measures that the County Assembly Service Board to uphold discipline, etiquette and respect of the laws of the Republic of Kenya in their work places.

c) Stewardship of goods and services

- (i) To avoid pilferage and outright theft of the goods and services entrusted to its official stewardship by the Kenyan citizens pursuant to the constitution;
 - ❖ County Assembly has recruited six (6) full time employees of the Board under management of the Sergeant at Arms who were drawn from the disciplined forces,
 - ❖ Requested the County Commander to complement the security situation by deploying at least two police officers which it acknowledges their presence in manned gates.
 - ❖ Further the County Assembly has a fully constructed stone walls and installed both surveillance cameras and security incident biometric registers. It is also noteworthy that all guests have name tags issued to them as they submit identity cards in order to ensure identification is full proof prior to entry to the County Assembly offices.

- (ii) To ensure that the County Assembly officers are responsible enough in both the custody and management of utilization of fixed assets including ensuring that those fixed assets are optimally used for the benefit of the County Assembly, the following measure are currently instituted;
- ❖ Conducting an inventory at least once every three (3) years upon selecting an independent firm with specific industry and qualifications and experience and physical inventory and reconciliation expertise, including performing a detailed line by line reconciliation of the physical inventory to the fixed asset accounting records.
 - ❖ Affixing property tags to all untagged assets.
 - ❖ Consistently applying the capitalization threshold while conducting the inventory.
 - ❖ Recording all descriptive and locational information possible.
 - ❖ Completing the inventory as quickly as possible to minimize asset movement.

e) COMMUNITY ENGAGEMENTS

The Members of County Assembly participated in various fundraising activities across the Nandi County in respect to matters of attempting to address community problems, for instance;

- ill-health citizens
- bright and needy children's school fees
- disasters
- funeral arrangements and
- Religious activities.

The County Assembly of Nandi avails at its registry department for inspection by any citizens the details of Community Social Responsibility activities carried out in the year and the impact to the society. The documentation classifies such activities in the manner in which the promote education, sports, healthcare, labour relations, staff training and development, and water and sanitation initiatives.

The following photos show some of the activities in which members of the County Assembly participated in various initiatives across the various County Assembly wards.



02.11.2022: The County Assembly of Nandi constituted a team of football players to benchmark with local community football club for the purposes of enhancing fitness among its staff. The team coach is highlighted in the photo. Currently, the football team has played 11 times on diverse occasions at Kapsabet, Kakamega, Kericho and Eldoret and won 7 matches, drew in 2 matches and lost the rest. The team shall be presented to represent a delegation of Nandi to challenge other teams in the scheduled CASA games in Nakuru to be held later this year.



October 1; 2022 at 9:51 AM: The Deputy Speaker lead a delegation of the house leadership in joining a local community, the church, friends, relatives and family members of grieving family as they laid to rest their loved one. The County Assembly participates and sends delegations various social responsibilities.

7.STATEMENT OF MANAGEMENT RESPONSIBILITIES

Sections 164 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of a County Government Entity to prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year, ended June 30, 2022. This responsibility includes:

- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Assembly;
- (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 Assembly;
- (v) selecting and applying appropriate accounting policies; and
- (vi) making accounting estimates that are reasonable in the circumstances.

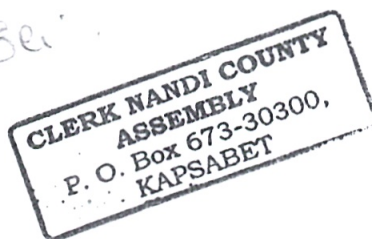
The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the County Assembly's financial statements give a true and fair view of the state of the County Assembly's transactions for the year ended June 30, 2022, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

The Clerk confirms that the County Assembly has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Assembly's funds received during the quarter under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Clerk confirms that the County Assembly'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

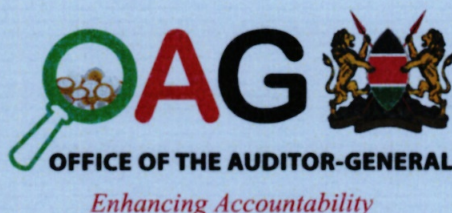
The County Government's financial statements were approved and signed by the Clerk of the County Assembly on November 3, 2023


Name: BARNABA GK KOSGEI
Clerk of the Assembly



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF NANDI FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Assembly of Nandi set out on pages 1 to 39, which comprise of the statement of financial assets and liabilities

as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the County Assembly of Nandi as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the County Governments Act, 2012.

Basis for Qualified Opinion

1. Unsupported Foreign Travel and Subsistence Allowances

The statement of receipts and payments reflects use of goods and services amount of Kshs.244,309,354 which, as disclosed in Note 5 to the financial statements includes foreign travel and subsistence allowances amount of Kshs.36,930,966. Examination of payment vouchers and supporting documents revealed that an amount of Kshs.23,237,776 was paid as per diem to Members of County Assembly and the secretariat for a benchmarking trip to Uganda, which were not supported by concept notes and 3 months' notice in line with Sections i(a) and (b) of the Office of the President circular No.OP/CAB.1/7A dated 26 January, 2015 which states that all official international visits be coordinated through the Ministry of Foreign Affairs and International Trade with at least three months' notice/window from the date of request and to hasten the process, all requests should be accompanied by a concept note, name of leader of the delegation and his/her bio-data and delegation list.

Further, use of goods and services amounts includes other operating expenses amount of Kshs.42,246,062 which further includes Kshs.281,898 paid to KCB. Review of records provided show that the amount is made up of interest at 1.5% of principal amount and excise duty at 20% of interest charged on a short-term borrowing of Kshs.15,661,048 which the County Assembly secured from KCB, to pay salary advances for July, 2022. However, the short-term borrowing was not approved by the County Assembly.

In the circumstances, the propriety of the foreign travel and subsistence allowances amounting to Kshs.23,519,674 could not be confirmed.

2. Irregular Payment of Commuter Allowance

The statement of receipts and payments reflects compensation of employees amount of Kshs.377,018,607 which as disclosed in Note 4 to the financial statements include personal allowances paid as part of salary amounting to Kshs.156,863,710. However, review of records provided revealed that Members of the County Assembly were sworn in on the 21 September, 2022 but were paid commuter allowance for the whole month of September, 2022 when they qualified for a commuter allowance for two return journeys

only. This led to overpayment of commuter allowances by Kshs.661,527 before Pay As You Earn.

In the circumstances, the accuracy and propriety of personal allowances paid as part of salary amounting to Kshs.156,863,710 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts - recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.744,452,973 and Kshs.689,072,186 respectively resulting to an under-funding of Kshs.55,380,787 or 7% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.743,187,973 and Kshs.689,072,186 respectively resulting to an underfunding of Kshs.54,115,787 or 7% of the budget. The underfunding and under-expenditure affected the planned activities and this impacted on service delivery to the residents of Nandi County.

