REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

OL KALOU MUNICIPALITY

FOR THE YEAR ENDED 30 JUNE, 2022

OL KALOU MUNICIPALITY

County Government of Nyandarua

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2022

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

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1. Key Entity Information and Management

a) Background information

Ol'kalou Municipality is established by and derives its authority and accountability from Urban Areas and Cities Act No. 13 of 2011 and Ol Kalou Municipal Charter on 8th May 2019. The Municipality is under the County Government of Nyandarua and is domiciled in Kenya.

b) Principal Activities

The objectives of the Municipality of Ol'Kalou are to: -

(i) Provide for efficient and accountable management of the affairs of the Municipality.

(ii) Provide for a governance mechanism that will enable the inhabitants of the Municipality to:

a. Participate in determining the social services and regulatory framework which will best satisfy their needs and expectations.

b. Verify whether public resources and authority are utilized or exercised, as the case may be, to their satisfaction.

c. Enjoy efficiency in service delivery.

(iii) Vigorously pursue the developmental opportunities which are available in the Municipality and to institute such measures as are necessary for achieving public order and the provisions of civic amenities, so as to enhance the quality of life of the inhabitants of the Municipality.

(iv) Provide a high standard of social services in a cost-effective manner to the inhabitants of the Municipality.

(v) Promote social cohesiveness and a sense of civic duty and responsibility among the inhabitants and stakeholders in the Municipality in order to facilitate collective action and commitment towards achieving the goal of a harmonious and stable community.

(vi) Providing for services, laws and other matters for Municipality's benefit.

(vii) Fostering the economic, social and environmental well-being of its community

VISION STATEMENT

"A dynamic trend setting municipality, delivering high quality services responsive to the challenges and demands of the residents."

MISSION STATEMENT

To provide affordable, accessible high-quality municipal services, with a responsive local governance. This will be done by ensuring the residents have the opportunity to contribute to municipality development.

Core Values

Service excellence, Integrity, Accountability, Customer focused service, Innovation and Stewardship

c) Municipality Board

Ref	Position	Name
1.	Chairman	Mr. Elijah Mwangi Nyaga
2.	Vice Chairperson	Ms. Priscillah Mwirigi
3.	Member	Hon. Raphael Njui
4.	Member	Mr. Josphat Murage Warui
5.	Member	Mr. Samson Mweru
6.	Member	Mr. Jonah Gicheru Munga
7.	Member	Ms. Hellen Njeri Njoroge
8.	Member	Dr. Tom Kahigu
9.	Actg. Secretary	CPA. Anne Wambui. Theuri

d) Key Management

Ref	Position	Name
1	Municipality Manager	CPA Anne Wambui. Theuri
2	Chief Officer – Urban Development	Mr. Samson Mweru
3	Chief Officer – Finance	Mr. Juvenalis Thiongo

e) Fiduciary Oversight Arrangements

i) Audit and Risk Management Committee

ii) Municipal Board Committees

iii) County Assembly committees

iv) Committees of the Senate

f) Registered Offices

P.O. Box 701, 20303

Nyandarua County Ardhi House

Ol Kalou, KENYA

g) Contacts

Telephone: (+254) 0202660859

E-mail: info@nyandarua.go.ke

Website: www.nyandarua.go.ke

h) Bankers

Equity Bank

Ol Kalou Branch

P O. Box 215 – 20303

Ol Kalou

i) Independent Auditor

Auditor General

Office of The Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

j) Principal Legal Adviser

County Attorney

Nyandarua County Government

P.O. Box 701 - 20303

Ol Kalou, Kenya

2. Municipal Board

Name	Details of qualifications and experience
 Mr. Mwangi Nyaga	**Municipal Chair Person.** Holds Bachelor of Commerce from Kenyatta university, Certificate from municipal Governance from united nation institute for training and research, Certificate in ISO Implementation from Monty Africa Consulting (Mac), Certificate in co-operation Governance from Rift valley water service board, Certificate in Environmental management from service of health and environmental management. He has over 20 years in Governance leadership and management. He served as manager at silver Grown Commercial College, Chairman of community leadership at olkalou Town council. Director at olkalou water and sanitation company.
 Ms. Priscillah Mwirigi	She is a PHD Scholar in Gender And Development Studies at Egerton University. Holds Master of Arts Degree in Sociology (Project Management and Community Development) from Egerton University, Bachelor Of Arts Degree in Sociology from Moi University, Professional Certification Course in Monitoring and Evaluation from Kenya Institute of Management. She is a Lecturer at the department of Peace Security and Social Studies in Egerton University.
 Ms. Hellen Njeri Njoroge	**Municipal Board Member** Holds MSc.in sustainable Urban Development from University of Nairobi. Bachelor Degree in lands economics from University of Nairobi, Diploma from Institute of Survey of Kenya, Member of Institution in Chapter of Valuation and Estate Management Servers, Certificate in Integrated Environmental Impact Assessment and Environmental Audit from Wangari Maathai Institute for peace and Environmental Studies from University of Nairobi. Served as member County Land management Board in Nyandarua County,

	Council member of institution of servers of Kenya and currently hold a position as the Agency and Business Development Manager
 Dr. Tom Kahigu	**Municipal Board Member** Holds a Doctorate degree in Strategic Management from USIU-A, Master degree in Business Administration, Post Graduate Diploma in Computer Science, Bacheror Degree in Economics from University of Nairobi. Additionally, he has professional training in multiple discplines including Leadership, Risk Management, Governance (COBIT), Enterprise Architecture (TOGAF), Service Management (ITIL), training in strategic management at Columbia University (New York). He is a Fellow of Kenya Institute of Bankers (FKIB) with a career financial services sector spanning over 25years, director of an International Bank, Member of the Institute of Directors and member of the Governing Council of the Payments Association of Kenya (PAK). Worked in the Public Service as an Economist in the Ministry of Planning and National Development.
 Mr. Samson Mweru	**Municipal Board Member** Holds Masters and Business Administration from University of Nairobi, Bachelor of Commerce Degree from Kenyatta University, Chartered Insurer and Associate of the Chartered Insurance Institute of London and has undertaken the Corporate Governance for Directors Course. Serves in the County Government of Nyandarua as Chief Officer, Industrialization, Trade and Urban Development.
 Hon. Raphael Njui Njoroge	**Municipal Board Member (CECM Trade, Industrialization, Co-Operatives And Urban Development)** Holds certification in Project Management Profession (PMP) from Project Management Institute. Served as Project Manager of Indra systems (South Africa), Manager of the Information System at Kenya Port Authority, Project Manager at Soluziona and Systems Administrator at Kenya Power and Lighting, Director of Project

	and Business Development at Infocentuary Solutions Limited.
 Mr. Josphat Murage Warui	**Municipal Board Member** Josphat Murage Warui is a Board Member of Ol Kalou Municipality. Before joining the Board in July, 2019, he had a long and successful working history. Briefly he had worked as a Senior Economist with Kenya Government and later on with Chase Manhattan Bank USA as Credit Manager, International Finance Corporation (USA) as Project Manager. He later came back to Kenya to work with Development Finance Co of Kenya as Chief of Operations and later with Barclays Bank of Kenya as Business Development Executive. After retirement he started his own business known as ICON Investment and Finance Consultancy. In his career he had served as a Board Member in various enterprises in which his employers had an interest. Josphat is a holder of BA (Econ), MPhil (Economic Development) and MBA (Finance & Banking). He is also ACPK and Fellow of the Institute of Bankers. He therefore brings a wealth of experience to Ol'Kalou Municipality.
 Mr. Jonah Gicheru Munga	**Municipal Board Member** Holds Bachelor of Science Degree in Community Development. Served as an Elected Councillor under Nyandarua County Council from1992 to 2002, Deputy Major Nyahururu Municipal Council from 2003 to 2007, nominated as a member of Ol'kalou Municipal Board in the year 2019 to represent registered neighbourhood associations.

