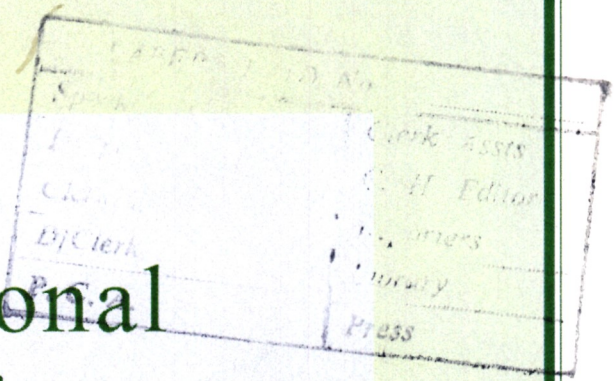


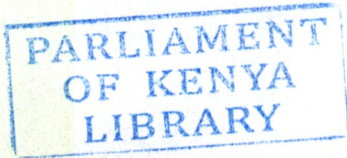
Republic of Kenya



# Kenya National Audit Office

REPORT

OF



**THE CONTROLLER  
AND AUDITOR-GENERAL**

ON

**THE ABSTRACTS OF  
ACCOUNTS OF THE MUNICIPAL  
COUNCIL OF EMBU  
FOR THE  
YEAR ENDED  
30 JUNE 2007**



## **KENYA NATIONAL AUDIT OFFICE**

### **REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE ABSTRACTS OF ACCOUNTS OF THE MUNICIPAL COUNCIL OF EMBU FOR THE YEAR ENDED 30 JUNE 2007**

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The attached Abstracts of Accounts of the Municipal Council of Embu which comprise the Balance Sheet as at 30 June 2007, the Consolidated Revenue Account for the year then ended, and a summary of significant accounting policies and other explanatory notes have been audited under my direction in accordance with Section 23 of the Public Audit Act, 2003.

#### **1.0 The Council's Responsibility for the Abstracts of Accounts**

The Council is responsible for the preparation of Abstracts of Accounts in accordance with the Local Government Act, Cap 265; the Local Authorities Transfer Fund (LATF) Act, 1998; the International Public Sector Accounting Standards (IPSAS) and other generally accepted accounting principles.

This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Abstracts of Accounts that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### **2.0 Responsibility of the Controller and Auditor General**

My responsibility is to express an independent opinion on the Abstracts of Accounts based on the audit. The audit was conducted in accordance with the International Standards on Auditing. Those Standards require compliance with ethical requirements and that the audit be planned and performed with a view to obtaining reasonable assurance that the Abstracts of Accounts are free from material misstatement.

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

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for the audit opinion.

### **3.0 Qualification Points**

#### **3.1 Opening Balances and Accuracy of the Accounts**

- (i) As previously reported, the Council has not prepared and submitted for audit the Accounts for fifteen (15) years between 1984/1985 and 1998/1999 to date. The Council therefore continues to be in breach of the law. In the absence of audited and certified Accounts for 1998/1999 and prior years, the opening balances for the 1999/2000 Accounts as at 01 July 1999 and for all the subsequent years, including 2006/2007, could not be confirmed.
- (ii) The 2006/2007 Abstracts of Accounts did not include a Cash Flow Statement as required by IPSAS number 1. In addition, no Change Statements were prepared in respect of Accumulated Reserves and General Fund Balance to show their movements. In addition, LATF and RMLF expenses were incurred against no approved budgets as required.

In view of the foregoing issues, it has not been possible to confirm the accuracy of the 2006/2007 Accounts.

### **3.2 Fixed Assets**

The Fixed Assets balances increased by Kshs.44,591,390.75 from Kshs. 66,358,638.40 as at 30 June 2006 to Kshs.110,950,029.15 as at 30 June 2007. However, the Council did not maintain a Fixed Assets Register (FAR). Further, ownership documents for land and buildings were not produced for audit verification. Included in the Fixed Assets are the leasing estates valued at Kshs.47,014,149.00 which are reported to have been repossessed by National Housing Corporation. In the circumstances, it has not been possible to confirm the existence, ownership, location, security and accuracy of the Fixed Assets balance of Kshs.110,950,029.15 as at 30 June 2007.

### **3.3 Renewals Funds**

Section 219 of the Local Government Act, Cap 265 requires the Council to create and set aside adequate renewals funds to provide for the entire or partial replacement of some or all of the assets, which, owing to depreciation or other cause, will require at some future date to be replaced. During the year, no provision for depreciation was made in the Accounts. Further, renewals funds or reserves were not created and set aside as required. The Council was therefore in breach of the law. It has not also been clear how the Council intends to finance the replacement of its assets, in future, in the absence of renewals funds.

### **3.4 Debtors and Prepayments**

The Debtors and Prepayments balances increased significantly by Kshs. 60,313,498.30 from Kshs.53,228,769.70 as at 30 June 2006 to Kshs. 113,542,268.00 as at 30 June 2007. The balance was made up of Contribution in Lieu of Rates (Kshs.69,823,817.00), Rents and Rates on Houses, Properties and Sites (Kshs.36,583,463.00) and outstanding Single Business Permit Licenses (Kshs.7,134,988.00). However, no provision was made in the Accounts for bad and doubtful debts. In the circumstances, it has not been possible to confirm the accuracy of the Debtors and Prepayments balances of Kshs.113,542,268.00 as at 30 June 2007.

### **3.5 Creditors and Accruals**

The Creditors and Accruals balances increased marginally from Kshs.9,404,361.00 as at 30 June 2006 to Kshs.9,535,490.00 as at 30 June 2007. However, the Council did not provide for audit verification the necessary records and documentations in support of the balances. In the circumstances, it has not been possible to confirm the correctness of the Creditors and Accruals balance of Kshs. 9, 535,490.00 as at 30 June 2007.

### **3.6 Cash and Bank Balances**

The Balance Sheet indicates that the Council had Cash and Bank balance of Kshs.12,457,412.00 as at 30 June 2007. However, although the Council prepared bank reconciliation statements, the balances in the Abstracts of Accounts were still bank statements' balances and not adjusted cash books balances. In the circumstances, it has not been possible to confirm the accuracy of the Cash and Bank balances of Kshs.12,457,412.00 as at 30 June 2007.

### **3.7 National Housing Corporation (NHC) Loans**

As previously reported, the Council owed NHC a total of Kshs.17,735,442.00 in loans plus interest as at 30 June 2006. The Council had acquired the loans to develop housing estates which have since been taken over by NHC due to non payment of the loans. However, no Loans Agreements were made available for audit review to confirm their terms and conditions, the initial principal loans amounts, the amounts already paid, and the balances outstanding as at 30 June 2007. In addition, the Loans amounts have been omitted from the Accounts as at 30 June 2007. In the circumstances, it has not been possible to confirm the level of indebtedness of the Council to the NHC as at 30 June 2007.

### **4.0 Opinion**

Because of the significance of the matters discussed in the preceding paragraphs 3.1 to 3.7, I am unable to express an opinion on the Abstracts of Accounts as required by Section 24 (2) of the Public Audit Act, 2003 that: all the information and explanations required for the purpose of the

audit were received; the Accounts have been properly maintained and are in order; the Abstracts of Accounts present a true and fair view of the financial position of the Council as at 30 June 2007; and, the Accounts comply with the Local Government Act, Cap 265.



**P. N. KOMORA, CBS**

**CONTROLLER AND AUDITOR GENERAL**

**Nairobi**

**18 November 2008**

# MUNICIPAL COUNCIL OF EMBU



AMMENDED

## ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2007

Town Hall  
P.O Box 36-60100  
**EMBU**  
Tel: 068-31174/5  
Fax No. 068-30033  
Email-mcembu@localgovernment.go.ke

B/

MINUTES OF THE OFFICERS MANAGEMENT COMMITTEE MEETING HELD ON 18<sup>TH</sup>  
DECEMBER 2007 AT 9.00A.M IN THE TOWN CLERK'S OFFICE EMBU

- PRESENT:
- J. M. Muturi-Town Clerk
  - B. M. Munavu-Town Treasurer
  - J. M. Wachira-Ag. S.A. O
  - A. M. Mwaniki-D/Town Treasurer
  - L. I. Njeru-Internal Auditor
  - D. Mugane-Asst. Engineer
  - J. Wanjiku-Planner
  - J. I Kariuki-Works Officer
  - J. W. Nyaga- Snr. C.D.A
  - J. N. Ireri-Cleansing Superintendent
  - P. W. Mwaniki-Taking minutes

MIN/OMC/9/2007: ABSTRACTS OF ACCOUNTS YEAR 2006/2007

The Town Treasurer tabled the Abstracts of Accounts for the year 2006/2007 which had been prepared. During discussion members asked the Town Treasurer to reserve adequate time for the preparation of the document to avoid the last minute rush in an effort to meet deadlines for submitting the same.

