

Republic of Kenya



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Kenya National Audit Office

REPORT

OF

PARLIAMENT
OF KENYA
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**THE CONTROLLER
AND AUDITOR-GENERAL**

ON

**THE ABSTRACTS OF
ACCOUNTS OF THE MUNICIPAL
COUNCIL OF RUIRU
FOR THE
YEAR ENDED
30 JUNE 2005**



KENYA NATIONAL AUDIT OFFICE

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE ABSTRACTS OF ACCOUNTS OF THE MUNICIPAL COUNCIL OF RUIRU FOR THE YEAR ENDED 30 JUNE 2005

The attached Abstracts of Accounts of the Municipal Council of Ruiru for the year ended 30 June 2005 have been audited under my direction in accordance with Section 23 of the Public Audit Act, 2003.

1. Respective Responsibilities of the Council and the Controller and Auditor General

The Council is responsible for the preparation of Abstracts of Accounts which give a true and fair view of the Council's state of financial affairs and its operating results. My responsibility is to express an independent opinion on the Abstracts of Accounts based on the audit.

2. Basis of Opinion

The audit was conducted in accordance with the International Standards on Auditing. Those standards require 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 includes an examination on a test basis, of evidence supporting the amounts and disclosures in the Abstracts of Accounts. It also includes an assessment of the accounting policies used and significant estimates made by the Council as well as evaluating the overall Abstracts of Accounts' presentation.

I believe the audit provides a reasonable basis for my opinion.

3.0 Qualification Points:

3.1 Non Submission, Opening Balances, Format and Accuracy of the Accounts

- (i) As stated in the previous Reports, the Council has not prepared and submitted for audit the 1994/1995 Accounts and prior years as required by Section 229 (1) of the Local Government Act, Cap 265. The Council was and still is in breach of the law. The Accounts for 1995/1996 were the first to be prepared and submitted for audit by the Council. However, in the absence of audited and certified accounts for the years 1988 to 1994/1995, the source and accuracy of the opening balances for the 1995/1996 Accounts as at 01 July 1995 and for all the subsequent years, including 2004/2005, could not be confirmed.
- (ii) The 2004/2005 Accounts have been prepared using the Simplified Accounting Systems (SAS) format which had not been approved by the Minister for Local Government as required by Section 229 (2) of the Local Government Act, Cap 265. The Council was in breach of the law.
- (iii) During 2004/2005, the Council did not maintain accurately the necessary primary books of account such as daily and monthly abstracts of receipts and payments, receipts and payments ledgers, debtors and creditors' ledgers, staff and Councillors Advances registers and imprests registers. In addition, no formal agreement on the division of assets and liabilities between the Council and the County Council of Kiambu from which it was carved out was made available for audit review.

In view of the issues above, the accuracy of the 2004/2005 Accounts could not be confirmed.

3.2 Non Current Assets

The Balance Sheet Fixed Assets and Other Long Term Outlay balances increased from Kshs.41,675,520.24 as at 30 June 2004 to Kshs.48,644,193.44 as at 30 June 2005. However, the Council did not maintain a Fixed Assets Register (FAR). Further, ownership documents and professional valuation reports for the assets were not made available

for audit review. In the circumstances, it has not been possible to confirm ownership, existence, security, valuation, location and accuracy of the Council's Non Current Assets balances reflected in the Accounts under review.

3.3 Cash and Bank Balances

The Cash and Bank balances increased from Kshs.13,268,014.35 as at 30 June 2004 to Kshs.16,244,464.55 as at 30 June 2005. However, a board of survey report confirming cash in hand and other securities, bank statements, bank reconciliations statements and bank balances confirmation certificates were not made available for audit review. Under the circumstances, the accuracy of the Cash and Bank balances included in the Balance Sheet for the year under review could not be confirmed.

3.4 Debtors and Prepayments

The Debtors and Prepayments balances decreased marginally from Kshs.17,822,082.00 as at 30 June 2004 to Kshs.17,356,696.00 as at 30 June 2005. However, the Council did not maintain and prepare proper debtors' ledger, schedules or analyses to support the balances which were mainly in respect of property rates owed by individuals, Government and Parastatals and unrecovered advances due from staff and Councillors. In addition, the Council did not provide for bad and doubtful debts in the Accounts. In the circumstances, it was not possible to confirm the accuracy and recoverability of the Debtors and Prepayments balances reflected in the Balance Sheet as at 30 June 2005.

3.5 Creditors and Accruals

The Creditors and Accruals balances decreased from Kshs.6,617,249.50 as at 30 June 2004 to Kshs.5,364,570.50 as at 30 June 2005. However, the Council did not maintain an up-to-date Creditors' ledger to support the individual Creditors balances. In the circumstances, it was not possible to confirm the accuracy of the Creditors' balances reflected in the 2004/2005 Accounts.

3.6 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 its assets, which, owing to depreciation or other cause will require at some future date to be replaced. During 2004/2005, the Council did not make any provision for depreciation in the Accounts. Further, it did not create and set aside the renewals funds as required. It was therefore in breach of law. It is not also clear how the Council intends to finance the replacement of its fixed assets, in future, in the absence of renewals funds.

3.7 Authority Equity

The Authority Equity balances decreased from Kshs.18,568,978.31 as at 30 June 2004 to Kshs.11,730,219.51 as at 30 June 2005. However, no Authority Equity Change Statement was prepared to show the opening balances, operations during the year and closing balances. Further, Sections 216 to 221 of the Local Government Act indicate that Councils are generally financed by the General Rate Fund, General Reserve Fund, Renewals Funds, Capital Funds and Consolidated Loans Funds. The term Authority Equity was therefore anomalous and appeared to be a balancing item in the Accounts. Under the circumstances, the existence, accuracy and legality of the Authority Equity's balance of Kshs.11,730,219.51 as at 30 June 2005 could not be confirmed.

3.8 General Reserve Fund

The General Reserve Fund balances increased from Kshs.47,579,388.78 as at 30 June 2004 to Kshs.64,845,127.08 as at 30 June 2005. However, and as mentioned in the previous Report, no General Reserve Fund Change Statement was prepared to show its movements. In the absence of verifiable documents and Change Statement, the accuracy of the General Reserve Fund balance reflected in the Balance Sheet as at 30 June 2005 could not be confirmed.

3.9 Local Authorities Transfer Fund (LATF)

During 2004/2005, the Council received Kshs.29,660,087.00 as LATF grants. However, the Council did not provide analyses of expenditure

incurred in respect of Capital Projects and Debt Resolution amounts of Kshs.6,388,738.00 and Kshs.810,603.25 respectively. Further, the Council did not maintain a separate cash book and independent books of account for LATF. In the circumstances, the accuracy of the LATF Recurrent Account could not be confirmed. Further, the propriety of expenses incurred and paid from LATF during the year could not be confirmed.

3.10 Budget and Budgetary Control

During the year, the Council did not operate within the approved estimates. It incurred over-expenditures of Kshs.9,432,916.00 without Ministerial authority as required. The Council was therefore in breach of the law.

4.0 Opinion

In view of the reservations indicated in paragraphs 3.1 to 3.10, I am unable to express an opinion in accordance with Section 24 (2) of the Act, that:

- a)** all the information and explanations considered necessary for the audit were received;
- b)** the Accounts have been properly maintained and are in order;
- c)** the Balance Sheet gives a true and fair view of the state of financial affairs of the Council as at 30 June 2005;
- d)** the Revenue Accounts give a true and fair view of income and expenditure of the Council for the year ended 30 June 2005;
- e)** the Accounts comply with the Local Government Act, Cap 265.