 CPA Anne W. Theuri	**Municipal Manager**. Holds Bachelor of Art Degree in Economics from the University of Nairobi, Certified Public Accountant of Kenya (CPAK) and a member of Institute of Certified Public Accountant of Kenya, Certified Public Secretary of Kenya (CPSK), Member of Institute of Certified Investment and Financial Analyst (ICIFA) Served as Chief accountant for Vision Fund Kenya, Chief Accountant in Nyandarua County Government.

3. Management Team

Name	Details of qualifications and experience
 CPA Anne W. Theuri	**Municipal Manager.** Holds Bachelor of Art Degree in Economics from the University of Nairobi, Certified Public Accountant of Kenya (CPAK) and a member of Institute of Certified Public Accountant of Kenya, Certified Public Secretary of Kenya (CPSK), Member of Institute of Certified Investment and Financial Analyst (ICIFA) Served as Chief accountant for Vision Fund Kenya, Chief Accountant in Nyandarua County Government.
 Mr. Samson Mweru	**Chief Officer Trade, Industrialization And Urban Development** Holds Masters and Business Administration from University of Nairobi, Bachelor of Commerce Degree from Kenyatta University, Chartered Insurer and Associate of the Chartered Insurance Institute of London and has undertaken the Corporate Governance for Directors Course. Serves in the County Government of Nyandarua as Chief Officer, Industrialization, Trade and Urban Development.
 Juvenalis Gitau Thiongo	**Chief Officer Finance** Holds master degree in Business Administration (finance option), CPA (K), and Bachelor of Commerce (accounting option). Served as Head of Finance , Finance And Operation Manager, Warehouse Manager and Branch Manager,

4. Municipality Board Chairperson's Report

It is my pleasure to present Ol Kalou Municipal Board Annual Report and Financial Statements for the year ended 30th June 2022. The Board made significant progress in delivering its mandate despite the challenges posed by the rising rate of inflation. During the period, the Board completed the development of its 2020-2025 Integrated Development Plan (IDep), aligning it to the ever-dynamic socio-economic environment. The plan provides a road map that will guide the Board's activities over the next five years.

The provision of an adequate, safe and efficient urban services remained a top priority for the County Government being a key enabler towards meeting the aspirations of Vision 2030 and the Big four development agenda. The Board made significant investments towards constructing roads and non-motorised transport systems. This is key in minimising road user costs, reducing travel time and pedestrians' accidents. To spur Municipal economic growth, we invested in the construction of concrete manufacturing plant, once completed it is expected to provide affordable construction materials, create employment and enhance own source revenue base for the County.

Since elevation of Ol Kalou into the County Headquarters and subsequent granting of Municipal Charter, the Municipality has been rapid growth in population exerting pressure to the existing infrastructures including the Cemetery that is within the Central Business District. To address the problem Board is constructing a new cemetery that will sit on a three-acre land within the Town's suburb.

The Board continued to engage its stakeholders in policy development, project identification, project design and implementation to ensure the sustainability of project interventions. We operationalised grievance redress mechanisms in all ongoing projects and monitored the implementation of environmental and social safeguards in projects as well as Ministry of Health COVID – 19 protocols and guidelines. The Board also implemented interventions aimed at HIV and AIDs (human immunodeficiency virus, acquired immunodeficiency syndrome) prevention. Some of the setbacks and risks that affected project implementation include inadequate budgetary allocation, unfavourable weather conditions and unresolved land issues. The Board remained alive to its fiduciary responsibility by ensuring efficient and transparent utilisation of resources.

remained alive to its fiduciary responsibility by ensuring efficient and transparent utilisation of resources.

I thank all stakeholders, including County Government and Development Partners in particular World Bank for their support which helped us deliver our mandate effectively.

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Name: Pricillah Mwirigi

Date:30/11/2022

Chairperson of the Board

5. Report of the Municipality Manager

The Board has prepared this FY 2021/2022 Annual Report, which provides an overview of the projects and programmes implemented by the Board towards provision of affordable, accessible high-quality municipal services. The Financial Statements highlights utilisation of allocated funds over the same period. The reports have been prepared in line with the requirements of section 164 of Public Finance Management Act, 2012 and Public Sector Accounting Standards Board.

During the year, the Board continued to deliver on its mandate as envisioned in the strategic plan, 2020-2025 Integrated Development Plan 2020-2025 and County Integrated Development Plan 2018-2022. The Board initiated the construction of critical road infrastructure to enhance accessibility and road safety. The new projects included the construction to bitumen standards of matatu stage circuit road, Road connecting Ol Kalou Youth Polytechnic to the Gilgil Nyahururu Highway and three Jerusalem Estate connections in total 2.9Km. Other social economic projects that were undertaken are; construction of modern cemetery, concrete manufacturing plant, public sanitation facility, standard kiosks, litter bins and general beautification including tree planting..

To promote sustainable ecological development, we undertook environmental and social impact assessment studies for all new projects to ensure compliance to the set environmental and social safeguards standards.

The following are photos of projects work progress up-to-date

1. ***Cemetery***

2. ***Ablution Block***

3. ***Paving Block Plant***





4. *Modern Double Storey Kiosks*

5. *Pedestrian walkway*

6. *Upgraded Roads to Bitumen Standards*

7. Modern Olkalou Market

INTERGRATED DEVELOPMENT PLAN (IDeP)

This is a 5-year Municipal Integrated Development Plan from 2020-2025, aimed at guiding Ol'Kalou Municipality in executing its mandate in the delivery of the services. The Plan also identifies sectoral priority projects coupled with human and financial resources required in actualising this Plan.

The Plan provides a detailed framework that will guide the Municipal development programs and projects in a coherent and coordinated manner for the next five years. It guides the municipality in executing its mandate, responsibilities and functions as defined in the Urban Areas and Cities Act (No.13 of 2011) and the Ol Kalou Municipal Charter.

MUNICIPAL SPATIAL PLAN - INTERGTARED SUSTAINABLE URBAN DEVELOPMENT PLAN (ISUD)

The preparation of Ol'Kalou ISUDP is happening at a time when the Municipality is experiencing rapid growth due to transformation into a county headquarters and Municipality status. This new prominence has also witnessed population increase and hence the need to come up with a planning

framework which will provide planning and development guidance in meeting the current and future needs of the people, and the functions of the Municipality.

Updated planning framework will guide development in regard to water supply, sanitation, solid waste management and storm water drainage; housing and social amenities; urban poverty and unemployment eradication; control of unplanned residential neighbourhoods and mushrooming of slums and informal settlements, land subdivision and land use conversion and land tenure security

The ISUD 10 year plan 2022-2032 preparation is ongoing and is expected to be complete in January 2023.

CHALLENGES

Environmental threats

Rapid urbanization strains basic infrastructure coupled with more extreme weather events led to global climate change exacerbating the impact of environmental threats such as flooding.

Inadequate resources

Urban areas need resources such as water, food and energy to be viable. Urban sprawls reduces available water catchment areas, agricultural land and increases demand for energy.

Informal settlements

Uncontrolled urbanization leads to emergence of informal settlements, rise in the number of urban poor, homeless people and increase in crime.

Social economic

Low level of local investment leading to reduced employment opportunities, land tenure challenges characterized by numerous land disputes which hinder growth and expansion of urban set up.