My opinion is not modified in respect of this matter.

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

Unresolved Prior Year Audit Matters

In the audit report of the previous year, several paragraphs were raised. However, Management has not resolved and disclosed the status of all the prior year matters as prescribed in the reporting requirements set by the Public Sector Accounting Standards Board. Management has not provided satisfactory explanation for the delay in resolving the issues.

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. Non-Compliance with the One-Third of Basic Salary Rule

Review of County Assembly of Nandi payroll for the year revealed that seventeen (17) employees of the County Assembly received net salaries which were less than a third of their respective basic salaries. This is contrary to Part D(2) of County Human Resource Manual, 2013 which states that a public officer will be expected to retain a net salary of not less than 1/3 of his basic salary per month. The over-commitment of salary may result to pecuniary embarrassment.

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

2. Processing of Salaries Outside the Integrated Personnel and Payroll Database (IPPD)

The statement of receipts and payments reflects compensation of employees' amount of Kshs.377,018,607 which include salaries amounting to Kshs.9,329,845 paid outside IPPD. No explanation has been provided for the processing of the wages outside the IPPD system. This is contrary to Section 1.5.1 of the Treasury Guidelines through the Financial Accounting Recording and Reporting manual which requires that each County Government department is responsible for populating the IPPD with the information contained in these documents, issuing each appointee with a unique payroll number from the system, and providing the appointee with a letter of appointment (with a reference to the PSB's letter of approval). The salaries, allowances and/or arrears of County Government staff are processed on the IPPD at every month end.

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

3. Non-Compliance with Law on Ethnic Composition

During the year under review, the total number of employees of the County Assembly was eighty-one (81) out of which eighty (80) or 99 % of the total number were members of the dominant ethnic community in the County. This is contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that, "all public offices shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public institution shall have more than one-third of its staff establishment from the same ethnic community".

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

4. Irregular Remittance of Pay As You Earn (PAYE) on Gratuity Payments

The statement of receipts and payments reflects compensation of employees' expenses amounting to Kshs.377,018,607 which includes an amount of Kshs.5,863,647 being

PAYE on gratuity benefits for 40 members of the County Assembly (MCA's) who served between 2017 and 2022.

However, the County Assembly paid this amount from voted provision for the year under review instead of utilizing PAYE deducted from the monthly earnings of the MCAs. Although Management explained that PAYE was deducted monthly from the amounts paid to the MCAs, it was not clear why the deducted amounts were not used in settling the taxes due. Further, it was not clear in which account the amounts deducted were held. This is contrary to Section 104(i) of Public Finance Management Act, 2012 which requires each County treasury to put in place proper management and control of, and accounting for finances of County Government and its entities in order to promote efficient and effective use of County's budgetary resources.

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

5. Irregular Payments on Domestic Travel and Subsistence Allowances

The statement of receipts and payments reflects use of goods and services amount of Kshs.244,309,354 which, as disclosed in Note 5 to the financial statements includes domestic travel and subsistence allowances amounting to Kshs.72,586,805. Review of records provided show that Kshs.49,532,500 was paid as per diem to staff and members of County Assembly on various trips to Kisumu, Nakuru, Eldoret and Mombasa respectively to write reports, bench mark, attend workshops and for retreats. However, no explanation was provided as to why the activities could not be carried out within the County Assembly premises.

This is contrary to Paragraph 7 of Treasury Circular No.20/2015 which suspended with immediate effect, movement from headquarters to other towns for the purpose of discussing strategy documents, consultants' reports, or even other assignments that would ordinarily be done in the offices at the headquarters.

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

6. Unapproved Foreign Trainings

The statement of receipts and payments reflects use of goods and services expenditure of Kshs.244,309,354 which includes foreign travel and subsistence expenses of Kshs.36,930,966 as disclosed in Note 5 to the financial statements. Examination of expenditure documents in support of the foreign travel and subsistence revealed that an amount of Kshs.8,677,850 was paid as per diem to staff to facilitate attendance for various trainings. It was however not clear why all these courses could not be undertaken locally. This is contrary to Section 4.2.1 of the guidelines on managing training in the Public Service which provides that approval to train in foreign based institutions will be granted only in instances where the course applied for is not available in any local institution.

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

7. Delayed Construction of Modern County Assembly Chambers, Offices, and Auxiliary

The statement of receipts and payments reflects acquisition of assets expenditure of Kshs.47,444,680 which as disclosed in Note 10 to the financial statements, include construction of buildings amount of Kshs.21,880,180 made to two contractors at a contract sum of Kshs.469,469,934 being cost of construction of Modern County Assembly chambers, offices and auxiliary amenities. However, physical inspection done in August, 2023, revealed that the project, was about 80% complete and the contractor was not on site.

In the circumstances, the value for money obtained from the project could not be confirmed.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply, 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 effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the County Assembly'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 Assembly or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1) (a) of the Public Audit Act, 2015 and submit

the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the 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 controls.
- 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 Assembly'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 Assembly 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 Assembly 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.



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

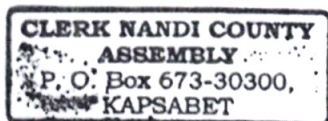
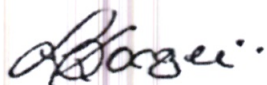
Nairobi

18 January, 2024

9. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH
JUNE 2023

		FY 2022-2023	FY 2021-2022
	Note	KShs	KShs
RECEIPTS			
Transfers from the CRF	1	689,072,186	696,003,318
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	0	0
TOTAL RECEIPTS		689,072,186	696,003,318
PAYMENTS			
Compensation of Employees	4	377,018,607	396,770,396
Use of goods and services	5	244,309,354	290,183,434
Subsidies	6	0	0
Transfers to Other Government Entities	7	0	0
Other grants and transfers	8	0	0
Social Security Benefits	9	20,299,545	16,598,734
Acquisition of Assets	10	47,444,680	54,189,330
Finance Costs	11	0	0
Other Payments	12		
TOTAL PAYMENTS		689,072,186	757,741,894
SURPLUS/DEFICIT		0	(61,738,576)

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on November 3, 2023 and signed by:



Name: BARNABA GK KOSGEI
Clerk of the Assembly



Name: WESLEY CHERUIYOT KIMETO
Chief Finance Office – County Assembly
ICPAK Member Number: 11505

*Comparative FY means the financial year proceeding the current financial year.

10. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT 30TH JUNE 2023

		2021-2022	2020-2021
Financial assets	Note	Kshs	Kshs
Cash and cash equivalents			
Bank balances	13A	36,600,733	45,815,217
Cash balances	13B	0	0
Total cash and cash equivalents		36,600,733	45,815,217
Imprests and Advances	14	0	0
Total financial assets		36,600,733	45,815,217
Financial liabilities			
Third party deposits and retention	15	36,600,733	33,995,540
Net financial assets		0	11,819,677
Represented by			
Fund balance b/fwd	16	11,819,678	73,558,254
Prior year adjustment	17	(11,819,678)	
Surplus/(deficit) for the year		0	(61,738,576)
Total Net Financial Assets and Liabilities		0	11,819,678

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on November 3, 2023 and signed by:

Name: BARNABA GK KOSGEI
Clerk of the Assembly



Name: WESLEY CHERUIYOT KIMETO
Chief Finance Office – County Assembly
ICPAK Member Number: 11505

Count Government of Nandi

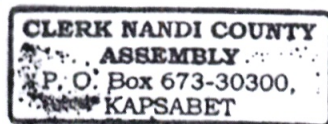
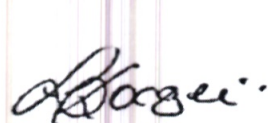
Nandi County Assembly

Annual Report and Financial Statements For the year ended 30th June 2023

11. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2023

	Note	FY 2022/2023 KShs	FY 2021/2022 KShs
Cash flows from operating activities			
Receipts from operating income			
Transfers from the CRF	1	689,072,186	696,003,318
Miscellaneous receipts	3	0	0
Total receipts from operating income		689,072,186	696,003,318
Payments for operating expenses			
Compensation of employees	4	377,018,607	396,770,396
Use of goods and services	5	244,309,354	290,183,434
Subsidies	6	0	0
Transfers to other government entities	7	0	0
Other grants and transfers	8	0	0
Social security benefits	9	20,299,545	16,598,734
Finance costs	11	0	0
Other payments	12	0	0
Total payments for operating expenses		641,627,506	703,552,564
Net receipts/(payments) from operating activities		47,444,680	(7,549,246)
Adjusted for:			
Prior year adjustment	17	(11,819,678)	
Decrease/(increase) in accounts receivable:	18	0	0
Increase/(decrease) in accounts payable:	19	2,605,193	0
Net cash flows from operating activities		38,230,195	(7,549,246)
Cash flow from investing activities			
Proceeds from sale of assets	2	0	0
Acquisition of assets	10	(47,444,680)	(54,189,330)
Net cash flows from investing activities		(47,444,680)	(54,189,330)
Cash flow From Financing Activities			
Repayment of principal on domestic and foreign borrowing		0	0
Net cash flow from financing activities	C	0	0
Net increase in cash and cash equivalents		(9,214,485)	(61,738,576)
Cash & cash equivalent at Start of the year		45,815,217	107,553,794
Cash & cash equivalent at end of the year		36,600,733	45,815,217

The explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on November 3, 2023 and signed by:



Name: BARNABA GK KOSGEI
Clerk of the Assembly



Name: WESLEY CHERUIYOT KIMETO
Chief Finance Office – County Assembly
ICPAK Member Number: 11505

**12. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT AND DEVELOPMENT FOR
YEAR ENDED 30TH JUNE 2023**

Receipt/expense item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
RECEIPTS						
Transfers from the CRF	769,452,973	(25,000,000)	744,452,973	689,072,186	55,380,787	92.56%
Proceeds from sale of assets					0	
Other receipts					0	
TOTAL	769,452,973	(25,000,000)	744,452,973	689,072,186	55,380,787	92.56%
Payments					0	
Compensation of employees	422,271,924	(1,265,000)	421,006,924	377,018,607	43,988,317	89.55%
Use of goods and services	197,732,694	0	197,732,694	244,309,354	(46,576,660)	123.56%
Subsidies	0	0	0		0	
Transfers to other government entities	0	0	0		0	
Other grants and transfers	0	0	0		0	
Social security benefits	22,500,000	0	22,500,000	20,299,545	2,200,455	90.22%
Acquisition of assets	126,948,355	(25,000,000)	101,948,355	47,444,680	54,503,675	46.54%
Finance costs	0	0	0		0	
Other payments	0	0	0		0	
TOTAL	769,452,973	(26,265,000)	743,187,973	689,072,186	54,115,787	92.72%
SURPLUS/ DEFICIT	0	1,265,000	1,265,000	(0)	1,265,000	0.00%

The delay in exchequer releases resulted in contractor employer disputes on payment of claims that arose from delays and hence as dispute on the extent of claims was being resolved, and given the need for involvement of third parties to the contract such cases, there is a reported underutilization of development expenditure provisions for acquisition of assets.

The County Assembly of Nandi financial statements were approved on November 3, 2023 and signed by:

Name: BARNABA GK KOSGEI
Clerk of the Assembly




Name: WESLEY CHERUIYOT KIMETO
Chief Finance Office – County Assembly
ICPAK Member Number: 11505

12A STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT FOR THE YEAR ENDED 30TH JUNE 2023

Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
RECEIPTS						
Transfers from the CRF	669,452,973	0	669,452,973	667,192,006.00	(2,260,967)	99.7%
Proceeds from sale of assets						
Other receipts						
TOTAL	669,452,973	0	669,452,973	667,192,006	(2,260,967)	99.7%
Payments	422,271,924	(44,960,000)	377,311,924	377,018,607	(293,317)	99.9%
Compensation of employees	197,732,694	48,425,000	246,157,694	244,309,354	(1,848,340)	99.2%
Use of goods and services						
Subsidies						
Transfers to other government entities						
Other grants and transfers	22,500,000	(2,200,000)	20,300,000	20,299,545	(455)	100.0%
Social security benefits	26,948,355	(1,265,000)	25,683,355	25,564,500	(118,855)	99.5%
Acquisition of assets						
Finance costs						
Other payments						
TOTAL	669,452,973	0	669,452,973	667,192,006	(2,260,967)	99.7%

The County Assembly of Nandi financial statements were approved on November 3, 2023 and signed by:


CLERK NANDI COUNTY ASSEMBLY
 P. O. Box 673-30300,
 KAPSABET

Name: BARNABA GK KOSGEI
 Clerk of the Assembly



Name: WESLEY CHERUIYOT KIMETO
 Chief Finance Office – County Assembly
 ICPAK Member Number: 11505

12B STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: DEVELOPMENT FOR THE YEAR ENDED 30TH JUNE 2023

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of utilization difference to final budget
	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS					
Transfers from the County Treasury/Exchequer Releases	100,000,000	(25,000,000)	75,000,000	21,880,180	-70.8%
Proceeds from Sale of Assets					
Other Receipts					
TOTAL	100,000,000	(25,000,000)	75,000,000	21,880,180	-70.8%
PAYMENTS					
Compensation of Employees					
Use of goods and services					
Subsidies					
Transfers to Other Government Entities					
Other grants and transfers					
Social Security Benefits					
Acquisition of Assets	100,000,000	(25,000,000)	75,000,000	21,880,180	-70.8%
Finance Costs					
Other Payments					
TOTAL	100,000,000	(25,000,000)	75,000,000	21,880,180	-70.8%
SURPLUS/DEFICIT	0	0	0	0	0

