

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

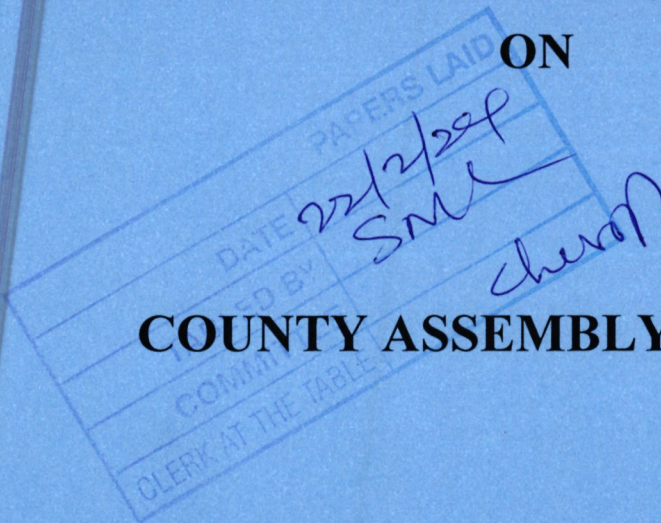
THE AUDITOR-GENERAL

ON

COUNTY ASSEMBLY OF EMBU

FOR THE YEAR ENDED

30 JUNE, 2023







COUNTY ASSEMBLY OF EMBU

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30th JUNE, 2023

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

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

Table of Contents

1. Acronyms and Glossary of Terms	iv
2. Key Entity Information and Management	v
3. Governance statement	viii
4. Foreword by the Clerk of the Assembly	xxvi
5. Statement of Performance against County Assembly Predetermined Objectives	xxxiv
6. Corporate Social Responsibility Statement/Sustainability Reporting	xxxv
7. Statement of Management Responsibilities	xxxvii
8. Report of the Independent Auditor on the County Assembly of Embu for the year ended 30 th June 2023	xxxix
9. Statement of Receipts and Payments for the year ended 30 th June 2023	1
10. Statement of Financial Assets and Liabilities as at 30 th June 2023	2
11. Statement of Cash Flows for the period ended 30 th June 2023	3
12. Statement of Comparison of Budget & Actual Amounts: Recurrent and Development for the year ended 30 th June 2023	4
12 A. Statement of Comparison of Budget & Actual Amounts: Recurrent for the year ended 30 th June 2023	5
12 B. Statement of Comparison of Budget & Actual Amounts: Development for the year ended 30 th June 2023	6
13. Budget Execution by Programmes and Sub - Programmes	7
14. Significant Accounting Policies	8
15. Notes to the Financial Statements	13
16. Progress on follow on Prior Year Auditor’s Recommendations	18
17. ANNEXES	28

County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023

1. **Acronyms and Glossary of Terms**

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

a) Glossary of Terms

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

2. Key Entity Information and Management

a) Background information

The County Assembly of Embu is constituted as per Article 176 of the constitution of Kenya and is headed by the Speaker (as the Chairperson of the County Assembly Service Board) in line with Sec 12 (3) (a) of the County Government Act . He is responsible for the general policy and strategic direction of the Assembly. The County Assembly has 30 members who constitutes 20 Members of County Assembly (MCAs) elected to represent members of the public from their respective wards, 6 others appointed by Political parties according to their representation in the Assembly, 4 others appointed to represent youth, Minority, Marginalized and PWDs respectively. The MCA's are responsible for making any laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

b) Key Management

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

No	Designation	Name
1.	Speaker of the County Assembly	- Hon. Josiah M. Thiriku
2.	Clerk of the County Assembly	- Jim G. Kauma
3.	Deputy Clerk	- James M. Ileri
4.	Director - Financial and Accounting Services	- Josiah M. Karanja
5.	Director Litigation, Legal Compliance and Legislative Drafting	- Boniface M. Ileri
6.	Director Legislative Procedures and Committee Services	- David M. Githaga
7.	Director Human Resources Management	- Moses M. Karagirwa

c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer - Clerk	- Jim Gitonga Kauma
2.	Deputy Clerk	- James Munyi Ileri
3.	Director Financial and Accounting Services	- Josiah Muhia Karanja
4.	Director Human Resources Management	- Moses M. Karagirwa
5.	Principal Finance Officer	- Kamau Wachiuri

d) Fiduciary Oversight Arrangements

- The County Assembly Service Board
- Public Accounts Committee
- Budget and Appropriation Committee
- Audit Committee
- Internal Audit Department

e) County Assembly of Embu Headquarters

County Assembly of Embu

Along James Nyaga Crescent road Off Embu

Meru Highway Opposite Faith House

P. O. Box 140 – 60100 Embu

f) County Assembly of Embu Contacts

Telephone: (254) 068-2231208

Mobile : 0734867105

E-mail: info@embuaassembly.go.ke

countyassemblyofembu@gmail.com

Website: www.assembly.Embu.go.ke

g) Bankers

- i. Central Bank of Kenya
Haile Selassie Avenue
P. O. Box 60000-00200, Nairobi, Kenya
Tel/fax: +254-20-2860000/2861000/2863000
- ii. Family Bank of Kenya
Embu Branch
Embu
- iii. Co-operative Bank of Kenya
Embu Branch
Embu
- iv. Winas Sacco Society Ltd
Embu Branch

h) Independent Auditors

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P. O. Box 30084 – 00100

NAIROBI KENYA

i) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P. O. Box 40112

City Square 00200

Nairobi Kenya

j) County Assembly Attorney

Director - Litigation, Legal Compliance and Legislative Drafting

3. Governance statement

The County Assembly

The County Assembly is constituted by the MCAs of Embu County Government. It is headed by the Speaker who is elected by the MCAs. The speaker is also the chairperson of the county assembly service board while the County Assembly Clerk is the secretary.

Section 10 (4) of the county governments 2012 provides that a county assembly shall observe the following order of precedence.

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

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

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

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

a) Select Committees

Select Committees are generally responsible for overseeing the work of government departments and agencies.

b) Sectoral Committees

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

County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023

The County Assembly has the following Select and Sectoral Committees.

- a) Finance & Economic Planning.
- b) Administration, Devolution, Public Service, Governance and ICT
- c) Agriculture, Blue Economy, Livestock & Cooperative Development
- d) Health Services
- e) Water, Irrigation, Environment, Climate Change & Natural Resources
- f) Land, Housing and Urban Planning
- g) Energy, Roads, Transport And Public Works
- h) Trade, Tourism And Industrial Development
- i) Youth, Gender, Sports, Culture And Social Services
- j) Education
- k) Implementation
- l) Delegated Legislation
- m) Public Accounts Committee
- n) Public Investment Committee
- o) Public Participation
- p) Budget And Appropriations
- q) Justice and Legal Affairs
- r) Members' Welfare
- s) Ward Equalization
- t) Liaison
- u) Assembly Rules and Business Committee
- v) Powers and Privileges
- w) Appointment
- x) Selection
- y) Cohesion and Intergovernmental Relations
- z) Broadcasting and Library Services
- aa) Ward Representation

a) Committee on Powers and Privileges

There shall be a select committee to be known as the Committee on Powers and Privileges consisting of the Speaker, majority whip, minority whip and five other Members under the chairmanship of the Speaker.

County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023

The Committee on Powers and Privileges shall either on its own Motion or as a result of a complaint made by any person inquire into the conduct of a Member whose conduct is alleged to constitute a breach of privilege in terms of the provisions of the County Assembly Powers and Privileges Act, 2016 or into any conduct of any Member of the Assembly within the precincts of the Assembly (other than the chamber) which is alleged to have been intended or likely to affect adversely on the dignity or integrity of the Assembly or the Member thereof, or to be contrary to the best interests of the Assembly or the Members thereof within fourteen days of receipt of a complaint.

The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1	Hon. Josiah Thiriku -	Chairperson	Hon. Speaker
2	Terry C Wanja Mbuchi	Member	Kyeni North
3	Agnes Wanjiru Gakungugu	Member	Nominated - Gender top up
4	Hon. Augustine Njeru	Member	Nominated
5	Hon. Ibrahim Swaleh	Member	Kirimari
6	Hon. Ann Lilly Njiru	Member	Nominated
7	Hon. John Mbaka	Member	Mavuria
8	Hon. Peter Muriithi	Member	Mbeti North

b) Audit Committee

The Audit Committee was constituted in January 2021. its mandate is to advise the County Assembly on institutional risk management and compliance. The committee held 4 meetings in the FY ending 2023. the committee members during FY 2023 were:

Member	Designation
CS Hellen K. Mungania	Chairperson
CPA Paul M. Njue	Member
CPA David Kithaka	Member
Charles K. Mugo	Member
Agnes Ndila	Member
CPA Stephen Kisoi	Secretary

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

c) Public Accounts Committee

The **Public Accounts Committee** was formed to provide oversight on the County's finances. The committee held twenty five (25) sittings during the year.

Members who served in the committee during the year were:-

Member	Designation	Ward
Hon. Paul Muchangi Njiru	Chairperson	Gaturi North
Hon. Job Itumo Munyambu	Vice- Chairperson	Mwea
Hon. Ibrahim Swaleh	Member	Kirimari
Hon. Peter Muriithi Nyaga	Member	Mbeti North
Hon. John Ngari Mbaka	Member	Mavuria
Hon. Susan Mwendu Muthoni	Member	Nominated (representing youth)
Hon. Yvonne Mati Karambu	Member	Nominated (gender top up)
Hon. Jane Karimi Njued	Member	Nominated (gender top up)
Hon. James Njeru Augustine	Member	Nominated (representing people with disability)

d) Budget and Appropriations Committee

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

The Committee held 80 meetings in FY 2022/2023.

The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1)	Hon. Johnson Muchangi	Chairperson	Kagaari North
2)	Hon. Maureen Nyaga	V/Chairperson	Nominated
3)	Hon. Mary Kavinda	Member	Nominated
4)	Hon. Samuel Githumbu	Member	Nthawa
5)	Hon. Terry Mbuchi	Member	Kyeni North
6)	Hon. Swaleh Ibrahim	Member	Kirimari
7)	Hon. Peter Muriithi	Member	Mbeti North

County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023

8)	Hon. John Mbaka	Member	Mavuria
9)	Hon. Paul Muchangi	Member	Gaturi North
10)	Hon. Philip Nzangi	Member	Makima
11)	Hon. Ndwiga Kariuki Newton	Member	Muminji

e) The Assembly Rules and Business Committee

The Committee provides guidance on the Assembly rules and committee business.

The Committee held 9 meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1.	Hon. Hon. Josiah Thiriku	Chairperson	Hon. Speaker
2.	Hon. Peter Muriithi Nyaga	Member	Mbeti North
3.	Hon. John Mbaka	Member	Mavuria
4.	Hon. Swaleh Ibrahim	Member	Kirimari
5.	Hon. Johnson Mucangi	Member	Kagaari North
6.	Hon. Agnes Wanjiru	Member	Nominated
7.	Hon. Jimiah Jennifer	Member	Nominated
8.	Hon. Julius Karuri	Member	Kithimu

f) Committee on Selection

There shall be a select committee, to be designated Selection Committee, consisting the Leader of the Majority party who shall be the chairperson, the Leader of the Minority party not less than seven and not more than nine Members, who shall be nominated by County Assembly parties and approved by the County Assembly

The Committee on Selection shall nominate Members to serve in Committees, save for the membership of the Assembly Rules and Business Committee, The Powers and Privileges Committee and Committee on Appointments.

The Committee held three (3) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1.	Hon. Peter Muriithi Nyaga	Chairman	Mbeti North
2.	Hon. John Mbaka	Member	Mavuria

County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023

3.	Hon. Swaleh Ibrahim	Member	Kirimari
4.	Hon. Paul Muchangi Njiru	Member	Gaturi North
5.	Hon. Philip Nzangi	Member	Makima
6.	Hon. Samuel Githumbu	Member	Nthawa
7.	Hon. Maurice Macharia	Member	Nginda
8.	Hon. Susan Wairimu Nyaga	Member	Kagaari South
9.	Hon. Susan Mwendu Muthoni	Member	Nominated

g) Committee on Appointments

There shall be a select committee to be designated the Committee on Appointments to be appointed by the County Assembly, consisting of the Speaker as a Chairperson, the Leader of the Majority Party, the Leader of the Minority party, five other Members nominated by the Assembly Rules and Business Committee.

The Committee on Appointments shall consider, for approval by the County Assembly, appointments under Article 179(2) (b) of the Constitution (Members of County Executive Committee).

The Committee held 19 meetings in FY 2022/2023.

The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1.	Hon. Josiah Murithi Thiriku	Chairperson	Hon. Speaker
2.	Hon. Peter Muriithi Nyaga	Member	Mbeti North
3.	Hon. John Mbaka	Member	Mavuria
4.	Hon. Swaleh Ibrahim	Member	Kirimari
5.	Hon. Terry Mbuchi	Member	Kyeni North
6.	Hon. Philip Nzangi	Member	Makima
7.	Hon. Yvonne Mati	Member	Nominated
8.	Hon. Barnabas Njama	Member	Kyeni South

h) Public Investments Committee

The mandate is similar to that of the PAC. The Committee was formed to provide oversight on the County's finances. The committee Nine (9) sittings and the members who served in the committee during the year were:-

County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023

Member	Designation	Ward
Hon. Masters Leonard Mwaniki	Chairperson	Kiambere
Hon. Philip Kinyutu Nzangi	Vice- Chairperson	Makima
Hon. Mary Igoki Kavinda	Member	Nominated (gender top up)
Hon. Daniel Githinji	Member	Nominated (youth)
Hon. Augustine James Njeru	Member	Nominated (Representing PWD)
Hon. Agnes Wanjiru Gakungugu	Member	Nominated (Gender top up)
Hon. Fredrick Mugendi Gatumu	Member	Gaturi South

i) Committee on Implementation

There shall be a select committee to be known as the Committee on Implementation.

The Committee shall scrutinize the resolutions of the County Assembly (including adopted committee reports), petitions and the undertakings given by the County Executive and examine –

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

The Committee held Seven (17) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1)	Hon. Newton Kariuki	Chairperson	Muminji
2)	Hon. Jane Karimi Njued	v/Chairperson	Nominated
3)	Hon. Agnes Gakungugu	Member	Nominated
4)	Hon. Sammy Muturi	Member	Ruguru/Ngandori
5)	Hon. Daniel Githinji	Member	Nominated
6)	Hon. Edwin M. Njiru	Member	Runyenjes Central
7)	Hon. Philip Nzangi	Member	Makima

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

j) Members' Welfare

There shall be a select committee to be designated the Committee on Members' Welfare.