I wish to thank the Municipal Board for the support and guidance extended to the Management throughout the year. I commend staff members for their unwavering effort that ensured that the Board remained steadfast in delivering its mandate. I extend my gratitude to the Executive for the financial, technical and leadership support accorded to the Municipality, The State Department of Housing and Urban Development through Kenya Urban Support Program for financing of our

projects and programmes. Finally, I wish to thank all other stakeholders for their invaluable contribution to the continuous improvement of the Municipality

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Name: Anne Theuri

Date: 30/11/2022

Municipal Manager

6. Statement of Performance Against Predetermined Objectives for the FY 2021/2022

Guidance

Introduction

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a County Government entity shall prepare financial statements in respect of the entity in formats to be prescribed by the Accounting Standards Board including a statement of the county government entity's performance against predetermined objectives. The key development objectives of the Ol Kalou Municipality are to provide:

a) Quality physical infrastructure.
b) Urban planning.
c) Urban governance and administration
d) Basic service delivery and infrastructure development
e) Local economic development
f) Financial viability and management
g) Good Governance and public participation
h) Municipal transformation and organizational development
i) Green City and spatial transformation

During the year, we implemented Investments Plans financed under the Kenya Urban Support Program under the Urban Development Grant. We had an annual plan for projects amounting to Kshs 134,362,799 to finance two broad projects. The projects had been identified by residents in public foras held before.

The expected outcomes for the investments plan are:-

1. Creation of employment opportunities
2. Improve motorized and non-motorized transport systems
3. Open business opportunities
4. Reduce over reliance on Exchequer by enhancing own source revenue
5. Provide affordable and accessible building materials
6. Create environment for talents nurturing
7. Provide decent burial site for the resident

The two projects are packaged as follow:-

No	Project Name	Cost (Kshs)	Components/ Description	Status of Completion	Funding Model
1	Proposed Estate Roads Bitumen Works, Paved Pedestrians Pathway & Parking Lots	62,658,601.76	**Improvement of Estate Roads to Bitumen Standards** **-2**.9 Km bitumen woks	80%	Kenya Urban Support Program
			Construction of Public Pathway **Construction of Parking Lots** -3000 Sqm parking lots -1500 Sqm parking lots/civil works at the new market	90% 95% Complete	
2	Proposed Construction of Paving Block Plant, Cemetery, Modern Kiosks, Solid Waste Management & Street Beautification	66,016,065.16	**Construction of Modern Cemetery** -Office and Ablution Block -Cemetery Access Roads -Fencing -Green Spaces	95%	Kenya Urban Support Program
			`Construction of Paving Block Plant -Godown, Management Office, Toilets -Installation of paving machinery -Civil works Fencing and green spaces -Water storage and supply connections.	75%	
			Solid Waste Management -Fabrication of: 5 No. Skip bins, 27 No. Trash Cans -Ablution Block (Ndemi)	95%	

			Fabrication of Modern Kiosks -30 No. Storey Kiosks -4 No. standalone kiosks	90%	

CHALLENGES

Challenge	Strategic Implication	Strategic Response
1. Low levels of funding	Low levels of impacts	Increase funding/conc. of achievable
2 Project implementation related risks	Delays in implementation process	Projects cycle planning and monitoring

OPPORTUNITIES

Opportunity	Strategic Implication	Strategic Response
Support and goodwill from County Government and County Assembly	Support in resource mobilization	Promotes institutional establishment
Political goodwill	Support for legislation and funding	Cultivate good relations
Municipality is well-endowed in agricultural resources	Creation of institutions-industries/enterprises	Develop industries, enterprises
Support from National Government and other	Supports institutional establishment and funding	Institutional sustainability

development partners like The World Bank		

Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Ol Kalou Municipality	To prepare Integrated Sustainable Urban Development plan	Sound physical planning and land management,	Number of Integrated Sustainable Urban Development plan developed	1 plan in place
	To promote private sector development through enterprise and infrastructure development	A vibrant urban economic development,	Number of private sector development promoted	Ongoing
	To Ensure revenue diversification, enforcement in collection and job creation.	A robust revenue system	Enhancement and diversification of revenue base	160 No. Parking lots constructed

	-To improve urban roads network and associated infrastructure -To promote social and economic development	-Ease of movement -Reduced time of travel - Motor accidents reduction	Kilometres of roads and associated infrastructure developed -Number of business opportunities created -Extended working hours and improved security	-3.5 Km of estate roads improved. -3.5KM of NMT constructed. -120 No. solar street lights in place 69 Candy Shops & 134 Market Stalls constructed -120 No. solar street lights installed
Program	**Objective**	**Outcome**	**Indicator**	**Performance**
Ol Kalou Municipality		-Creation of Business opportunities -Enhance ways of doing business		
	To formulate and implement solid/liquid waste policy and plan	A clean-living environment with functional solid and liquid waste management system	-Improved solid waste management -Rise in hygienic standards -Improved environment	-1 No. Skip Loader truck With 9 No. Bins in place -50 Trash bins in place -450M long storm water drain constructed -Solid waste plan in implementation

	To prepare Integrated Sustainable Urban Development plan	Sound physical planning and land management,	Number of Integrated Sustainable Urban Development plan developed	1 plan on going

7. Corporate Governance Statement

a. Process of appointment and removal of Board members.

Process of appointment

(1) A board of a Municipality shall consist of not more than nine members, three of whom shall be appointed through a competitive process by the county Governor with the approval of the county assembly.

(2) Of the members referred to in subsection (1), at least four shall be nominated by

(a) an umbrella body representing professional associations in the area;

(b) an association representing the private sector in the area;

(c) a cluster representing registered associations of the informal sector in the area;

(d) a cluster representing registered neighbourhood associations in the area; and

(3) The County Governor shall, while appointing members of the board, ensure gender equity, representation of persons with disability, youth and marginalised groups.

(4) A person shall not be appointed a member of the board unless that person—

(a) is a citizen of Kenya;

(b) is ordinarily resident or has a permanent dwelling in the Municipality;

(c) carries on business in the Municipality; or

(d) has lived in the Municipality for at least five years.

Removal of Board Member by:

1. The County Governor

2. A resolution of the Board of the municipality supported by at least two-thirds of the members of the board of the municipality: or

3. A resolution of the County Assembly upon a petition by the residents of the Municipality

b. Roles and functions of the Municipality Board members,

(i) Oversee the affairs of the Municipality;

(ii) Develop or adopt policies, plans, strategies and programmes and set targets for delivery of service.

(iii) Formulate and implement an integrated development plan;

(iv) Control land, land sub-division, land development and zoning by public and private sectors for any purposes within the framework of the spatial and master plans for the Municipality as delegated by the County Government of Nyandarua;

(v) Promoting and undertaking infrastructural development and services within Municipality as delegated by the County Government of Nyandarua;

(vi) Develop and manage schemes, including site development in collaboration with the relevant national and county agencies;

(vii) Maintain a comprehensive database and information system of the administration and provide public access thereto upon payment of a nominal fee to be determined by the board;

(viii) Administer and regulate its internal affairs;

(ix) Implement applicable national and county legislation;

(x) Enter into such contracts, partnerships or joint ventures as it may consider necessary for the discharge of its functions under this Act or other written law;

(xi) Monitor and, where appropriate, regulate municipal services where those services are provided by service providers other than the board of the municipality;

(xii) Prepare its budget for approval by the county executive committee and administer the budget as approved;

(xiii) As may be delegated by the county government, collect rates, taxes levies, duties, fees and surcharges on fees;

(xiv) Settle and implement tariff, rates and tax and debt collection policies as delegated by the county government;

(xv)Monitor the impact and effectiveness of any services, policies, programmes or plans;

(xvi) Establish, implement and monitor performance management systems;

(xvii) Promote a safe and healthy environment;

(xviii) Facilitate and regulate public transport

(xix) Perform such other functions as may be delegated to it by the county government or as may be provided for by any written law.

c. Induction and training, Municipality Board members and member's performance,

Board training exercise was undertaken during the year. In the FY 2022/2023, the County Government have allocated funds for training and induction of any incoming new member.

d. Number of Municipality Board meetings held and the attendance to those meetings by members,

The Board held four full board meeting to transact the business of the board in accordance with Urban Areas and Cities Act 2011 (as amended 2019). However several other special meetings were held to direct arising issues that needed board intervention. The Board committee also met as per the prescribed calendar of events.