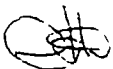
The Town Treasurer was asked to ensure that the accounts office was fully operational because he had qualified officers to perform the duties in the office. On the same note the Town Clerk asked departmental heads to encourage officers under their supervision to improve on their skills and knowledge through training.

After discussion

*It was*

**RESOLVED**

That the Town Treasurer's report on Abstracts of Accounts tabled before the committee be approved.

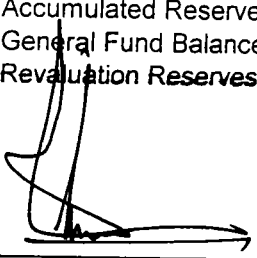
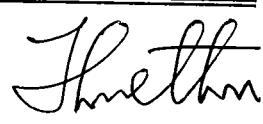
  
JANE M. WACHIRA  
FOR: TOWN CLERK

Date 24<sup>th</sup> Dec 2007

  
A. M. MWANIKI  
FOR: TOWN TREASURER

Date 24<sup>th</sup> Dec 2007

**MUNICIPAL COUNCIL OF EMBU  
ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007  
BALANCE SHEET AS AT 30TH JUNE 2007**

DESCRIPTION	NOTES	2006/2007 KSH	2005/2006 KSH
<b>FIXED ASSETS</b>			
Building & Equipment	1	46,921,725.15	46,231,875.00
Land	2	17,014,155.00	16,744,155.90
Housing estates	3	47,014,149.00	3,382,607.50
<b>TOTAL FIXED ASSETS</b>		<b><u>110,950,029.15</u></b>	<b><u>66,358,638.40</u></b>
<b>CURRENT ASSETS</b>			
Debtors & prepayments	7	113,542,268.00	53,228,769.70
LATF Bank balances (saving A/C)		4,898,103.00	4,621,449.00
General rate refund bank balance		998,183.00	12,482.00
Other A/C (LATF/C		108,264.00	1,240,136.00
Account No. 2 (current a/c)		1,125,570.00	503,841.00
Roads Maintenance Fuel Levy (RMFL)		3,681,222.00	3,888,708.00
Equity A/C No.0190290978574		1,443,765.00	
Cash on hand		144,201.00	185,231.00
Water A/C		3,627.00	7,027.00
Housing Fund		4,435.00	207,232.00
Imprest Fund		50,042.00	7,163.00
<b>TOTAL CURRENT ASSETS</b>		<b><u>125,999,680.00</u></b>	<b><u>63,902,038.70</u></b>
Creditors & Accruals	8	9,535,490.00	9,404,361.00
<b>NET CURRENT ASSETS</b>		<b><u>116,464,190.00</u></b>	<b><u>57,096,412.00</u></b>
<b>TOTAL ASSETS</b>		<b><u>227,414,219.15</u></b>	<b><u>123,455,050.40</u></b>
<b>REPRESENTED BY</b>			
Accumulated Reserves		40,009,251.97	20,191,440.00
General Fund Balance		140,578,086.23	103,263,609.55
Revaluation Reserves A/C	4	46,826,880.95	-
		<b><u>227,414,219.15</u></b>	<b><u>123,455,049.55</u></b>
			
<b>TOWN TREASURER</b>			<b>TOWN CLERK</b>

**MUNICIPAL COUNCIL OF EMBU  
LOCAL AUTHORITY TRANSFER FUND  
BALANCE SHEET AS AT 30TH JUNE 2007**

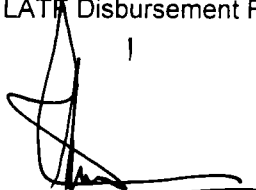
	2006/2007 Kshs	2005/2006 Kshs
<b>CAPITAL PROJECTS</b>		
3rd Bus Park	138,960.00	138,960.00
New car wash	336,000.00	336,000.00
Town Hall gate	17,100.00	17,000.00
Blue Valley ward	595,158.00	113,658.00
Kangaru ward	220,295.00	220,295.00
Majengo ward	149,477.00	319,897.00
Itabua ward	170,320.00	228,000.00
Njukiri/Nthambo ward	228,000.00	-
	<b>1,855,310.00</b>	<b>1,373,810.00</b>
<b>OTHER LONG TERM CAPITAL OUT LAY</b>		
Dallas/Matakari street lighting	1,284,684.00	631,760.00
Valuation Roll	100,000.00	100,000.00
Stadium toilets	39,020.00	39,020.00
Market toilets	14,500.00	14,500.00
Repairs KVF 418	-	23,543.00
Slaughter house repairs	553,648.00	553,648.37
Maintenance KWE 116	-	12,992.00
LASDAP projects	4,216,581.00	2,194,304.00
Sewage fencing	50,965.00	50,965.00
KRA -VAT	611,584.00	611,584.00
Kenya Roads Board Fund	597,164.00	597,164.00
Computer	255,000.00	204,726.00
Furniture	19,655.00	-
	<b>7,742,801.00</b>	<b>5,034,206.37</b>
<b>CURRENT ASSETS</b>		
Savings A/C	4,898,103.00	4,621,549.00
Current A/C	108,264.00	503,841.00
Personnel Exp	-	3,572,687.00
Honorarium	-	4,000.00
Other maintenance	-	1,451,346.33
	<b>5,006,367.00</b>	<b>10,153,423.33</b>
<b>NET ASSETS</b>	<b>14,604,478.00</b>	<b>16,561,439.70</b>
<b>FINANCED BY:</b>		
LATF Disbursement Fund	<b>14,604,478.00</b>	<b>16,561,439.70</b>

  
TOWN TREASURER

  
TOWN CLERK

**MUNICIPAL COUNCIL OF EMBU  
ROAD MAINTAINANCE LEVY FUND  
BALANCE SHEET AS AT 30TH JUNE 2007**

	2006/2007	2005/2006
	Kshs	Kshs
<b>CAPITAL PROJECTS</b>		
Ndiuri Road	223,000.00	-
Computer Equipment	18,400.00	-
Purchase of Tools	4,000.00	-
Building material	63,220.00	-
Purchase of Hardcore	4,679,559.30	-
Supply of Culverts	428,769.00	-
	<b>5,416,948.30</b>	-
<b>CURRENT ASSETS</b>		
RMLF A/C	3,681,222.00	-
	<b>3,681,222.00</b>	-
<b>NET ASSETS</b>	<b>9,098,170.30</b>	-
<b>FINANCED BY:</b>		
LATA Disbursement Fund	9,098,170.30	-

  
TOWN TREASURER

  
TOWN CLERK

MUNICIPAL COUNCIL OF EMBU  
 ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007  
 CONSOLIDATED & REVENUE ACCOUNT SUMMARY

DEPARTMENT	PERSONNEL	OPERATIONS	MAINTENANCE	TOTAL	RECEIPTS	SURPLUS/(DEFICIT)
CIVIC	3,419,030.00	3,311,695.60	302,446.08	7,033,171.68	-	(7,033,171.68)
CLERK'S DEPT	8,892,436.40	6,031,453.60	453,867.20	15,377,757.20	-	(15,377,757.20)
TREASURER'S	10,668,277.10	3,020,611.40	417,251.50	14,106,140.00	49,896,270.00	35,790,130.00
TOWN ENGINEER'S	5,864,164.00	1,254,913.95	1,458,234.00	8,577,311.95	1,731,130.00	(6,846,181.95)
SOCIAL SERVICES/HOU	1,010,409.10	311,652.25	55,690.00	1,377,751.35	481,210.00	(896,541.35)
PUBLIC HEALTH DEPT	9,102,176.40	885,012.70	802,375.00	10,789,564.10	879,000.00	(9,910,564.10)
<b>TOTAL</b>	<b>38,956,493.00</b>	<b>14,815,339.50</b>	<b>3,489,863.78</b>	<b>57,261,696.28</b>	<b>52,987,610.00</b>	<b>(4,274,086.28)</b>
FUEL LEVY			1,068,417.20	1,068,417.20	3,672,831.00	2,604,413.80
LATF	2,362,132.50	-	3,131,730.34	5,493,862.84	22,842,807.00	17,348,944.16
	Balance b/d General Fund B/F	GRF	LATF	RMLF	TOTAL	
		103,263,609.55	20,191,440.00		123,455,049.55	
		(4,274,086.28)	17,348,944.16	2,604,413.80	15,679,271.68	
		<b>98,989,523.27</b>	<b>37,540,384.16</b>	<b>2,604,413.80</b>	<b>139,134,321.23</b>	