The Committee shall be responsible for—

- (a) Receiving and considering views of Members on the services and facilities provided for their benefit and well-being; and
- (b) Advising and reporting on all matters connected to the services and facilities provided for Members.

The Committee shall consist of a Chairperson and not more than six other members who shall be approved by the Assembly at the commencement of every term.

The Committee held twenty nine (29) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1)	Hon. Maureen K. Nyaga	Chairperson	Nominated
2)	Hon. Paul Muchangi	V/Chairperson	Gaturi North
3)	Hon. Terry Mbuchi	Member	Nominated
4)	Hon. Maurice Macharia	Member	Nginda
5)	Hon. Muriithi Kiura	Member	Mbeti South
6)	Hon. Duncan Mbui	Member	Evurore
7)	Hon. Job Itumo	Member	Mwea

k) Public Participation

This committee provides guidance on all Public Participation activities as provided for in the Constitution of Kenya. The Committee held twelve (12) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1)	Hon. Susan Mwendu	Chairperson	Nominated
2)	Hon. Muriithi Kiura	v/Chairperson	Mbeti South
3)	Hon. Julius Karuri	Member	Kithimu
4)	Hon. Maureen Kagendo	Member	Nominated

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

5)	Hon. Johnson Muchangi	Member	Kagaari North
6)	Hon. Susan Wairimu	Member	Kagaari South
7)	Hon. Newton Kariuki	Member	Muminji

l) Justice and Legal Affairs

There shall be a select committee to be known as the Committee on Justice and Legal Affairs. The Committee provides guidance on all interpretation of laws and legal matters of the County

The Committee held ten (10) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1)	Hon. Agnes Gakungugu	Chairperson	Nominated
2)	Hon. Muriithi Kiura	v/Chairperson	Mbeti South
3)	Hon. Newton Kariuki	Member	Muminji
4)	Hon. Edwin M. Njiru	Member	Runyenjes Central
5)	Hon. Julius Karuri	Member	Kithimu
6)	Hon. Anne Lily Njiru	Member	Nominated
7)	Hon. Barnabas Njama	Member	Kyeni South

m) Ward Equalization Committee

The Committee offers Oversight the implementation of Ward Development Projects and at the same time investigate and inquire into all matters relating to ward Development Projects or Programmes as may be referred to it by the County Assembly.

The Committee held twenty three (23) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1)	Hon. Fredrick Gatumu	Chairperson	Gaturi South
2)	Hon. Jimiah Jennifer	V/Chairperson	Nominated
3)	Hon. Duncan Mbui	Member	Evurore
4)	Hon. Ann Lilly Njiru	Member	Nominated
5)	Hon. Samuel Githumbu	Member	Nthawa
6)	Hon. Daniel Githinji	Member	Nominated
7)	Hon. Barnabas Njama	Member	Kyeni South

n) Committee on Cohesion and Intergovernmental Relations

This Committee Oversees matters concerning inter-governmental and inter-county relations and also monitor and promote measures relating to policy and program initiatives in pursuit of peace and national cohesion; The Committee held six (6) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1)	Hon Muturi Sammy	Chairperson	Ruguru/Ngandori
2)	Hon Duncan Mbui	V/Chairperson	Evurore
3)	Hon Jane Karimi	Member	Nominated
4)	Hon Masters Leonard	Member	Kiambeere
5)	Hon Susan Mwendu	Member	Nominated
6)	Hon. Edwin Muriithi	Member	Runyenjes Central
7)	Hon Maurice Macharia	Member	Nginda

o) Committee on Broadcasting and Library Services

This Committee consider and report on all matters relating to broadcasting of the proceedings of the Assembly, advice the Assembly on matters related to media relations and make reports and recommendations to the Assembly, including proposed legislation on matters relating to broadcasting of County Assembly proceedings.

The Committee held five (5) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1.	Hon. Muriithi Kiura	Chairperson	Mbeti South
2.	Hon Jane Karimi	V/Chairperson	Nominated
3.	Hon Daniel Githinji	Member	Nominated
4.	Hon Njeru Augustine	Member	Nominated
5.	Hon Yvonne Mati	Member	Nominated
6.	Hon Dancun Mbui	Member	Evurore
7.	Hon Mary Kavinda	Member	Nominated

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

p) Committee on Ward Representation

The Committee shall consist of all the members elected pursuant to Article 177 (1) (a)

The Committee shall normally monitors and promotes measures relating to policy and program initiatives in pursuit of ward representation, investigates, inquires into and report on all matters relating to ward representation initiatives and monitors and promotes measures designed to enhance the inclusion of ward specific needs in the county government programmes;

The Committee held 2 meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1)	Hon. Duncan Mbui	Chairperson	Evurore
2)	Hon. Fredrick Gatumu	Member	Gaturi South
3)	Hon. Masters L. Mwaniki	Member	Kiambeere
4)	Hon. Philip Nzangi	Member	Makima
5)	Hon. Job Itumo	Member	Mwea
6)	Hon. Julius Karuri	Member	Kithimu
7)	Hon. Swaleh Ibrahim	Member	Kirimari
8)	Hon. Terry Mbuchi	Member	Kyeni North
9)	Hon. Edwin Muriithi	Member	Runyenjes Central
10)	Hon. Maurice Macharia	Member	Nginda
11)	Hon. Harrison Muturi	Member	Ruguru Ngandori
12)	Hon. Samuel Njeru Githumbu	Member	Nthawa
13)	Hon. Susan Wairimu Nyaga	V/Chairperson	Kagaari South
14)	Hon. Paul Muchangi Njiru	Member	Gaturi North
15)	Hon. Peter Muriithi Nyaga	Member	Mbeti North
16)	Hon. John Mbaka	Member	Mavuria
17)	Hon. Barnabas Njama	Member	Kieni South
18)	Hon. Newton Kariuki	Member	Muminji
19)	Hon. Johnson Mucangi	Member	Kagaari North
20)	Hon. Muriithi Kiura	Member	Mbeti South

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

q) Committee on Delegated County Legislation

The Committee shall considers any statutory instrument or legislation brought to the house and ensures that it complies with the provisions of the Constitution, the Act pursuant to which it is made or other relevant written law;

The Committee held 11 meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1)	Hon. Yvonne Mati	Chairperson	Nominated
2)	Hon. Fredrick Gatumu	v/Chairperson	Gaturi South
3)	Hon. Augustine Njeru	Member	Nominated
4)	Hon. Sammy Muturi	Member	Ruguru/Ngandori
5)	Hon. Mary Kavinda	Member	Nominated
6)	Hon. Masters L. Mwaniki	Member	Kiambeere
7)	Hon. Johnson Muchangi	Member	Kagaari North

r) Liaison Committee

This Committee consists of the Deputy Speaker as the Chairperson and the chairpersons of all Committees of County Assembly. The Committee guides and co-ordinates the operations, policies and mandates of all Committees. It also considers reports of Committee that have not been deliberated by the County Assembly and shall report to the County Assembly on the consideration of such reports.

The Committee held thirteen (13) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
1)	Hon. Swaleh Ibrahim	Chairperson	Kirimari
2)	Hon. Peter Muriithi Nyaga	Member	Mbeti North
3)	Hon. Susan Wairimu Nyaga	Member	Kagaari South
4)	Hon. Philip Nzangi	Member	Makima
5)	Hon. Maurice Macharia	Member	Nginda
6)	Hon. Job Itumo Munyambo	Member	Mwea
7)	Hon. Samuel Njeru Githumbu	Member	Nthawa
8)	Hon. Barnabas Njama	Member	Kieni South

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

9)	Hon. Julius Karuri	Member	Kithimu
10)	Hon. Mary Kavinda	Member	Nominated
11)	Hon. Ann Lilly	Member	Nominated
12)	Hon. Edwin Muriithi	Member	Runyenjes Central
13)	Hon. Newton Kariuki	Member	Muminji
14)	Hon. Yvonne Mati	Member	Nominated
15)	Hon. Paul Muchangi	Member	Gaturi North
16)	Hon. Fredrick Gatumu	Member	Gaturi South
17)	Hon. Maureen K. Nyaga	Member	Nominated
18)	Hon. Agnes Gakungugu	Member	Nominated
19)	Hon. Johnson Muchangi	Member	Kagaari North
20)	Hon. Susan Mwendu	Member	Nominated
21)	Hon. Muriithi Kiura	Member	Mbeti South
22)	Hon. Duncan Mbui	Member	Evurore
23)	Hon. Masters Mwaniki	Member	Kiambeere

SECTORAL COMMITTEES

a) Finance & Economic Planning

This Committee provides guidance on all business emanating from the Finance and Economic Planning. The Committee held 28 meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
	Hon. Susan Wairimu Nyaga	Chairperson	Kagaari South
	Hon. Newton Kariuki	V/Chairperson	Muminji
	Hon. Johnson Muchangi	Member	Kagaari North
	Hon. Jimiah Jennifer	Member	Nominated
	Hon. Yvonne Karambu Mati	Member	Nominated
	Hon. Fredrick Gatumu	Member	Gaturi South
	Hon. Njama Barnabas	Member	Kyeni South

Administration, Devolution, Public Service, Governance and ICT

County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023

The Committee held forty four (44) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were

	Member	Designation	Ward
	Hon. Philip Nzangi	Chairperson	Makima
	Hon. Daniel Githinji	v/Chairperson	Nominated
	Hon. Terry Mbuchi	Member	Kyeni North
	Hon. Johnson Muchangi	Member	Kagaari North
	Hon. Agnes Gakungugu	Member	Nominated
	Hon. Ibrahim Swaleh	Member	Kirimari
	Hon. Jane Njued	Member	Nominated

Agriculture, Blue Economy, Livestock & Cooperative Development

The Committee held thirty one (31) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
	Hon. Maurice Macharia	Chairperson	Nginda
	Hon. Duncan Mbui	v/Chairperson	Evurore
	Hon. Peter Muriithi Nyaga	Member	Mbeti North
	Hon. Paul Muchangi	Member	Gaturi north
	Hon. Susan Wairimu	Member	Kagaari South
	Hon. Jimiah Jeniffer	Member	Nominated
	Hon. Maureen Kagendo	Member	Nominated

Health Services

The Committee held thirty eight (38) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
	Hon. Job Itumo	Chairperson	Mwea
	Hon. Julius Karuri	V/Chairperson	Kithimu
	Hon. Ibrahim Swaleh	Member	Kirimari
	Hon. Jane Njued	Member	Nominated

County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023

	Hon. Paul Muchangi	Member	Gaturi North
	Hon. Agnes Gakungugu	Member	Nominated
	Hon. John Mbaka	Member	Mavuria

Water, Irrigation, Environment, Climate Change & Natural Resources

The Committee held twenty four (24) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
	Hon. Samuel Njeru Githumbu	Chairperson	Nthawa
	Hon. Terry Mbuchi	V/Chairperson	Kyeni North
	Hon. Susan Mwendu	Member	Nominated
	Hon. Masters Mwaniki-	Member	Kiambeere
	Hon. Harrison Muturi	Member	Ruguru/Ngandori
	Hon. Job Itumo	Member	Mwea
	Hon. John Mbaka	Member	Mavuria

Lands, Housing and Urban Planning

The Committee held fifteen (15) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
	Hon. Barnabas Njama	Chairperson	Kyeni South
	Hon. Harrison Muturi	v/Chairperson	Ruguru/Ngandori
	Hon. Fredrick Gatumu	Member	Gaturi South
	Hon. Philip Nzangi	Member	Makima
	Hon. Jimiah Jennifer	Member	Nominated
	Hon. Augustine Njeru	Member	Nominated
	Hon. Susan Wairimu	Member	Kagaari South

Energy, Roads, Transport and Public Works

The Committee held twenty one (21) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

	Member	Designation	Ward
	Hon. Edwin Muriithi	Chairperson	Runyenjes Central
	Hon. John Mbaka	v/Chairperson	Mavuria
	Hon. Maurice Macharia	Member	Nginda
	Hon. Samuel Githumbu	Member	Nthawa
	Hon. Newton Kariuki	Member	Kiambeere
	Hon. Anne Lily Njiru	Member	Nominated
	Hon. Agnes Gakungu	Member	Nominated

Trade, Tourism And Industrial Development

The Committee held thirty five (35) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
	Hon. Julius Karuri	Chairperson	Kithimu
	Hon. Masters L. Mwaniki	v/Chairperson	Kiambere
	Hon. Peter Muriithi	Member	Mbeti North
	Hon. Johnson Muchangi	Member	Kagaari North
	Hon. Mary Kavinda	Member	Nominated
	Hon. Edwin Muriithi	Member	Runyenjes Central
	Hon. Ann Lilly Njiru	Member	Nominated

Youth, Gender, Sports, Culture and Social Services

The Committee held thirty three (33) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
	Hon. Mary Kavinda	Chairperson	Nominated
	Hon. Susan Mwendu	v/Chairperson	Nominated
	Hon. Maureen Kagendo	Member	Nominated
	Hon. Susan Wairimu	Member	Kagaari South
	Hon. Muriithi Kiura	Member	Mbeti South
	Hon. Yvonne Mati	Member	Nominated

County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023

	Hon. Duncan Mbui	Member	Evurore
--	------------------	--------	---------

Education

The Committee held twenty nine (29) meetings in FY 2022/2023. The Committee members during the FY 2022/2023 were:

	Member	Designation	Ward
	Hon. Ann Lilly	Chairperson	Nominated
	Hon. Augustine Njeru	V/Chairperson	Nominated
	Hon. Muriithi Kiura	Member	Mbeti South
	Hon. Daniel Githinji	Member	Nominated
	Hon. Terry Mbuchi	Member	Kyeni North
	Hon. Samuel Githumbu	Member	Nthawa
	Hon. Maureen K. Nyaga	Member	Nominated

Communication with Stakeholders

The County Assembly is committed to ensuring that all its stakeholders are provided with full and timely information about its programmes and performance. There are also given an opportunity to give feedback. In the FY 2022/2023, the County Assembly had a myriad of communications with most of her stakeholders. These included the NT, County Treasury, OCOB, OAG, KRA, EACC, PPRA, LapFund, LapTrust, NHIF, and NSSF.