***e.* Succession plan**

A member of a board shall hold office for a term of five years, on a part-time basis. In case of vacancy, the position is filled as prescribed in the Municipal Charter and Urban Areas and Cities Act

f. Existence of a service charter,

The Board is in the process of preparing a Service Charter as an objective toward efficient and effective service delivery.

g. Conflict of interest,

If it comes to the knowledge of an officer employed by a board that a bargain, contract or arrangement in which he or she has any direct or indirect pecuniary interest (other than a bargain, contract or arrangement to which he or she is a party) has been or is proposed to be made or entered into by the board, that officer shall as soon as practicable give notice in writing to the board disclosing the fact that he or she has interest therein.

h. Board remuneration,

The members of a board shall not receive a salary from a board but shall instead be paid allowances and benefits on the advice of the Salaries and Remuneration Commission.

i. Ethics and conduct as well as governance audit undertaken if any

The County Government internal audit directorate is involved in providing an independent assurance that an organization's risk management, governance, and internal control processes are operating effectively.

8. Management Discussion and Analysis

The FY (Financial Year) 2021/2022 Board Annual Report summarises the Board's performance and utilisation of allocated funds over the one year ending 30th June 2022. The report was prepared as per the requirements of Section 164 of the Public Finance Management Act 2012. The projects and programmes implemented during the year aligned with the revised FY 2018/2019 – 2022/2023 Strategic Plan, which is aligned with the Kenya Vision 2030, second County Integrated Development Plan 2018-2022 and Board's Integrated Development plan 2020-2025. The Strategic Plan defines five key result areas along which the Board focused on to deliver its mandate. The key achievements during the year as per the key result areas are enumerated below:

KRA 1: Basic service delivery and infrastructure development - The Board embarked in upgrading 2.9 Km of roads into Bitumen standards, construction of 2 Km non-motorized transport and additional parking lot

KRA 2: Local economic development - To Maintain an inclusive and sustainable economic growth, the Board held four public forums to ensure Citizen driven and value based development. The Concrete Manufacturing Plant under construction it will provide job opportunities as well as enhance own source revenue.

KRA 3: Environment and Social Sustainability (Green City) - The Board put measures to ensure that it minimises the social and environmental impact of development initiatives. It implemented measures to mitigate the possible adverse effects on beneficiary communities' environment and social structure. The Board undertook EIA (Environmental Impact Assessment) for three (3) on-going projects. A total of 10,000 trees were planted to enhance the environmental sustainability.

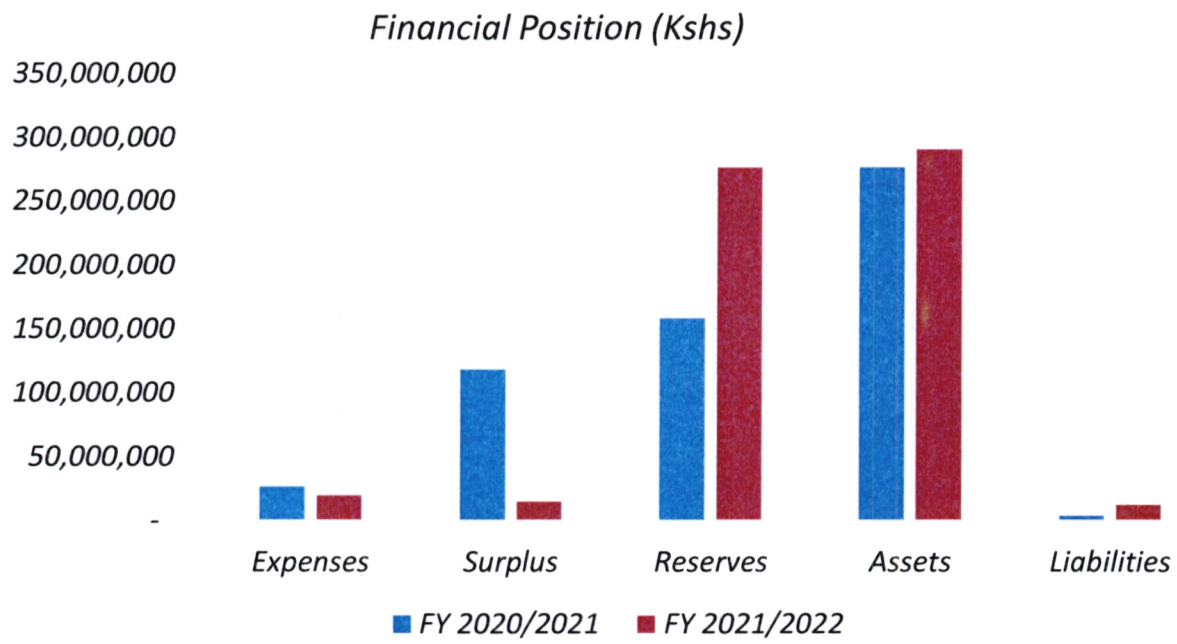
Adoption of tree planting and beautification initiatives as part of the development projects design contributes in reduction of greenhouse gases. The Board also ensured cross-cutting issues, including HIV and AIDs, disability and gender equity, are mainstreamed in projects.

KRA 4: Financial viability and management - In the financial year the board prepared all the reports as prescribed in the Public Finance Management Act and conditional grants specific reports. All the reports were done and submitted on timely basis to the relevant stakeholders for financial accountability. To broaden and strengthen financial management, cash flow planning and monitoring were adhered throughout the year.

KRA 5: Leadership and Governance: The Board implemented measures to strengthen its leadership and governance structures. During the year, the Board held their meetings as prescribe under the Urban Areas and cities act to oversee and give strategic direction to the running of the Municipality. The technical Board Committee also held their quarterly meetings.
Office of the Auditor undertook KUSP audit for the year to ensure that systems were in placee and technically sound. Kenya Urban Support program technical team also undertook technical audit for all funded projects during the year.

FINANCIAL PERFORMANCE

The table outline financial matrix in in the Financial as they compares to the previous financial year performance.



9. Environmental and Sustainability Reporting

The Ol'Kalou municipality 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 various pillars: putting the residents/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar.

1. Sustainability strategy and profile

There are quite many sustainable efforts that are carried out in the municipality more so on each and every project that is carried out. They include;

Pavements

Flexible and rigid pavements require drainage systems to manage their storm water runoff. This has been provided on all the pavements constructed by the municipality.

Green Spaces

Green spaces are areas of trees, grass, and other types of vegetation located within urban environments. Ol Kalou arboretum is one of the biggest sustainable development examples in our municipality.

In addition to being a welcome aesthetic and a change of pace from the concrete and skyscrapers in urban areas, green spaces also provide real value in terms of sustainability. They help to improve air quality, recharge supplies of groundwater and reduce air temperature. They also prevent soil erosion and help maintain the quality of water in the area.

Solar Lightings

Solar lightings are one of the most easily-recognizable examples of sustainable development. They can be fitted to roads of any shape or size, and cost less to install than they ever have. Solar panels can provide enough power to make a road completely energy-independent.

2. ***Environmental performance***

Ol Kalou Municipality has adopted several environmental related legislations and sectoral laws. These range from regulations to maintain the integrity of our natural resources, to those defining how people relate and depend on natural resources and the environment, to the definition of environmental standards or regulations on environmental degradation. The Constitution of the Republic of Kenya elevated environmental integrity of natural resources into a constitutional matter. For example, pollution control and waste management are largely assigned to the municipality.