**MUNICIPAL COUNCIL OF EMBU**

**ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007**

**SUMMARY RECURRENT A/C FOR THE YEAR ENDED 30TH JUNE 2007**

<b>INCOME</b>	<b>ESTIMATED</b>	<b>ACTUALS 2006/2007</b>	<b>ACTUALS 2005/2006</b>
Site value/stand premium	-	2,422,834.00	390,466.00
Cilor current year	356,975.00	1,162,608.00	356,975.00
Land rates	2,300,000.00	3,855,326.00	4,676,289.00
Penalties on land rates	17,000.00	30,185.00	83,924.00
Business Permit	11,000,000.00	12,040,358.00	9,884,150.00
Penalties on Business Permit	400,623.00	229,938.00	177,840.00
Plot Rent	2,300,000.00	229,938.00	62,995.00
Plot Rent Arrears & Penalties	-	26,572.00	26,572.00
Debt Clearance Cert	50,000.00	179,373.00	54,200.00
Application fee	73,000.00	1,207,250.00	1,117,400.00
Plot Transfer Fee	400,000.00	36,490.00	166,800.00
Sub-division Fee	320,000.00	121,450.00	45,600.00
Business Sub-letting	140,000.00	268,450.00	183,950.00
Document search	32,000.00	1,300.00	2,000.00
Cheque Clearance Fee	32,000.00	31,200.00	6,600.00
Hawkers licence	400,000.00	-	-
Impounding charges	300,000.00	219,091.00	167,878.00
Sale of minutes/by-laws	20,000.00	21,025.00	-
Sale of tender documents	20,000.00	88,600.00	64,000.00
Sale of flowers plants & firewood	100,000.00	41,100.00	12,050.00
Council Premises Rent	600,000.00	1,260,500.00	822,586.00
Hire of Chamber	20,000.00	8,500.00	3,500.00
Council Premises Occasional Hire	50,000.00	23,200.00	41,500.00
Lease of water distribution	27,600,000.00	2,100,000.00	500,000.00
Revenue from other sources	175,000.00	860,019.00	18,751.00
Water charges	-	-	2,170.00
Survey fee	20,000.00	73,500.00	42,000.00
Burial fee	-	5,000.00	12,800.00
Plot loan Repayment	-	-	21,970.00
Semi-Permanent building	-	-	1,000.00
House Rent	2,375,000.00	-	23,000.00
Market Gate fee	4,500,000.00	7,489,702.00	6,773,212.00
Stalls search/deletion/addition	-	-	4,000.00
Kiosks Rent	50,000.00	6,000.00	-
Market Stalls Rent	1,500,000.00	2,500,579.00	1,975,300.00
Stall Tenancy Agreement	-	-	<b>58,500.00</b>
Stall deposits	-	-	<b>11,150.00</b>
Bus Park Fee	13,000,000.00	13,785,785.00	10,922,977.00
Other Vehicles fee	30,000.00	166,680.00	-
Clamping fee	10,000.00	-	-
Clamping Tempting	600,000.00	19,934.00	-
Housing Estates Rent	1,305,000.00	168,534.00	481,210.00
Slaughter Fee	847,000.00	70,620.00	864,300.00
Sale of manure	20,000.00	-	3,600.00
Beacon Search Fee	20,000.00	-	42,000.00
Building Plan Fee	30,000.00	1,906,989.00	-
Building Approval Fee	388,604.00	59,200.00	130,500.00
Building Inspection	60,000.00	3,500.00	<b>129,300.00</b>
Right of way/Way leave	30,000.00	<b>162,680.00</b>	-
Sign Boards & Advertisement	250,000.00	60,000.00	<b>154,350.00</b>
Hire of Grader	-	12,000.00	18,000.00
Subletting Fee	-	23,900.00	9,936,865.00
Tender Forms	-	2,700.00	6,624,576.00
School Registration Fees	-	5,000.00	-
	<b>71,742,202.00</b>	<b>52,987,610.00</b>	<b>57,098,806.00</b>

**MUNICIPAL COUNCIL OF EMBU**  
**ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007**  
**SUMMARY RECURRENT A/C FOR THE YEAR ENDED 30TH JUNE 2007**

<b>EXPENDITURE</b>	<b>ESTIMATED</b>	<b>ACTUALS 2006/2007</b>	<b>ACTUALS 2005/2006</b>
Salaries	21,575,320.00	23,406,860.00	10,840,660.00
N. S. S. F	370,800.00	358,000.00	295,560.00
Super Fund	121,056.00	905,244.00	1,668,666.00
Provident Fund	1,785,505.00	1,690,784.00	1,801,883.00
Casual wages	-	680,538.00	4,339,841.00
Leave allowance	1,462,082.00	2,295,947.00	942,586.00
House allowance	9,030,000.00	9,439,500.00	5,899,503.00
Acting allowance	-	26,604.00	92,375.00
Refunds	-	-	1,000.00
Special Duty	-	56,412.00	1,000.00
Heavy & dirty work	-	2,400.00	-
Mayor's entertainment expenses	350,000.00	24,330.00	107,510.00
Cllrs training & subsistence allow	350,000.00	1,341,450.00	937,715.00
Cllr's Training & Seminars	500,000.00	17,500.00	21,000.00
Supplies & materials	100,000.00	10,246.00	-
Clothing & uniforms	300,000.00	-	-
News papers & magazines	50,000.00	5,280.00	15,646.60
Communication (telephone)	400,000.00	869,643.40	22,200.40
Catering & entertainment	200,000.00	172,616.00	-
Laundry	15,000.00	6,000.00	-
Security services	100,000.00	23,795.60	37,193.50
Passenges vehicles hire	720,000.00	-	-
Travel & overnight allowance	800,000.00	430,000.00	-
Travel & operation KAB 343Q	400,000.00	410,834.60	506,526.00
Equipment & tools	15,000.00	50,940.00	5,050.00
Supplies & Materials	100,000.00	51,131.00	192,282.00
Office Supplies & Printing	250,000.00	330,518.80	440,480.00
Cloting & Uniforms	200,000.00	151,019.20	15,456.00
Books & publication	150,000.00	172,692.00	13,835.00
Newspaper & magazines	50,000.00	49,359.00	109,745.00
Town hall maintenace	-	29,300.00	201,344.00
Land rates	20,000.00	-	-
Drinking water & sewerage	90,000.00	2,000.00	111,858.00
Premises power supply	300,000.00	275,461.40	-
<b>Postage</b>	<b>40,000.00</b>	<b>107,801.50</b>	<b>686,680.00</b>
Communication/telephone	300,000.00	177,027.20	-
Catering & Entertainment	100,000.00	134,124.00	226,590.00
Security services	400,000.00	166,811.00	255,188.00
Legal Advise	300,000.00	70,218.50	-
Computer Programming	60,000.00	7,450.00	14,652.00
Advertisement & publicity	300,000.00	172,692.00	3,100.00
Rate & penalty	-	-	38,040.00
Properties &	1,000,000.00	168,000.00	-
Professional & Consultancies	200,000.00	168,000.00	-
Auctioneers fees	20,000.00	332,400.00	10,100.00
Staff training contribution	200,000.00	273,200.00	183,103.40
<b>Aids awareness</b>	<b>-</b>	<b>-</b>	<b>127,100.00</b>
Imprest refund	-	-	1,000.00
Wreath	-	-	1,030.00
Imprest refund	-	-	1,520.00
Computer equipment	200,000.00	9,700.00	16,700.00
Communication equipment	350,000.00	226,907.00	-
Travel & overnight allowance	500,000.00	858,250.00	729,921.00
Burglary insurance policy	800,000.00	-	-