P. N. KOMORA, CBS
CONTROLLER AND AUDITOR GENERAL

Nairobi

14 November 2008

RUIRU MUNICIPAL COUNCIL

FINAL ACCOUNTS FOR 2004/2005

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RUIRU MUNICIPAL COUNCIL

TREASURER'S REPORT

1.1 INTRODUCTION

I have the pleasure of presenting the accounts for Ruiru Municipal Council for the period ended 30th June 2005

The Accounts have been prepared using the Simplified Accounting Systems (SAS) for Local Authorities being developed by the Ministry of Local Government under the Kenya Local Government Reform Programme.

The Municipal Council of Ruiru had ten operational divisions or responsibility centers during this financial year. These are :

- 1) Clerk's Department
- 2) Treasurer's Department
- 3) Civic Department
- 4) Markets & Trade Department
- 5) Nursery School and Social Services Department
- 6) Building, Works & Planning Department
- 7) Public Health & Environment Department
- 8) Water & Sewerage Department
- 9) Housing Department
- 10) LATF Account

1.2 RESPONSIBILITY CENTER ACCOUNT STATEMENTS.

Each individual responsibility center financial performance is given separately.

These performance statements of receipts and expenditure are in Kenya Shillings and Kenya Pounds, which are compared to the approved budget for the year.

The detailed performance statements for 2003/2004 are summarized in a Summary Recurrent Account to give a one-page clear picture of the operations of the Authority for the year.

Worthy of noting is the following :

Revenue Items

.Receipts from Land Taxes were 6.28% of the total corporate receipts.

.Licences with 88.06% of the total corporate receipts was the most important source of revenue.

.Cess contributed 5.66% to the corporate receipts while other miscellaneous receipts

.contributed 0.01%.LATF Grants were Kshs 29,660,087.00making up 48.82% of total receipts.

Expenditure Items

.The ratio of expenditure on Personnel, Operation and Maintenance was 39:41:20of the total expenditure i.e. Personnel expenditure took 39% of total expenditure during the year, Operations took 41% while Maintenance took 20%.

1.3 OVERALL AUTHORITY PERFORMANCE

The Authority made a surplus of Kshs 17,225,253.30 Total expenditure was Kshs 43 M, while corporate and responsibility centers receipts were Kshs 31.1M

Corporate Income comprised of 51.1% of the total receipts.

Its worth noting that the responsibility centres' overall level of self financing was 138% with Treasurer's Department having the highest level at 349%.

However, Nursery Department had the lowest income, there being a 2% level of self financing.

1.4 Balance Sheet

Whereas other financial statements are based on a 'receipts and expenditure convention', balance sheet is based on a 'converted receipt (or income) and expenditure' basis by the introduction of debtors and creditors outstanding.

1.5 Income Variances

a) Land Taxes:

. There was variance of Ksh973,561.25 which is less than 33.2% showing less improvement on achieving budgets forecast

b) Licences:

. Total collections on this particular source of income was quite encouraging with the amount of Kshs 27.4M being realized. This was a decrease of 0.04% over and above the budget forecast.

c) Cess:

This has been a good source of income, but the Government has further reduced it by giving the bigger portion to the roads levy. current year balance was 1,758,955.30 which made 5.6% of cooperate receipts

1.6 Expenditure Variances

1.6.1- Employees

. The variances of 29% (favourable) reflected in the employees' emoluments are due to non-filling of non-adherence to the budget provisions.

1.6.2- Operations

. This recorded an adverse variance of 55% on the budget.

1.6.3- Maintenance

. This recorded an adverse variance of 324% on the budget

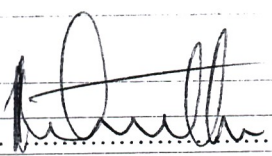
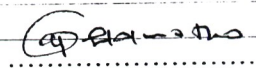
. This includes amounts spent on Capital Projects written off mainly roads repairs

Signed C. Adworts Dated..... Day of 2005

Town Treasurer

Signed [Signature] Dated..... Day of 2005

Town Clerk

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNT			
BALANCE SHEET AS AT 30-06-2005			
	Notes	2004/05	2003/04
		Kshs	Kshs
NON CURRENT ASSETS			
Fixed Assets	1.3.7	39,964,013.44	32,995,340.24
Other Long Term Outlay	1.3.8	8,680,180.00	8,680,180.00
		48,644,193.44	41,675,520.24
CURRENT ASSETS			
Debtors and Prepayments	1.4.0	17,356,696.00	17,822,082.00
Imprests	1.4.0	754,666.00	-
Cash in Bank - GRF		-	2,483,367.20
Cash in Bank - Fuel Levy		1,820,395.65	-
Cash in Bank - LATF		14,371,466.90	10,661,862.35
Cash in Hand		52,602.00	122,784.80
		34,355,826.55	31,090,096.35
CURRENT LIABILITIES			
Creditors and Accruals	1.5.0	5,364,570.50	6,617,249.50
Bank Overdraft - GRF	1.5.1	1,060,102.90	-
		6,424,673.40	6,617,249.50
NET CURRENT ASSETS		27,931,153.15	24,472,846.85
NET ASSETS		76,575,346.59	66,148,367.09
REPRESENTED BY			
Authority Equity	1.6.0	11,730,219.51	18,568,978.31
General Reserve Fund	1.6.1	64,845,127.08	47,579,388.78
		76,575,346.59	66,148,367.09
Signed... 			Signed... 
J.N KIRUTHI TOWN CLERK			J.M. KIMOTHO TOWN TREASURER
Date <u>26/1/07</u>			Date <u>26/1/07</u>

MUNICIPAL COUNCIL OF RUIRU
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005

Cash Flow Statement for the Year ended 30 June 2005

	<u>2004/2005</u>	<u>2003/2004</u>
	<u>Kshs</u>	<u>Kshs</u>
Cash flow from operating Activities (note 10)	17,265,738.30	8,985,086.73
Net Cashflow from Working Capital Changes		
(Increase)/Decrease in Current Assets	(289,280.00)	450,796.90
(Decrease)/increase in Creditors	(192,576.10)	6,154,815.96
Cash flow after working capital	(481,856.10)	6,605,612.86
Cashflow after working capital	16,783,882.20	15,590,699.59
Return on Investment and Servicing of Finance		
Intrest paid	-	-
Intrest Received	-	80,591.10
Cashflow after return on investment	-	80,591.10
	16,783,882.20	15,671,290.69
Investing Activities		
Fixed Assets Payments	(6,968,673.20)	(19,745,531.00)
Cashflow from investing activities	(6,968,673.20)	(19,745,531.00)
Cashflow after investing activities	9,815,209.00	(4,074,240.31)
Financing Activities		
(Decrease)/Increase in Authority Equity	(6,838,758.80)	8,277,603.86
	(6,838,758.80)	8,277,603.86
Cash inflow after Financing Activities	2,976,450.20	4,203,363.55
Cash and cash equivalent at begging of the year	13,268,014.35	9,064,650.80
Cash and cash equivalent at end of the year	<u>16,244,464.55</u>	<u>13,268,014.35</u>

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005			
INCOME AND EXPENDITURE SUMMARY ACCOUNT			
SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
SERVICE RECEIPTS			
CORPORATE INCOME			
Land Taxes			
Plot Rent	132,779.10	247,310.00	77,136.00
Area Rates	2,253,205.00	2,219,380.00	1,586,090.00
Quarry Charges	219,890.00	360,645.00	265,995.00
Sub Division Fee	19,895.00	21,675.00	11,550.00
Change Of Ownership	9,500.00	19,550.00	11,500.00
Total Land Taxes	2,635,269.10	2,868,560.00	1,952,271.00
Licence and Fees			
Addition of Trade	29,470.00	19,660.00	11,600.00
App. to Const. Factory	-	23,000.00	-
Appl to Const. Residential Bld	1,420,550.00	987,850.00	1,333,200.00
App. to Const. Comm. Bld/Petrol station	-	57,500.00	-
Plans Approval	3,301,739.30	1,728,403.00	2,789,732.30
Bank Interests	-	-	53,925.25
Parking fees	2,122,802.00	1,839,785.00	1,965,220.00
Cert. of Building Completion	1,700.00	1,500.00	1,500.00
Change of trade	2,000.00	7,995.00	4,500.00
Clearance Certificates	118,810.00	103,130.00	126,440.00
Change of User	9,505.00	13,540.00	8,820.00
Consent to charge Lease	35,520.00	18,235.00	23,300.00
Consent To Transfer	353,280.00	255,205.00	357,600.00
Conservancy Fees	1,000.00	-	-
Contribution in Lieu of Rate	197,383.00	515,988.00	383,534.00
Extension User	-	-	40,485.00
Fines on byLaws/Pounding	-	2,695.00	-
Githurai/Ruiru Mkt Fee	4,669,650.00	5,006,475.00	2,372,310.00
Hire of Exhauster	67,500.00	50,000.00	54,340.00
Hire of Grader	-	143,750.00	-
House Rent	858,458.00	912,000.00	730,039.00
Housing Levy	377,858.00	459,585.00	296,077.00
Inspection Fees	255,070.00	15,000.00	242,500.00

SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
Interests 6%	1,536.00	71,737.00	-
Miscellaneous Income	129,941.50	336,770.00	129,580.00
Penalty	32,517.50	-	41,360.00
Pounding Fees	367,835.00	270,770.00	173,440.00
PPA I & II	527,000.00	389,920.00	520,500.00
Registration of Sch & Group Cert.	40,040.00	49,510.00	40,990.00
Sale Application Form	365,635.00	393,810.00	380,810.00
Sale Of tender Forms	67,000.00	108,340.00	65,000.00
Sale of Building Plan	4,400.00	13,000.00	400.00
Subletting	267,000.00	161,207.00	236,000.00
Sale of Minutes	480.00	770.00	160.00
Single Business Permit	11,399,125.00	11,432,180.00	12,201,145.00
Site Value Rates	895,493.70	1,196,620.00	1,798,109.55
Stall Rent	88,920.00	81,110.00	107,310.00
Survey Fees	-	30,000.00	-
Signboard Fees	454,212.50	600,000.00	901,033.00
Tenant Fee	13,675.00	74,235.00	29,925.00
Tuition Fee (Kwihota Nursery Sch.	13,920.00	-	-
Total Licence and Fees	28,491,026.50	27,371,275.00	27,420,885.10
Cess			
Cess 20%	2,538,977.80	-	1,758,955.30
Total Cess	2,538,977.80	-	1,758,955.30
Total Corporate Income	33,665,273.40	30,239,835.00	31,132,111.40
Fuel Levy			
Money from Roads Board	-	-	2,466,278.90
Interest from Bank	-	-	633.35
Transfer from LATF	-	-	10,000.00
Total Receipts Fuel Levy	-	-	2,476,912.25
LATF			
LATF Service Account	16,594,125.00	17,796,052.00	17,796,052.00
Interests Earned	80,591.10	-	-
LATF Performance Account	11,066,751.00	11,864,034.00	11,864,035.00
Total Grants	27,741,467.10	29,660,086.00	29,660,087.00
Total Income	61,406,740.50	59,899,921.00	63,269,110.65

SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
EXPENDITURE			
Personnel			
Salary & Wages	11,776,112.90	9,587,009.00	7,323,576.00
NSSF	382,416.40	93,600.00	94,000.00
Super Fund	1,505,688.12	-	1,472,331.50
Provident Fund	506,108.65	-	565,053.50
House Allowance.	5,126,531.00	4,957,800.00	4,908,200.00
Leave Allowance	302,577.50	280,082.00	537,939.20
Bicycle Allowance	3,550.00	-	7,050.00
Proficiency Driving Allowance	1,100.00	-	42,130.50
Dirty Work Allowance	42,529.50	5,400.00	4,500.00
Acting Allowance	-	-	108,510.75
Other Allowance	124,800.00	16,400.00	162,552.00
Casual Wages	-	-	2,613,188.60
Total Personnel	19,771,414.07	14,940,291.00	17,839,032.05
Operations			
Administration			
Travelling & Subs. Allowance	1,313,763.00	642,000.00	1,619,643.00
Training Courses & Exams	46,740.00	100,000.00	96,170.00
Medical Expense	50,480.00	30,000.00	1,950.00
Seminar & Courses	529,845.00	580,000.00	218,346.00
Entertainment of Guests	522,066.00	410,000.00	335,277.00
Postage, Telephone & Advertisement	1,143,443.30	720,000.00	1,065,245.25
General Insurances	2,194,956.00	1,300,000.00	978,658.00
Subscription ALGAK,ALGAE,LAPFB	208,900.00	100,000.00	90,300.00
Legal Fees	204,400.00	400,000.00	1,158,900.00
LASDAP	191,500.00	100,000.00	139,000.00
Contingencies	259,957.00	100,000.00	206,430.00
Mayor's Allowance	315,480.00	356,160.00	435,160.00
Councillors Allowance	2,099,560.00	1,932,960.00	2,097,412.00
NHIF	-	26,880.00	-
National Celebrations	17,473.60	20,000.00	18,300.00
Contributions & Donations	33,000.00	50,000.00	5,000.00
Civic Attires	5,900.00	50,000.00	10,850.00
Mayors Christmas Free Fund	244,842.00	50,000.00	271,040.00
Members Tours	576,000.00	1,000,000.00	400,000.00

SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
Other Expenses	21,090.00	50,000.00	17,300.00
Civic Function Expenses	153,182.00	160,000.00	-
Other Councillors Allowance	-	-	-
Bursary	677,215.00	-	1,017,500.00
Sports	720,843.00	1,000,000.00	769,757.00
Mosquito Eradication	20,000.00	10,000.00	600.00
Furniture and Equipments	-	-	-
Loan Charges	267,459.00	-	-
Total Administration	11,818,094.90	9,188,000.00	10,952,838.25
Supplies & Services			
Printing and Stationary	1,390,128.00	805,000.00	1,365,586.00
Furniture & Fittings	-	-	-
Newspapers & Periodicals	87,564.00	100,000.00	67,860.00
Staff Uniforms	339,156.00	800,000.00	345,702.00
Subscription	-	-	7,250.00
Bank Charges	25,130.20	-	31,955.00
Withholding Tax	12,088.65	-	8,278.80
Audit Fees/Accountancy Fees	422,080.00	100,000.00	-
Loss Sale of Motor Vehicle	163,105.00	-	-
Survey Fees	17,400.00	10,000.00	34,800.00
Materials and Equipment	9,090.00	10,000.00	163,835.00
Tools and Equipments	51,350.00	105,000.00	131,641.00
Trees and Flowers	95,050.00	150,000.00	11,100.00
Bank Charges	-	-	-
Total Supplies and Services	2,612,141.85	2,980,000.00	2,168,007.80
Premise Related			
Electricity & Water	101,987.00	100,000.00	109,365.05
Total Premise Related	101,987.00	100,000.00	109,365.05
Transport Related			
Vehicle Operating Costs	7,821,386.55	2,730,000.00	5,544,138.25
Total Transport Related	7,821,386.55	2,730,000.00	5,544,138.25
Total Operations	22,353,610.30	14,098,000.00	18,774,349.35