The County Assembly of Nandi financial statements were approved on November 3, 2023 and signed by:

Name: BARNABA GK KOSGEI
 Clerk of the Assembly



Name: WESLEY CHERUIYOT KIMETO
 Chief Finance Office – County Assembly
 ICPAK Member Number: 11505

County Government of Nandi
County Assembly of Nandi
Annual Report and Financial Statements For the year ended 30th June 2023

13. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES



Budget Execution by Heads and Programmes -County

Entity: 4423-Nandi - County Assembly

Period: JUL-22 To JUN-23

Head	Program	Description	Approved Budget Payments	Actual
0	4423	Default Value (Non- Departmental)	0	0
4423000100		County assembly service board	669,452,973.00	667,192,006.00
	724004423		0	0
	725004423		669,452,973.00	667,192,006.00
4423000200	723004423	Finance and Accounts	0	0
4423000400		Administration Section	75,000,000.00	21,880,180.00
	901004423		75,000,000.00	21,880,180.00
	725004423		0	0
	721004423		0	0
	724004423		0	0
	723004423		0	0
	701004423		0	0
		Grand Total	744,452,973.00	689,072,186.00

The Statement has been prepared, reviewed and approved by the following;

Prepared By: CPA ISAAC KIPLAGAT TUM

Date: 3rd November 2023

Reviewed By: CPA WESLEY CHERUIYOT KIMETO

Date: 3rd November 2023

Approved By: BARNABA GK KOSGEI

Date: 3rd November 2023

14. Significant Accounting Policies

The Significant 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 third party deposits and retentions. The statement of assets and liabilities, although not a requirement of the IPSAS Cash Standard, has been included to disclose information on some classes of receivables and payables as outlined above.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the County Assembly of Nandi all values are rounded to the nearest Kenya Shilling.

The accounting policies adopted have been consistently applied to all the years presented.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

2. Reporting entity

The financial statements are for the County Assembly of Nandi. The financial statements encompass the reporting entity as specified in section 164 of PFM Act 2012.

3. Recognition of receipts and payments

a) Recognition of receipts

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

Significant Accounting Policies (Continued)

i) Transfers from the Exchequer/ County Treasury

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 County Assembly of Nandi.

ii) Other Receipts

Other receipts relate to receipts such as tender fees among others. These are recognised in the financial statements when the associated cash is received.

b) Recognition of payments

The County Assembly of Nandi recognises all expenses when the event occurs, and the related cash has actually been paid out by the County Assembly of Nandi.

i) Compensation of employees

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

ii) Use of goods and services

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

iii) 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.

Significant Accounting Policies (Continued)

4. In-kind contributions

In-kind contributions are donations that are made to the *County Assembly of Nandi* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *County Assembly of Nandi* includes such value in the statement of receipts and payments both as receipts and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

5. Third Party Payments

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

7. 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 2023, this amounted to KShs. 36,600,733 compared to KShs 34,412,715 in prior period as indicated on note 13. *There were no other restrictions on cash during the year.*

Significant Accounting Policies (Continued)

8. Imprests and Advances

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

9. Third party deposits and retention

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

10. Non-current assets

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

11. Pending bills

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

Significant Accounting Policies (Continued)

12. 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 County Assembly of Nandi 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.

13. Contingent Assets

The County Assembly of Nandi does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the County Assembly of Nandi 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.

Significant Accounting Policies (Continued)

14. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County Executive's budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on 27th June 2023 for the period 1st July 2022 to 30 June 2023 as required by law. There was xxx number of supplementary budgets passed in the year. A high-level assessment of the County Executive's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

15. Comparative figures

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

16. Subsequent events

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

17. Prior Period Adjustment

During the year, errors that have been corrected are disclosed *under note 26* explaining the nature and amounts.

18. Related Party Transactions

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

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

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

County Government of Nandi**Nandi County Assembly****Annual Report and Financial Statements For the year ended 30th June 2023****15. Notes to the Financial Statements****1. Transfer from CRF**

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Transfers from the county treasury for Q1	113,499,285	116,177,541
Transfers from the county treasury for Q2	151,798,146	265,156,005
Transfers from the county treasury for Q3	129,862,317	112,415,424
Transfers from the county treasury for Q4	293,912,438	202,254,348
Cumulative amount	689,072,186	696,003,318

1.1. RECURRENT EXPENDITURE RECEIPTS IN FY 2022-2023

Txn. Date	Reference No.	Transaction Details 3	Amount
5-Aug-22	FT22217WN5SG	REF: NDICA/REC/003/VOL. (8)	5,135,602.00
5-Aug-22	FT222179T1XT	REF: NDICA/REC/002/VOL. (8)	8,553,727.00
5-Aug-22	FT22217V4Q0Y	REF: NDICA/REC/001/VOL. (8)	22,159,921.00
22-Aug-22	FT22234JF99	REF:NDICA/REC/004/VOL.(8)	9,036,300.00
30-Aug-22	FT22242Y5J42	COB/NDI/001/54(14) DD 29082022	10,874,398.00
27-Sep-22	FT222705YP0R	REF:NDICA/REC/009/VOL.(8)	3,584,109.00
27-Sep-22	FT222705SFGX	REF:NDICA/REC/007/VOL.(8)	5,963,423.00
27-Sep-22	FT22270L6Q2N	REF:NDICA/REC/010/VOL.(8)	6,464,584.00
27-Sep-22	FT222706SZS0	REF:NDICA/REC/011/VOL.(8)	10,254,900.00
27-Sep-22	FT22270RS3BJ	REF:NDICA/REC/008/VOL.(8)	10,609,260.00
27-Sep-22	FT22270388M4	REF:NDICA/REC/006/VOL.(8)	20,863,061.00
		Q1 RECURRENT EXPENDITURE	113,499,285.00
14-Oct-22	FT22287D4WDB	COB/NDI/001/56(7) DD 13102022	6,551,640.00
14-Oct-22	FT222872N2WM	COB/NDI/001/56(5) DD 13102022	7,999,160.00
14-Oct-22	FT22287NMKQM	COB/NDI/001/56(8) DD 13102022	13,365,000.00
14-Oct-22	FT22287YDZX1	COB/NDI/001/56(6) DD 13102022	14,650,315.00
18-Nov-22	FT223227KJ3G	REF:NDICA/REC/017/VOL.(8)	6,522,593.00
18-Nov-22	FT223225TTXJ	REF:NDICA/REC/018/VOL.(8)	10,256,568.00
18-Nov-22	FT223224KKKH	REF:NDICA/REC/019/VOL.(8)	10,308,600.00
18-Nov-22	FT22322CSY41	REF:NDICA/REC/016/VOL.(8)	17,836,724.00
19-Dec-22	FT22353BJ5ZL	COB/NDI/001/57(9) DD 19122022	9,411,442.00
19-Dec-22	FT223536ZYH5	COB/NDI/001/57(8) DD 19122022	17,836,724.00
20-Dec-22	FT22354FT2WT	COB/NDI/001/57(11) DD 19122022	23,397,900.00
21-Dec-22	FT22355BCC4F	COB/NDI/001/57(10) DD 19122022	8,696,048.00
28-Dec-22	FT2236289D58	COB/NDI/001/58(1) DD 21122022	4,965,432.00
		Q2 RECURRENT EXPENDITURE	151,798,146.00