MUNICIPAL COUNCIL OF EMBU

ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007

SUMMARY RECURRENT A/C FOR THE YEAR ENDED 30TH JUNE 2007

EXPENDITURE	ESTIMATED	ACTUALS 2006/2007	ACTUALS 2005/2006
workman's compensation policy	500,000.00	-	-
ALGAK -ALGEK -eulo-lute	1,000,000.00	323,655.80	126,535.00
Standing imprest		-	80,748.20
Agriculture show expenses	30,000.00	32,678.00	20,000.00
Function & celebration	10,000.00	13,700.00	91,332.80
Overseas senior staff travel & training	200,000.00	5,000.00	-
Sport participant allowance	2,100,000.00	476,602.00	-
Sport membership fees div. district	100,000.00	600.00	-
Sport contribution Municipal dist	200,000.00	50,500.00	-
Kimsca membership fees	30,000.00	10,500.00	-
Kimsca Uniforms	80,000.00	-	1,850.00
Kimsca transportantion	100,000.00	3,500.00	111,724.14
Staff burial expenses	100,000.00	20,000.00	10,400.00
Fuel & Oil KAB 128Q	400,000.00	500,316.20	456,633.00
Fuel & Oil KAB 310Q	400,000.00	346,103.00	379,848.00
Fuel & Oil KAB 415Q	20,000.00	1,424.00	23,462.00
Insurance M/vehicle	70,000.00	-	609,403.00
Fuel & Oil lawn mower	-	2,472.00	7,652.00
License renewal	-	-	500.00
Equipment & tools	200,000.00	59,130.00	21,800.00
Supplies & materials	5,000.00	5,020.00	1,474.00
Office supplies & Printing	1,000,000.00	725,456.50	1,021,712.00
Clothing & Uniforms	3,000.00	36,929.00	1,850.00
Furniture & fittings	-	-	7,060.00
Postage	100,000.00	63,263.00	-
Communication (telephone)	250,000.00	108,377.40	229,284.70
Catering and entertainment	300,000.00	1,271.00	-
Auditing & Accountancy Advice	300,000.00	150,000.00	-
Staff training contribution	400,000.00	66,103.00	9,000.00
Subscription Funding	-	14,500.00	-
Community Grant	-	800.00	-
Cleaning material	-	1,200.00	-
Newspaper	-	11,240.00	-
Travel & overnight allowance	400,000.00	771,532.00	493,845.00
<b>Bank ledger fees &amp; other charges</b>	<b>50,000.00</b>	<b>57,532.85</b>	<b>319,045.00</b>
Vehicle operation KWE 207	400,000.00	610,754.50	318,356.00
Bank Charges	-	57,532.85	-
Driving license renewal	-	-	500.00
Salary refund	-	-	8,000.00
Premises Power Supply	200,000.00	279,969.30	7,380.50
Deposit Refund	-	-	1,000.00
Tools & equipment	409,999.00	298,786.00	41,162.00
Repair & maintenance KVF 441	200,000.00	-	9,046.00
Sewrage repair	-	-	7,000.00
Insurance	950,000.00	560,784.00	400.00
Stnning expenses	-	-	51,030.00
Donations	-	5,000.00	500.00
Fuel & Oil KAB 300Q	120,000.00	86,417.00	110,653.00
Fuel & Oils KUL 094	300,000.00	270,908.00	178,978.00
Fuel & Oils KAB 996	250,000.00	235,809.00	212,023.00
Refuse Pits & Collection	-	-	8,320.00
Repair & Maintenance KAB 300Q	250,000.00	161,154.00	41,056.00
Repair & Maintenace KAB 094	300,000.00	270,908.00	154,177.00

**MUNICIPAL COUNCIL OF EMBU**  
**ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007**  
**SUMMARY RECURRENT A/C FOR THE YEAR ENDED 30TH JUNE 2007**

<b>EXPENDITURE</b>	<b>ESTIMATED</b>	<b>ACTUALS 2006/2007</b>	<b>ACTUALS 2005/2006</b>
Repair & Maintenance KAB 996	400,000.00	252,319.00	225,672.00
Cleaning Materials	-	2,100.00	2,689.00
Equipment & Tools	909,999.00	35,888.00	35,890.00
Office Supplies & Printing	100,000.00	13,740.00	23,085.00
Water	-	-	20,600.00
Clothing & Uniforms	212,000.00	-	-
Newspaper Magazines	25,000.00	5,291.00	-
Street Lighting Power Supply	360,000.00	164,962.50	258,734.98
Postage	15,000.00	3,000.00	152,399.80
Communication (Telephone)	150,000.00	75,027.45	-
Staff Training Contribution	550,000.00	62,250.00	-
Professional License Fee	5,000.00	5,250.00	-
Travel Overnight Allowance	230,000.00	219,490.00	201,652.80
Printing & Stationery	-	15,589.00	3,550.00
Travel & Overnight Allowance	100,000.00	43,565.00	-
Fuel & Oil KVF 418	300,000.00	-	249,989.00
Fuel & Oil KVF 441	100,000.00	-	-
Fuel & Oil KAU 585Y	-	330,789.00	25,100.00
Furniture & Fittings	-	-	832.00
Entertainment	-	-	600.00
Equipment & Tools	500,000.00	27,240.00	-
Clothing & Uniforms	30,000.00	-	-
Special Supplies (Bulk Water)	20,000.00	-	-
Communication (Telephone)	10,000.00	-	-
	-	-	-
Staff Training Contribution	50,000.00	24,100.00	-
Travel & Overnight Allowance	30,000.00	-	-
Fuel & Oil KUL 911	100,000.00	-	62,410.00
Fuel & Oil KAR 117L	100,000.00	74,807.00	83,330.00
Equipments & Tools	20,000.00	98,826.00	12,657.20
Supplies & Materials	15,000.00	70,373.00	8,762.05
Office Supplies & Printing	2,000.00	23,990.00	-
Clothing & Uniforms	35,000.00	60,404.00	33,829.00
Drinking Water & Sewerage	30,000.00	-	-
<b>Premises Power Supply</b>	<b>30,000.00</b>	<b>77,615.70</b>	<b>2,144.70</b>
Travel Expenses	-	13,260.00	17,730.00
Stunning Expenses	-	-	51,030.00
Telephone	-	1,000.00	500.00
Fuel & Oil KTS 802	-	2,860.00	-
Fuel & Oil KAB 300Q	-	161,153.00	110,653.00
Fuel & Oil KUL 094	-	218,291.00	178,978.00
Fuel & Oil KUL 996	-	104,580.00	212,023.00
Maintenance & Repairs	-	56,230.00	11,770.00
Chemicals & Disinfectants	-	80,920.00	1,054.00
Refuse Pits & Collection	-	-	8,320.00
KAB 300Q Repairs & Maintenance	-	161,154.00	41,056.00
KUL 094 Repairs & Maintenance	-	270,908.00	154,177.00
KUL 996 Repairs & Maintenance	-	122,321.00	225,672.00
Equipment & tools	100,000.00	1,500.00	-
Postage	50,000.00	-	-
Communication/telephone	10,000.00	-	-
Staff training contribution	150,000.00	10,000.00	13,330.00
Travel & overnight allowance	50,000.00	58,500.00	43,500.00

**MUNICIPAL COUNCIL OF EMBU  
ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007  
CLERK'S DEPARTMENT**

	<b>ESTIMATE</b>	<b>ACTUAL 2006/2007</b>	<b>ACTUALS 2005/2006</b>
<b>EXPENDITURE</b>			
<b>PERSONNEL</b>			
Salaries	1,999,720.00	4,668,855.00	1,185,900.00
House allowance	1,026,000.00	2,447,250.00	576,000.00
Leave allowance	100,855.00	644,127.40	62,226.00
N. S. S. F	25,200.00	86,400.00	27,600.00
Super find	545,004.00	296,180.00	252,135.00
Acting allowance	-	55,344.00	-
Provident Fund	68,907.00	185,201.00	12,096.00
Casual wages	-	509,079.00	1,534,818.21
<b>TOTAL PERSONNEL</b>	<b>3,765,686.00</b>	<b>8,892,436.40</b>	<b>3,650,775.21</b>
<b>OPERATIONS</b>			
Equipment & tools	15,000.00	50,940.00	5,050.00
Supplies & Materials	100,000.00	51,131.00	192,282.00
Office Supplies & Printing	250,000.00	330,518.80	440,480.00
Cloting & Uniforms	200,000.00	151,019.20	15,456.00
Books & publication	150,000.00	172,692.00	13,835.00
Newspaper & magazines	50,000.00	49,359.00	109,745.00
Town hall maintenace	-	29,300.00	201,344.00
Land rates	20,000.00	-	-
Drinking water & sewerage	90,000.00	2,000.00	111,858.00
Premises power supply	300,000.00	275,461.40	-
Postage	40,000.00	107,801.50	686,680.00
Communication/telephone	300,000.00	177,027.20	-
Catering & Entertainment	100,000.00	134,124.00	226,590.00
Security services	400,000.00	166,811.00	255,188.00
Legal Advise	300,000.00	70,218.50	-
Computer Programming	60,000.00	7,450.00	14,652.00
Advertisement & publicity	300,000.00	172,692.00	3,100.00
Rate & penalty	-	-	38,040.00
Professional & Consultancies	200,000.00	168,000.00	-
<b>Auctioneers fees</b>	<b>20,000.00</b>	<b>332,400.00</b>	<b>10,100.00</b>
Staff training contribution	200,000.00	273,200.00	183,103.40
Aids awareness	-	-	127,100.00
Imprest refund	-	-	1,000.00
Wreath	-	-	1,030.00
Imprest refund	-	-	1,520.00
Computer equipment	200,000.00	9,700.00	16,700.00
Communication equipment	350,000.00	226,907.00	-
Travel & overnight allowance	500,000.00	858,250.00	729,921.00
Burglary insurance policy	800,000.00	-	-
workman's compensation policy	500,000.00	-	-
ALGAK -ALGEK -eulo-lute	1,000,000.00	323,655.80	126,535.00
Standing imprest	-	-	80,748.20
Agriculture show expenses	30,000.00	32,678.00	20,000.00
Function & celebration	10,000.00	13,700.00	91,332.80
Sport participant allowance	2,100,000.00	476,602.00	-
Asset Valuation	-	432,400.00	-