The communication is usually made while the Assembly is making various returns to the mentioned institutions.

The County assembly engaged in approval of the CIDP 2023-2027 which was subjected to public participation on 19th June 2023.

Risk Management

The establishment of the internal audit department at the inception of the county assembly and the subsequent audit committee 2021 has ensured that the Assembly is able to manage its risks and have checks to its internal control systems. Its also in the process of developing a risk management policy in order to identify the risks, analyze, evaluating, treatment, monitor and reviewing risks facing the County Assembly.

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

Compliance

In compliance with relevant laws and regulations that govern the Assembly, the CA has complied with all pieces of legislation that governs it. These include Article 12 of CoK read together with PFMA Act 2012 and PFM Act regulations of 2015 on matters of management of public finance. Other pieces of legislation include Article 6 of the CoK, CG Act of 2012, CARA, COB Act 2016, Public Audit Act 2015, Income Tax Act Cap 470, Public Officers Ethics and Integrity Act 2017, CA Service Act, PPRA and all other circulars from NT, SRC, CRA, and EACC.

Subsequently all reports from external bodies forwarded to the CA have been implemented and necessary recommendations adopted.

4. Foreword by the Clerk of the Assembly

The year under review was an electioneering year and the Assembly witnessed the coming to an end of the 2nd Assembly and installation of the 3rd Assembly. The Assembly operations were never affected by the transition though there were increased activities emanating from orientation of the new members of the County Assembly. The performance of the County Assembly in the year under review was as follows;

(i) Budget Performance

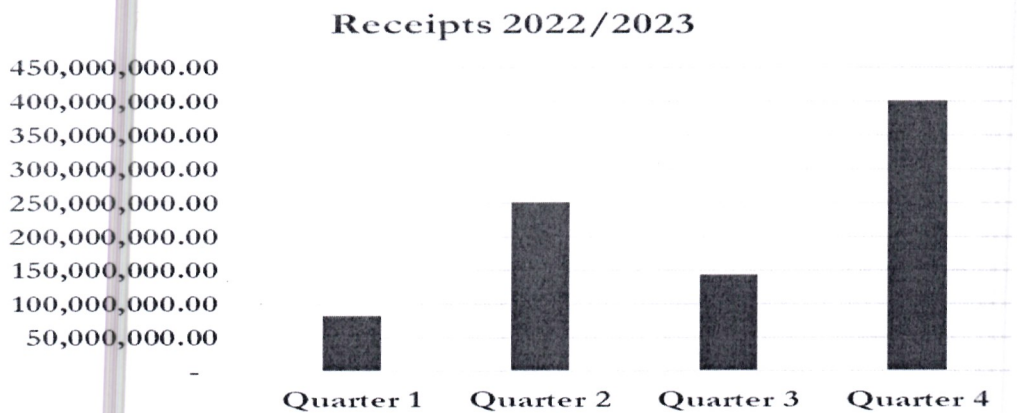
In the financial year 2022/2023 the County Assembly had a combined budget implementation rate of **95%**. This was an average of **99%** on the Recurrent budget and **52%** on the Development budget. Despite delays in release of funds from the National Government the County Assembly managed to implement the Recurrent budget impressively although in Development the absorption was quite slow due to various factors. By the end of the financial year the entire budgeted amounts on Recurrent had been released.

On Development Account the main County Assembly project is the Construction of the Office Complex and though the project is a multi year project there was no pending Certificate as at 30th June 2023. It is also worth noting that the Construction of the Office Complex and Chambers contract price is Kshs. 349,707,101. Out of this Kshs 141,444,085 has already been paid with the remaining balance of Kshs. 208,263,016 set to be paid in the next 2 years.

Receipts

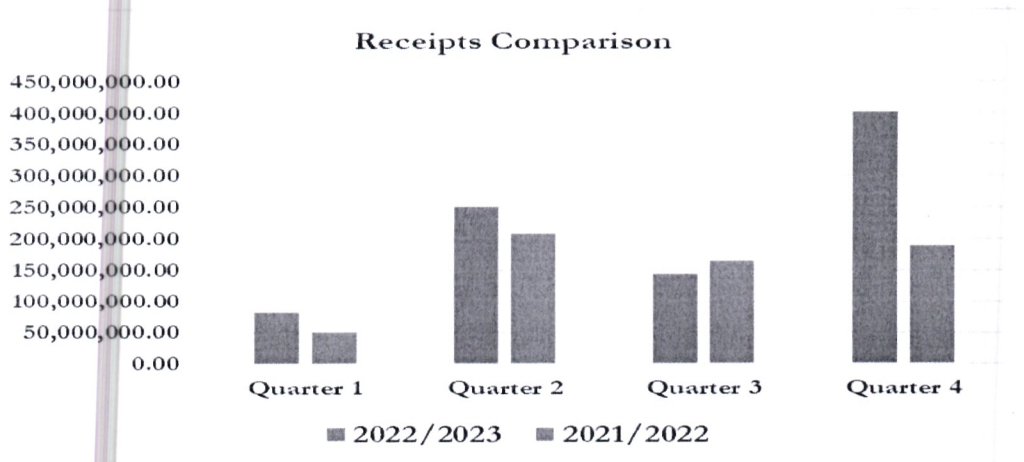
In overall the County Assembly received Kshs. 880,026,980 against a total budget of Kshs. 927,949,416. The County Assembly received Kshs. 838,629,710 of its Recurrent Budget against total budgeted amount of Kshs. 847,949,416 meaning that the County Assembly was able to receive **99%** of its recurrent Budget while in Development the Assembly received Kshs. 41,397,270 against a budget of Kshs. 80,000,000 which was 52% of the total budget amount.

The receipts were received in 4 quarters as follows



Receipts from exchequer were in four quarters. The first quarter the County Assembly received Kshs. 83,147,335/=. In the second quarter the Assembly received 251,271,662/=. In the third quarter the Assembly received 144,000,001/= and in the final quarter the County Assembly received 401,607,982.

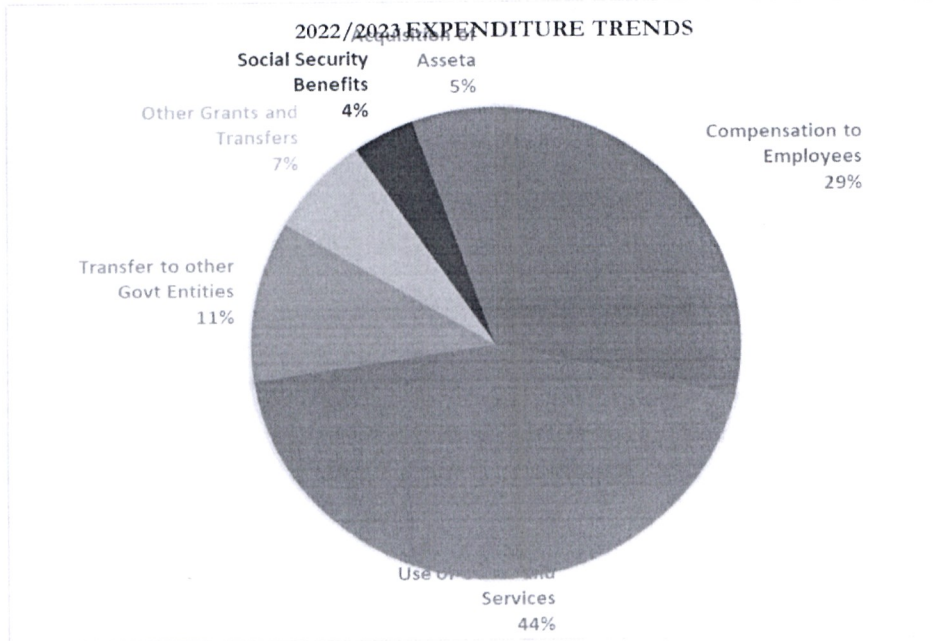
Compared with the financial year 2021/2022 the trends of receipts were as follows



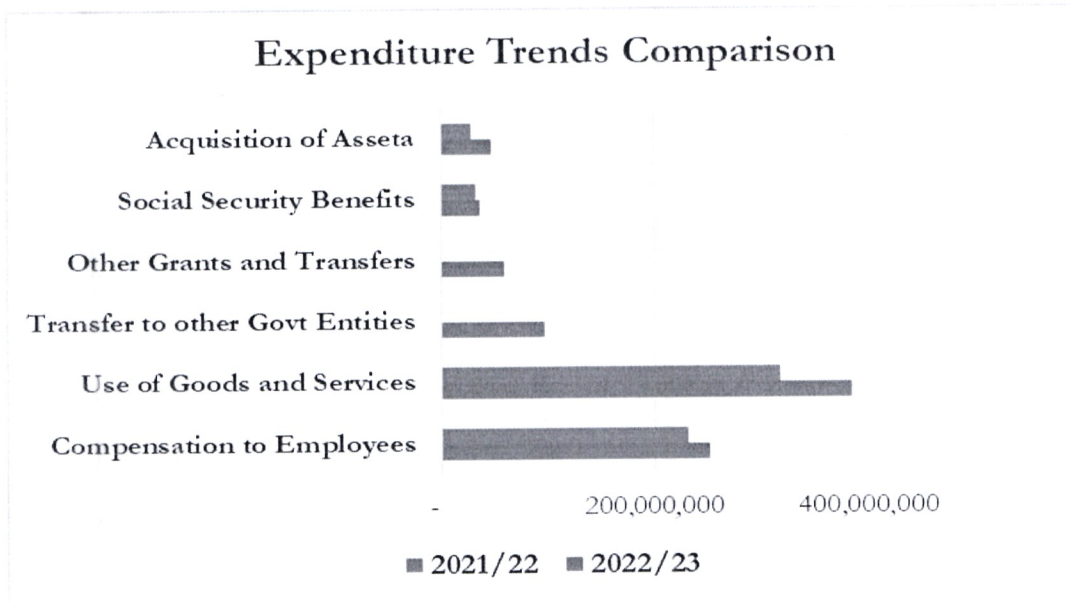
Payments

On Compensation to Employees the County Assembly spent Kshs 252,112,264 against a budget of Kshs. 255,257,947 being 99%. On the Use of goods and services, the actual expenditure was Kshs. 373,437,011 against a budget of 369,624,131 which was 101% budget utilization.

The County Assembly spent Kshs. 36,617,347 on Social Security Benefits against a budget of 37,777,238. This was also 97% of the budget. On acquisition of Assets the County Assembly spent Kshs. 47,728,000 against a budget of 97,590,100 which was a budget performance rate of 49%.



In comparison with the financial year 2021/2022 the expenditure trends were as follows



*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

(ii) OPERATIONAL PERFORMANCE

During this financial year 2022/2023 different committees of the Assembly continued discharging their mandates as follows;

COMMITTEE	REPORTS SUBMITTED AND ADOPTED
Appointment committee	1. Report of the Committee on Appointments on the vetting of the nominees for the Positions of the County Executive Committee Members tabled and approved on 1 st November 2023
Administration, Public Service and ICT	<ol style="list-style-type: none"> 1. Report of the Sectoral Committee on Administration, Public Service and ICT on the Vetting of the nominee for the position of the County Secretary and Head of Public Service in Embu County Government tabled and approved on 1st November 2023. 2. THAT, this Assembly adopts the Report of the Committee on Administration, Devolution, Public Service, Governance and ICT on the Report of the Assumption of Office of Governor Committee tabled in this Assembly on 21st December,2022 3. Vetting of the Nominees for the Positions of County Chief Officers for Administration, Devolution, Public Service Governance and ICT adopted on 21st December 2022. 4. Vetting of County Secretary and Head of Public Service adopted on 21st December 2022. 5. Report of the Sectoral Committee on Administration, Devolution, Public Service Governance and ICT on County Staff who were sent on compulsory leave in 2022 6. Report of the Sectoral Committee on Administration, Devolution, Public Service Governance and ICT on status of Public Officers who have since been appointed to positions of County Executive Committee Members and County Chief Officers tabled on
Assembly Rules and Business Committee	<ol style="list-style-type: none"> 1. THAT, this Assembly adopts the Report of the Assembly Rules and Business Committee on the Appointment of the Member of the Chairperson's Panel tabled in this Assembly on Tuesday, 22nd November, 2022 2. That this Assembly Report of the Committee on Assembly Rules and Business on the Review of the County Assembly of Embu Standing Orders,2017 tabled in this Assembly on 23rd Novemember,2022
Committee on Selection	<ol style="list-style-type: none"> 1. THAT, this Assembly adopts the Report of the Committee on Selection on the Nomination of Members to New Select Committees and Alignment of Sectoral Committees of the County Assembly tabled in this Assembly on 30th November, 2022. 2. Report of the Select Committee on Selection on the Nomination of Members to Sectoral and Other Select Committees of the County Assembly (Tabled on 6th October 2022).

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

Budget and Appropriation	<ol style="list-style-type: none"> 1. Report of the Budget and Appropriations Committee on the Embu County Government's First Supplementary Budget Estimates of Revenue and Expenditure for the Financial Year 2022/2023 tabled and adopted on Monday 9th January, 2023 2. Report of the Budget and Appropriations Committee on the Embu County Government's Second Supplementary Budget Estimates of Revenue and Expenditure for the Financial Year 2022/2023 tabled and adopted on 17th May, 2023
Trade Tourism and Industrial Development	<ol style="list-style-type: none"> 1. Report of the Sectoral Committee on Trade Tourism and Industrial Development on the vetting of the nominees to the positions of Chief Officer Trade and Tourism, and Chief Officer Industrial Development, Investment and Marketing adopted on 21st December 2022.
Agriculture, Co-operative development, Livestock and Blue-Economy	<ol style="list-style-type: none"> 1. Report of the Sectoral Committee Agriculture, Co-operative development, Livestock and Blue-Economy on Vetting report on the three nominees to the Chief Officer's positions in the dockets of Agriculture, Co-operative development, Livestock and Blue-Economy adopted on 21st December 2022.
Committee on Education	<ol style="list-style-type: none"> 1. Report on Vetting of the Nominees for The Positions of County Chief Officers for Early Childhood Development Education and Vocational Training Centers adopted on 21st December 2022. 2. Report of the Committee on Education on the Annual Report on the Financial Statement of Embu County Education Support Fund for the Year ended 30th June, 2022 tabled in this Assembly on Tuesday 11th April, 2023.
Water, Irrigation, Environment, Climate Change and Natural Resources	<ol style="list-style-type: none"> 1. Report on the Vetting of Nominees for the Positions of the County Chief Officer for Water and Irrigation and the County Chief Officer for Environment, Climate Change and Natural Resources adopted on 21st December 2022.
Roads, Energy, Transport and Public Works	<ol style="list-style-type: none"> 1. Report on the approval consideration of the nominees for the positions of County Chief Officers for the Energy, Roads, Transport and Public Works portfolio adopted on 21st December 2022.
Gender, Youth., Sports, Culture and Social Services	<ol style="list-style-type: none"> 1. The Report of the Sectoral Committee on Youth, Gender, Sports, Culture and Social Services on the Vetting of the Nominees for the Positions of the County Chief Officers for Sports, Talent Development & Creative Arts, Youth Empowerment and Gender Culture & Social Services tabled on 21st December, 2022.
Health Services	<ol style="list-style-type: none"> 1. Report on the approval consideration of the nominees for the positions of County Chief Officers for the Health Services adopted on 21st December 2022. 2. Report of the Committee on Health Services on Responses to Questions Sought Regarding Health Facilities in Muminji and Evurore Wards tabled in this Assembly on Wednesday 22nd March, 2023.