	2003/2004	2004/2005	2004/2005
SUBJECTIVE HEAD	ACTUAL KSHS.	APPROVED KSHS.	ACTUAL KSHS.
Repair, Alteration and Maintainance			
Reccurent Expenditure			
Rapair & Maint. Of Buildings	376,745.50	150,000.00	443,380.00
Equipment, Furniture & Fittings Repair	-	220,000.00	111,141.00
Mainatenance Ruiru Market Stalls	26,493.00	100,000.00	151,549.00
Mainatenance Githurai Market Stalls	27,854.00	100,000.00	152,799.00
Town Planning Development	99,250.00	60,000.00	196,401.60
Maintainance of Roads & Drainage	837,663.00	30,000.00	756,385.60
Maintainance of Bus Park	52,255.00	300,000.00	73,980.00
Public Latrines	179,023.00	50,000.00	168,256.40
Maintainance of Gardens	11,840.00	20,000.00	-
Maint of Sewarage & Septic Tanks	128,574.00	100,000.00	122,223.00
Maintainance of Rental Houses	10,860.00	25,000.00	14,534.00
Total	1,750,557.50	1,155,000.00	2,190,649.60
LATF Expenditure			
Capital Projects	10,492,349.00	18,690,355.00	6,388,738.00
Debt Resolution	413,196.00	900,000.00	810,603.35
Total	10,905,545.00	19,590,355.00	7,199,341.35
Total RAM	12,656,102.50	20,745,355.00	9,389,990.95
TOTAL INCOME	61,406,740.50	59,899,921.00	63,269,110.65
TOTAL EXPENDITURE	54,781,126.87	49,783,646.00	46,003,372.35
SURPLUS /(DEFICIT)	6,625,613.63	10,116,275.00	17,265,738.30

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005			
CLERKS DEPARTMENT			
MISSION STATEMENT			
A- To provide advice to elected councillors in the policy management of the council			
B- To provide leadership to the council ensuring smooth operations, effective and personnel administration legal actions.			
SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
SERVICE RECEIPTS			
Subletting	267,000.00	161,207.00	236,000.00
Sale of Minutes	480.00	770.00	160.00
Fines on byLaws/Pounding	-	2,695.00	-
Sale Application Form	365,635.00	393,810.00	380,810.00
Sale Of tender Forms	67,000.00	108,340.00	65,000.00
Sub Division Fee	19,895.00	21,675.00	11,550.00
Change Of Ownership	9,500.00	19,550.00	11,500.00
Change of trade	2,000.00	7,995.00	4,500.00
Addition of Trade	29,470.00	19,660.00	11,600.00
Consent To Transfer	353,280.00	255,205.00	357,600.00
Pounding Fees	367,835.00	270,770.00	173,440.00
Miscellenious Income	-	-	4,000.00
	1,482,095.00	1,261,677.00	1,256,160.00
EXPENDITURE:			
PERSONNEL			
Salary & Wages	3,883,049.50	3,983,400.00	3,093,781.00
NSSF	114,725.00	28,800.00	28,800.00
Super Fund	729,427.00	-	718,134.00
Provident Fund	136,829.00	-	154,305.00
House Allowance.	2,149,131.00	2,084,400.00	2,068,800.00
Leave Allowance	115,031.30	115,075.00	352,542.20
Bicycle Allowance	1,750.00	-	5,250.00
Proficiency Driving Allowance	1,100.00	-	3,600.00
Dirty Work Allowance	37,279.50	-	-
Acting Allowance	-	-	108,510.75
Other Allowance	96,000.00	11,600.00	96,000.00
	7,264,322.30	6,223,275.00	6,629,722.95
OPERATIONS			
Administratiom			
Travelling & Subs. Allowance	398,913.00	300,000.00	538,349.00

SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
Training Courses & Exams	46,740.00	100,000.00	83,970.00
Medical Expense	50,480.00	20,000.00	450.00
Seminar & Courses	163,247.00	150,000.00	71,546.00
Entertainment of Guests	56,340.00	50,000.00	62,249.00
Postage, Telephone & Advertisement	930,055.50	720,000.00	1,065,245.25
General Insurances	2,194,956.00	1,300,000.00	978,658.00
Subscription ALGAK, ALGAE, LAPFB	208,900.00	100,000.00	90,300.00
Legal Fees	204,400.00	400,000.00	1,158,900.00
LASDAP	191,500.00	100,000.00	139,000.00
Contingencies	195,689.00	50,000.00	147,980.00
Total Administration	4,641,220.50	3,290,000.00	4,336,647.25
Supplies & Services			
Printing and Stationary	370,191.00	200,000.00	638,034.00
Furniture & Fittings	-	-	-
Newspapers & Periodicals	87,564.00	100,000.00	67,860.00
Staff Uniforms	161,195.00	300,000.00	-
Total Supplies & Services	618,950.00	600,000.00	705,894.00
	-	-	-
Premise Related			
Electricity & Water	101,987.00	100,000.00	109,365.05
Total Premise Related	101,987.00	100,000.00	109,365.05
	-	-	-
Transport Related			
Vehicle Operating Costs	1,354,708.40	1,050,000.00	1,018,787.50
Total Transport Related	1,354,708.40	1,050,000.00	1,018,787.50
	-	-	-
TOTAL OPERATIONS	6,716,865.90	5,040,000.00	6,170,693.80
REPAIRS, ALTERATIONS & MAINTAINANCE			
Repair & Maint. Of Buildings	142,690.00	100,000.00	367,861.00
Equipment, Furniture & Fittings Repair	-	50,000.00	110,191.00
Total RAM	142,690.00	150,000.00	478,052.00
TOTAL INCOME	1,482,095.00	1,261,677.00	1,256,160.00
TOTAL EXPENDITURE	14,123,878.20	11,413,275.00	13,278,468.75
SURPLUS /DEFICIT	(12,641,783.20)	(10,151,598.00)	(12,022,308.75)

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005			
TREASURER'S DEPARTMENT			
MISSION STATEMENT			
A - To provide financial advice to councillors, the Town Clerk and others.			
B- To establish and operate sound financial systems for the council			
C- To ensure financial transaction are properly recorded and internal controls adhered to			
D- To collect all revenues to the council			
E- To prepare up to date accounts and financial management report as per law			
SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
<u>SURVICES RECEIPTS</u>			
Single Business Permit	11,399,125.00	11,432,180.00	12,201,145.00
Clearance Certificates	118,810.00	103,130.00	126,440.00
Site Value Rates	895,493.70	1,196,620.00	1,798,109.55
Area Rates	2,253,205.00	2,219,380.00	1,586,090.00
Cess 20%	2,538,977.80	-	1,758,955.30
Contribution in Lieu of Rate	197,383.00	515,988.00	383,534.00
Interests 6%	1,536.00	71,737.00	-
Bank Interests	-	-	53,925.25
Penalty	32,517.50	-	41,360.00
Quarry Charges	219,890.00	360,645.00	265,995.00
	17,656,938.00	15,899,680.00	18,215,554.10
<u>EXPENDITURE:</u>			
<u>PERSONNEL</u>			
Salary & Wages	2,181,208.20	2,183,829.00	1,677,298.50
NSSF	38,242.00	9,600.00	9,600.00
Super Fund	357,131.00	-	351,117.00
Provident Fund	118,896.00	-	139,002.00
House Allowance.	1,178,400.00	1,157,400.00	1,157,400.00
Leave Allowance	90,916.60	62,417.00	111,522.00
Bicycle Allowance	-	-	-
Proficiency Driving Allowance	-	-	-
Dirty Work Allowance	-	-	-
Acting Allowance	-	-	-
Other Allowance	28,800.00	4,800.00	31,200.00
	-	-	-
	3,993,593.80	3,418,046.00	3,477,139.50
<u>OPERATIONS</u>			

Administration			
Staff Travelling & Subsistance	258,420.00	200,000.00	310,680.00
Training /Programme Expenses	-	-	12,200.00
Medical Expense	-	-	1,500.00
Seminar & Courses	27,150.00	30,000.00	146,800.00
Postage,Telephone & Advetisement	213,387.80	-	-
Contingencies	64,268.00	50,000.00	58,450.00
Total Administration	563,225.80	280,000.00	529,630.00
	-	-	-
Supplies & Services	-	-	-
Printing and Stationary	1,016,437.00	400,000.00	725,552.00
Subscription	-	-	7,250.00
Bank Charges	25,130.20	-	31,955.00
Withholding Tax	12,088.65	-	8,183.80
Audit Fees/Accountancy Fees	422,080.00	100,000.00	-
Total Supplies & Services	1,475,735.85	500,000.00	772,940.80
Transport & Plant Related	-	-	-
Vehicle Operating Costs	423,066.00	300,000.00	438,091.00
Total Transport Related	423,066.00	300,000.00	438,091.00
TOTAL OPERATIONS	2,462,027.65	1,080,000.00	1,740,661.80
REPAIRS, ALTERATIONS & MAINTAINANCE			
Equipment, Furniture & Fittings Repair	-	150,000.00	950.00
Total RAM	-	150,000.00	950.00
TOTAL INCOME	17,656,938.00	15,899,680.00	18,215,554.10
TOTAL EXPENDITURE	6,455,621.45	4,648,046.00	5,218,751.30
SURPLUS /DEFICIT	11,201,316.55	11,251,634.00	12,996,802.80