There has been improvement in waste management in the municipality which has been a success. This has been led by the mounting of trash cans in different town centres within the Municipality.

Pollution and degradation of natural resources, biodiversity loss continue to be major environmental challenges for the municipality. Main drivers include a low level of compliance and enforcement, inadequate human capacity, and financial resources. One of major challenges as well within the current environmental policy scenario in the

municipality is the overlap of roles and responsibilities between institutions addressing environmental issues. There is a need to strengthen management frameworks that coordinate operations.

Some of the efforts the municipality has adopted to reduce environmental impacts include:

- Mounting trash cans for proper waste collection.

- Planting trees and grass cover on all projects and walkways.
- Use of solar streetlights.

Employee welfare

The Human Resource Development Policy states that the hiring is done by the County Public Service Board. The process of hiring includes opening the requisition, screening the applicants, interviewing the candidates, selecting the best, and making the offer. The gender equation is put into consideration when hiring. Skills and career development is enhanced through trainings and workshops which are done from time to time.

The municipality uses the Occupational Safety and Health Act of 2007 (OSHA) which is concerned with protecting the safety, health and welfare of people engaged in work or employment.

The goals of occupational safety and health programs include fostering a safe and healthy work environment. It is a multi-disciplinary activity targeting four basic aspects namely;

1. The protection and promotion of workers health by preventing and controlling occupational diseases and accidents;
2. The development and promotion of healthy and safe work, work environments and work organizations;
3. Enhancement of physical, mental and social well-being of workers; and
4. Enabling workers to conduct socially and economically productive lives and to contribute positively to sustainable development (WHO 2010).

All workers in the projects should always have the required Personal protective equipment (PPEs) such as head gears, gloves, nose masks and reflectors

3. ***Market place practices***

a) Responsible competition practice.

The municipality makes use of the Restrictive Trade Practices (RTPs) in the Competition Act, section 4-21 which addresses associations, discrimination in supply, predatory trade practices, collusive tendering and collusive bidding at an auction.

b) Responsible Supply chain and supplier relations

The Municipal's procurement processes are as enshrined under the Public Procurement and Disposal Act, 2015.

Once procurement process is finalised, contracts are executed as per the legal agreement appended by the parties involved

c) Responsible marketing and advertisement

(i) Adequate regulations: In an attempt to moderate the intensity of the Ads in the media; governments; should put more specific rules and regulations on Ads, regarding all its different aspects.

(ii) Respecting the Dignity of each human person: According to this principle, advertisers cannot exploit our "lower inclinations" to compromise our capacity to reflect or decide through its content or through its impact using appeals to lust, vanity, envy, greed, or other human weakness.

(iii) Respecting Social Responsibilities- Advertising should not favour a lavish lifestyle which wastes resources and spoils the environment. It should not reduce human progress to acquiring material goods and cultivating a lavish lifestyle.

(iv) Taking civic responsibility: - Since it is not always possible to separate social life from business life, a conflict between the social role and business role would have a negative impact on the advertiser's civic role. Hence advertisers should consider it their civic duty not to offend any segment of the community around them.

(v) Observing legal obligations: - In order to protect the defenceless consumer, some laws should be enacted which make it a criminal offence to deliberately mislead the consumer by false claims e.g. consumer right protection laws and consumerism.

d) Product stewardship

Consumer rights are guaranteed under Article 46 of Kenya's Constitution. They are also statutory rights under the Consumer Protection Act, 2013 and the Competition Act, 2010. Unfortunately, despite these legal provisions, Kenya has a high rate of consumer rights breaches. Part II of the Consumer Protection Act highlights the rights ranging from access to quality goods, safety and protection from false advertising. Despite the existence of these rights on paper, consumers continue to suffer.

Consumer protection in Kenya continues to be a challenge for several reasons. The first is insufficient institutional capacity. Consumer protection is handled at departmental level by the Consumer Protection Department of the Competition Tribunal. There is also a Consumer Protection Committee established under the Consumer Protection Act.

In my view, this is not sufficient to handle issues of consumer protection in the country. Institutional capacity needs to be built once a stronger mandate is issued. There should be a larger budgetary allocation and funding if the intention of Article 46 of the Constitution is to be realized. The strengthened institution can then hire more staff and have capacity building in the requisite areas.

The second reason, is that there is a general lack of awareness on consumer rights. This is evident on both the sellers and consumers. It baffles me when I observe some of the practice's sellers hold on to despite them being a glaring breach of consumer rights. I am

not aware of any State- run awareness programme. However, there are some sort of private run initiatives which are insufficient to address the problem.

Third, there is a lack of harmonization of the laws and regulations on consumer rights. While the standalone statute exists, issues of consumer protection are contained in many diverse laws and are also enforced by several agencies. There is also a low level of inter-agency collaboration. For instance, when one buys a substandard good, then he has several options to recover. He can lodge a complaint at the Kenya Bureau of Standards or file a suit for compensation. He ought to be able to file a single complaint with a consumer agency for investigation and enforcement.

A lot more needs to be done to uphold consumer rights in Kenya. Around 2008, Kenya set up an Anti-Counterfeit Agency whose mandate was to fight counterfeiting in the country. I propose a similar approach to consumer protection. Strengthen institutional capacity and mandates so as to protect consumers.

4. ***Community Engagements***

The municipality implements priority projects as proposed in public forums. Public engagements are held on quarterly enable the public to give feedbacks on Municipals activities and objectives.

The municipality also undertakes regular sensitization and testing of HIV/ AIDS to create awareness and promote community health.

10. Report of the Municipality Board Members

The Board Members submit their report together with the audited financial statements for the year ended June 30, 2022 which show the state of the Municipality affairs.

Principal activities

The principal activities of the Municipal Board are: Urban planning, promotion of sustainable land use and regulation and control of physical development; Management and promotion of a safe and healthy environment; Promotion of the participation of residents in the governance of the municipality and Provision of municipal services e.g. solid waste management

Performance

The performance of the Municipality for the year ended June 30, 2022 are set out on page 12 to 18

Board Members

The members of the Board who served during the year are shown under *key entity information* above. However, the Chairperson and two other members resigned in the course of the year to go seek for elective positions. These are:

- Mr Elijah Mwangi Nyaga
- Hon. Raphael Njui
- Jonah Gicheru Munga

The Board filled the vacant leadership positions in accordance with the provisions of the Urban Areas and cities act, 2011 by nominating Ms. Priscillah Mwirigi as the Chairperson and Mr Josphat Murage Warui as the Vice Chairperson. The County Public Service Board is the process of recruiting for the three vacant membership positions

Auditors

The Auditor General is responsible for the statutory audit of the Municipality in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board

.....

Name: CPA Anne W. Theuri

Date: 30/11/2022

Secretary of the Board

11. Statement of Management's Responsibilities

Section 180 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of the Municipality established by Urban Areas and Cities Act No. 13 of 2011 shall prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Accounting Officer is responsible for the preparation and presentation of the Municipality's financial statements, which give a true and fair view of the state of affairs of the Municipality for and as at the end of the financial year ended on June 30, 2022. This responsibility includes:

(i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period,

(ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Municipality,

(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 Municipality,

(v) Selecting and applying appropriate accounting policies, and

(vi) Making accounting estimates that are reasonable in the circumstances.

The Accounting Officer accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and *Urban* Areas and Cities Act No. 13 of 2011. The Accounting Officer is of the opinion that the financial statements give a true and fair view of the state of Municipality's transactions during the financial year ended June 30, 2022, and the financial position as at that date.

The Accounting Officer further confirms the completeness of the accounting records which have been relied upon in the preparation of financial statements as well as the adequacy of the systems of internal financial control. In preparing the financial statements, the Accounting Officer has assessed the Municipality's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements.