**MUNICIPAL COUNCIL OF EMBU**  
**ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007**  
**CLERK'S DEPARTMENT Cont..**

	<b>ESTIMATE</b>	<b>ACTUAL 2006/2007</b>	<b>ACTUALS 2005/2006</b>
Sport membership fees div. district	100,000.00	600.00	-
Sport contribution Municipal dist	200,000.00	50,500.00	-
Kimsca membership fees	30,000.00	10,500.00	-
Kimsca Uniforms	80,000.00	-	1,850.00
Kimsca transportantion	100,000.00	3,500.00	111,724.14
Staff burial expenses	100,000.00	20,000.00	10,400.00
Fuel & Oil KAB 128Q	400,000.00	500,316.20	456,633.00
Fuel & Oil KAB 310Q	400,000.00	346,103.00	379,848.00
Fuel & Oil KAB 415Q	20,000.00	1,424.00	23,462.00
Insurance M/vehicle	70,000.00	-	609,403.00
Fuel & Oil lawn mower	-	2,472.00	7,652.00
License renewal	-	-	500.00
<b>TOTAL OPERATIONS</b>	<b>10,085,000.00</b>	<b>6,031,453.60</b>	<b>6,304,862.54</b>
<b>MAINTENANCE</b>			
Computer equipment maint& repairs	200,000.00	120,800.00	210,379.00
KAB 128Q repairs & maintenance	200,000.00	227,884.00	700,024.00
KAB 310Q repairs & maintenance	500,000.00	91,928.00	57,381.00
KAB 415Q repairs & maintenance	10,000.00	13,255.20	600.00
<b>TOTAL R. A. M</b>	<b>910,000.00</b>	<b>453,867.20</b>	<b>968,384.00</b>
<b>TOTAL EXPENDITURE</b>	<b>14,760,686.00</b>	<b>15,377,757.20</b>	<b>9,924,021.75</b>
<b>SURPLUS (DEFICIT)</b>	<b>(14,760,686.00)</b>	<b>(15,377,757.20)</b>	<b>(9,924,021.75)</b>

**MUNICIPAL COUNCIL OF EMBU**  
**ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007**  
**TREASURER'S DEPARTMENT**

<b>INCOME</b>	<b>ESTIMATE</b>	<b>ACTUAL 2006/2007</b>	<b>ACTUALS 2005/2006</b>
Site value/stand premium	2,562,971.00	2,996,341.00	390,466.00
Cllr. Current year	356,975.00	1,162,608.00	845,541.00
Land rate current year	2,300,000.00	1,855,326.00	4,676,289.00
Penalties for land rate in arrears	170,000.00	30,185.00	83,924.00
Business permit current year	11,000,000.00	12,040,358.00	9,812,450.00
Penalties for late payment B. Permit	400,623.00	729,938.00	177,840.00
Plot rent current year	1,561,276.00	1,594,292.00	61,995.00
Rent arrears & penalties	-	5,000.00	26,572.00
Debt clearance certificate	50,000.00	179,373.00	54,200.00
Application fee	73,000.00	207,250.00	12,200.00
Plot Transfer fee	400,000.00	36,490.00	166,800.00
Business subletting	140,000.00	268,450.00	45,600.00
Document search	320,000.00	3,100.00	183,950.00
Cheque clearance fees	32,000.00	31,200.00	2,000.00
Ambulant hawker license	400,000.00	-	6,600.00
Impounding charges	300,000.00	190,691.00	-
Council's minute/by-laws sales	20,000.00	21,025.00	167,878.00
Tender document sales	20,000.00	88,600.00	64,000.00
Sale of flowers, plant, firewood	10,000.00	41,100.00	12,050.00
Council premises rent	600,000.00	1,260,500.00	822,586.00
Chamber hire	20,000.00	8,500.00	3,500.00
Council premises occasional hire	50,000.00	232,000.00	41,500.00
Lease of water distribution	27,600,000.00	2,100,000.00	500,000.00
Revenue from other investment	175,000.00	860,019.00	18,751.00
Water charges	-	-	2,170.00
Survey fee	20,000.00	73,500.00	42,000.00
Land purchase	-	5,000.00	45,000.00
Burial fee	-	-	12,800.00
Plot loan repayment	-	-	21,970.00
House rent	-	-	23,000.00
Enclosed bus park fees	13,000,000.00	13,785,785.00	10,922,977.00
Other vehicle enclosed park fees	30,000.00	-	-
Clamping fees	10,000.00	-	-
Clamping temporary fees	600,000.00	-	-
Market gate fee	4,500,000.00	7,489,722.00	6,773,212.50
<b>Stall search</b>	-	<b>2,738.00</b>	<b>4,000.00</b>
market Kiosks rent	50,000.00	-	-
Market stall rent	1,500,000.00	2,500,579.00	1,974,800.00
Stall Tenancy Agreement	-	23,900.00	58,500.00
Stall deposit	-	72,700.00	11,150.00
<b>TOTAL INCOME</b>	<b>68,271,845.00</b>	<b>49,896,270.00</b>	<b>38,068,271.50</b>
<b>EXPENDITURE</b>			
<b>PERSONNEL</b>			
Salaries	848,540.00	5,907,850.00	2,571,720.00
heavy & Dirty Work bonus	98,086.00	2,400.00	-
House allowance	534,000.00	2,679,000.00	1,590,000.00
Leave allowance	17,158.00	1,027,309.10	458,709.00
Acting allowance	50,000.00	26,604.00	23,935.00
N. S. S. F	14,400.00	102,600.00	48,000.00
Super fund	53,337.00	330,680.00	-
Special Duty Allowance	-	56,412.00	-
P. Fund	163,197.00	535,422.00	289,849.00
Casual wages	-	-	458,709.00
<b>TOTAL PERSONNEL</b>	<b>1,778,718.00</b>	<b>10,668,277.10</b>	<b>5,440,922.00</b>

**MUNICIPAL COUNCIL OF EMBU**  
**ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007**  
**TREASURER'S DEPARTMENT Cont...**

<b>OPERATION</b>	<b>ESTIMATE</b>	<b>ACTUAL 2006/2007</b>	<b>ACTUALS 2005/2006</b>
Equipment & tools	200,000.00	59,130.00	21,800.00
Supplies & materials	5,000.00	5,020.00	1,474.00
Office supplies & Printing	1,000,000.00	725,456.50	1,021,712.00
Clothing & Uniforms	3,000.00	36,929.00	1,850.00
Furniture & fittings	-	-	7,060.00
Postage	100,000.00	63,263.00	
Communication (telephone)	250,000.00	108,377.40	229,284.70
Catering and entertainment	300,000.00	1,271.00	
Auditing & Accountancy Advice	300,000.00	150,000.00	
Staff training contribution	400,000.00	66,103.00	9,000.00
Subscription Funding		14,500.00	
Community Grant		800.00	
Cleaning material		1,200.00	
Newspaper		11,240.00	
Travel & overnight allowance	400,000.00	771,532.00	493,845.00
Bank ledger fees & other charges	50,000.00	57,532.85	319,045.00
Vehicle operation KWE 207	400,000.00	610,754.50	318,356.00
Bank Charges	-	57,532.85	-
Driving license renewal	-	-	500.00
Salary refund	-	-	8,000.00
Premises Power Supply	200,000.00	279,969.30	7,380.50
Deposit Refund	-	-	1,000.00
<b>TOTAL OPERATION</b>	<b>3,608,000.00</b>	<b>3,020,611.40</b>	<b>2,440,307.20</b>
<b>MAINTENANCE</b>			
Office equipment repairs & maint	100,000.00	59,953.50	42,800.00
Computer equipment maint & repair	300,000.00	133,640.00	6,000.00
Vehicle repairs & main KWE 207	300,000.00	70,872.00	251,063.00
Market Structure Repair	-	17,500.00	-
Building & Structure Main & Repairs	500,000.00	135,286.00	92,348.80
Office repair			5,710.00
<b>TOTAL R.A.M</b>	<b>1,200,000.00</b>	<b>417,251.50</b>	<b>397,921.80</b>
<b>TOTAL EXPENDITURE</b>	<b>6,586,718.00</b>	<b>14,106,140.00</b>	<b>8,279,151.00</b>
<b>SURPLUS (DEFICIT)</b>	<b>61,685,127.00</b>	<b>35,790,130.00</b>	<b>29,789,120.50</b>