**County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023**

Finance and Economic Planning	1. Report on the approval consideration of the nominees for the positions of County Chief Officers for the Finance portfolio adopted on 21st December 2022.
Lands, physical Planning, Housing and Urban Planning	1. Report on the Vetting of Nominees for the Positions of the County Chief Officer for Lands and Mining and County Chief Officer for Housing, Physical Planning and Urban Development adopted on 21st December 2022.
Liaison	1. Report of the Liaison Committee on Select Committees' quarterly progress report for the quarter ended 31st December, 2022 adopted on 21 st March 2023

(iii) Performance of Key Development Projects

During the financial year the County Assembly of Embu did not initiate any new development project but rather continued with funding and construction of the ongoing ones.

i. Construction of Office complex and Chambers-

This project was started on 2019 and up to date its still under construction, under the management of Directorate of Public Works. The impact of this great project is not yet felt because it's still under construction .Its intended to provide office space to Members of County Assembly and Staff and save costs incurred annually on rent.

ii. Refurbishment of County Assembly of Embu Chambers.

The project started in 2020 with an approximate cost of Kshs. 19 million shillings . The building which was inherited from the County Council of Embu and which was partially refurbished in 2013 during the inception of County Government required major uplift to meet the standards of a modern Assembly. The Works involved installation of modern leather folding seats, internal and external painting ,interior sound proofing and cladding, electrical overhaul and mechanical works . Works were completed during the year under consideration and the refurbished Assembly is now in use.

iii. Renovation of the leadership Offices

During the year the Assembly managed to complete the Renovation of leadership offices which included renovation works at Speaker's office, Deputy Speaker, Majority and Minority leaders as well as the Clerks and Deputy Clerks offices.

The following projects are in the plans but there has been no budget allocation for the same.

Modern gate and Boundary wall

If the project is implemented it will improve the level of security in the Assembly comparing to the existing life fence. It will also improve the status of the institution.

Refurbishment of County Assembly Chambers Phase 11 – this will include extensions, Electrical enhancements, Air conditioning, Multimedia equipment's (Video and Audio).

Public toilet- This will cater for members of the public who visits the assembly and also members with disability.

(iv) Value for money Achievement

With implementation of the above projects the County Assembly has managed to achieve enough value in form of

- a) Improved working environment.
- b) Improved office image
- c) Additional space in the public gallery for members of the public attending plenary sessions
- d) Employment opportunities during the development stages of the project

Furthermore the County Assembly of Embu has always endeavored to initiate programmes and project that will have impact on the intended recipients and at the same achieve value for the money invested in those projects.

- a) With the Construction of the Office Complex and the Chambers it is expected that Members office and staff office currently being hosted at the rented town office will be accommodated in the New building thereby cutting the costs of rent paid for the Town offices.

There will also saving in time resources currently spent by Members and Officers while moving from the Headquarters to the Town offices and back.

- b) Renovations of the Assembly will also ensure that Members and Officers are in a conducive environment while conducting the house businesses. This in the long run will increase their productivity thereby improving the overall performance of the County Assembly.

v) Challenges and Recommended Way Forward

In implementation of its capital projects the County Assembly was faced with myriad of challenges which has led to delayed delivery of these projects. Theses challenges includes

- a) Delayed disbursements of funds from the National Treasury

The single source of the County Assembly Finances is the National Treasury. The Financial year 2022/23 has been challenging to the Assembly. Despite making the necessary fund requisitions on time the funds could not be released on time owing the financial challenges that the National Government was facing due to the effects of Covid 19 pandemic. These delays meant that County Assembly could not achieve its budget implementation targets. By the end of the financial year the projects were still on going with pending payments.

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

- b) Constrained budget allocations e.g office complex
- c) Elections interrupting the smooth running
- d) Delayed approvals in the budget

Moving forward the County Assembly has laid in place strategies as stipulated in its strategic plan to ensure that the Assembly is able to deliver on its mandates and be able to achieve its vision as a model County Assembly in the region. This measures includes

Setting up the necessary Committees on Public participation, Members' Welfare, staff welfare etc

The Committees have the mandates to ensure that all needs and requirements in their areas of concern are put in place to ensure compliance.

Sign



Jim G. Kauma

Clerk of the County Assembly

5. Statement of Performance against County Assembly Predetermined Objectives

Strategic development objectives

The key mandate of the County Assembly of Embu is legislation, oversight, and representation. To achieve this, the Assembly's program was documented in terms of objective, key performance indicators, and output. Below is the performance of the Assembly in FY 2023.

The key mandate of the County Assembly of Embu is legislation, oversight, and representation. To achieve this, the assembly's program was document in terms of objective, key performance indicators, and output. Below were the expected outputs of the assembly in FY 2022/2023

Program 1	Objective	Outcome	Indicator	Performance
Legislation, oversight and representation	Enhanced professional development of MCAs – Provide ongoing professional development of MCAs	Increased ability of MCA in legislation	No of bills passed in the County Assembly	In FY 2022/2023 MCA's and some staff attended 12 different workshops and seminars
	Enhanced professional development of MCAs – Review standing orders	Review standing orders	% increase in efficient Assembly operation	12 standing orders were reviewed
General Administration, Planning and Support Services	Provision of AIE support to other Departments	Improved performance of the Members in Conduction of the Assembly Business	Number of meetings held by the Committees	In the Financial year an accumulated 132 meetings were held by the Committees
	Enhance professionalism , build human resource capacity and provide effective services to the legislature to enable it meet its constitutional mandate	Prompt production of management reports	No. of reports generated	58 reports from various departments and directorates

6. Corporate Social Responsibility Statement/Sustainability Reporting

County Assembly of Embu exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on 4 pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

a) Sustainability Strategy and Profile

The county assembly has prepared a five year strategic plan that has captured all the key arrears affecting the sustainability strategy of the county assembly. The Strategic plan will be launched this year and has encompassed and taken into consideration the social political and economic trends which will affect the sustainability of the assembly and link them to the national goals of vision 2030 as well as the sustainable development goals.

This will capture the strategic direction of the assembly.

b) Environmental performance

The county assembly does not have any environmental policy guiding the institution. However all the environmental issues are guided by the National Environmental Management Authority (NEMA) Guidelines and in case of any need the services are sought from the NEMA offices.

c) Employees welfare

County Assembly hiring process is guided by various circulars and regulations from independent commissions. The Salaries and Remuneration Commission through various circulars advises on salaries and benefits. The Commission on Revenue Allocation provides the establishment for the Assembly through its circulars. The County Assembly Service Board is guided by Parliamentary practices, principles and procedures while recruiting partisan staff. At the same time guided by Public Service Commission, Recruitment and Training Policy while recruiting permanent employees.

Through the County Assembly Service Board, the Assembly has improved the skills of its Members and Staff through undertaking various training and benchmarking. Committee training has been undertaken to improve on the service delivery on its mandates.

The organization is in the process of developing its Health and Safety policy. However, the assembly has been guided by the policies from the Ministry of Health, other relevant ministries to ensure the safety and compliance with the occupational safety in the work place.

d) Market place practices

The procurement of goods and services within the county assembly is strictly governed by The Public Procurement and Asset Disposal Act 2015 and its subsequent Regulations.

All goods and services are completely sourced competitively in the market as per the Act and this ensures that corruption is eliminated in the supply chain.

To maintain better supplier relations, all procured goods and services in the assembly are immediately paid when suppliers deliver them and all the necessary documents are availed. This has made the assembly to have steady and reliable suppliers throughout.

e) Community engagements

During the year under review the County Assembly actively engaged the Embu community through public participation. The assembly conducted a minimum of two meetings in each ward and was able to receive feedback on the activities of assembly.

This is one way of ensuring that the community actively participates in the activities of the assembly as one of the key partners.

7. Statement of Management Responsibilities

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

The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year ended June 30, 2023. This responsibility includes:

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


The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the County Assembly's financial statements give a true and fair view of the state of the County Assembly's transactions for the year ended June 30, 2023, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

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

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

Approval of the financial statements

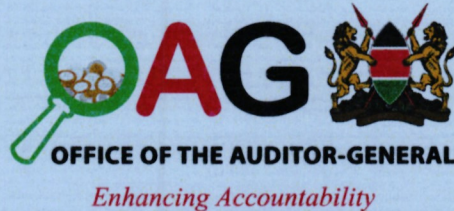
The County Assembly's financial statements were approved and signed by the Clerk of the County Assembly on 21/12/ 2023



Jim G. Kauma
Clerk of the County Assembly

REPUBLIC OF KENYA

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



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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Assembly of Embu set out on pages 1 to 27, which comprise of the statement of financial assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows

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

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

Basis for Qualified Opinion

1. Unaccounted for Other Receipts from Tablets

The statement of receipts and payments reflects nil balance on other receipts. However, an amount of Kshs.38,000 was recovered from two(2) former external County Assembly Service Board members and two(2) former Members of County Assembly (MCAs) for unreturned tablets at the expiry of their term of office. Further, Management indicated the balance on unreturned tablets from other fifteen (15) MCAs amounting to Kshs.187,500 was recovered from the members' allowances at the rate of Kshs.12,500 but supporting schedules and documents to support the recovery and accountability were not provided for audit review. In addition, there was a balance of Kshs.12,000 from one(1) MCA who deposited an amount of Kshs.500 instead of Kshs.12,500. Similarly, the amount recovered was not recognized as other income in the financial statements.

In the circumstances, the accuracy and completeness of other receipts with nil balance could not be confirmed.

2. Summary of Non-Current Asset Register

2.1 Unvalued Land and Lack of Ownership Documents

The summary of non-current assets register as disclosed in Annex 3 to the financial statements reflects a balance of Kshs.237,726,406 as at 30 June, 2023 which does not include value of land. Further, the County Assembly has not valued the land and has not provided land ownership documents for audit verification. In addition, the assets handing over report from the defunct County Council of Embu was not provided for audit review.

2.2 Variances in the Summary of Non-current Asset Register

The summary of non-current assets register as disclosed in Annex 3 to the financial statements reflects a balance of Kshs.237,726,406 while the fixed assets register reflects total assets balance of Kshs.243,404,678 resulting to an unexplained and unreconciled difference of Kshs.5,678,272. Further, the fixed assets register provided does not indicate totals of each asset class.

In the circumstances, the the accuracy, completeness and ownership of the non-current assets balance of Kshs.237,726,406 could not be confirmed.

3. Unsupported Domestic Travel Expenditure

The statement of receipts and payments and as disclosed in Note 3 to the financial statements reflects use of goods and services amount of Kshs.373,437,011 which includes domestic travel and subsistence amount of Kshs.119,816,421 out of which is an amount of Kshs.3,801,000 was not supported with evidence of travel such as work tickets or bus tickets and daily sitting reports or minutes.

In the circumstances, the completeness and value for money for the expenditure amounting to Kshs.3,801,000 could not be confirmed.

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

Empasis of Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts: recurrent and development reflects final receipts budget and actual on a comparable basis of Kshs.927,949,416 and Kshs.880,026,980 respectively resulting to underfunding of Kshs.47,922,436 or 5% of the budget.

Similarly, the County Assembly expended an amount of Kshs.878,652,182 against an approved budget of Kshs.927,949,416 resulting to an under expenditure of Kshs.49,297,234 or 5% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

2. Pending Bills

As disclosed in Note 1 and 2 on other disclosures, the County Assembly had pending accounts payable balance of Kshs.75,044,428 as at 30 June, 2023. Management did not explain why the bills were not settled during the year when they occurred. Failure to settle bills during the year in which they relate to distorts the financial statements and adversely affects the budgetary provisions for the subsequent year as they form a first charge.

My opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Audit Issues

In the audit report of the previous year, several issues were raised under the Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management had not resolved the issues nor given any explanation for the failure to implement the recommendations.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Remittance of Provident Fund and Pension Scheme Deductions

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects social security benefits amount of Kshs.36,617,347 which includes Local Authority Provident Fund and Local Authority Pension Trust Fund deductions amounting to Kshs.25,566,485 which were remitted late. This is contrary to Section 53A(1) of the Retirement Benefits Act, 1997 (Revised 2017) which states that where an employer, having with the agreement of an employee who is a member of a scheme, made a deduction from the employee's emoluments for remittance to the scheme, fails to remit the deduction within fifteen days of the deduction, the scheme may, after giving such employer not less than seven days' notice, institute proceedings for the recovery of the deduction.

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

2. Non Compliance with Law on Ethnic Composition

During the year under review, forty five (45) or 47% out of ninety-six (96) of the County Assembly employees belonged to the dominant ethnic community in the County. This is

contrary to Section 7(1) and (2) of National Cohesion and Integration Act, 2008 which states that all public offices shall seek to represent the diversity of people of Kenya in employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community.