Nothing has come to the attention of the Accounting Officer to indicate that the Municipality will not remain a going concern for at least the next twelve months from the date of this statement.

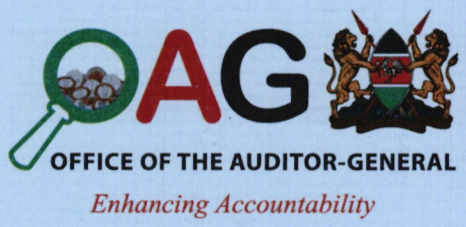
Approval of the financial statements

The Municipal's financial statements were approved by the Board on 30/11/2022 and signed on its behalf by:

.....	.....
Name: Priscilah Mwirigi	**Name: Samson K. Mweru**
Chairperson of the Board	**Accounting officer of the Board**

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: 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 OL KALOU MUNICIPALITY FOR THE YEAR ENDED 30 JUNE, 2022

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 intended purpose.

C. Report on Effectiveness of Internal Controls, Risk Management and Governance, which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ol Kalou Municipality set out on pages 41 to 85, which comprise the statement of financial position as at 30 June, 2022

and statement of financial performance, statement of changes in net assets, 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Ol Kalou Municipality as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Urban Areas and Cities Act, 2011, the Municipality of Ol Kalou Municipal Charter, 2019 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Prior Year Comparative Balances

Review of the financial statements components and notes to the financial statements reflects prior year's comparative balances. However, the Municipality has not been audited in the previous periods.

In the circumstances, the accuracy, validity, and completeness of the prior year comparative balances in the financial statements for the year ended 30 June, 2022 could not be confirmed.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness

and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Under Staffing

The Municipality had a staff establishment of seventy (70) staff members as at 30 June, 2022. However, only twenty-one (21) officers were in-post as per the provided organization structure resulting to a shortage of forty-nine (49) staff members.

In the circumstances, the understaffing hampers the effective discharge of the mandate of the Municipality.

2. Lack of Budget Approvals

The statement of comparison of budget and actual amounts reflects budgeted revenue and expenditure amounts of Kshs.34,122,081 and Kshs.17,119,928 respectively. However, the amounts were not supported with an approved itemized budget. In addition, the capital expenditure budget of Kshs.146,205,321 for the development projects was also not supported with an approved itemized budget. This is contrary to Section 175(8) of Public Finance Management Act, 2012 which states that the County Treasury shall evaluate the budget proposal and make recommendations to the urban area or city to enable the preparation of the itemized annual budget for consideration and approval by its Board.

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

Absence of Internal Audit Function

During the year under review, it was noted that the Municipality did not have an internal audit function and the requisite audit chatter and workplans. Although the Management argued that it entirely used the County Government's internal audit department, there was no evidence that the said department conducted any audit contrary to Regulation 153(1)(a) which states that internal auditors shall evaluate budgetary performance, financial management, transparency and accountability mechanisms and processes in County Government entities.

In the absence of an internal audit function, it was not possible to confirm whether the internal controls built within the financial and operational systems were functioning as intended during the year under review. In addition, the Management was in breach of the law.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Municipality's ability to continue to sustain 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 Municipality 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 Municipality's financial reporting process, reviewing the effectiveness of how the Municipality monitors

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality'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 Municipality to cease 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 Municipality to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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

CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 March, 2023

13. Statement of Financial Performance for the Year Ended 30 June 2022.

	Notes	2021/22	2020/21
		Kshs.	Kshs.
Transfers from the County Government	6	34,122,081	144,343,400
Public contributions and donations	7	-	-
Levies Fines and Penalties	8	-	-
Other revenues (*Specify*)	9	-	-
Revenue from non-exchange transactions		**34,122,081**	**144,343,400**
Revenue from exchange transactions			
Interest income	10	-	-
Other Income	11	-	-
Total from exchange transactions		**-**	**-**
Total revenue		**34,122,081**	**144,343,400**
Expenditure			
Use of goods and services	12	18,837,512	24,178,776
Staff costs	13	-	-
Board expenses	14	659,900	2,079,900
Finance costs	15	-	-
Total expenses		**19,497,412**	**26,258,676**
Other gains/losses			
Gain/loss on disposal of assets	16	-	-
Surplus/(deficit) for the period		**14,624,669**	**118,084,724**

The notes set out on pages 50 to 77 form an integral part of these Financial Statements. The Ol Kalou Municipality financial statements were approved on 30/11/2022 and signed by:

.....

Name: CPA Anne W. Theuri

Municipality Manager

.....

Name: CPA Juvenalis Thiongo

Head of Finance

ICPAK M/No 6358

14. Statement of Financial Position as at 30 June 2022

	Note	2021/22	2020/21
		Kshs.	Kshs.
Assets			
Current assets			
Cash and cash equivalents	17	107,264,427	166,721,499
Receivables from exchange transactions	18	-	-
Receivables from Non- exchange transactions	19	-	-
Prepayments	20	-	-
Inventories	21	-	-
Total Current assets		**107,264,427**	**166,721,499**
Non-current assets			
Property, plant, and equipment	22	195,805,935	113,015,508
Intangible assets	23	-	-
Total Non-current Assets		**195,805,935**	**113,015,508**
Total assets		**303,070,362**	**279,737,007**
Liabilities			
Current liabilities			
Trade and other payables	24(a)	12,204,994	3,496,308
Provisions	25	-	-
Borrowings	26	-	-
Employee benefit obligations	27	-	-
Total Current liabilities		12,204,994	3,496,308
Non-current liabilities		-	-
Provisions	25	-	-

Borrowings	26	-	-
Non-current employee benefit obligation	27	-	-
Total Non-current liabilities		-	-
Total liabilities		**12,204,994**	**3,496,308**
Net assets		**290,865,368**	**276,240,699**
Capital/Development Grants/Fund		-	-
Reserves		276,240,699	158,155,975
Accumulated surplus		14,624,669	118,084,724
Total net assets and liabilities		**290,865,368**	**276,240,699**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ol Kalou Municipality financial statements were approved on 30/11/2022 and signed by:

.....

Name: CPA Anne W. Theuri
Municipality Manager

.....

Name: CPA Juvenalis Thiongo
Head of Finance
ICPAK M/No 6358
Date:

15. Statement of Changes in Net Assets as At 30 June 2022

	Capital/ Development Grants/Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs.	Kshs.	Kshs.
Balance as at 1 July 2020	-	-	**158,155,975**	**158,155,975**
Surplus/(deficit) for the period	-	-	118,084,724	118,084,724
Funds received during the year	-	-	-	-
Revaluation gain	-	-	-	-
Balance as at 30 June 2021	-	-	**276,240,699**	**276,240,699**
	-	-	-	-
Balance as at 1 July 2021	-	-	**276,240,699**	**276,240,699**
Surplus/(deficit) for the period	-	-	14,624,669	14,624,669
Funds received during the year	-	-	-	-
Revaluation gain	-	-	-	-
Balance as at 30 June 2022	-	-	**290,865,368**	**290,865,368**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ol Kalou Municipality financial statements were approved on 30/11/2022 and signed by:

.....

Name: CPA Anne W. Theuri
Municipality Manager

.....