Count Government of Nandi

Nandi County Assembly

Annual Report and Financial Statements For the year ended 30th June 2023

Txn. Date	Reference No.	Transaction Details 3	Amount
30-Jan-23	FT2303001W5C	COB/NDI/001/58(9) DD 27012023	5,135,388.00
30-Jan-23	FT230305LB8D	COB/NDI/001/58(10) DD 27012023	13,853,300.00
30-Jan-23	FT23030RMVJ6	COB/NDI/001/58(11) DD 27012023	17,746,133.00
30-Jan-23	FT23030BYY93	COB/NDI/001/58(12) DD 27012023	19,737,470.00
24-Mar-23	FT230837L0M0	COB/NDI/001/55(15) DD 23032023	7,398,300.00
24-Mar-23	FT230836KCLN	COB/NDI/001/55(18) DD 23032023	10,826,632.00
24-Mar-23	FT230834M39W	COB/NDI/001/55(19) DD 23032023	18,003,100.00
24-Mar-23	FT23083QQF9X	COB/NDI/001/55(16) DD 23032023	18,468,870.00
24-Mar-23	FT23083BYFJR	COB/NDI/001/55(17) DD 23032023	18,693,124.00
		Q3 RECURRENT EXPENDITURE	129,862,317.00
2-May-23	FT23122DR3XR	COB/NDI/001/61(6) DD 26042023	4,833,832.00
2-May-23	FT23122LBW1V	COB/NDI/001/61(5) DD 26042023	20,592,986.00
2-May-23	FT23122Y98Z2	COB/NDI/001/61(7) DD 26042023	23,964,308.00
2-May-23	FT23122CCGTG	COB/NDI/001/61(8) DD 26042023	46,095,000.00
29-May-23	FT23149DS8VL	COB/NDI/001/63(2) DD 26052023	7,646,840.00
30-May-23	FT23150QCT2J	COB/NDI/001/63(4) DD 29052023	10,135,385.00
30-May-23	FT23150BHJGW	COB/NDI/001/63(6) DD 29052023	13,950,300.00
30-May-23	FT23150RTBD5	COB/NDI/001/63(3) DD 29052023	20,435,290.00
30-May-23	FT23150SXH3C	COB/NDI/001/63(5) DD 29052023	25,125,340.00
20-Jun-23	FT23171Z478M	COB/NDI/001/64(6) DD 19062023	6,840,400.00
20-Jun-23	FT2317111P3C	COB/NDI/001/64(5) DD 19062023	23,054,704.00
29-Jun-23	FT2318099868	COB/NDI/001/65(12) DD 27062023	4,944,213.00
29-Jun-23	FT23180PBGNR	COB/NDI/001/65(13) DD 27062023	20,091,753.00
29-Jun-23	FT23180FSCBC	COB/NDI/001/65(11) DD 27062023	20,155,153.00
5-Jul-23	FT23186464FK	COB/NDI/001/65(14) DD 30062023	24,166,754.00
		Q4 RECURRENT EXPENDITURE	272,032,258.00
		SUB TOTAL RECURRENT EXPENDITURE	667,192,006.00

1.2. DEVELOPMENT EXPENDITURE RECEIPTS IN FY 2022-2023

Txn. Date	Reference No.	Transaction Details 3	Amount
20-Jun-23	FT23171CJRJX	COB/NDI/001/64(7) DD 19062023	479,581.00
5-May-23	FT23125CWFYY	COB/NDI/001/62(1) DD 04052023	21,400,599.00
		SUB TOTAL DEVELOPMENT EXPENDITURE	21,880,180.00
		GRAND TOTAL RECEIPTS	689,072,186.00

Notes to the Financial Statements (continued)

2. Proceeds From Sale of Assets

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Receipts from the Sale of Buildings	00	00
Receipts from the Sale of Vehicles and Transport Equipment	00	00
Receipts from the Sale Plant Machinery and Equipment	00	00
Receipts from Sale of Certified Seeds and Breeding Stock	00	00
Receipts from the Sale of Strategic Reserves Stocks	00	00
Receipts from the Sale of Inventories, Stocks and Commodities	00	00
Disposal and Sales of Non-Produced Assets	00	00
Total	00	00

3. Miscellaneous receipts

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Insurance Recoveries	00	00
Other receipts	00	00
Total	00	00

4. Compensation Of Employees

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Basic salaries of permanent employees	200,202,063	212,792,652
Basic wages of temporary employees	941,109	702,913
Personal allowances paid as part of salary	156,926,627	154,429,181
Personal allowances paid as reimbursements	3,629,206	3,532,600
Personal allowances provided in kind	0	0.00

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Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Pension and other social security contributions	15,319,602	0
Compulsory national social security schemes	0	25,313,050
Compulsory national health insurance schemes	0	0
Social benefit schemes outside government	0	0
Other personnel payments	0	0
Total	377,018,607	396,770,396

5. Use Of Goods And Services

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Utilities, supplies and services	574,911	457,810
Communication, supplies and services	3,261,163	1,525,893
Domestic travel and subsistence	72,586,805	142,713,081
Foreign travel and subsistence	36,930,966	16,382,628
Printing, advertising and information supplies & services	2,032,062	1,143,437
Rentals of produced assets	900,000	1,020,000
Training expenses	27,343,967	5,290,230
Hospitality supplies and services	11,725,637	29,546,198
Insurance costs	19,683,076	22,469,952
Specialized materials and services	1,019,000	676,002
Office and general supplies and services	5,061,619	4,237,167
Fuel, Oil and Lubricants	9,193,978	5,945,870
Other operating expenses	42,246,062	51,444,812
Routine maintenance – vehicles and other transport equipment	10,398,115	5,988,632
Routine maintenance – other assets	1,351,994	1,341,722
Domestic Loans to Individuals and Households	0	0
	244,309,354	290,183,434

Notes to the Financial Statements (Continued)