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005			
CIVIC DEPARTMENT			
MISSION STATEMENT			
A- To facilitate the presentation of the public view to ensure that policies of the Council are in accordance with the aspirations of the public.			
SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
SERVICE RECEIPTS			
Income	-	-	-
Total	-	-	-
EXPENDITURE			
Mayor's Allowance	315,480.00	356,160.00	435,160.00
Councillors Allowance	2,099,560.00	1,932,960.00	2,097,412.00
NHIF	-	26,880.00	-
Entertainment of Guests	465,726.00	360,000.00	273,028.00
National Celebrations	17,473.60	20,000.00	18,300.00
Contributions & Donations	33,000.00	50,000.00	5,000.00
Civic Attires	5,900.00	50,000.00	10,850.00
Mayors Christmas Free Fund	244,842.00	50,000.00	271,040.00
Councillors Seminars & Courses	339,448.00	400,000.00	-
Councillors Travelling Allowances	79,500.00	25,000.00	1,500.00
Members Tours	576,000.00	1,000,000.00	400,000.00
Other Councillors Allowance	-	-	-
Contingencies	-	-	-
Other Expenses	21,090.00	50,000.00	17,300.00
Civic Function Expenses	153,182.00	160,000.00	-
Subsistence Allowance	490,150.00	-	639,704.00
Total Administration	4,841,351.60	4,481,000.00	4,169,294.00
TOTAL OPERATIONS	4,841,351.60	4,481,000.00	4,169,294.00
TOTAL INCOME	-	-	-
TOTAL EXPENDITURE	4,841,351.60	4,481,000.00	4,169,294.00
SURPLUS /(DEFICIT)	(4,841,351.60)	(4,481,000.00)	(4,169,294.00)

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005			
MARKETS AND TRADE DEPARTMENT			
MISSION STATEMENT			
A - To provide market sites and shelter for local traders to use to sell their wares			
B - To generate revenue to the council			
SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
SERVICE RECEIPTS			
Plot Rent	132,779.10	247,310.00	77,136.00
Stall Rent	88,920.00	81,110.00	107,310.00
Extension User	-	-	40,485.00
Githurai/Ruiru Mkt Fee	4,669,650.00	5,006,475.00	2,372,310.00
Housing Levy	377,858.00	459,585.00	296,077.00
Tenant Fee	13,675.00	74,235.00	29,925.00
Consent to charge Lease	35,520.00	18,235.00	23,300.00
Change of User	9,505.00	13,540.00	8,820.00
Miscellaneous Receipts	129,941.50	336,770.00	125,580.00
	5,457,848.60	6,237,260.00	3,080,943.00
PERSONNEL			
Salary & Wages	1,448,700.00	1,452,660.00	1,124,541.00
NSSF	133,847.40	33,600.00	33,600.00
Super Fund	151,234.12	-	147,006.50
Provident Fund	124,974.00	-	142,232.50
House Allowance	783,000.00	762,000.00	762,000.00
Leave Allowance	7,797.00	43,577.00	12,964.00
Bicycle Allowance	-	-	-
Proficiency Driving Allowance	-	-	-
Acting Allowance	-	-	-
Other Allowance	-	-	-
	2,649,552.52	2,291,837.00	2,222,344.00
OPERATIONS			
Administration			
Staff Travelling & Subsistance	9,500.00	10,000.00	1,190.00
Total Administration	9,500.00	10,000.00	1,190.00
Supplies & Services			
Printing and Stationary	3,500.00	200,000.00	2,000.00
Staff Uniform	84,680.00	250,000.00	27,028.00
Total Supplies & Services	88,180.00	450,000.00	29,028.00

SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
			-
TOTAL OPERATIONS	97,680.00	460,000.00	30,218.00
	-	-	-
REPAIRS, ALTERATIONS & MAIN	-	-	-
Mainatenance Ruiru Market Stalls	26,493.00	100,000.00	151,549.00
Mainatenance Githurai Market Stalls	27,854.00	100,000.00	152,799.00
Total RAM	54,347.00	200,000.00	304,348.00
TOTAL INCOME	5,457,848.60	6,237,260.00	3,080,943.00
TOTAL EXPENDITURE	2,801,579.52	2,951,837.00	2,556,910.00
SURPLUS /(DEFICIT)	2,656,269.08	3,285,423.00	524,033.00

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005			
NURSERY SCHOOLS & SOCIAL SERVICES DEPARTMENT			
MISSION STATEMENT			
A - To educate self help groups on how to run income generating projects			
B - To provide general education to the general public through barazas and assist in pre primary education for income people			
SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
SERVICE INCOME			
Tuition Fee (Kwihota Nursery Sch.	13,920.00	-	-
Registration of Sch & Group Cert.	40,040.00	49,510.00	40,990.00
	53,960.00	49,510.00	40,990.00
EXPENDITURES:			
PERSONNEL			
Salary & Wages	399,960.00	312,440.00	208,446.00
NSSF	19,120.00	4,800.00	3,600.00
Super Fund	26,667.00	-	26,136.00
Provident Fund	30,077.00	-	25,578.00
House Allowance.	165,000.00	129,000.00	111,000.00
Leave Allowance	15,197.60	9,373.00	6,448.00
Bicycle Allowance	-	-	-
Proficiency Driving Allowance	-	-	-
Dirty Work Allowance	-	-	-
Acting Allowance	-	-	-
Other Allowance	-	-	-
Total Personnel	656,021.60	455,613.00	381,208.00
SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
OPERATIONS			
Administration			
Bursary	677,215.00	-	1,017,500.00
Sports	720,843.00	1,000,000.00	769,757.00
Total Administration	1,398,058.00	1,000,000.00	1,787,257.00
Supplies & Services			
Printing and Stationary	-	5,000.00	-
Total Supplies & Services	-	5,000.00	-
	-	-	-
TOTAL OPERATIONS	1,398,058.00	1,005,000.00	1,787,257.00

SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
REPAIRS, ALTERATIONS & MAIN	-	-	-
Equipment, Furniture & Fittings Repair	-	20,000.00	-
	-	-	-
Total RAM	-	20,000.00	-
TOTAL INCOME	53,960.00	49,510.00	40,990.00
TOTAL EXPENDITURE	2,054,079.60	1,480,613.00	2,168,465.00
SURPLUS /(DEFICIT)	(2,000,119.60)	(1,431,103.00)	(2,127,475.00)