**MUNICIPAL COUNCIL OF EMBU**

**ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007**

**CIVIC DEPARTMENT**

<b>EXPENDITURE</b>	<b>ESTIMATE</b>	<b>ACTUAL 2006/2007</b>	<b>ACTUALS 2005/2006</b>
Mayor's allowance	480,000.00	478,387.00	450,000.00
Councillor's allowance	2,940,000.00	2,940,643.00	2,434,000.00
<b>TOTAL PERSONNEL</b>	<b>3,420,000.00</b>	<b>3,419,030.00</b>	<b>2,884,000.00</b>
<b>OPERATION</b>			
Mayor's entertainment expenses	350,000.00	24,330.00	107,510.00
Cllrs training & subsistence allow	350,000.00	1,341,450.00	937,715.00
Cllr's Training & Seminars	500,000.00	17,500.00	21,000.00
Supplies & materials	100,000.00	10,246.00	-
Clothing & uniforms	300,000.00	-	-
News papers & magazines	50,000.00	5,280.00	15,646.60
Communication (telephone)	400,000.00	869,643.40	22,200.40
Catering & entertainment	200,000.00	172,616.00	-
Laundry	15,000.00	6,000.00	-
Security services	100,000.00	23,795.60	37,193.50
Passenges vehicles hire	720,000.00	-	-
Travel & overnight allowance	800,000.00	430,000.00	-
Travel & operation KAB 343Q	400,000.00	410,834.60	506,526.00
<b>TOTAL OPERATION</b>	<b>4,285,000.00</b>	<b>3,311,695.60</b>	<b>1,647,791.50</b>
<b>MAINTENANCE</b>			
Office equipment, maint & repairs	-	27,495.00	-
KAB 343Q repairs & maintenance	300,000.00	274,951.08	245,469.00
<b>TOTAL MAINTENANCE</b>	<b>300,000.00</b>	<b>302,446.08</b>	<b>245,469.00</b>
<b>TOTAL EXPENDITURE</b>	<b>8,005,000.00</b>	<b>7,033,171.68</b>	<b>4,777,260.50</b>
<b>SURPLUS/ (DEFICIT)</b>	<b>(8,005,000.00)</b>	<b>(7,033,171.68)</b>	<b>(4,777,260.50)</b>

**MUNICIPAL COUNCIL OF EMBU**  
**ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007**  
**ENGINEERING & URBAN PLANNING ADMINISTRATION**

**INCOME**

	<b>ESTIMATE</b>	<b>ACTUAL 2006/2007</b>	<b>ACTUALS 2005/2006</b>
Beacon Pointing Fee	20,000.00	-	42,000.00
Building Plan Preparation Fee	10,000.00	1,433,750.00	-
Building Approval Fee	400,000.00	59,200.00	130,500.00
Building Inspection Fee	69,000.00	3,500.00	129,300.00
Light of Way/ Way leave Fee	30,000.00	162,680.00	-
Sign Board & Advert Fee	500,000.00	60,000.00	154,350.00
Hire of Grader	-	12,000.00	18,000.00
<b>EXPENDITURE</b>	<b>1,029,000.00</b>	<b>1,731,130.00</b>	<b>474,150.00</b>
<b>PERSONNEL</b>			
Salaries	3,455,880.00	3,326,250.00	1,069.00
House Allowance	1,686,000.00	1,600,500.00	696,000.00
Leave Allowance	616,685.00	368,735.00	96,636.60
D.W Bonus	25,000.00	4,800.00	62,440.00
N.S.S.F	67,200.00	58,800.00	24,000.00
Super Fund	171,262.00	162,912.00	75,561.00
Provident Fund	613,878.00	326,514.00	54,732.00
Casual Wages	-	15,653.00	75,160.40
Acting Allowance	-	-	1,000.00
<b>TOTAL PERSONNEL</b>	<b>6,635,905.00</b>	<b>5,864,164.00</b>	<b>2,155,210.00</b>
<b>OPERATION</b>			
Cleaning Materials		2,100.00	2,689.00
Equipment & Tools	909,999.00	35,888.00	35,890.00
Office Supplies & Printing	100,000.00	13,740.00	23,085.00
Water	-	-	20,600.00
Clothing & Uniforms	212,000.00	-	-
Newspaper Magazines	25,000.00	5,291.00	-
Street Lighting Power Supply	360,000.00	164,962.50	258,734.98
Postage	15,000.00	3,000.00	152,399.80
Communication (Telephone)	150,000.00	75,027.45	-
Staff Training Contribution	550,000.00	62,250.00	-
Professional License Fee	5,000.00	5,250.00	-
Travel Overnight Allowance	230,000.00	219,490.00	201,652.80
Printing & Stationery	-	15,589.00	3,550.00
Travel & Overnight Allowance	100,000.00	219,490.00	-
Fuel & Oil KVF 418	300,000.00	-	249,989.00
Fuel & Oil KVF 441	100,000.00	-	-
Fuel & Oil KAU 585Y	-	330,789.00	25,100.00
Furniture & Fittings	-	-	832.00
Entertainment	-	-	600.00
Equipment & Tools	500,000.00	27,240.00	-
Clothing & Uniforms	30,000.00	-	-
Special Supplies (Bulk Water)	20,000.00	-	-
Communication (Telephone)	10,000.00	-	-
Travel & Overnight Allowance	30,000.00	-	-
Fuel & Oil KUL 911	100,000.00	-	62,410.00
Fuel & Oil KAR 117L	100,000.00	74,807.00	83,330.00
<b>TOTAL OPERATIONS</b>	<b>3,846,999.00</b>	<b>1,254,913.95</b>	<b>1,120,862.58</b>

**MUNICIPAL COUNCIL OF EMBU  
 ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007  
 ENGINEERING & URBAN PLANNING ADMINISTRATION**

	<b>ESTIMATE</b>	<b>ACTUAL 2006/2007</b>	<b>ACTUALS 2005/2006</b>
Building, Repair & Maintenance	100,000.00	472,182.00	10,360.00
Fencing & Splinting Timber	-	-	1,169.00
Carwash Construction	-	-	409,024.00
Building Equip & Maintenance	100,000.00	-	93,102.00
Repair & Maintenance KVF 418	300,000.00	37,330.00	158,428.00
Repair & Maintenance KVF 441	100,000.00	43,565.00	83,932.00
Repair & Maintenance Exhauster	-	-	2,650.00
Repair & Maint KAU 585Y	-	50,540.00	-
Repair & Maint KAR 117L	-	82,501.00	-
Water Repair	-	1,750.00	4,405.00
Parks & Verges & Tree Selling	-	-	2,850.00
Office Equipment, Maintenance &	90,000.00	9,610.00	283,069.00
Comp Equip & Maintenance	100,000.00	10,700.00	-
Plant & Equipment Maintenance &	4,500,000.00	742,546.00	291,809.40
Fuel & Oil KWE 116	-	-	584,456.00
Repair and Main KUL	-	7,510.00	-
<b>TOTAL R. A. M</b>	<b>5,290,000.00</b>	<b>1,458,234.00</b>	<b>1,925,254.40</b>
<b>TOTAL EXPENDITURE</b>	<b>15,772,904.00</b>	<b>8,577,311.95</b>	<b>5,201,326.98</b>
<b>SURPLUS (DEFICIT)</b>	<b>(14,743,904.00)</b>	<b>(6,846,181.95)</b>	<b>(4,727,176.98)</b>

**MUNICIPAL COUNCIL OF EMBU**  
**ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007**  
**SOCIAL SERVICES & HOUSING**