6. Subsidies

Description	FY 2022-2023	FY 2021-2022
	KShs	FY 2021-2022
Subsidies To County Corporations		
Subsidies To Private Enterprises		
Total	0	0

7. Transfers To Other Government Entities

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Transfers to national government entities	0	0
Transfers to other county assembly entities	0	0
Car loan scheme fund	0	0
Mortgage scheme/fund	0	0
Others	0	0
Total	0	0

Notes to the Financial Statements (Continued)

8. Other Grants And Transfers

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Scholarships and other educational benefits	0	0
Membership fees and dues and subscriptions to organizations	0	0
Emergency relief and refugee assistance	0	0
Subsidies to small businesses, cooperatives, and self employed	0	0
Total	0	0

9. Social Security Benefits

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Government Pension and Retirement Benefits	20,299,545	16,598,734
Social Security Benefits	0	0
Employer Social Benefits	0	0
Total	20,299,545	16,598,734

Notes to the Financial Statements (Continued)

10. Acquisition Of Assets

Non- financial assets	FY 2022-2023	FY 2021-2022
	KShs	KShs
Purchase of Buildings		
Construction of Buildings	21,880,180	51,549,628
Refurbishment of Buildings		
Construction of Roads		
Construction and Civil Works		
Overhaul and Refurbishment of Construction and Civil Works		
Purchase of Vehicles and Other Transport Equipment		
Overhaul of Vehicles and Other Transport Equipment		
Purchase of Household Furniture and Institutional Equipment		
Purchase of Office Furniture and General Equipment	11,569,500	2,134,201
Purchase of ICT Equipment, Software and Other ICT Assets	995,000	
Purchase of Specialised Plant, Equipment and Machinery		505,501
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Purchase of Certified Seeds, Breeding Stock and Live Animals		
Research, Studies, Project Preparation, Design & Supervision		0
Rehabilitation of Civil Works		
Acquisition of Strategic Stocks and commodities		
Acquisition of Land		
Acquisition of Intangible Assets		
Total acquisition of non- financial assets	34,444,680	54,189,330
Financial Assets		
Domestic Public Non-Financial Enterprises		0
Domestic Public Financial Institutions	13,000,000	
Total acquisition of financial assets	13,000,000	0

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Non- financial assets	FY 2022-2023	FY 2021-2022
	KShs	KShs
Total	47,444,680	54,189,330

Notes to the Financial Statements (Continued)

11. Finance Costs

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
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
Total	0	0

12. Other Payments

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Budget Reserves	0	0
Civil Contingency Reserves	0	0
Other Payments	0	0
Total	0	0

Notes to the Financial Statements (Continued)

13. Cash and Bank Balances

13A. Bank Balances

Name Of Bank, Account Name & Currency	Account Number	Indicate whether Rec, Dev, Dep e.t.c	FY 2022-2023	FY 2021-2022
			Kshs	Kshs
Central Bank of Kenya, County Assembly of Nandi, KShs	1000197056	Recurrent	0	0
Central Bank of Kenya, County Assembly of Nandi, KShs	1000197048	Development	0	11,400,600
Central Bank of Kenya, County Assembly of Nandi, KShs	1000416308	Retention	36,600,733	34,412,715
National Bank of Kenya, Nandi County Assembly, KShs.	01020212740800	Recurrent	0	0
Cooperative Bank of Kenya, Nandi County Assembly, KShs.	011401327553600	Recurrent	0	1,902
Total			36,600,733	45,815,217

13B. Cash in Hand

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Cash In Hand – Held In Domestic Currency	0	0
Cash In Hand – Held In Foreign Currency	0	0
Total	0	0

Notes to the Financial Statements (Continued)

Cash in hand should be analysed as follows:

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Location 1	0	0
Location 2	0	0
Location 3	0	0
Total	0	0

14. Imprests and Advances

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Government Imprests	0	0
Salary Advance	0	0
Clearance accounts	0	0
Total	0	0

Breakdown Of Imprest And Salary Advance Per Department	FY 2022-2023	FY 2021-2022
Imprests	KShs	KShs
Department	0	0
Department	0	0
Department	0	0
Sub-Total	0	0
Salary Advance	0	0
Department	0	0
Department	0	0
Sub-Total	0	0
Grand Total	0	0

**See Annex 5 for a detailed analysis of the outstanding imprests.*

Notes to the Financial Statements (Continued)

15. Third Party Deposits and Advances

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Deposits	0	0
Retentions	36,600,733	33,995,540
Total	36,600,733	33,995,540

16. Fund Balance Brought Forward

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Bank Accounts	11,819,678	73,558,254
Cash In Hand	0	0
Accounts Receivables	0	
Accounts Payables		
Total	11,819,678	73,558,254

The fund balances brought forward refers to the previous financial year's closing balances

Notes to the Financial Statements (Continued)

17. Prior Year Adjustments

Prior period adjustment applies to the correction of an error in the financial statements of a prior period.

Description Of The Error	Balance b/f from FY 2021-2022 per audited financial statements	Adjustments during the year relating to prior periods	Adjusted ** Balance b/f For FY 2022-2023
	KShs	KShs	KShs
Bank Account Balances	45,815,217	(11,819,678)	33,995,540
Cash In Hand	0	0	0
Imprests and advances	0	0	0
Third party deposits and retention	0	0	0
	45,815,217	(11,819,678)	33,995,540

18. Changes in Imprests and Advances

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Opening Imprests and Advances As At 1 st July 2022	0	0
Closing Imprests and Advances As At 30 th June 2023	0	0
Change In Imprests and Advances	0	0

19. Changes in Third Party Deposits and Retentions

Description	FY 2022-2023	FY 2021-2022
	KShs	KShs
Opening Third Party Deposits and Retention as at 1 st July 2022	33,995,540.00	29,498,136.00
Closing Third Party Deposits and Retention as at 30 th June 2023	36,600,733.30	33,995,540.00
Change In Third Party Deposits and Retention	2,605,193.00	4,497,404.00

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Notes to the Financial Statements (Continued)

Other Disclosures

1. Pending Accounts Payable (See Annex 1)

	Balance b/f FY 2021/2022	Additions for the year	Paid during the year	Balance c/f FY 2022/2023
Description	KShs	KShs	KShs	KShs
Construction Of Buildings	20,373,944	20,651,079	20,373,944	20,651,079
Construction Of Civil Works	0	0	0	0
Supply Of Goods	0	0	0	0
Supply Of Services	0	0	0	0
Total	20,373,944	20,651,079	20,373,944	20,651,079

2. Pending Staff Payables (See Annex 2)

	Balance b/f FY 2021/2022	Additions for the year	Paid during the year	Balance c/f FY 2022/2023
Description	KShs	KShs	KShs	KShs
Senior Management	0	0	0	0
Middle Management	0	0	0	0
Unionisable Employees	0	0	0	0
Others	0	0	0	0
Total	0	0	0	0