Name: CPA Juvenalis Thiongo
Head of Finance
ICPAK M/No 6358

16. Statement of Cash Flows for the Year Ended 30 June 2022

	Note	2021/22	2020/21
		Kshs.	Kshs.
Cash flows from operating activities			
Receipts			
Transfers from the County Government	6	34,122,081	144,343,400
Public contributions and donations	7	-	-
Interest received	8	-	-
Other receipts (Specify)	9	-	-
Total Receipts		**34,122,081**	**144,343,400**
Payments			
Use of goods and services	12	18,837,512	24,178,776
Staff costs	13	-	-
Board expenses	14	659,900	2,079,900
Finance costs	15	-	-
Total Payments		**19,497,412**	**26,258,676**
Adjusted for:			
Decrease/(Increase) in Accounts receivable:			
Increase/(Decrease) in Accounts Payable:	24(b)	8,708,686	- 14,872,599
Depreciation	22	9,984,547	9,842,344
Net cash flows from operating activities	**28**	**33,317,902**	**113,054,469**
Cash flows from investing activities			
Purchase of PPE & intangible assets	22	- 92,774,974	- 17,359,565
Proceeds from sale of PPE		-	-
Net cash flows used in investing activities		**- 92,774,974**	**- 17,359,565**
Cash flows from financing activities			
Receipts from Capital grants		-	-
Proceeds from borrowings		-	-
Repayment of borrowings		-	-

Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash & cash equivalents		**- 59,457,072**	**95,694,904**
Cash And Cash Equivalents At 1 July 2021	17	166,721,499	71,026,595
Cash And Cash Equivalents At 30 June 2022	17	**107,264,427**	**166,721,499**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ol Kalou Municipality financial statements were approved on 30/11/2022 and signed by:

.....

Name: CPA Anne W. Theuri

Municipality Manager

.....

Name: CPA Juvenalis Thiongo

Head of Finance

ICPAK M/No 6358

17. Statement of Comparison of Budget & Actual Amounts for the Year ended 30 June 2022

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation	
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.		
	A	b	c=(a+b)	d	e=(c-d)	f=d/c	
Revenue		Kshs.	Kshs.	Kshs.	Kshs.		
Transfers from the County Government	135,543,400	- 101,421,319	34,122,081	34,122,081	-	**100%**	
Public contributions and donations	-	-	-	-	-	**0%**	
Interest income	-	-	-	-	-	**0%**	
Other income (*specify*)	-	-	-	-	-	**0%**	
Total Revenue	**135,543,400**	**- 101,421,319**	34,122,081	**34,122,081**	-	**100%**	
Expenses						**0%**	
Use of goods and services	16,269,928	-	16,269,928	18,837,512	- 2,567,584	**116%**	Projects Feasibility Works and Designs works budgeted under development Ksh 1,466,400
Board expenses	850,000	-	850,000	659,900	190,100	**78%**	
Staff Costs	-	-	-	-	-	**0%**	
Finance costs	-	-	-	-	-	**0%**	
Total Expenditure		-			-	**114%**	

	17,119,928		17,119,928	19,497,412	2,377,484		
Surplus for the period	**118,423,472**	-	118,423,472	**14,624,669**	103,798,803	**12%**	
Capital Expenditure							
Marker Boundary wall	1,355,300		1,355,300	1,355,266	34	**100%**	
Market Electrical Works	1,800,000		1,800,000	1,791,285	8,715	**100%**	
Paving Block Plant, Modern Cemetery, Modern Market, Solid Waste Management & Beautification	69,316,868		69,316,868	35,499,932	33,816,936	**51%**	
Estate Roads Bitumen Works, Paved Pedestrians Pathwway & Parking Lots	66,021,680		66,021,680	54,128,490	11,893,190	**82%**	
Projects Feasibility Works and Designs	7,711,473		7,711,473	-	7,711,473	**0%**	Projects Feasibility Works and Designs categorised under use of goods Kshs 1,466,400
Total Capital Expenditure	146,205,321	-	146,205,321	92,774,973	53,430,348	**63%**	

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Ol Kalou Municipality financial statements were approved on 30/11/2022 and signed by:

.....

Name: CPA Anne W. Theuri

Municipality Manager

.....

Name: CPA Juvenalis Thiongo

Head of Finance

ICPAK M/No 6358

Date:

18. Notes to the Financial Statements

1. General Information

Ol'kalou Municipality is established by and derives its authority and accountability from Urban Areas and Cities Act, 2011. The Municipality is under the Nyandarua County Government and is domiciled in Kenya.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts, and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the Ol Kalou Municipality*'s* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Ol Kalou Municipality.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Application of New and revised standards (IPSAS)

***i.* New and amended standards and interpretations in issue effective in the year ended 30 June 2022**

(Notes to financial statements continued)

IPSASB deferred the application date of standards from 1st January 2022 owing to covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1st January 2023.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022.

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	**Applicable: 1st January 2023:** The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of Ol Kalou Municipality's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between Ol Kalou Municipality's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.
IPSAS 42:	**Applicable: 1st January 2023**

Social Benefits	The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Ol Kalou Municipality provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	**Applicable: 1st January 2023:** a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.
Other improvements to IPSAS	***Applicable 1st January 2023*** • *IPSAS 22 Disclosure of Financial Information about the General Government Sector.* Amendments to refer to the latest System of National Accounts (SNA 2008). • *IPSAS 39: Employee Benefits* Now deletes the term composite social security benefits as it is no longer

	defined in IPSAS. • **IPSAS 29: Financial instruments: Recognition and Measurement** Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.
IPSAS 43	***Applicable 1st January 2025*** The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of Ol Kalou Municipality. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	***Applicable 1st January 2025*** The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

***iii.* Early adoption of standards**

The Ol Kalou Municipality did not early – adopt any new or amended standards in year 2021

4. Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (*cash, goods, services and property*) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Municipality and can be measured reliably.

ii) Revenue from exchange transactions

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income for each period.

b) Budget information

The original budget for FY 2021/22 was approved by the County Assembly on 30th June 2021 Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Municipality upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Municipality recorded additional appropriations of Kshs 34,122,081 on 21/03/2022 following the County Assembly approval.

The Municipality's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial Statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section xxx of these financial statements.

c) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Municipality recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

d) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in

surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite.

e) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. The Ol Kalou Municipality determines the classification of its financial assets at initial recognition.

Loans and receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Municipality has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

The Municipality assesses at each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset is deemed to be impaired if, and only if, there is

objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on

the estimated future cash flows of the financial asset or the Municipality of financial assets that can be reliably estimated asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- *The debtors or an entity of debtors are experiencing significant financial difficulty*
- *Default or delinquency in interest or principal payments*
- *The probability that debtors will enter bankruptcy or other financial reorganization*
- *Observable data indicates a measurable decrease in estimated future cash flows (e.g., changes in arrears or economic conditions that correlate with defaults)*

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Ol Kalou Municipality determines the classification of its financial liabilities at initial recognition.
All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

f) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory

(Notes to financial statements continued)

is it fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

Raw materials: purchase cost using the weighted average cost method

Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Municipality.

g) Provisions

Provisions are recognized when the Municipality has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Municipality expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

h) Contingent liabilities

The Municipality 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

i) Contingent assets

(Notes to financial statements continued)

The Municipality 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 Municipality 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.

j) Nature and purpose of reserves

The Municipality creates and maintains reserves in terms of specific requirements.

k) Changes in accounting policies and estimates

The Municipality recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

The Municipality applies straight line method of assets depreciation based on applicable rates in Kenya.

The Schedule indicates Municipal's Assets category, applicable depreciation rates and expected economic life

Asset Category/Class	Depreciation rate (%)	Expected Economic Life (Years)
Buildings	2.5%	40
Roadsworks	0	N/A
Motor vehicles and heavy earth moving equipment	25%	4
Furniture and fittings	10%	10
Computers & Office Equipments	25%	40
Solar Lighting Infrastructures	30%	3.3

l) Employee benefits – Retirement benefit plans

The Municipality provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which the Municipality pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay

(Notes to financial statements continued)

further contributions if the Municipality does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to scheme obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefits are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

m) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported in the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

n) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

o) Related parties

The Municipality regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Municipality, or vice versa.