	<b>ESTIMATE</b>	<b>ACTUAL 2006/2007</b>	<b>ACTUALS 2005/2006</b>
<b>INCOME</b>			
J. J. NYAGA ESTATE			
Housing estate monthly rent	600,000.00	-	132,200.00
KIMATHI ESTATE			
Housing estate monthly rent	500,000.00	-	186,700.00
NGEI ESTATE			
Housing estate monthly rent	300,000.00	-	120,500.00
SPRING VALLEY ESTATE			
Housing estate monthly rent	80,000.00	-	-
M'TETU ESTATE			
Housing estate monthly rent	25,000.00	-	-
KANJURU ESTATE			
Housing estate monthly rent	300,000.00	-	41,810.00
<b>TOTAL INCOME</b>	<b>1,805,000.00</b>		<b>481,210.00</b>
<b>EXPENDITURE</b>			
<b>PERSONNEL</b>			
Salaries	319,080.00	490,320.00	301,320.00
House allowance	138,000.00	207,000.00	103,500.00
Leave allowance	8,615.00	167,245.10	11,870.00
National Social Security Fund	4,800.00	4,800.00	3,600.00
Super fund	68,562.00	104,592.00	49,919.00
Casual wages		26,452.00	12,457.00
Staff training		10,000.00	1,000.00
<b>TOTAL PERSONNEL</b>	<b>539,057.00</b>	<b>1,010,409.10</b>	<b>483,666.00</b>
<b>OPERATIONS</b>			
Equipment & tools	100,000.00	1,500.00	
Postage	50,000.00	-	
Communication/telephone	10,000.00	-	
Staff training contribution	150,000.00	10,000.00	13,330.00
<b>Travel &amp; overnight allowance</b>	<b>50,000.00</b>	<b>58,500.00</b>	<b>43,500.00</b>
Community Programmes	280,000.00	-	
Youth Programmes Grant	370,000.00	-	
Adults Education Programme	120,000.00	24,200.00	
Bamako Clinic		-	739,107.95
Electricity & Water		11,212.25	11,102.19
Sports promotion		1,260.00	282,935.00
Special school grant	100,000.00	-	
Destitutes assistance bursary	700,000.00	20,300.00	
HIV/AIDS assistance	1,000,000.00	1,055.00	
Mayors Christmas Tree	20,000.00	83,692.00	
Printing & stationery		163.00	99,552.00
Honorarium		4,000.00	
Mayor Expenditure		3,500.00	
Staff Contribution		60,000.00	
Lasdap Project		700.00	
Office Equipment Repairs		31,570.00	
Adult teachers	120,000.00	-	21,000.00
<b>TOTAL OPERATIONS</b>	<b>3,070,000.00</b>	<b>311,652.25</b>	<b>1,210,527.14</b>

**MUNICIPAL COUNCIL OF EMBU**  
**ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007**  
**SOCIAL SERVICES & HOUSING Cont....**

	<b>ESTIMATE</b>	<b>ACTUAL 2006/2007</b>	<b>ACTUALS 2005/2006</b>
<b>MAINTENANCE</b>			
Office Equip, Maint & Repairs	400,000.00	31,510.00	37,150.00
HIV/AIDS Programme	100,000.00	-	
Design & Supervision	400,000.00		12,791.00
Ward Development Fund	4,900,000.00	24,180.00	
Materials / Construction Installation Cost			4,200,000.00
<b>TOTAL MAINTENANCE</b>	<b>5,800,000.00</b>	<b>55,690.00</b>	<b>4,271,919.00</b>
<b>HOUSING ESTATE</b>			
J J Nyaga			2,370.00
NHC Loan Repayment	480,000.00	-	
House Repair & Maintenance	250,000.00	-	780.00
	<b>730,000.00</b>	<b>-</b>	<b>3,150.00</b>
<b>KIMATHI ESTATE</b>			
House Repair & Maintenance	798,000.00	-	800.00
	<b>798,000.00</b>	<b>-</b>	<b>800.00</b>
<b>NGEI ESTATE</b>			
House Repair & Maintenance	378,000.00	-	53,051.00
Loan Repayment	-	-	200,000.00
	<b>378,000.00</b>	<b>-</b>	<b>253,051.00</b>
<b>SPRING VALLEY ESTATE</b>			
House Repair & Maintenance	144,000.00	-	22,823.00
	<b>144,000.00</b>	<b>-</b>	<b>22,823.00</b>
<b>M'TETU ESTATE</b>			
Loan Repayment	25,000.00	-	46,777.00
	<b>25,000.00</b>	<b>-</b>	<b>46,777.00</b>
<b>KANJURU ESTATE</b>			
Loan Repayment	300,000.00	-	181,464.35
	<b>300,000.00</b>	<b>-</b>	<b>181,464.35</b>
<b>TOTAL HOUSING</b>	<b>2,375,000.00</b>	<b>-</b>	<b>508,065.35</b>
<b>TOTAL EXPENDITURE</b>	<b>11,784,057.00</b>	<b>1,377,751.35</b>	<b>6,474,177.49</b>
<b>SURPLUS (DEFICIT)</b>	<b>(9,979,057.00)</b>	<b>(1,377,751.35)</b>	<b>(5,992,967.49)</b>

MUNICIPAL COUNCIL OF EMBU  
 ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007

PUBLIC HEALTH & SANITATION

	ESTIMATED	ACTUAL 2006/07	ACTUAL 2005/06
<b>INCOME</b>			
Slaughtering fee	600,000.00	876,000.00	864,300.00
Manure Sales		3,000.00	3,600.00
<b>TOTAL INCOME</b>	<b>600,000.00</b>	<b>879,000.00</b>	<b>867,900.00</b>
<b>PERSONNEL</b>			
Salaries	598,200.00	5,594,555.00	562,260.00
House Allowance	300,000.00	2,505,750.00	300,000.00
Leave Allowance	16,958.00	88,530.40	16,958.00
N.S.S.F	24,000.00	105,400.00	24,000.00
Laptrust	-	10,880.00	-
Acting Allowance	-	10,860.00	-
D W Bonus	-	13,200.00	-
Provident Fund	129,789.00	643,647.00	129,789.00
Casual wages		129,354.00	24,972.80
<b>TOTAL PERSONNEL</b>	<b>1,068,947.00</b>	<b>9,102,176.40</b>	<b>1,057,979.80</b>
<b>OPERATIONS</b>			
Equipments & Tools	20,000.00	98,826.00	12,657.20
Cleaning Materials	-	52,660.00	-
Supplies & Materials	15,000.00	70,373.00	8,762.05
Office Supplies & Printing	2,000.00	23,990.00	
Clothing & Uniforms	35,000.00	60,404.00	33,829.00
Drinking Water & Sewerage	30,000.00	-	-
Premises Power Supply	30,000.00	77,615.70	2,144.70
Travel Expenses	-	13,260.00	17,730.00
Stunning Expenses	-	-	51,030.00
Telephone	-	1,000.00	500.00
<b>Fuel &amp; Oil KTS 802</b>	-	<b>2,860.00</b>	-
Fuel & Oil KAB 300Q	-	161,153.00	110,653.00
Fuel & Oil KUL 094	-	218,291.00	178,978.00
Fuel & Oil KUL 996	-	104,580.00	212,023.00
<b>TOTAL OPERATIONS</b>	<b>132,000.00</b>	<b>885,012.70</b>	<b>628,306.95</b>
<b>MAINTENANCE</b>			
Maintenance & Repairs	-	56,230.00	11,770.00
Chemicals & Disinfectants	-	80,920.00	1,054.00
Refuse Pits & Collection	-	-	8,320.00
KAB 300Q Repairs & Maintenance	-	77,417.00	41,056.00
KUL 094 Repairs & Maintenance	-	256,433.00	154,177.00
KUL 996 Repairs & Maintenance	-	331,375.00	225,672.00
<b>TOTAL R.A.M</b>	<b>-</b>	<b>802,375.00</b>	<b>442,049.00</b>
<b>TOTAL EXPENDITURE</b>	<b>1,200,947.00</b>	<b>10,789,564.10</b>	<b>2,128,335.75</b>
<b>SURPLUS (DEFICIT)</b>	<b>(600,947.00)</b>	<b>(9,910,564.10)</b>	<b>(1,260,435.75)</b>

**MUNICIPAL COUNCIL OF EMBU  
ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007  
LOCAL AUTHORITY TRANSFER FUND ACCOUNT**