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

3. Splitting of Procurements Through Use of Temporary Imprests

The statement of financial assets and liabilities and as disclosed in Note 8 to the financial statements reflects cash and cash equivalents balance of Kshs.21,732,393. However, seven (7) and four (4) temporary imprests amounting to Kshs.348,000 and Kshs.154,800, respectively were taken to pay for bill boards advertisements and website repair which resulted to splitting of procurement procedure to do procurements. This is contrary to Regulation 43(1) of Public Procurement and Asset Disposal Regulations, 2020 which states that a Procuring Entity shall not split or structure its contracts for the purpose of avoiding the use of a procurement procedure as provided for under Section 54(1) of the Act and Second Schedule on the Threshold Matrix of the Public Procurement and Asset Disposal Regulations, 2020 which states that the maximum low value item level of expenditure per item per financial year allowed for goods, works and services is Kshs.50,000, Kshs.100,000 and Kshs.50,000 respectively.

Further Electronic Tax Receipts (ETR) were not obtained as required by Regulation 93(2) of Public Procurement and Asset Disposal Regulations, 2020 which states that any procurement under paragraph (1) shall be supported by the original Kenya Revenue Authority Electronic Tax Receipt (KRA ETR Receipt) duly signed by the person undertaking the low value procurement of goods, works or services.

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

4. Irregular Payment of Subscriptions

The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects other grants and transfers amount of Kshs.71,757,560 which includes membership fees, dues and subscriptions to organizations amount of Kshs.12,105,560 out of which an amount of Kshs.10,194,000 was irregularly paid to County Assembly Forum and Society of Clerks at the Table. Further, there was no legislative framework to support the payments contrary to Section 38(1) and (2) of Intergovernmental Relations Act, 2012 which states that the Cabinet Secretary may, in consultation with the Summit, make regulations for the better carrying out of the provisions of this Act and without prejudice to the generality of subsection (1), the regulations may provide the procedures for; (a) the transfer or delegation of functions to either level of government; (b) public participation under this Act; (c) dispute resolution mechanisms under this Act; (d) appointing the members of the Technical Committee under Section 11 and (e) constituting intergovernmental forums.

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

5. Unvalued Ward Offices and Lapsed Lease Agreements

The statement of receipts and payments and as disclosed in Note 3 to the financial statements reflects use of goods and services amount of Kshs.373,437,011 which includes rentals of produced assets of Kshs.29,048,399. Included is an amount of Kshs.2,817,154 incurred on payment of rent for leased ward offices. Although Management has shown efforts of undertaking valuation processes, it was noted that the Assembly has not completed the new valuation for the ward offices and has continued paying rent based on old rates. It was therefore not possible to ascertain whether the rates at which the premises were paid for is the current prevailing market rates. Further, the lease agreements were not provided for audit verification. This is contrary to Regulation 139(3) of Public Procurement and Asset Disposal Regulations, 2020 which states that payments shall only be made after an invoice or fee note is accurately raised and submitted in accordance with the provisions of the contract.

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

6. Delay in Completion of Office Complex Project

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects acquisition of assets amount of Kshs.47,728,000 which includes construction of buildings amount of Kshs.34,312,078 out of which an amount of Kshs.29,416,020 construction of the County Assembly Office Complex. Review of the contract documents revealed that the project entailed construction of a seven storey office complex. The contractor was awarded the contract on 4 July, 2019 at a sum of Kshs.349,707,101 with commencement date of 17 June, 2019 for a period of one hundred and four (104) weeks. The site was handed over on 23 June, 2015 and was intended to be a four-year multiyear project. An extension of the contract was made for fifty six (56) weeks after lapse of first contract. As at 30 June, 2023, the project had cumulatively incurred an amount of Kshs.144,600,757 representing 41.3% of the contract sum.

Further, as at 30 June, 2023, the project completion was at 52% with nine(9) months to the expiry of the extended completion period. Delay in implementation of this project was evident and the project might not be completed by 15 March, 2024. This is contrary to Regulation 137(c) of Public Procurement and Asset Disposal Regulations, 2020 which states that in managing complex and specialized procurement contracts under Section 151 of the Act, contract implementation shall be as per the project implementation plan agreed upon by the contractor and the procuring entity. No satisfactory explanation was provided for the delay in implementation of this project since substantial funding had been allocated.

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

7. Delay in Construction of Speakers Residence

Review of IFMIS development expenditure vote book status report indicates that the County Assembly allocated an amount of Kshs.10,000,000 in the original budget towards

the purchase of land for construction of Speaker's residence which was later revised to nil balance in the supplementary budget. The same project had been allocated an amount of Kshs.8,000,000 in the 2021/2022 financial year which was not utilized. Management provided a letter requesting County Executive Committee Member lands, physical planning, housing and urban development for suitable land but there was no evidence of further communication or follow up.

Further, the County Assembly continued to pay rent for the Speakers residence contrary to Salaries and Remuneration Commission (SRC) Circular requiring the Counties to hasten the construction of the official residences by allocating funds and prioritizing the construction and SRC Circular Ref No. SRC/ADM/11 dated 27 June, 2022 which advised that the option for County Governments paying rent or leasing official residential house for Governors, Deputy Governors and County Assembly Speaker shall cease on 30 June, 2022. The County Assembly paid an amount of Kshs.900,000 in 2022/2023 financial year being part payment of residential accommodation for the Speaker out of the annual rent amounting to Kshs.981,660.

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

8. Lack of an Assets Disposal Plan

During the period under review, the County Assembly did not have an approved disposal plan of items declared as unserviceable, surplus, idle or obsolete contrary to Regulation 176(1) of Public Procurement and Asset Disposal Regulations, 2020 which states that an Accounting Officer of a procuring entity shall ensure that an annual assets disposal plan is prepared of items declared as unserviceable, surplus or obsolete, obsolescence stores, asset or equipment as set out under section 53(4) of the Act.

Further, physical verification carried out in the month of August, 2023 revealed that the County Assembly still held sixteen (16) tablets returned by the former MCAs in September, 2022 which are not being utilized and continue to deteriorate.

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

9. Failure to Provide Annual Operations Report for the County Assembly Service Board

Management of the County Assembly did not provide County Assembly Service Board annual operations report for 2022/2023 financial year contrary to Section 36(1) of the County Assembly Services Act, 2017 which states that within three months after the end of each calendar year, the Board shall prepare and lay before the County Assembly, a report of its operations during that year.

In the circumstances, it was not possible to confirm whether County Assembly Service Board delivered on the mandated functions. In addition, the Management was in breach of the law.

10. Nugatory Expenditure on Penalties and Interests on Late Remittance of Statutory Deductions

The statement of receipts and payments and as disclosed in Note 2 to the financial statements reflects compensation of employees amount of Kshs.252,112,264 which includes Pay As You Earn Tax amount of Kshs.20,558,271 remitted late in 2022/2023 financial year. However, the Kenya Revenue Authority imposed penalties and interest amounting to Kshs.1,027,914 and Kshs.205,583, respectively for late payment which could have been avoided had the deductions been remitted on time. The late remittance contravenes Section 72D of Income Tax Act, 2012.

In the circumstances, the regularity and value for money for penalties and interest amounting to Kshs.1,233,497 could not be confirmed.

11. Irregular Expenditure on Temporary Imprest

Review of surrender payment vouchers revealed irregular imprest expenditure of Kshs.1,279,676 incurred on purchase of meals and refreshments for officers who had already been paid per diem contrary to Regulation 93(3) of Public Finance Management (County Governments) Regulations, 2015 which states that temporary imprests shall be issued mainly in respect of official journeys and are intended to provide officers with funds with which they can meet travelling, accommodation and incidental expenses.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Lack of Risk Management Policy

During the period under review, Management had not developed a Risk Management Policy or documented strategies for identifying risks that may have potential effects on

the operations of the County Assembly contrary to Regulation 158(1) of the Public Finance Management (County Governments) Regulations, 2015 which states that the role of Accounting Officer in risk management is to ensure that the County Government entity develops risk management strategies, which include fraud prevention mechanism and the County Government entity develops a system of risk management and internal control that builds robust business operations.

In the circumstances, risks affecting the operations of the County Assembly have not been identified and recorded in a risk register.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County Assembly's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the County Assembly to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the County Assembly to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

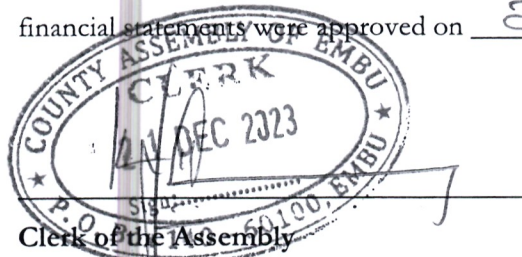
09 February, 2024

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

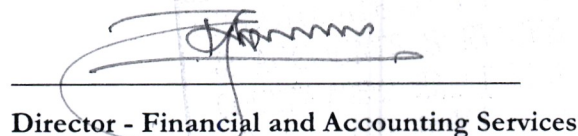
9. Statement of Receipts and Payments for the year ended 30th June 2023

	Note	2022/2023 KShs	2021/2022 KShs
RECEIPTS			
Transfers from CRF	1	880,026,980	613,862,001
Proceeds from Sale of Assets			
Other Receipts			
TOTAL RECEIPTS		880,026,980	613,862,001
PAYMENTS			
Compensation of Employees	2	252,112,264	232,587,870
Use of goods and services	3	373,437,011	318,879,421
Subsidies			
Transfers to Other Government Entities	4	97,000,000	
Other grants and transfers	5	71,757,560	
Social Security Benefits	6	36,617,347	32,898,491
Acquisition of Assets	7	47,728,000	29,476,438
Other Payments			
TOTAL PAYMENTS		878,652,182	613,842,220
SURPLUS/DEFICIT		1,374,798	19,781

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 21/12 2023 and signed by:


Clerk of the Assembly

Name: Jim Kauma


Director - Financial and Accounting Services

Name: Josiah M. Karanja

ICPAK Member Number: 8494


County Government of Embu
 County Assembly of Embu
 Annual Report and Financial Statements for the year ended June 30, 2023

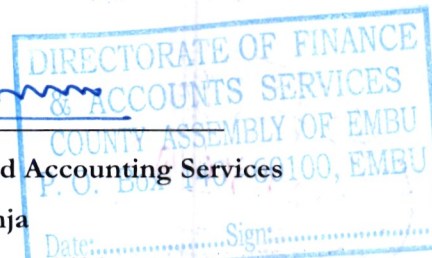
10. Statement of Financial Assets and Liabilities as at 30th June 2023

		2022/2023	2021/2022
FINANCIAL ASSETS	Note	KShs	KShs
Cash and Cash Equivalents			
Bank Balances	8	21,732,393	17,531,743
Cash Balances			
Total Cash and cash equivalents		21,732,393	17,531,743
Accounts receivables - outstanding Imprests			
TOTAL FINANCIAL ASSETS		21,732,393	17,531,743
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and Retentions	9	20,219,415	17,393,153
NET FINANCIAL ASSETS		1,512,978	138,590
REPRESENTED BY			
Fund balance b/fwd	10	138,589	120,418
Surplus/Deficit for the year		1,374,798	19,781
Refund of Unspent Balances	11	(409)	(1,609)
NET FINANCIAL POSITION		1,512,979	138,589

The explanatory notes to these financial statements form an integral part of the financial statements.

The financial statements were approved on 21/12 2023 and signed by:


 Clerk of the Assembly
 Name: Jim Kauma



 Director - Financial and Accounting Services
 Name: Josiah M. Karanja
 ICPAK Member Number: 8494


County Government of Embu
 County Assembly of Embu
 Annual Report and Financial Statements for the year ended June 30, 2023

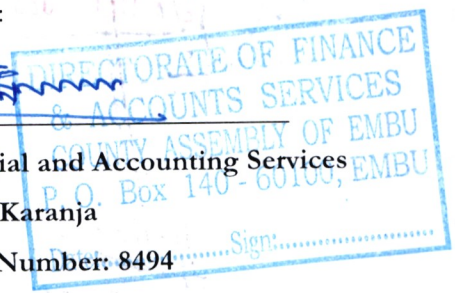
11. Statement of Cash Flows for the period ended 30th June 2023

	Note	2022/2023 KShs	2021/2022 KShs
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating income			
Transfers from the County Treasury/Exchequer Releases	1	880,026,980	613,862,001
Other Receipts			
Payments for operating expenses			
Compensation of Employees	2	(252,112,264)	(232,587,870)
Use of goods and services	3	(373,437,011)	(318,879,421)
Transfer to Other Government Entities	4	(97,000,000)	
Other Grants and Transfers	5	(71,757,560)	
Social Security Benefits	6	(36,617,347)	(32,898,491)
Adjusted for:			
Returns to CRF - CBK Recurrent Account		(409)	(1,610)
CBK - Development Account		0	
Co-op Bank Operations Account			
Decrease/(Increase) in Accounts receivable:			
Increase/(Decrease) in Accounts Payable:		2,826,262	4,059,711
Net cash flows from operating activities		51,928,651	33,554,321
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			
Acquisition of Assets	7	(47,728,000)	(29,476,438)
Net cash flows from investing activities		(47,728,000)	(29,476,438)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalent at BEGINNING of the year		17,531,743	13,453,860
Cash and cash equivalent at END of the year		21,732,393	17,531,743
As per statement of Assets		21,732,393	17,531,743

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 21/12 2023 and signed by:


 Clerk of the Assembly
 Name: Jim Kauma


 Director - Financial and Accounting Services
 Name: Josiah M. Karanja
 ICPAK Member Number: 8494
 Sign:



County Government of Embu
County Assembly of Embu

Annual Report and Financial Statements for the year ended June 30, 2023

12. Statement of Comparison of Budget & Actual Amounts: Recurrent and Development for the year ended 30th June 2023

Receipt/Expense Item	Original Budget a KShs	Adjustments b KShs	Final Budget c=a+b KShs	Actual on Comparable Basis d KShs	Budget Utilization Difference e=c-d KShs	% Utilization difference f=d/c%
Receipts						
Transfers from the CRF	1,087,449,416	(159,500,000)	927,949,416	880,026,980	47,922,436	95
Total	1,087,449,416	(159,500,000)	927,949,416	880,026,980	47,922,436	95
Payments						
Compensation of Employees	282,278,690	(27,020,743)	255,257,947	252,112,264	3,145,683	99
Use of goods and services	351,024,869	18,599,262	369,624,131	373,437,011	(3,812,880)	101
Subsidies	-	-	-	-	-	-
Transfers to Other Government Entities	160,000,000	(61,000,000)	99,000,000	97,000,000	2,000,000	98
Other grants and transfers	0	78,700,000	78,700,000	71,757,560	6,942,440	91
Social Security Benefits	39,025,757	(1,248,519)	37,777,238	36,617,347	1,159,891	97
Acquisition of Assets	255,120,100	(167,530,000)	87,590,100	47,728,000	39,862,100	54
Finance Costs						
Other Payments						
Total	1,087,449,416	(159,500,000)	927,949,416	878,652,182	49,297,234	95
Surplus/deficit				1,374,798		