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005			
BUILDING, WORKS & PLANNING DEPARTMENT			
MISSION STATEMENT			
A - To provide proper town planning and development and maintainance of Council buildings - real properties			
SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
SERVICE RECEIPTS			
Plans Approval	3,301,739.30	1,728,403.00	2,789,732.30
Sale of Building Plan	4,400.00	13,000.00	400.00
Appl to Const. Residential Bld	1,420,550.00	987,850.00	1,333,200.00
Cert. of Building Completion	1,700.00	1,500.00	1,500.00
App. to Const. Factory	-	23,000.00	-
App. to Const. Comm. Bld/Petrol station	-	57,500.00	-
Inspection Fees	255,070.00	15,000.00	242,500.00
PPA I & II	527,000.00	389,920.00	520,500.00
Hire of Grader	-	143,750.00	-
Survey Fees	-	30,000.00	-
Signboard Fees	454,212.50	600,000.00	901,033.00
	5,964,671.80	3,989,923.00	5,788,865.30
EXPENDITURES:			
PERSONNEL			
Salary & Wages	563,580.00	595,320.00	494,508.50
NSSF	9,560.00	-	2,400.00
Super Fund	106,068.00	-	107,100.00
Provident Fund	18,296.00	-	20,634.00
House Allowance.	260,500.00	276,000.00	260,000.00
Leave Allowance	52,708.00	17,859.00	33,229.00
Bicycle Allowance	-	-	-
Dirty Work Allowance	-	-	-
Acting Allowance	-	-	-
Other Allowance	-	-	35,352.00
Casual Wages	-	-	2,613,188.60
Total Personnel	1,010,712.00	889,179.00	3,566,412.10
OPERATIONS			
Administration			
Staff Travelling & Subsistance	71,775.00	100,000.00	128,220.00
Total Administration	71,775.00	100,000.00	128,220.00

SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
	-	-	-
Supplies & Services	-	-	-
Loss Sale of Motor Vehicle	163,105.00	-	-
Survey Fees	17,400.00	10,000.00	34,800.00
Materials and Equipment	9,090.00	10,000.00	163,835.00
Staff Uniform	400.00	100,000.00	-
Total Supplies & Services	189,995.00	120,000.00	198,635.00
	-	-	-
Transport & Plant Related	-	-	-
Vehicle Operating Costs	4,085,408.00	-	1,486,339.60
Total Transport Related	4,085,408.00	-	1,486,339.60
	-	-	-
TOTAL OPERATIONS	4,347,178.00	220,000.00	1,813,194.60
	-	-	-
REPAIRS, ALTERATIONS & MAIN	-	-	-
Maintainance of Roads & Drainage	837,663.00	30,000.00	99,964.00
Maintainance of Buildings	234,055.50	50,000.00	75,519.00
Town Planning Development	99,250.00	60,000.00	196,401.60
Total RAM	1,170,968.50	140,000.00	371,884.60
	-	-	-
TOTAL INCOME	5,964,671.80	3,989,923.00	5,788,865.30
	-	-	-
TOTAL EXPENDITURE	6,528,858.50	1,249,179.00	5,751,491.30
	-	-	-
SURPLUS /DEFICIT	(564,186.70)	2,740,744.00	37,374.00

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005			
PUBLIC HEALTH & ENVIRONMENT SECTION			
MISSION STATEMENT			
A - To ensure the general cleanliness of the Councils area and to provide clean toilets			
B - To advice members of the society on on ways of conserving the environment.			
SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
SERVICE RECEIPTS			
Conservancy Fees	1,000.00	-	-
Parking fees	2,122,802.00	1,839,785.00	1,965,220.00
	2,123,802.00	1,839,785.00	1,965,220.00
EXPENDITURES:			
EMPLOYEES			
Salary & Wages	2,930,865.20	676,800.00	516,555.00
NSSF	47,802.00	12,000.00	12,000.00
Super Fund	75,533.00	-	74,088.00
Provident Fund	58,630.00	-	65,757.00
House Allowance.	405,000.00	363,000.00	363,000.00
Leave Allowance	20,927.00	20,306.00	18,811.00
Bicycle Allowance	1,800.00	-	1,800.00
Proficiency Driving Allowance	-	-	38,530.50
Dirty Work Allowance	3,600.00	4,200.00	2,700.00
Acting Allowance	-	-	-
Other Allowance	-	-	-
	3,544,157.20	1,076,306.00	1,093,241.50
OPERATIONS			
Administration			
Staff Travelling & Subsistance	3,375.00	5,000.00	-
Mosquito Eradication	20,000.00	10,000.00	600.00
Total Administration	23,375.00	15,000.00	600.00
Supplies & Services			
Tools and Equipments	50,980.00	100,000.00	131,641.00
Trees and Flowers	95,050.00	150,000.00	11,100.00
Staff Uniform	92,881.00	150,000.00	318,674.00
Total Supplies & Services	238,911.00	400,000.00	461,415.00

SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
Transport & Plant Related			
Vehicle Operating Costs	1,174,768.00	980,000.00	1,754,032.15
Total Transport Related	1,174,768.00	980,000.00	1,754,032.15
	-	-	-
TOTAL OPERATIONS	1,437,054.00	1,395,000.00	2,216,047.15
	-	-	-
REPAIRS, ALTERATIONS & MAIN			
Maintainance of Bus Park	52,255.00	300,000.00	73,980.00
Public Latrines	179,023.00	50,000.00	168,256.40
Maintainance of Gardens	11,840.00	20,000.00	-
Total RAM	243,118.00	370,000.00	242,236.40
TOTAL INCOME	2,123,802.00	1,839,785.00	1,965,220.00
TOTAL EXPENDITURE	5,224,329.20	2,841,306.00	3,551,525.05
SURPLUS /DEFICIT	(3,100,527.20)	(1,001,521.00)	(1,586,305.05)

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005			
WATER & SEWAGE DEPARTMENT			
MISSION STATEMENT			
A- To provide clean water for use by the residents of the area and livestock			
B- To build good sewerage system to the society			
	2003/2004	2004/2005	2004/2005
SUBJECTIVE HEAD	ACTUAL	APPROVED	ACTUAL
	KSHS.	KSHS.	KSHS.
SERVICE RECEIPTS			
Hire of Exhauster	67,500.00	50,000.00	54,340.00
	67,500.00	50,000.00	54,340.00
EXPENDITURES:			
PERSONNEL			
Salary & Wages	368,750.00	382,560.00	208,446.00
NSSF	19,120.00	4,800.00	4,000.00
Super Fund	59,628.00	-	48,750.00
Provident Fund	18,406.65	-	17,545.00
House Allowance.	185,500.00	186,000.00	186,000.00
Leave Allowance	-	11,475.00	2,423.00
Bicycle Allowance	-	-	-
Dirty Work Allowance	1,650.00	1,200.00	1,800.00
Other Allowance	-	-	-
	653,054.65	586,035.00	468,964.00
OPERATIONS			
Administration			
Staff Travelling & Subsistance	2,130.00	2,000.00	-
Medical Expense	-	10,000.00	-
Total Administration	2,130.00	12,000.00	-
	-	-	-
Supplies & Services			
Tools and Equipments	370.00	5,000.00	-
Total Supplies & Services	370.00	5,000.00	-
	-	-	-
Transport & Plant Related			
Vehicle Operating Costs	783,436.15	400,000.00	846,888.00
Total Transport Related	783,436.15	400,000.00	846,888.00
	-	-	-
TOTAL OPERATIONS	785,936.15	417,000.00	846,888.00

SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
REPAIRS, ALTERATIONS & MAINTAINANCE			
Maint of Sewarage & Septic Tanks	128,574.00	100,000.00	122,223.00
Total RAM	128,574.00	100,000.00	122,223.00
TOTAL INCOME	67,500.00	50,000.00	54,340.00
TOTAL EXPENDITURE	1,567,564.80	1,103,035.00	1,438,075.00
SURPLUS /(DEFICIT)	(1,500,064.80)	(1,053,035.00)	(1,383,735.00)

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005			
HOUSING DEPARTMENT			
MISSION STATEMENT			
A - To provide quality housing to people in the society			
B - To promote growth and development houses to members of the society			
SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
SERVICE RECEIPTS			
House Rent	858,459.00	912,000.00	730,039.00
	858,458.00	912,000.00	730,039.00
EXPENDITURES:			
OPERATIONS			
Administration			
Furniture and Equipments	-	-	-
Loan Charges	267,459.00	-	-
Total Administration	267,459.00	-	-
	-	-	-
Premises Related			
Electricity & Water	-	-	-
Total Premise Related	-	-	-
	-	-	-
TOTAL OPERATIONS	267,459.00	-	-
	-	-	-
REPAIRS, ALTERATIONS & MAINTAINANCE			
Maintainance of Rental Houses	10,860.00	25,000.00	14,534.00
Total RAM	10,860.00	25,000.00	14,534.00
TOTAL INCOME	858,458.00	912,000.00	730,039.00
TOTAL EXPENDITURE	278,319.00	25,000.00	14,534.00
SURPLUS /(DEFICIT)	580,139.00	887,000.00	715,505.00