<b>INCOME</b>	<b>ESTIMATED</b>	<b>ACTUAL 2006/07</b>	<b>ACTUAL 2005/06</b>
LATF SERVICE A/C	-	12,652,129.00	9,936,865.00
LATF PERFORMANCE A/C	-	10,190,678.00	6,624,576.00
<b>TOTALS</b>	<b>22,842,807.00</b>	<b>22,842,807.00</b>	<b>16,561,441.00</b>
<b>EXPENDITURE</b>			
<b>PERSONNEL</b>			
Acting allowance	-	-	9,610.00
Salaries and wages	-	2,362,132.50	-
House allowance	-	-	6,000.00
Casual wages	-	-	1,453,735.90
Councillors allowance	-	-	781,262.00
Leave allowance	-	-	9,265.50
N S S F	-	-	-
P fund	-	-	446,643.00
Sfund	-	-	966,171.00
<b>TOTAL PERSONNEL</b>		<b>2,362,132.50</b>	<b>3,672,687.40</b>
<b>MAINTENANCE</b>			
Refunds	-	13,940.00	-
Petty cash	-	6,600.00	-
Car wash	-	-	289,655.00
3rd Buspark	-	10,950.00	-
Stadium toilets	-	-	39,020.00
Africities	-	386,600.00	-
Market toilets	-	-	14,500.00
T/Hall Maintainance	-	29,200.00	17,100.00
Maintenance KVF 418	-	-	23,543.00
Insurance	-	1,123,250.00	-
Advertising/Honorarium	-	86,000.00	4,000.00
Strategic Plan	-	400,000.00	-
<b>Slaughter house</b>	-	-	<b>553,648.37</b>
EU Proposal/ Maintenance KWE 116	-	45,000.00	12,992.00
Valuation fee	-	11,400.00	100,000.00
Buspark	-	10,950.00	186,760.00
Road construction	-	-	2,104,391.00
Advertisement	-	86,000.00	-
Sewage fencing	-	-	50,965.00
Kenya Revenue Authority	-	-	611,584.00
Kenya Roads Board Fund	-	-	597,164.00
Supply of Goods	-	164,135.34	204,726.00
Other rep & Maint Expenses	-	147,000.00	-
Bank Charges	-	12,705.00	-
Audit Fees	-	450,000.00	-
Accountancy Fee	-	148,000.00	-
<b>TOTAL MAINTENANCE</b>	-	<b>3,131,730.34</b>	<b>4,810,048.37</b>
<b>TOTAL EXPENDITURE</b>	-	<b>5,493,862.84</b>	<b>8,482,735.77</b>
<b>SURPLUS (DEFICIT)</b>	<b>22,842,807.00</b>	<b>17,348,944.16</b>	<b>8,078,705.23</b>

**MUNICIPAL COUNCIL OF EMBU  
 ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007  
 ROAD MAINTENANCE LEVY FUND**

<b>INCOME</b>	<b>ESTIMATED</b>	<b>ACTUAL 2006/07</b>	<b>ACTUAL 2005/06</b>
Receipts	-	3,672,831.00	759,038.50
<b>TOTALS</b>	-	<b>3,672,831.00</b>	<b>759,038.50</b>
<b>EXPENDITURE</b>			
Stationery	-	16,890.00	-
Sitting Allowance	-	8,000.00	-
VAT	-	44,162.70	-
Travelling Allowance	-	25,625.00	-
Casual Wages	-	682,237.50	-
Bank Charges	-	5,475.00	-
Motor Vehicle Spares	-	286,027.00	-
	-		-
<b>TOTAL EXPENDITURE</b>	-	<b>1,068,417.20</b>	-
<b>SURPLUS (DEFICIT)</b>	-	<b>2,604,413.80</b>	<b>759,038.50</b>

**MUNICIPAL COUNCIL OF EMBU  
ABSTRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007**

**Notes to Accounts**

**FIXED ASSETS**

*2006/07*  
~~2005/06~~

*2005/06*  
~~2006/07~~

**) BUILDING & EQUIPMENT**

Town Hall	1,659,599.00	1,659,599.00
Ewasco Office	163,615.25	163,615.25
Beer Hall Equipment	10,600.00	10,600.00
DEO'S Offices	547,950.00	547,950.00
Lawn Mower	416,125.00	416,125.00
Council Garage	500,000.00	500,000.00
Slaughter House	5,550,000.00	2,606,651.00
Fire Station	53,183.00	53,183.00
Sewer Pumping Station	2,373,977.00	2,373,977.00
Water Maintenance & Equipment	13,224,464.25	13,224,464.25
	<b>24,499,513.50</b>	<b>21,556,164.50</b>

**1b) PLANT & EQUIPMENT**

Motor Vehicle	17,909,499.05	15,509,499.05
Furniture & Fittings	283,497.60	283,497.60
Survey Equipments	371,502.00	371,502.00
Exhauster	49,950.00	49,950.00
Vibro Roller	218,500.00	218,500.00
Motor Vehicle	167,763.00	167,763.00
Computer Hardware	3,421,500.00	3,166,500.00
	<b>22,422,211.65</b>	<b>19,767,211.65</b>

**2) LAND**

Slaughter House Land	300,000.00	300,000.00
Market Bus Park	6,574,026.00	6,574,026.00
Street Lighting	2,020,036.00	2,020,038.75
Roads	5,780,750.00	5,780,750.80
R.C.C.O	2,339,339.00	2,339,339.45
	<b>17,014,155.00</b>	<b>17,014,155.00</b>

**3) HOUSING CAPITAL OUTLAY**

Paul Ngei Estate	14,850,000.00	199,342.05
Kimathi Estate	14,250,000.00	517,126.00
Kanjuru Rental House	486,499.00	486,499.00
M'tetu USAID	30,000.00	30,000.00
Initial Outlay	1,897,650.00	1,897,650.00
Nyaga Estate	12,000,000.00	-
Spring Valley	3,500,000.00	-
	<b>47,014,149.00</b>	<b>3,130,617.05</b>

**4) REVALUATION RESERVES**

Slaughter House	2,943,349.00	-
Paul Ngei Estate	14,650,657.95	-
Kimathi Estate	13,732,874.00	-
Nyaga Estate	12,000,000.00	-
Spring Valley	3,500,000.00	-
	<b>46,826,880.95</b>	-

**MUNICIPAL COUNCIL OF EMBU**  
**TRACTS OF ACCOUNTS FOR FINANCIAL YEAR 2006/2007**  
**Statement to Accounts Cont.....**

<b>PROJECTS</b>	<b>2006/07 Kshs</b>	<b>2005/06 Kshs</b>
garu Market	195,800.00	-
ash	289,655.00	289,655.00
n Toilets	39,020.00	39,020.00
Toilets	14,500.00	14,500.00
all Gate Construction	17,100.00	17,100.00
er House	553,648.37	553,648.37
k Construction	186,760.00	186,760.00
onstruction	2,194,304.90	2,194,304.90
Project	4,216,581.00	1,613,510.00
	<b>7,707,369.27</b>	<b>4,908,498.27</b>
<b>BANK BALANCES</b>		
Hand	144,201.00	185,231.00
Balance / Other A/C	-	7,163.00
Rate Fund	998,183.00	12,482.00
ing A/C	4,898,103.00	4,621,549.00
aintenance Levy	3,681,222.00	3,888,708.00
und	4,435.00	207,232.00
s-041202970063	1,125,570.00	1,246,136.00
nt	108,264.00	503,841.00
ount	3,627.00	
- 0190290978574	1,443,765.00	
	<b>12,407,370.00</b>	<b>10,672,342.00</b>
	18,321,745.00	22,708,947.00
ates	69,823,817.00	4,362,941.00
	7,134,988.00	7,523,696.00
	-	6,854,500.00
	5,822,682.00	3,181,244.00
is Park Stalls	3,065,103.00	2,465,629.00
e Schemes	9,373,933.00	6,131,812.00
	<b>113,542,068.00</b>	<b>53,228,769.00</b>
	-	112,000.00
	3,549,888.00	446,643.00
	-	17,735,442.00
	-	5,167.00
	-	27,034.65
ing	-	590,844.65
	600,000.00	600,000.00
	5,385,602.00	7,885,740.00
	-	327,777.00
	<b>9,535,490.00</b>	<b>27,730,648.30</b>

SAS requires disclosures of certain items in particular delaying debtors and delayed creditors separately from operational debtors and creditors as there is usually a link between the former types of debtors and creditors. Financial statements should disclose all items which are material enough to affect evaluation decision.

## 2.0 ACCOUNTING POLICIES

The Accounts have been prepared under historical cost convention.

### 2.1 ACCRUALS OF INCOME & EXPENDITURE

#### (a) Employers

- (i) Salary arrears are accrued as creditors. No accruals are made for paid leave entitlement not taken as this is considered not material from year to year.
- (ii) Statutory and other deductions- unremitted statutory and other deductions are accrued as creditors.
- (iii) Supplies & Services material invoices for supplies received during the year but not paid are accrued as creditors with the current liabilities.

#### (b) Revenue

- (i) Plot rent and rates outstanding at the end of the year are treated as accrued debtors. This is in accordance with the prudence concept.

## 3.0 FIXED ASSETS

3.1 Only assets that are readily identifiable as authority assets are included in the balance sheet. However professional valuation of the Council assets is ongoing and assets whose valuation has been finalized are reflected at their market values.

3.2 **Assets utilization. No charges have been made for use of assets or their depreciation in line with the current Simplified Accounting System (SAS) provisions.**

## 4.0 FUND BALANCES

SAS Provisions require that reserves and provisions where they exist be separately identified but aggregated within the general fund balances.

## 5.0 CURRENT DENOMINATION

The Accounts have been presented in Kenya Shillings as per the new requirements.