The County Financial Statements were approved on 21/12 2023 and signed by:



Clerk of the Assembly
Name: Jim G. Kauma

**DIRECTORATE OF FINANCE
& ACCOUNTS SERVICES**
Director - Financial and Accounting Services
Name: Josiah M. Karanja
P. O. Box 140 - 60100, EMBU
ICPAK Member Number: 8494

**County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023**

12.A. Statement of Comparison of Budget & Actual Amounts: Recurrent for the year ended 30th June 2023

Receipt/Expense Item	Original Budget a KShs	Adjustments b KShs	Final Budget c=a+b KShs	Actual on Comparable Basis d KShs	Budget Utilization Difference e=c-d KShs	% Utilization difference f=d/c%
Receipts						
Transfers from the CRF	842,449,416	5,500,000	847,949,416	838,629,710	9,319,706	99
Total	842,449,416	5,500,000	847,949,416	838,629,710	9,319,706	99
Payments						
Compensation of Employees	282,278,690	(27,020,743)	255,257,947	252,112,264	3,145,683	99
Use of goods and services	351,024,869	18,599,262	369,624,131	373,437,011	(3,812,880)	101
Subsidies	-	-	-	-	-	-
Transfers to Other Government Entities	160,000,000	(61,000,000)	99,000,000	97,000,000	2,000,000	98
Other grants and transfers	0	78,700,000	78,700,000	71,757,560	6,942,440	91
Social Security Benefits	39,025,757	(1,248,519)	37,777,238	36,617,347	1,159,891	97
Acquisition of Assets	10,120,100	(2,530,000)	7,590,100	6,330,730	1,259,370	83
Finance Costs						
Other Payments						
Total	842,449,416	5,500,000	847,949,416	837,254,912	10,694,504	99
Surplus/deficit				1,374,798		

The entire financial statements approved on 21/12/23 2023 and signed by:



Clerk of the Assembly
Box 140 - 610100 EMBU
Name: Jim G. Kauma



Director - Financial and Accounting Services
Name: Josiah M. Karanja
P.O. Box 110-00000
ICPAK Member Number: 8494

County Government of Embu
County Assembly of Embu

Annual Report and Financial Statements for the year ended June 30, 2023

12 B. Statement of Comparison of Budget & Actual Amounts: Development for the year ended 30th June 2023

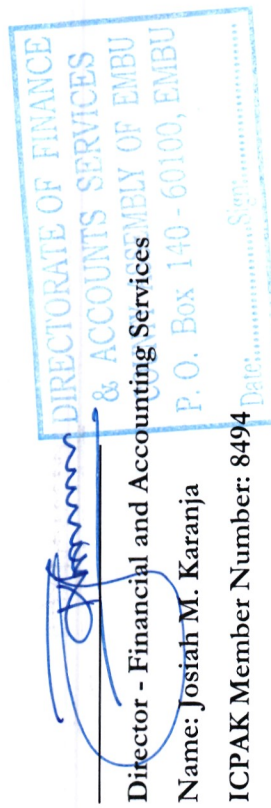
Receipt/Expense Item	Original Budget a KShs	Adjustments b KShs	Final Budget c=a+b KShs	Actual on Comparable Basis d KShs	Budget Utilization Difference e=c-d KShs	% Utilization difference f=d/c%
Receipts						
Transfers from the CRF	245,000,000	(165,000,000)	80,000,000	41,397,270	38,602,730	52
Total	245,000,000	(165,000,000)	80,000,000	41,397,270	38,602,730	52
Payments						
Compensation of Employees						
Use of goods and services						
Subsidies						
Transfers to Other Government Entities						
Other grants and transfers						
Social Security Benefits						
Acquisition of Assets	245,000,000	(165,000,000)	80,000,000	41,397,270	38,602,730	52
Finance Costs						
Other Payments						
Total	245,000,000	(165,000,000)	80,000,000	41,397,270	38,602,730	52
Surplus/deficit						

The entry financial statements were approved on 21/12/2023 and signed by:



Clerk of the Assembly

Name: Jim G. Kauma



Director - Financial and Accounting Services

Name: Jostiah M. Karanja

ICPAK Member Number: 8494

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

13. Budget Execution by Programmes and Sub - Programmes

Programme/Sub-programme	Original Budget 2022/2023 KShs	Adjustments 2022/2023 KShs	Final Budget 2022/2023 KShs	Actual on comparable basis 2022/2023 KShs	Budget utilization difference 2022/2023 KShs	% Budget Utilization 2022/2023 Kshs.
Legislation , Representation and Legislative Oversight	733,486,089	(134,449,948)	599,036,141	560,911,721	38,124,420	94
Compensation to employees	173,504,401	(12,335,049)	161,169,352	158,801,286	2,368,066	99
Use of goods	164,981,688	25,185,101	190,166,789	199,955,605	(9,788,816)	105
Transfers to other government entities	150,000,000	(61,000,000)	89,000,000	89,000,000	-	100
Grants and other transfers		78,700,000	78,700,000	71,757,560	6,942,440	91
Capital Expenditure	245,000,000	(165,000,000)	80,000,000	41,397,270	38,602,730	52
General Administration, Planning and Support Services	353,963,327	(25,050,052)	328,913,275	317,740,461	11,172,814	97
Compensation to employees	147,800,046	(10,073,509)	137,726,537	129,928,325	7,798,212	94
Use of goods	186,043,181	(12,446,543)	173,596,638	173,481,406	115,232	100
Transfers to other government entities	10,000,000		10,000,000	8,000,000	2,000,000	80
Capital Expenditure	10,120,100	(2,530,000)	7,590,100	6,330,730	1,259,370	83
Grand Total	1,087,449,416	159,500,000	927,949,416	878,652,182	49,297,234	95

14. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-Basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The statement of assets and liabilities, although not a requirement of the IPSAS Cash Standard, has been included to disclose information on receivables and payables. The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the entity all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented.

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

2. Reporting entity

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

3. Recognition of receipts and payments

a) Recognition of receipts

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

i) Transfers from the Exchequer/ County Treasury

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

ii) Other Receipts

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

b) Recognition of payments

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

i) Compensation of employees

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

ii) Use of goods and services

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

iii) Acquisition of fixed assets

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

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

4. In-kind contributions

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

5. Third Party Payments

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

6. Cash and cash equivalents

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

7. Restriction on cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 202, this amounted to Kshs. 15,741,725 as compared to KShs 12,551,964 in prior period as indicated on note 6 to the financial statements.

8. Imprests and Advances

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

9. Third Party deposit

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

10. Non-current assets

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

11. Pending bills

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

subsequent year budget and when they are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

12. Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships. The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. Annex 6 of this financial statement is a register of the contingent liabilities in the year.

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

13. Contingent Assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements.

If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

14. Budget

The budget is prepared on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County Assembly budget was approved as required by Law. The original budget was approved by the County Assembly on 28th July 2022 for the period 1st July 2022 to 30 June 2023 as required by law. There was two Supplementary budget passed in the year. The first supplementary budget was approved on 9th January 2023 while the second supplementary budget was approved on 29th May 2023. A high-level assessment of the County Assembly actual performance against the comparable budget for the financial year under review has been included in the Statement of Comparison between actual and budgeted amounts included in these financial statements.

15. Comparative figures

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

16. Subsequent events

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

17. Prior Period Adjustments

During the year, errors that have been corrected are disclosed under note 3 Use of goods and services, Note 3 (2) Related Party Transactions under Other Disclosures and Annex 1 on Pending Accounts Payable explaining the nature and amounts

18. Related party transactions

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

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

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

County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023

15. Notes to the Financial Statements

1. Transfer from CRF

	2022/23	2021/22
	Kshs	KShs
Transfers from the County Treasury for Q1	83,147,335	50,000,000
Transfers from the County Treasury for Q2	251,271,662	208,862,001
Transfers from the County Treasury for Q3	144,000,001	165,000,000
Transfers from the County Treasury for Q4	401,607,982	190,000,000
Cumulative Amount	880,026,980	613,862,001

2. Compensation Of Employees

	2022/23	2021/22
	Kshs	KShs
Basic salaries of permanent employees	119,189,830	129,881,134
Basic wages of temporary employees	18,186,109	0
Personal allowances paid as part of salary	114,427,013	102,627,151
Personal allowances paid as reimbursements	309,312	79,585
Total	252,112,264	232,587,870

3. Use of Goods And Services

	2022/23	2021/22
	Kshs	KShs
Utilities, supplies and services	1,420,407	944,798
Communication, supplies and services	1,264,638	1,402,731
Domestic travel and subsistence	119,816,421	118,906,988
Foreign travel and subsistence	32,279,566	43,545,680
Printing, advertising and information supplies & services	4,707,032	142,228
Rentals of produced assets	29,048,399	8,269,895
Training expenses	23,448,665	6,246,206
Hospitality supplies and services	26,350,422	15,195,904
Insurance costs	40,995,751	25,958,494
Office and general supplies and services	6,505,087	5,597,859
Fuel Oil and Lubricants	3,290,150	107,609
Other operating expenses	81,026,052	86,812,967
Routine maintenance – vehicles and other transport equipment	1,076,772	1,811,332
Routine maintenance – other assets	2,207,649	3,936,730
Total	373,437,011	318,879,421

County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023

NB:

- a) *Other operating expenses includes expensed Bank Charges from the Co-operative Bank Account.*
- b) *Insurance Costs are net of Kshs. 22,870 from Heritage Insurance Company being Insurance refunds for the overpaid Motor vehicle Insurance for the Speaker's car and the County Assembly Bus.*

4. Transfer to Other Government Entities

Description	2022/2023	2021/2022
	Kshs	KShs
Car loan and Mortgage scheme fund (Members)	89,000,000	
Car loan and Mortgage scheme fund (Staff)	8,000,000	
Total	97,000,000	

5. Other Grants and Transfers

	2022/23	2021/22
	Kshs	KShs
Motor Vehicle Expenses reimbursement	59,652,000	
Membership fees, dues and subscriptions to organizations	12,105,560	
Total	71,757,560	

NB: *In the revised Template June 2023, Membership fees, dues and subscriptions to organizations has been reclassified from other operating expenses under note 3 (Use of Goods and Services) to Note 5 Other Grants and Transfers*

6. Social Security Benefits

	2022/23	2021/22
	Kshs	KShs
Government pension and retirement benefits	36,617,347	32,898,491
Social security benefits in cash and in kind		0
Employer Social Benefits in cash and in kind		0
Total	36,617,347	32,898,491

7. Acquisition of Assets

Non- Financial Assets	2022/23	2021/22
	Kshs	KShs
Purchase of Buildings		
Construction of Buildings	34,312,078	13,082,999
Refurbishment of Buildings	7,085,192	10,000,000

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

Non-Financial Assets	2022/23	2021/22
Purchase of Vehicles and Other Transport Equipment		2,638,304
Overhaul of Vehicles and Other Transport Equipment		
Purchase of Office Furniture and Equipment		3,755,135
Purchase of Computers, Printers and ICT equipment	6,007,180	
Purchase of Specialised Plant, Equipment and Machinery	323,550	
Total	47,728,000	29,476,438

8. Cash and Bank Balances

Bank Balances

Name of Bank, Account No. & Currency	Indicated whether recurrent or development	2022/23	2021/22
		Kshs	KShs
CBK -	Recurrent Account	1,351,928	409
CBK -	Deposits Account	15,741,725	11,551,964
Family Bank, 001150079	Gratuity Account	1,094,362	4,841,190
Co-operative Bank - 01141408365000	Recurrent Account	458,049	138179
CBK	Development Account	1	1,000,001
Winas Sacco Ltd	Gratuity Account	3,086,329	
Total		21,732,393	17,531,743

NB: As at 30th June 2023 the County Assembly had 2 Gratuity Accounts both at Family Bank and Winas Sacco but the amounts at Family Bank has since been transferred to Winas Sacco and the Account at Family bank closed down.

9. Accounts Payable

Description	2022/23	2021/22
	Kshs	KShs
Retention (Deposit and Development Account)	15,741,725	12,551,964
Accrued Gratuity (Annex 4)	4,180,690	4,841,190
Accrued Insurance (Annex 5)	297,000	
Total	20,219,415	17,393,153

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

10. Fund Balance Brought Forward

Description	2022/23	2021/22
	Kshs	KShs
Bank accounts	138,589	120,418
Cash in hand		
Accounts Receivables		
Accounts Payables		
Total	138,589	120,418

11. Refunds to CRF

Refers to the Bank Balances surrendered back to the CRF at the end of the Financial year as per provisions PFM act 2012 and regulations 2015

OTHER DISCLOSURES

1. Pending Accounts Payable (Annex 1)

Description	2022/23	2021/22
	Kshs	KShs
Construction of Buildings	5,926,462	-
Construction of civil works	-	-
Supply of Services	28,448,330	70,097,129
Staff Payables		40,669,636
Total	34,374,792	110,766,765

2. Pending Staff Payables (Annex 2)

	Balance b/f 2021/22	Additions for the year	Paid during the year	Balance c/f 2022/2023
Description	Kshs	Kshs	Kshs	Kshs
Senior Management	14,809,433	0	14,809,433	0
Middle Management	-	-	-	-
Unionisable Employees	-	-	-	-
Others	25,860,203	0	25,860,203	0
Total	40,669,636	0	40,669,636	0

3. Related Party Transactions

	2022/23	2021/22
	Kshs	KShs
Compensation to Key Management		
Compensation to the Speaker, Deputy Speaker and the MCAs	93,106,847	116,057,992
Key Management Compensation (Clerk and Heads of departments)	18,587,960	18,529,440
Total Compensation to Key Management	111,694,807	134,587,432
Transfers to related parties		
Transfer to CAE Car Loan and Mortgage (Members) Fund	89,000,000	
Transfer to CAE Car Loan and Mortgage (Staff) Fund	8,000,000	
Total Transfers to related Parties	97,000,000	
Transfers from related parties		
Transfers from CRF	880,026,980	
Total transfers from related parties	880,026,980	