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005			
FUEL LEVY FUND ACCOUNT			
SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
SERVICE RECEIPTS			
Money from Roads Board	-	-	2,466,278.90
Interest from Bank	-	-	633.35
Transfer from LATF	-	-	10,000.00
Totals	-	-	2,476,912.25
PERSONNEL			
Salary & Wages	-	-	-
NSSF	-	-	-
Total Personnel	-	-	-
OPERATIONS			
Administration			
Staff Travelling & Subsistence	-	-	-
Training & Courses	-	-	-
Medical Expense	-	-	-
Total Administration	-	-	-
Supplies & Services			
Printing and Stationary	-	-	-
Withholding Tax	-	-	95.00
Total Supplies & Services	-	-	95.00
TOTAL OPERATIONS	-	-	95.00
REPAIRS, ALTERATIONS & MAINTAINANCE			
Opening and Maint. of Roads	-	-	656,421.60
Total RAM	-	-	656,421.60
TOTAL INCOME	-	-	2,476,912.25
TOTAL EXPENDITURE	-	-	656,516.60
SURPLUS /(DEFICIT)	-	-	1,820,395.65
SURPLUS /(DEFICIT)	-	-	1,820,395.65

MUNICIPAL COUNCIL OF RUIRU			
ABSTRACTS OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2005			
LATF REVENUE ACCOUNT			
SUBJECTIVE HEAD	2003/2004 ACTUAL KSHS.	2004/2005 APPROVED KSHS.	2004/2005 ACTUAL KSHS.
SERVICE RECEIPTS			
LATF Service Account	16,594,125.00	17,796,052.00	17,796,052.00
Interests Earned	80,591.10	-	-
LATF Performance Account	11,066,751.00	11,864,034.00	11,864,035.00
Total Grants	27,741,467.10	29,660,087.00	29,660,087.00
PERSONNEL			
Salary & Wages	-	-	-
NSSF	-	-	-
Super Fund	-	-	-
House Allowance.	-	-	-
Leave Allowance	-	-	-
Total Personnel	-	-	-
OPERATIONS			
Supplies & Services			
Printing and Stationary	-	-	-
Bank Charges	-	-	-
Total Supplies & Services	-	-	-
TOTAL OPERATIONS	-	-	-
REPAIRS, ALTERATIONS & MAINTAINANCE			
Capital Projects	10,492,349.00	18,690,355.00	6,388,738.00
Debt Resolution	413,196.00	900,000.00	810,603.35
Total RAM	10,905,545.00	19,590,355.00	7,199,341.35
TOTAL INCOME	27,741,467.10	29,660,087.00	29,660,087.00
TOTAL EXPENDITURE	10,905,545.00	19,590,355.00	7,199,341.35
SURPLUS /(DEFICIT)	16,835,922.10	10,069,732.00	22,460,745.65
SURPLUS /(DEFICIT) b/f			16,835,922.10
SURPLUS /(DEFICIT) c/f			39,296,667.75

RUIRU MUNICIPAL COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR 2004/2005

1.0.0 Accounting Concepts

1.1.0 Introduction

SAS is based firmly on the generally accepted accounting concepts of:

- Going Concern
- Accruals/Matching
- Consistency
- Prudence
- Materiality and Substance over form

Adoption of these concepts ensures that accounts "present fairly" the financial position of a local authority. However, given the unique nature of Kenyan Local Government, certain refinements have been introduced.

a) Going Concern Concept

In most cases the accounting system will treat value in the assumption that the authority will continue trading. It is unlikely that a Local Authority may be wound up in the same way as a company. In event of a Local Government re-organization, the going concern concept should be applied although the authority itself may cease to exist.

b) Accrual/Matching Concept

The Matching or Accrual Concept can be defined as follows:

"Revenue and costs are accrued -that is recognized as they are earned or incurred (and not as money is received or paid) and recorded in the financial statement at the period to which they relate: provided that where the Accrual Concept is inconsistent with the Prudence Concept the later prevails. Here the Prudence Concept is of significance in Kenya. The SAS basis of accounting is "converted receipts and converted payment" which means that accounting throughout the year is on a cash basis but, for final accounts purposes, accruals for Material debtors and creditors are introduced to convert the accounts to an income and expenditure account income and expenditure basis, thus keeping in line with the accruals concept.

(c) Consistency Concept

It is assumed that the accounting policies are consistent from one period to another. The Consistency Concept requires that there should be consistency of accounting treatment of like items within each accounting period and from one accounting period to the next.

(d) Prudence Concept

Uncertainties inevitably surround many transactions. This should be recognized by exercising prudence in preparing financial statements. Prudence does not however justify the creation of secret or hidden reserves. The Prudence Concept requires that revenues are not anticipated until realization can be assessed with reasonable certainty. In US Government accounting technology, which has been adopted by SAS, revenues should be recognized when they become "measurable and available for use". This has implications for Kenyan Local Government as regards land taxes and other revenue which are billed: such revenues are measurable immediately but may not be paid or "available for use" for a lengthy period of time.

e) Substance over form and Materiality Concept

Transaction and other events should be accounted for and presented in accordance with their substance and

financial reality and not merely with their legal form. The concept derives from the fact that accounts may still not "present fairly" the financial position of the authority. For example, 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 statement should disclose all items which are material enough to affect evaluation or decision.

1.2.0 Accounting Policies

The accounts have been prepared under the historical cost convention.

1.2.1 Accruals of Income and Expenditure

(a) Revenues

Plot rents, housing rents and rates outstanding at the end of the year are accrued as debtors. This is in accordance with the prudence principle.

(b)(i) Employees

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

There are no Unremitted statutory deductions otherwise all other deductions are accrued as creditors.

(iii) Supplies and Services

Material invoices for supplies and services received during the year but not yet paid are accrued as creditors within current liabilities.

(iv) Surplus/Deficit for the period

Surplus for the period amounts to 12,195,352.30

1.3.0 Fixed Assets

1.3.1 Coverage

Only assets that are readily identifiable as authority assets are included in the balance sheet. However, a professional valuation of all council assets should be done to reflect the current market value of all assets.

1.3.2 Valuation of Land

Land has been valued at current open market value as at 30th June 2002. However, no valuation was done by a professional valuer.

1.3.3 Valuation of Buildings

Buildings have not been valued by a professional valuer at depreciated current replacement cost as at 30th June 2002.

1.3.4 Valuation of Motor Vehicles

The Motor Vehicles have not been valued by the Automobiles Association of Kenya at the current market price as at 30 June 2002. Instead the figures taken are the insured values.

1.3.5 Furniture and Equipment

Furniture and Equipment have been stated at historical cost.

1.3.6 Assets Utilization

No charges have been made for the use of assets or their depreciation in line with current SAS Provisions.