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Notes to the Financial Statements (Continued)

3. Other Pending Payables (See Annex 3)

	Balance b/f FY 2021/2022	Additions for the year	Paid during the year	Balance c/f FY 2022/2023
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government entities	0	0	0	0
Amounts due to County Government entities	0	0	0	0
Amounts due to third parties	0	0	0	0
Total	0	0	0	0

4. External Assistance

	FY 2022-2023	FY 2021-2022
Description	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
Total	0	0

a) External assistance relating loans and grants

	FY 2022-2023	FY 2021-2022
Description	KShs	KShs
External assistance received as loans	0	0
External assistance received as grants	0	0
Total	0	0

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Notes to The Financial Statements (Continued)

b) Undrawn external assistance

	Purpose for which the undrawn external assistance may be used	FY 2022-2023	FY 2021-2022
Description		KShs	KShs
Undrawn External Assistance - Loans		0	0
Undrawn External Assistance - Grants		0	0
Total		0	0

c) Classes of providers of external assistance

	FY 2022-2023	FY 2021-2022
Description	KShs	KShs
Multilateral Donors	0	0
Bilateral Donors	0	0
International Assistance Organization	0	0
NGOs	0	0
National Assistance Organization	0	0
Total	0	0

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Notes To The Financial Statements (Continued)

d. Non-Monetary External Assistance

	FY 2022-2023	FY 2021-2022
Description	KShs	KShs
Goods	0	0
Services	0	0
Total	0	0

e. Purpose and use of external assistance.

Payments Made By Third Parties	FY 2022-2023	FY 2021-2022
Description	KShs	KShs
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 & Foreign Borrowing	0	0
Other Payments	0	0
Total	0	0

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Notes to the Financial Statements (Continued)

f. External Assistance paid by Third Parties on behalf of the Entity by Source

This relates to external assistance paid directly by third parties to settle obligations on behalf of the County Assembly of Nandi

	FY 2022-2023	FY 2021-2022
Description	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
Total	0	0

5. PAYMENTS BY THIRD PARTY ON BEHALF OF THE COUNTY ASSEMBLY

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.

5.1 Classification by Source

	FY 2022-2023	FY 2021-2022
Description	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
Total	0	0

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Notes to The Financial Statements (Continued)

5.2 Classification of payments made by Third Parties by Nature of expenses.

Payments made by third parties	FY 2022-2023	FY 2021-2022
Description	KShs	KShs
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
Other payments	0	0
Total	0	0

6. 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 Assembly:

- i) Members of County Assembly.
- ii) Key management personnel that include the Clerk of the Assembly and heads of departments.
- iii) The County Executive.
- iv) County Ministries and Departments.
- v) Other County Government entities including corporations, funds and boards.
- vi) The National Government.
- vii) Other County Governments; and
- viii) State Corporations and Semi-Autonomous Government Agencies.

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Related party transactions:

	2022- 2023	2021- 2022
	Kshs	Kshs
Compensation to Key Management		
Compensation to the Speaker, Deputy Speaker and the MCAs	139,175,856	140,179,856
Key Management Compensation (Clerk and Heads of departments)	42,116,660	40,111,105
Total Compensation to Key Management	181,292,516	180,290,961
<u>Transfers to related parties</u>		0
Transfers to other County Government Entities such as car and mortgage schemes	13,000,000	0
Transfers to County Corporations		0
Transfers to non-reporting entities e.g. ECD centers, welfare centers etc.		0
Total Transfers to related parties	13,000,000	0
<u>Transfers from related parties</u>		
Transfers from the County Executive- Exchequer	689,072,186	696,003,318
Payments made on behalf of the County Assembly by other Government Agencies	0	0
Total Transfers from related parties	689,072,186	696,003,318

7. Contingent Liabilities

Contingent liabilities	FY 2022-2023	FY 2021-2022
	KShs	KShs
Court case E021 OF 2021 against the County Assembly of Nandi	399,750	399,750
Bank guarantees in favour of subsidiary	0	0
Contingent liabilities arising from PPPs	0	0
Total	399,750	399,750

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(See ANNEX 8 Contingent liabilities register)

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16. Progress on Follow 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 / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame
18.16+	Unexplained variances between the Statement of comparison of Budget and Actual Amounts and Budget Execution Statement by Programmes and Sub-Programmes.	There were errors in financial reporting that included payments of June 30, 2021 which were paid at the start of the year 2020-2021	Barnaba GK Kosgei Clerk to the County Assembly	Resolved	July 2022- June 2023
18.2	Unexplained Difference Between Figures in the Financial Statements and IFMIS Report.	There were errors in financial reporting that included payments of June 30, 2021 which were paid at the start of the year 2020-2021	Barnaba GK Kosgei Clerk to the County Assembly	Unresolved	July 2022- June 2023
18.3	Failure to include Other Disclosures to the Financial Statements.	The matter requires configuration of IFMIS and measures to address the back log in thorough clearing up of unrequired data in IFMIS. For example the delayed configuration of IFMIS to include CM user modules to Sep 2020, caused backlog in FO 30 Bank Reconciliations downloads. This will be addressed before the subsequent audits opinions	Barnaba GK Kosgei Clerk to the County Assembly	Unresolved	July 2022- June 2023
18.4	Undisclosed Clearance of Pending Bills Brought Forward	The financial reporting template only provided from disclosure of pending bills and no disclosure of clearance were only included in this revised template. The County Assembly endeavours to present in subsequent financial years, all details pertaining disclosure on pending bills.	Barnaba GK Kosgei Clerk to the County Assembly	Unresolved	July 2022- June 2023

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Referen ce 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)	Time frame
18.5	Failure to attach the Imprests warrants to the payment voucher	The same were kept in separate files for that purpose. We have since stopped the practice. Further, the relevant payment vouchers cited by the Auditors have attached warrants.	Barnaba GK Kosgei Clerk to the County Assembly	Resolved	July 2022- June 2023
18.6	Unsupported payments totalling KShs. 8,541,021 to the staff who attended Kampala in Uganda Training.	The boarding passes, air tickets, invitations, programs, clearance of the ministry of foreign affairs that were kept in separate files have been attached to the relevant payment vouchers, The signed payment schedules in respect of the travel to Kampala by attendees of a Sport event have all been attached as appropriate to the payment voucher, Imprests warrants then issued but kept in separate payment vouchers have now been attached to payment vouchers and Certificates if any, issued after the training are now provided	Barnaba GK Kosgei Clerk to the County Assembly	Resolved	July 2022- June 2023
18.7	Unsupported Foreign Travel Subsistence Allowances in respect of a Mission to Singapore	While the payments totalling KShs. were done the account holder and Imprests warrants were issued to the participant as evidenced in the attachment to the certified copy of the Payment Voucher.	Barnaba GK Kosgei Clerk to the County Assembly	Resolved	July 2022- June 2023
18.8	Insurance Premium paid and charged by provider for grounded vehicle Reg. No. 29 CG 059 A	The comprehensive insurance cover paid for in the FY 2019-2020 in respect of the grounded vehicle Reg. No. 29 059A that was included in the payment of KShs. 1,318,805 was against particular risks including theft, fire	Barnaba GK Kosgei Clerk to the County Assembly	Resolved	July 2022- June 2023