NB: In the Audited Financial Statements for 2021/2022 the figure for Total Compensation to Key Management was erroneously indicated as Kshs. 262,637,842. The same has been rectified and the correct figure of Kshs. 134,587,432 inserted

*County Government of Embu
County Assembly of Embu*

Annual Report and Financial Statements for the year ended June 30, 2023

16. Progress on follow on Prior Year Auditor's Recommendations

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

Ref No.	Issue/Observation from the Auditor	Management Comments	Current status	Time Frame
1.1	<p>Variances between the financial statements and IFMIS Balances</p> <p>Management has not explained or reconciled the variances in the two documents</p>	<p>County Assembly of Embu has fully adopted IFMIS as the system of accounting and reporting. The balances in the Trial Balance relates to unreconciled figures of the initial years of introduction of the System in the County Assembly. However this figures do not in any way affect the accuracy of the financial statements for the year ending 30th June 2022 and County Assembly is in consultations with the National Treasury to offer staff with capacity to reconcile these figures and have a correct Trial Balance.</p>	Not reconciled	3 Months
1.2	<p>Unsupporte d suspense accounts</p> <p>Examination of IFMIS trial balance reflects an unsupported suspense account on various components</p>	<p>County Assembly of Embu has fully adopted IFMIS as the system of accounting and reporting. The balances in the Suspense Account relates to unreconciled figures of the initial years of introduction of the System in the County Assembly. However this figures do not in any way affect the accuracy of the financial statements for the year ending 30th June 2022 and County Assembly is in consultations with the National Treasury to offer staff with capacity to reconcile these figures and have a correct Suspense Account.</p>	Not addressed	3 months
2	<p>Inaccuracies in the cash and cash equivalents</p> <p>Why did the variance of ksh 1,000,000 occur</p>	<p>The cash book and the financial statements have been amended accordingly as per attached annex:</p>	Resolved	3 months
3	<p>Unsupporte d payment</p> <p>Why did the management not support training fees</p>	<p>It is true that staff were trained as required that each year that every staff required to attend some minimum training per year to enable</p>	Not addressed	3 months

**County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023**

Ref No.	Issue/Observation from the Auditor	Management Comments	Current status	Time Frame
4	<p>of training fees</p> <p>of Ksh 1,072,000 paid to staff members</p> <p>Unexplained variance between the fixed asset register and the financial statement</p>	<p>them perform their duties efficiently and professionally. The following documents are provided for audit as supporting documents</p> <ul style="list-style-type: none"> • Framework agreement • Requisition memo • Purchasing order • Invoice • Payment voucher 	Not addressed	One year
1	<p>Budgetary control and performance</p> <p>Why did the assembly under spent ksh 143,227,553 of its budgeted amount of ksh 757,069,773</p>	<p>The county assembly made the necessary requisition for the funds but were not availed by the County Treasury</p>	Addressed	
2.	<p>Previous years audit issues</p> <p>Why as the management not resolved the prior year issues nor given any</p>	<p>The Management is in the process of implementing the auditors recommendations and the reasons for delays is that some of the recommendations require policy guidance and budget</p>	Not addressed	3 months

**County Government of Embu
County Assembly of Embu**

Annual Report and Financial Statements for the year ended June 30, 2023

		explanation for the failure to implement the recommendations			
3	Pending accounts payable	Why has the county assembly accumulated pending bills to a total of ksh 110,766,765	The pending bills were occasioned by non - release of the County Assembly Budget Allocations from the National Treasury The Amount of 3,540,900 has been included in the list as pending bill.	addressed	
REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES					
1.1	Irregular use of temporally imprest	Why did the assembly use imprest to make cash purchases amounting to Ksh 1,015,000 contrarily to the law	The imprest is used to purchase low value items for specific items are different times for smooth operations of the Assembly.	Not addressed	1 month
1.2	Irregular payment of subscriptions	Why did the county assembly make irregular payment to CAF and SOCATT	It is true that Kshs. 4,700,000 was paid to County Assembly Forum and Society of Clerks. at the Table. The Society of Clerk at the Table is registered under Society's Act and has a constitution of its own and purely deals with matters that affects the County Assemblies	Addressed	
1.3	Lack of procurement plans on ward office operations	Why did the assembly not prepare a procurement plan for the ward offices in the year under review	The ward operations are supported by standing imprests to procure low value items as provided in section 107 and 108 of Public Procurement and Assets Disposal Act 2015.	Not addressed	3 months
1.4	Unsupported completion	Why did the county assembly not avail an	The Assembly has a strategic plan as was observed. The Board minutes are provided for your perusal	Issue addressed	

**County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023**

1.5	of strategic plan Unvalued ward offices and lapsed lease agreements	approved strategic plan acceptance committee reports to the auditor The assembly as not valued its ward offices nor renewed the lease agreements therefore not possible to examine the rates paid to the premises is the prevailing market rate	After expiry of the first tenure the County Assembly of Embu initiated the process of revaluation of the ward offices as per procedure by writing to the Ministry of Lands, Housing and Urban Development on 30 th November, 2017 after which response was received on 14 th March, 2018 for the County Lands Valuer to give a response, valuation status and report at which point no further communication or directive was given. As the ward offices were still in use it was seen prudent to continue using the old rates as the Assembly awaited the new valuation. The County Assembly wrote again to the County Director of Housing requesting for a valuation to which no response was given.	Ward valuation as been done waiting for valuation report	6 months
1.6	Unsupporte d insurance premiums payments	The county assembly over valued its vehicle contrary to the insurance valuation report there by over paying the premium	The initial values of the vehicles were based on previous year's value. However, the actual valuation was carried out after tendering process and the values reduced slightly. However, the insurer has communicated to the County Assembly to provide bank details in order to pay premiums paid over the policy amounts. The refund will be done through a cheque drawn to the insured.	Not addressed	3 Months
1.7	Irregular procurement of insurance services	Ksh 4,800,000 was paid for extension of a contract for provision of group medical insurance cover. whoever the signed amended contract	The County Assembly had sent a management team to negotiate for the premiums which was in consistent with the previous terms and conditions. Therefore, the Assembly did not pay above the market rates.	Not addressed	6 months

**County Government of Embu
County Assembly of Embu**

Annual Report and Financial Statements for the year ended June 30, 2023

		and insurance cover policy documents were not availed for audit			
1.8	Irregular payment of conference	The county assembly made payment of conference facilities amounting to ksh 12,323,800 contrary to section 7 and section 12 of the national treasury circular number 20/2015	The County Assembly holds sittings outside the precincts of the County Assembly premises depending on the sensitivity of businesses to be transacted by the committees. Some business require total concentrations and minimum distractions while transacting Committee proceedings and that is why conducive sitting environment is required.	Not addressed	6 months
1.9	Irregular payment of allowances	Members of the county assembly were paid each a standard rate of ksh 5,000 as transport allowance to attend a committee sitting in nairobi	The allowances paid was to facilitate the Members of County Assembly and staff to attend the meetings. The MCAs attended to ensure clear understanding of the matters discussed by the committee and build consensus. The staff provide professional and technical advice and support required during the discussions	Not addressed	6 months
1.10	Delay in construction of speakers residence	The county assembly as not constructed a speakers residence contrally to salaries and remuneration commission circular dated 12 th july 2021	The management is still committed in finishing up the construction of the speakers house	Not addressed	6 months
1.11	Delay in completion of renovation	By the time of the audit the county assembly was yet to complete the renovation of the	It is true that there was delay in completion in time for the renovation of the chambers however, the project is now complete and is currently in use as per annex 5.3	Issue addressed.	

**County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023**

	of county assembly chambers	chambers			
1.12	Delay in completion of office complex	The project as delayed and might not be completed as per the plan	<p>The main contractor via a letter Ref: KBC/CAE/ONT/VOL.1/3 dated 17th August 2020 gave an early warning that completion of works would be delayed by 8 months. The delayed works were as a result of COVID -19 that led to the following challenges;</p> <ul style="list-style-type: none"> i) Challenges in procurement of materials supplied from Nairobi due to reduced workmen by the suppliers. ii) Challenges in transportation of materials from suppliers mostly from Nairobi due to cessation of movement. iii) Challenges in getting and organizing skilled personnel in the site for long since most of them were from different parts of the country. iv) Reduced daily working hours in the site as guided by ministry of health. v) Delay in exchequer release of fund. <p>The updated work programme is attached to this report.</p>	Issue addressed. Delay is due to release of funds to the assembly on time	
1.13	Lack of an updated fixed assets register and tagging of assets	The assembly as not adhered to Regulation 132 (1)(a) of PFM(Country government regulations)2015 on management of an upto date fixed assets register	<p>The County Assembly did not tag the 34 galaxy tablets because mostly they are not usable after the term of a member of the Assembly has expired. Although they are returned back when they clear from the stores, such tablets are normally in a dilapidated state.</p>	Issue not addressed	
2.1	Non-compliance with the one	Review of monthly payroll revealed that a number of officers	As observed by the audit team, it is true that a number of officers in the payroll earned less than a third of their basic salaries. During the period of COVID – 19 in 2020, the government reviewed the	Issue not addressed	3 months

*County Government of Embu
County Assembly of Embu*

Annual Report and Financial Statements for the year ended June 30, 2023

	third of basic pay	earned less than a third of the basic contrary to section 19(3) of the employment Act 2007	PAYE paid by the public servants downwards.		
2.2	Irregular staff promotion	The assembly promoted 14 employees. However the basis for promotion of the staff was not provided for audit	<p>Fourteen (14) employees were promoted within the year and the same was regularly done as per the Count Assembly Service Act, 25. (1) The Board shall formulate and disseminate to officers of the Service, Schemes of Service setting out the terms and conditions for the appointment of the officers and other staff of the Service which shall provide for;</p> <p>(a) The appointment and confirmation in appointment of officers and other staff;</p> <p>(b) Promotions, resignations and termination of appointments;</p> <p>Guided by the above, the board observed that the schemes of service had not been finalized. However, several members of staff had stagnated. Some members of staff were in one job group for a period exceeding seven years. To address this anomaly, the Board considered them for promotion. It was also observed that there was a gap between the heads of Departments and Sections leading to a gap in succession management within the organization.</p> <p>To address the two issues, the Service Board to initiate the process of promotion of members of staff to who had stagnated or those serving in Departments and Sections where there was gaps between the head and the deputy.</p> <p>The promotion of staff was an internal process conducted by the members of the service board on need basis for serving members of staff hence it was not a competitive process. The table below shows the number of years one had served in one grade and the gap between tat officer in the next grade to warrant promotion.</p>	Issue not resolved	3 months

*County Government of Embu
County Assembly of Embu*

Annual Report and Financial Statements for the year ended June 30, 2023

2.3	Non-compliance with law on ethnic composition	49% of county assembly employees belong to the dominant ethnic community	As observed by the audit team, it is true that the Service Board appointed one committee instead of two as stipulated in the County Assembly Service Act, 2017. At the time when the Management Committee was established, the Assembly had a staff establishment of about seventy (70) members of staff and the Service Board felt that a single Committee would serve the interests of staff as envisaged in the County Assembly Service Act.	issue resolved	
2.4	Penalties and interest on late remittance of statutory deductions	KRA imposed penalties and interest amounting to ksh 2,456,047 and ksh 2,533,371 respectively. it was not possible to ascertain whether a waiver had been granted by KRA on the penalties and interest	It is true that there are delay in remittance of statutory deductions in certain periods of the financial year. This occasioned by delay of exchequer by the National Treasury. Kenya Revenue Authority usually a tax default notice to the County Assembly and deducts the funds immediately it is credited to the bank accounts hence no penalty is deducted or is due from the Assembly to KRA.	Issue not resolved	3 months
2.5	Non-compliance with fiscal responsibility principal on wage Bill	Employee compensation is 38% above the recommended 35%	It is observed that the County Government is made up of two arms - County Executive and County Assembly. The budget for the County Assembly arm of the County Government's Budget has two components - (1) Personal Emoluments (PE) and Operations. The development component is factored in the County Executive arm.	Issue addressed	
1.6	Late remittance of statutory deductions	County assembly did late remittance of statutory deductions to LAPFUND and LAPTRUST amounting to ksh 24,708,853	It is true that there are delay in remittance of statutory deductions in certain periods of the financial year. This occasioned by delay of exchequer by the national treasury. This funds are remitted to Local Authority Provident Fund (LAPFUND) and Local Authority Pension Scheme (LAPTRUST) immediately it is received by the County Assembly to avoid penalties and interests.	Issue addressed	
3.1	Irregularities in the	The county assembly service board formed one	As observed by the audit team, it is true that the Service Board appointed one committee instead of two as stipulated in the	Issue addressed	


**County Government of Embu
County Assembly of Embu**

Annual Report and Financial Statements for the year ended June 30, 2023

	appointment of management advisory committee	committee instead of two committee and advisory committee	County Assembly Service Act, 2017. At the time when the Management Committee was established, the Assembly had a staff establishment of about seventy (70) members of staff and the Service Board felt that a single Committee would serve the interests of staff as envisaged in the County Assembly Service Act.		
3.2	Lack of scheme of service for the staff	The CASB does not have a scheme of service	As observed by the Audit team, it is true the Service Board adopted Schemes of Service as developed by SOCATT. However, the board is in the process of finalizing the Scheme of Service for the County Assembly Service. The same will be approved for use in due course.	Issue not addressed	3 months
3.3	Failure to provide documents and information	The CASB did not prepare a report for its operations in the year under review contrary to S 36 (1) of the county assembly service Act 2017		Issue not addressed	3 months
REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE					
1.	Lack of internal audit and audit committee charter	The county assembly did not have an internal audit and audit committee charter	The County Assembly is in the process of preparation of an internal audit charter.	Issue resolved	
2.	Lack of risk management policy	The assembly does not have a risk management policy	The observation has been noted and will be rectified.	Issue not resolved	1 year

**County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023**

3.	Inactive audit committee	The county assembly of embu audit committee did not meet as required under the law	The observation has been noted and will be rectified.	Issue resolved	
4.	Lack of ICT and disaster recovery plan	The assembly lacks formal approved ICT strategic plan	The County assembly maintains a website where all important information are safely stored. The County Assembly has been has issued movable electronic hard disks to store their important data and information, in addition the county Assembly is in the process of developing an Information Communication Technology (ICT) and Disaster Recovery Plan as required.	Issue not resolved	1 year



Date:

*County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023*

17. ANNEXES

Annex 1 - Analysis of Pending Accounts Payable

PENDING BILLS AS AT 30/06/2023

Supplier/Contractor Name	Date of the LPO/LSO Contract No.	Details of Work Performed	Original Amount	Balance at the beginning of the year	Addition during the year	Amount paid during the year	Outstanding Pending Bill Amount as of 30th June, 2023 (Kshs.)
ATS Ltd	25/01/2022	Travel Cost Local		11,595		11,595	
ATS Ltd	25/01/2022	Travel Cost Local		14,645		14,645	
ATS Ltd	25/01/2022	Travel Cost Local		20,565		20,565	
ATS Ltd	25/03/2022	Travel Cost Local		24,130		24,130	
ATS Ltd	25/01/2022	Travel Cost Local		25,300		25,300	
ATS Ltd	3/10/2022	Travel Cost Local		29,890		29,890	
ATS Ltd	25/01/2022	Travel Cost Local		30,080		30,080	
ATS Ltd	25/01/2022	Travel Cost Local		36,200		36,200	
ATS Ltd	25/01/2022	Travel Cost Local		37,340		37,340	
ATS Ltd	25/01/2022	Travel Cost Local		45,000		45,000	
ATS Ltd	2022-10-03	Travel Cost Local		45,800		45,800	
ATS Ltd	25/01/2022	Travel Cost Local		52,280		52,280	
ATS Ltd	25/01/2022	Travel Cost Local		62,800		62,800	
ATS Ltd	25/01/2022	Travel Cost Local		72,495		72,495	
ATS Ltd	2021-01-11	Travel Cost Local		93,060		93,060	
ATS Ltd	03/12/2022	Travel Cost Local		152,455		152,455	
ATS Ltd	2023-12-06	Travel Cost Local			1,603,100		1,603,100
ATS Ltd	23/06/2023	Travel Cost Local			451,640		451,640

**County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023**

Britam	2020-03-06	GPA Insurance	738,006	738,006	738,006
Compass Coaching	13/06/2022	Hire Of Transport	160,000	160,000	160,000
Compass Coaching	13/06/2022	Hire Of Transport	75,000	75,000	75,000
County Assemblies Forum	2019-07-01	Membership Fees	1,900,000	1,900,000	1,900,000
CAE Gratuity	17/04/2020	Medical Insurance	5,200,000	5,200,000	5,200,000
CAE Gratuity	15/08/2019	Domestic Travel	7,804,400	7,804,400	7,804,400
Curtis Technologies-	13/06/2022	Maintenance Of	115,020	115,020	115,020
ESAMI	21/02/2022	Training Fees	126,500	126,500	126,500
ESAMI	03/12/2021	Training Fees	154,500	154,500	154,500
ESAMI	21/02/2022	Training Fees	330,000	330,000	330,000
ESAMI	03/02/2021	Training Fees	660,000	660,000	660,000
ESAMI	12/06/2021	Training Fees	5,186,500	5,186,500	5,186,500
ESAMI	21/02/2022	Training Fees	6,270,000	6,270,000	6,270,000
ESAMI	24/11/2020	Training Fees	495,000	495,000	495,000
Hotel La Mada	26/08/2019	Conference	56,000	56,000	56,000
Hotel La Mada	02/09/2022	Conference	82,528	82,528	82,528
Hotel La Mada	16/09/2019	Conference	111,500	111,500	111,500
Hotel La Mada	30/05/2021	Conference	1,323,000	1,323,000	1,323,000
ICPAK	14/10/2021	Tuition Fee	56,000	56,000	56,000
ICPAK	2022-01-02	Tuition Fee	59,000	59,000	59,000
ICPAK	13/03/2022	Tuition Fee	60,000	60,000	60,000
ICPAK	13/03/2020	Tuition Fee	130,000	130,000	130,000
ICPAK	13/03/2020	Tuition Fee	160,000	160,000	160,000
IHRM	2021-03-11	Tuition Fee	50,000	50,000	50,000
IHRM	24/045/2022	Tuition Fee	65,000	65,000	65,000
IHRM	24/05/2022	Tuition Fee	69,600	69,600	69,600
Jubilee Life Insurance Ltd	30/09/2021	Other Insurance	700,130	700,130	700,130

**County Government of Embu
County Assembly of Embu**

Annual Report and Financial Statements for the year ended June 30, 2023

June 2022 Salary	30/06/2022	Salary		25,860,203		25,860,203
Kasarani Sportsview Hotel	2022-02-02	Conference		153,600		153,600
Kasarani Sportsview Hotel	31/05/2022	Conference		153,600		153,600
Kasarani Sportsview Hotel	26/05/2022	Conference		460,800		460,800
KSG - Embu	17/02/2022	Tuition Fee		74,240		74,240
KSG - Embu	17/02/2022	Tuition Fee		72,960		72,960
KSG - Embu	14/04/2022	Tuition Fee		92,200		92,200
KSG - Embu	03/03/2022	Tuition Fee		92,200		92,200
KSG - Embu	05/05/2021	Tuition Fee		918,140		918,140
Kaizen Group Auto Garage	2023-06-06	Repair of MV's	266,684			266,684
Kaizen Group Auto Garage	2023-11-05	Repair of MV's	105,512			105,512
Kaizen Group Auto Garage	2023-06-06	Repair of MV's	94,366			94,366
Kaizen Group Auto Garage	14/12/2023	Repair of MV's	437,668			437,668
Machakos University College	11/02/2021	Tuition Fee		125,000		125,000
Madison General Insurance	24/03/2022	GPA		345,183		345,183
Mwanjap Company Limited	15/03/2021	Catering Services		237,081		237,081
Mfi Document Solution	25/05/2021	Maintenance		321,518		321,518
Mileage Mca'	30/06/2022	Mileage		1,805,033		1,805,033
Mountain Breeze Hotel Ltd	04/11/2021	Conference		23,750		23,750
Mountain Breeze Hotel Ltd	26/11/2021	Catering Services		39,310		39,310
Mountain Breeze Hotel Ltd	15/03/2022	Catering Services		60,000		60,000
Mountain Breeze Hotel Ltd	23/04/2022	Catering Services		67,953		67,953
Mountain Breeze Hotel Ltd	19/06/2023	Catering Services	200,000			200,000
Mountain Breeze Hotel Ltd	19/06/2023	Catering Services	40,000			40,000
Muchoki Kang'Ata	25/03/2021	Legal Services		253,504		253,504
Muchoki Kang'Ata	24/01/2023	Legal Services	4,740,000			4,740,000
Nation Media Group Limited	2021-01-11	Advertising		73,080		73,080

*County Government of Embu
County Assembly of Embu*

Annual Report and Financial Statements for the year ended June 30, 2023

Nation Media Group Limited	2021-02-11	Advertising	88,160		88,160
Nation Media Group Limited	2021-02-11	Advertising	88,160		88,160
Nation Media Group Limited	21/09/2021	Advertising	125,280		125,280
Nation Media Group Limited	2022-09-05	Advertising	142,680		142,680
Nation Media Group Limited	22/12/2021	Advertising	142,680		142,680
Nation Media Group Limited	2022-09-03	Advertising	142,680		142,680
Nation Media Group Limited	20/03/2021	Advertising	172,840		172,840
Nation Media Group Limited	25/05/2022	Advertising	279,560		279,560
NOCK	21/07/2021	Refined Fuels	300,000		300,000
NOCK	21/07/2021	Refined Fuels	550,000		550,000
Prideinn Flamingo Beach Ltd	2022-04-11	Conference	206,500		206,500
Prideinn Flamingo Beach Ltd	26/5/2022	Conference	364,500		364,500
Quatic Enterprises	2021/2022	Rents And Rates	900,000		900,000
Quick Kobil Service Station	28/01/2022	Refined Fuels	295,650		295,650
Resolution Insurance	17/03/2020	Other Insurance	342,700		342,700
Rugaita & Co	2023-06-12	Legal Services		2,400,000	2,400,000
SOCCAT	2021-04-11	Membership Fees	950,000		950,000
Standard Group	21/02/2021	Newspaper	139,200		139,200
Sunstar Hotel Ltd	2021-02-11	Conference	144,000		144,000
Sunstar Hotel Ltd	19/11/2021	Conference	690,000		690,000
Sunstar Hotel Ltd	2021-04-11	Conference	489,000		489,000
Sunstar Hotel Ltd	11/04/2021	Conference	318,000		318,000
Sunstar Hotel Ltd	15/03/2022	Conference	508,500		508,500
Sunstar Hotel Ltd	20/04/2022	Conference	180,000		180,000
Sunstar Hotel Ltd	30/05/2022	Conference	234,000		234,000
Hotel La Mada	30/06/2021	Conference	229,000		229,000
Mombasa Continental Hotel	16/06/2023	Conference		270,000	270,000

**County Government of Embu
County Assembly of Embu**

Annual Report and Financial Statements for the year ended June 30, 2023

Sweet Waters	16/06/2023	Photocopy			1,483,500		1,483,500
CPST	2022-10-05	Tuition Fee		35,000		35,000	
CPST	27/9/2021	Tuition Fee		35,200		35,200	
The Heritage Insurance	13/06/2022	Other Insurance		323,991		323,991	
The Star	21/09/2021	Advertising		169,360		169,360	
The Star	15/10/2021	Advertising		169,360		169,360	
The Star	23/11/2021	Advertising -Pp		169,360		169,360	
The Star Publications Limited	18/12/2021	Advertising		169,360		169,360	
Toyota Kenya	15/03/2022	Repair Of		79,481		79,481	
Trident Insurance Company	19/4/2022	Medical Insurance		4,511,698		4,511,698	
Ward Operations	30/06/2022	Other Operating		6,000,000		6,000,000	
Ward Rent	30/06/2022	Rents And Rates		1,770,754	900,000	1,770,754	900,000
Weston Hotel	25/03/2022	Conference		455,400		455,400	
Weston Hotel	22/10/2021	Conference		501,600		501,600	
Weston Hotel	17/03/2022	Conference		950,400		950,400	
Weston Hotel	20/02/2022	Conference		1,551,000		1,551,000	
Yogesh Khantibhai Patel	30/03/2021	Rents And Rates		2,039,140		2,039,140	
Yogesh Khantibhai Patel	30/03/2021	Rents And Rates		2,300,579		2,300,579	
Yogesh Khantibhai Patel	2021-02-06	Rents And Rates		2,300,580		2,300,580	
Yogesh Khantibhai Patel	31/03/2022	Rents And Rates		2,039,141		2,039,141	2,039,141
Yogesh Khantibhai Patel	16/6/2022	Rents And Rates		2,300,579		2,300,579	
Yogesh Khantibhai Patel	16/6/2022	Rents And Rates		2,300,579		2,300,579	
Yogesh Khantibhai Patel	2021-02-06	Rents And Rates		2,300,579		2,300,579	
Yogesh Khantibhai Patel	30/09/2022	Rents And Rates		2,039,140		2,039,140	2,039,140
Yogesh Khantibhai Patel	30/09/2022	Rents And Rates		2,300,579		2,300,579	2,300,579
Yogesh Khantibhai Patel	31/03/2023	Rents And Rates		2,039,141		2,039,141	
Terry Wanja Mbuchi	30/06/2023	Car			2,212,000		2,212,000

**County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023**

Philip Kinyutu Nzangi	30/06/2023	Car			2,212,000		2,212,000	
Newton Kariuki	30/06/2023	Car			2,212,000		2,212,000	
Sammy Harrison Muturi	30/06/2023	Car			2,212,000		2,212,000	
Kamuti Contractors	30/06/2023	Construction Of			4,739,462		4,739,462	
Njiru Building Contractors	2023-12-04	Chambers			978,182		978,182	
Njiru Building Contractors	15/06/2023	Renovation Of			208,818		208,818	
Total					27,766,932	110,995,766	104,387,905	34,374,792

NB: An amount of Ksbs. 229,000 owed to Hotel La Mada was erroneously omitted from the opening balance. It has now been incorporated in the Financial Statements

Annex 2: Analysis of Pending Staff Payables

	Date Contracted	Original Amount	Balance At The Beginning Of The Year	Addition During The Year	Amount Paid During The Year	Outstanding Balance June 2023
Domestic Daily Subsistence Allowances						
Senior management				- 0		0
Middle management			0		0	0
Unionisable employees			0		0	0
Total			0	-	0	0
Foreign Subsistence Allowances						
Senior management			0		0	0
Total			0	-	0	0

County Government of Embu

County Assembly of Embu

Annual Report and Financial Statements for the year ended June 30, 2023

June 2022 staff Salary				25,860,203		25,860,203	0
Un-remitted Gratuity - Family Bank				0			0
Senior management				13,004,400		13,004,400	0
Middle management				0			0
Unionisable employees				0			0
Total				13,004,400		-	0
Mileage Allowances							0
Senior management				1,805,033		1,805,033	0
Total				1,805,033		0	0
GRAND TOTAL							

Annex 3 – Summary of Non-current Asset Register

	Historical Cost	Additions during the year (KSh)	Disposals during the year (KSh)	Historical Cost at (KSh)
Land	-	-	-	-
Buildings and structures	125,692,068	41,397,270	-	167,089,338
Transport equipment	22,847,304	-	-	22,847,304
Office equipment, furniture and fittings	27,011,364	6,007,180	-	33,018,544
ICT Equipment, Software and Other ICT Assets	13,789,470	-	-	13,789,470
Other Machinery and Equipment	658,200	323,550	-	981,750
Total	189,998,406	47,728,000	-	237,726,406

**County Government of Embu
County Assembly of Embu
Annual Report and Financial Statements for the year ended June 30, 2023**

Annex 4 – Analysis of the Gratuity Account

	2022 - 2023
Opening Balance as at 1st July 2021	4,841,189
RECEIPTS	
Transfers from CBK Account - Family Bank	23,323,544
Transfers from CBK Account - Winas Sacco	7,310,033
Total	35,474,766
PAYMENTS	
Gross Gratuity paid - Family Bank	27,070,372
Gross Gratuity paid - Winas Sacco	4,223,704
Bank Charges	
Totals	31,294,076
Balance as at 30th June 2022	4,180,690

Annex 5 - Accrued Insurance at Co-op Bank Account

	Kshs	2022 - 2023
Accrued Insurance Costs		
Receipts from Insurance Companies		323,120
Less: Refund of Overpaid Insurance		(26,120)
Total Accrued Insurance Costs		297,000