1.3.7 Fixed Assets Schedule

Fixed assets held and their current valuations are:

MUNICIPAL COUNCIL OF RUIRU					
NOTES TO THE ABSTRACTS OF ACCOUNT FOR THE YEAR ENDED 30 JUNE 2005					
	13 Olympia Manual Typewriter	15,000.00	-	-	15,000.00
	14 Electric Typewriter (2, IBM)	320,000.00	-	-	320,000.00
	15 Duplicating Machine	59,000.00	-	-	59,000.00
	16 Computers	1,529,496.24	-	-	1,529,496.24
		2,721,701.24	-	1,500.00	2,723,201.24
	Total Fixed Assets	32,995,340.24	-	6,968,673.20	39,964,013.44
1.3.8	Other Long Term Outlay	2003/04			2004/05
		Kshs			Kshs
	Bus Park	1,358,045.00	-	-	1,358,045.00
	Street Lights	821,630.00	-	-	821,630.00
	Road Maintainance	6,500,505.00	-	-	6,500,505.00
		8,680,180.00	-	-	8,680,180.00
1.4.0	Debtors and Prepayments				
		Balance as at	Receipts due	Actual Receipts	Balance as at
		01 July 2004	for 2004/05	for 2004/05	30 June 2005
		Kshs	Kshs	Kshs	Kshs
	Plot Rents	531,101.00	247,310.00	77,136.00	701,275.00
	Propety, Land, Area Rates Incl. Penalties	9,774,492.00	361,890.00	1,586,090.00	8,550,292.00
	Contribution in Lieu of Rates (CILOR)	5,446,899.00	534,500.00	383,534.00	5,597,865.00
	Rates owed by Parastatals	902,507.00	124,626.00	-	1,027,133.00
	Rates owed by Local Authorities	-	-	-	-
	L.A.S.C. owed by GOK	-	-	-	-
	L.A.S.C. owed by Others	-	-	-	-
	House Rents in Arrears	809,968.00	912,000.00	730,039.00	991,929.00
	Advances to Staff and or Councillor	357,115.00	131,087.00	-	488,202.00
	Prepaid Insurance	-	-	-	-
	Site Value Rates	-	-	-	-
		17,822,082.00	2,311,413.00	2,776,799.00	17,356,696.00
i	Imprests	Balance as at	Payments Given	Actual Receipts	Balance as at
		01 July 2004	for 2004/05	for 2004/05	30 June 2005
		Kshs	Kshs	Kshs	Kshs
	Imprests	-	754,666.00	-	754,666.00
	Total Debtors	-	754,666.00	-	754,666.00
ii	Cash and Bank Balances	2003/04			2004/05
		Kshs			Kshs
	Cash in Bank - GRF	2,483,367.20			-
	Cash in Bank - Fuel Levy	-			1,820,395.65
	Cash in Bank - LATF	10,661,862.35			14,371,466.90
	Cash in Hand	122,784.80			52,602.00
	Total Cash and Bank Balances	13,268,014.35			16,244,464.55

MUNICIPAL COUNCIL OF RUIRU
 NOTES TO THE ABSTRACTS OF ACCOUNT FOR THE YEAR ENDED 30 JUNE 2005

1.5.0 Creditors and Accruals		Balance as at 01 July 2004 Kshs	Payment due for 2004/05 Kshs	Actual Payment for 2004/05 Kshs	Balance as at 30 June 2005 Kshs
	Sundry Creditors and Accruals	2,922,648.00	-	-	2,922,648.00
	KRA Income Tax (PAYE)	-	-	-	-
	NSSF	2,686,165.00	94,000.00	994,000.00	1,786,165.00
	NHIF	-	-	-	-
	LG Superannuation Fund	352,679.00	1,472,331.50	1,825,010.50	-
	LA Provident Fund	-	-	-	-
	KLGWU/ COTU	-	-	-	-
	SACCO	-	-	-	-
	Loan From N.H.C	655,757.50	-	-	655,757.50
	TOTAL	6,617,249.50	1,566,331.50	2,819,010.50	5,364,570.50
1.5.1 Bank Overdraft - GRF		2003/04 Kshs			2004/05 Kshs
		-			1,060,102.90
	Total	-	-	-	1,060,102.90
1.6.0 Authority Equity		2003/04 Kshs			2004/05 Kshs
	Authority Equity	18,568,978.31			11,730,219.51
		18,568,978.31			-
					11,730,219.51
1.6.1 General Reserve Fund		2003/04 Kshs			2004/05 Kshs
	Authority Equity	47,579,388.78			64,845,127.08
		47,579,388.78			64,845,127.08
1.6.2 Cashflow from Operating Activities					
	INCOME	2004/05		2003/04	
	Land and Poll Taxes	1,952,271.00		2,635,269.10	
	Licences and Other Fees	27,420,885.10		28,491,026.50	
	Agricultural and Cess	1,758,955.30		2,538,977.80	
	Fuel Levy Fund	2,476,912.25		-	
	LATF	29,660,087.00		27,741,467.10	
	Total Income	63,269,110.65		61,406,740.50	
	<i>Less</i> Total Expenditure	46,003,372.35		54,781,126.87	
		17,265,738.30		6,625,613.63	
	Adjustments				
	Interest Received			2,440,064.20	
	Casflow after adjustments	-		(80,591.10)	
				2,359,473.10	
	Cash inflow from operating Activities	17,265,738.30		8,985,086.73	

MUNICIPAL COUNCIL OF RUIRU					
NOTES TO THE ABSTRACTS OF ACCOUNT FOR THE YEAR ENDED 30 JUNE 2005					
1.3.7 Fixed Assets					
i	Land and Buildings	2003/04 Kshs	Disposals	Additions Kshs	2004/05 Kshs
	1 Office Block	2,500,000.00	-	-	2,500,000.00
	2 Nursery Schools	-	-	-	-
	3 Maintainance Roads	-	-	3,942,192.80	3,942,192.80
	4 Gatongora Bridge	-	-	1,661,330.40	1,661,330.40
	5 Council Rental Houses	-	-	-	-
	6 Septic Tanks	1,311,400.00	-	-	1,311,400.00
	7 Githurai Plot	1,500,000.00	-	-	1,500,000.00
		5,311,400.00	-	5,603,523.20	10,914,923.20
ii	Motor Vehicle (Insured Values)				
	1 KAB 097Q	1,711,442.00	-	-	1,711,442.00
	2 KWE 280	404,121.00	-	-	404,121.00
	3 KAB 083Q	956,850.00	-	-	956,850.00
	4 KAR 138L	1,392,574.00	-	-	1,392,574.00
	5 KAR 102L	2,390,913.00	-	-	2,390,913.00
	6 KAR 142L	5,136,515.00	-	-	5,136,515.00
	7 KAN 548U	4,501,824.00	-	-	4,501,824.00
	8 KAM 403Y	1,100,000.00	-	-	1,100,000.00
	9 KAR 589L	0	-	1,363,650.00	1,363,650.00
		17,594,239.00	-	1,363,650.00	18,957,889.00
iii	Machinery and Tractors				
	1 KUL 925	246,000.00	-	-	246,000.00
	2 KWE 361	745,000.00	-	-	745,000.00
	3 Caterpillar - KRC 332	5,960,000.00	-	-	5,960,000.00
		6,951,000.00	-	-	6,951,000.00
iv	Trailers				
	1 ZB 1601	40,000.00	-	-	40,000.00
	2 ZB1605	227,000.00	-	-	227,000.00
	3 ZB 1620	75,000.00	-	-	75,000.00
	4 Plough Blade	75,000.00	-	-	75,000.00
		417,000.00	-	-	417,000.00
v	Office Equipment, Tools, Materials and Furniture & Fittings				
	1 Sofa Set	90,000.00	-	-	90,000.00
	2 Panasonic fax Machine	42,000.00	-	-	42,000.00
	3 Electric Grinder	14,500.00	-	-	14,500.00
	4 Safe Sennator	270,000.00	-	-	270,000.00
	5 Conference Table	8,000.00	-	-	8,000.00
	7 Furniture & Fittings	52,305.00	-	1,500.00	53,805.00
	8 Executive Office Chairs	57,000.00	-	-	57,000.00
	9 Executive Office Desks	84,000.00	-	-	84,000.00
	10 Telephone head Sets	91,000.00	-	-	91,000.00
	11 Calculators (Facit Type)	75,000.00	-	-	75,000.00
	12 Calculators (2 logos 48 Type)	14,400.00	-	-	14,400.00