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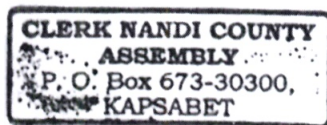
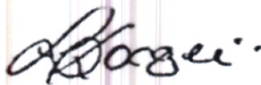
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame
		and damage from spilt liquids.			
18.9	<p>(a) Detail orders did not show litters, in some instances,</p> <p>(b) the said vehicles drew fuel without detail orders,</p> <p>(c) fuel statements from petrol stations included repair and maintenance costs and</p> <p>(d) That the fuel register had not been provided for audit review.</p>	<p>Indication of both the fuel pump price and litters to be drawn by the vehicle would easily cause confusion should a driver issued with detail order to draw fuel of specific amount find the price of the litters different from those indicated, especially given fluctuations in prices. This was based on an isolated case that the fuel drawn was not indicated in the work tickets has informed an amendment of Section 4 of the fleet management policy. Drivers' records will be checked to ensure that work tickets document the fuel drawn.</p> <p>This was true but regretfully so because of the replacement of fuel filters, spark plugs, tyre was made to supplier of fuel, it is the submission of the County Assembly that the replacements are within the scope of the contract of the fuel supplier. Journal entries include transfer of the Routine Maintenance of Motor Vehicles so as to correct this error in financial reports. The fuel register is herein attached as Appendix 8: Fuel Registers for the Period between July 1, 2019 and June 30, 2020</p>	Barnaba GK Kosgei Clerk to the County Assembly	Resolved	July 2022- June 2023
18.10	Payments vouchers in respect of the Construction of Buildings were not supported by	All payments were made in our view based on both valuations and interim certificates issued by project management consultancy	Barnaba GK Kosgei Clerk to the County Assembly	Resolved	July 2022- June 2023

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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)	Time frame
	certificates of works and details of certified works as appropriate	and approval of the Public Works department.			



Name: BARNABA GK KOSGEI
CLERK OF THE COUNTY ASSEMBLY OF NANDI
DATE: FRIDAY NOVEMBER 3, 2023

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17. Annexes

Annex 1 – ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Date Contracted	Original Amount	balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
			a	b	c	d=a+b-c	
Construction Of Buildings							
Shiv Construction Company Limited	Friday, December 30, 2016	20,373,944	20,373,944	20,651,079	20,373,944	20,651,079	Pending bills arose as a result of delayed assessment of contractor's claims by State Department for Public Works
Sub-Total							
Construction Of Civil Works							
Sub-Total							
Supply Of Goods							
Sub-Total							
Supply Of Services							
Sub-Total							
Grand Total		20,373,944	20,373,944	20,651,079	20,373,944	20,651,079	
Note: Pending bills comprise goods and services rendered and invoiced but not yet settled and does not include commitments							

Annex 2 – Analysis of Pending Staff Payables

Name of Staff	Job Group	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
			a	b	c=a-b		
Senior Management	0	0	0	0	0	0	0
Sub-Total	0	0	0	0	0	0	0
Middle Management	0	0	0	0	0	0	0
Sub-Total	0	0	0	0	0	0	0
Unionisable Employees	0	0	0	0	0	0	0
Sub-Total	0	0	0	0	0	0	0
Sub-Total	0	0	0	0	0	0	0
Grand Total	0	0	0	0	0	0	0

Annex 3 – Analysis of Other Pending Payables

Name	Brief Transaction Description	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
			a	b	c=a-b		
Amounts Due To National Government Entities		0	0	0	0	0	0
1.		0	0	0	0	0	0
Sub-Total		0	0	0	0	0	0
Amounts Due To County Government Entities		0	0	0	0	0	0
2.		0	0	0	0	0	0
Sub-Total		0	0	0	0	0	0
Amounts Due To Third Parties		0	0	0	0	0	0
3.		0	0	0	0	0	0
Sub-Total		0	0	0	0	0	0
Others		0	0	0	0	0	0
4.		0	0	0	0	0	0
5.		0	0	0	0	0	0
6.		0	0	0	0	0	0
Sub-Total		0	0	0	0	0	0
Grand Total		0	0	0	0	0	0

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Annex 4 – Summary of Non-Current Asset Register

Asset class	Historical Cost b/f	Additions during the year	Disposals during the year	Transfers in/(out)	Historical Cost c/f
	FY 2021/2022	FY 2022/2023	FY 2022/2023	FY 2022/2023	FY 2022/2023
Land	27,000,000	0	-		27,000,000
Buildings and structures	358,580,985	21,880,180	-		380,461,165
Transport equipment	72,275,800	0	-		72,275,800
Office equipment, furniture and fittings	45,270,861	11,569,500	-		56,840,361
ICT equipment	15,245,750	995,000	-		16,240,750
Machinery and equipment	0				0
Biological assets	0				
Infrastructure assets	0	0	-		0
Heritage and cultural assets	0	0	-		0
Intangible assets	2,250,000	0	-		2,250,000
Work in progress			-		
Total	520,623,396	34,444,680	0	0	555,068,076

*NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Assembly. Additions during the year should tie to **note 10** on acquisition of assets during the year. Ensure a complete fixed asset register is separately prepared in line with guidelines from The National Treasury.*

1,880,

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Annex 5 – Analysis of Accounts Receivables

(a) Government Imprest

Name Of Officer Or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		KShs	KShs	KShs
Name Of Officer Or Institution	dd/mm/yy	0	0	0
Name Of Officer Or Institution	dd/mm/yy	0	0	0
Name Of Officer Or Institution	dd/mm/yy	0	0	0
Name Of Officer Or Institution	dd/mm/yy	0	0	0
Total		0	0	0

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(b) Salary Advance

<i>Name of Officer</i>	<i>Date Advanced</i>	<i>Amount Advanced</i>	<i>Amount Recovered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name Of Officer</i>	dd/mm/yy	0	0	0
<i>Name Of Officer</i>	dd/mm/yy	0	0	0
<i>Name Of Officer</i>	dd/mm/yy	0	0	0
<i>Name Of Officer</i>	dd/mm/yy	0	0	0
Total		0	0	0

Annex: 6 Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

Annex 7 Reporting on Disaster Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

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Annex 8: 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.						