Members of key management are regarded as related parties and comprise the Board members, the Municipality Managers and Municipality Accountant.

p) Cash and cash equivalents

(Notes to financial statements continued)

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 various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short-term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

q) Comparative figures

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

r) Events after the reporting period

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorized for issue. Two types of events can be identified:

(a) Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and

(b) Those that are indicative of conditions that arose after the reporting date (*non-adjusting events after the reporting date).*

The Municipality should indicate whether there are material adjusting and non- adjusting events after the reporting period.

s) Currency

The financial statements are presented in Kenya Shillings (Kshs.).

5. Significant judgments and sources of estimation uncertainty

The preparation of the Municipality's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

(Notes to financial statements continued)

State all judgements, estimates and assumptions made e.g.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Municipality based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Municipality. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

i) The condition of the asset based on the assessment of experts employed by the Municipality.
ii) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
iii) The nature of the processes in which the asset is deployed.
iv) Availability of funds to replace the asset.
v) Changes in the market in relation to the asset.

(Notes to the Financial Statements)

6. Transfers from the County Government

Description	2021/22	2020/21
	Kshs.	Kshs.
Transfers from County Govt.	34,122,081	144,343,400
Payments by County on behalf of the Ol Kalou Municipality	-	-
Total	**34,122,081.00**	**144,343,400.00**

7. Public Contributions and Donations

Description	2021/22	2020/21
	Kshs.	Kshs.
Donation from development partners	-	-
Contributions from the public	-	-
Total	-	-

8. Levies, Fines and penalties

Description	2021/22	2020/21
	Kshs.	Kshs.
Levies	-	-
Fines	-	-
Penalties	-	-
Others *(indicate and specify)*	-	-
Total	-	-

9. Other Revenues from Non-Exchange Transactions

Description	2021/22	2020/21
	Kshs.	Kshs.
Transfers from other government entities	-	-
Others *(indicate and specify)*	-	-
Total	-	-

(*Provide a brief explanation for this revenue*)

(Notes to financial statements continued)

10. Interest income

Description	2021/22	2020/21
	Kshs.	Kshs.
Interest income from investments	-	-
Interest income on bank deposits	-	-
Others *(Specify)*	-	-
Total interest income	-	-

(Provide brief explanation for this revenue)

11. Other income

Description	2021/22	2020/21
	Kshs.	Kshs.
Income from sale of tender documents	-	-
Others *(specify)*	-	-
Total other income	-	-

(NB: All income should be classified as far as possible in the relevant classes and other income should be used to recognise income not elsewhere classified).

12. Use of Goods and Services

Description	2021/22	2020/21
	Kshs.	Kshs.
Utilities, supplies and services	-	130,200
Communication, supplies and services	-	500,000
Domestic travel and subsistence	178,500	2,335,490
Foreign travel and subsistence		-
Printing, advertising, supplies & services	-	1,389,560
Rent and rates	-	-

Training expenses	-	2,200,000
Hospitality supplies and services	-	366,950
Insurance costs	-	-
Specialized materials and services	1,466,400	2,698,000
Office and general supplies and services	398,548	1,741,663
Fuel, oil and lubricants	141,500	408,500
Other operating expenses (*Tree Planting & Solid waste management*)	311,460	492,825
Routine maintenance – vehicles and other equipment	-	-
Routine maintenance – other assets	-	-
Contracted Professional Services	6,348,386	2,061,234
Audit fees		-
Hire of Transport, equipment etc.	-	-
Bank Charges	8,170	12,010
Depreciation and amortisation	9,984,547	9,842,344
Total	**18,837,512**	**24,178,776**

13. Staff costs

Description	2021/22	2020/21
	Kshs.	Kshs.
Salaries and wages	-	-
Staff gratuity	-	-
Social security contribution	-	-
Other staff costs *(Specify)*	-	-
Total	-	-

(Notes to financial statements continued)

14. Board expenses

Description	2021/22	2020/21
	Kshs.	Kshs.
Chairman/Members' Honoraria	-	-
Sitting allowances	-	-
Medical Insurance	-	-
Induction and Training	-	-
Travel and accommodation	659,900	2,079,900
Conference Costs	-	-
Other allowances (*Specify)*	-	-
Total	**659,900**	**2,079,900**

15. Finance costs

Description	2021/22	2020/21
	Kshs.	Kshs.
Interest on Bank overdrafts	-	-
Interest on loans from banks	-	-
Total	-	-

(Notes to the Financial Statements Continued)

16. Gain/(loss) on disposal of assets

Description	2021/22	2020/21
	Kshs.	Kshs.
Property, plant and equipment	-	-
Intangible assets	-	-
Total	-	-

17. Cash and cash equivalents

Description	2021/22	2020/21
	Kshs.	Kshs.
Fixed deposits account	-	-
On – call deposits	-	-
Current account	107,264,427	166,721,499
Others(*specify*)	-	-
Total cash and cash equivalents	**107,264,427**	**166,721,499**

(The amount should agree with the closing and opening balances as included in the statement of cash flows)

Detailed analysis of the cash and cash equivalents are as follows:

		2021/22	2020/21
Financial institution	**Account number**	**Kshs.**	**Kshs.**
a) Fixed deposits account			
Kenya Commercial bank		-	-
Equity Bank, etc		-	-
Sub- total		-	-
b) On - call deposits			
Kenya Commercial bank		-	-
Equity Bank - etc		-	-
Sub- total		-	-
c) Current account			

Kenya Commercial bank		-	-
Equity Bank	0620277326491	97,703,933	149,721,631
Equity Bank	0620278998041	9,560,494	16,999,868
Sub- total		**107,264,427**	**166,721,499**
d) Others(specify)		-	-
Cash in transit		-	-
Cash in hand		-	-
Mobile Money		-	-
Sub- total		-	-
Grand total		**107,264,427**	**166,721,499**

18. Receivables from exchange transactions

Description	2021/22	2020/21
	Kshs.	Kshs.
Current Receivables		
Service, water and electricity debtors	-	-
Other exchange debtors	-	-
Less: impairment allowance	-	-
Total Current receivables (a)	-	-
	-	-
Non-Current receivables	-	-
Service, water and electricity debtors	-	-
Other exchange debtors	-	-
Less: impairment allowance	-	-
Total Non- current receivables (b)	-	-
Total receivables from exchange transactions	-	-

(Notes to financial statements continued)

19. Receivables from Non-Exchange transaction

Description	2021/22	2020/21
	Kshs.	Kshs.
Transfer from County Executive	-	-
Transfer from other Funds	-	-
Total receivables from non-exchange transactions	-	-

20. Prepayments

Description	2021/22	2020/21
	Kshs.	Kshs.
Prepaid rent	-	-
Prepaid insurance	-	-
Prepaid electricity costs	-	-
Other prepayments*(specify)*	-	-
Total	-	-

21. Inventories

Description	2021/22	2020/21
	Kshs.	Kshs.
Stationery	-	-
Consumables	-	-
Other inventories(*specify*)	-	-
Total inventories at the lower of cost and net realizable value	-	-

(Notes to the Financial Statements Continued)

22. Property, Plant and Equipment

	Buildings	Roadworks	Motor vehicles	Furniture and fittings	Computers and office equipment	Other Assets Solar Lighting Infrastructure	Capital Work in progress	Total
Cost	**KShs**		**KShs**	**KShs**	**KShs**			**KShs**
At 1st July 2019	-		-	-	-			-
Additions	**29,917,547**	**50,025,056**	**17,932,324**	**6,484,930**	**1,500,000**	**11,959,436**		**117,819,294**
Disposals	-		-	-	-			-
Transfers/adjustments	-		-	-	-			-
At 30th June 2020	**29,917,547**	**50,025,056**	**17,932,324**	**6,484,930**	**1,500,000**	**11,959,436**		**117,819,294**
At 1st July 2020	**29,917,547**	**50,025,056**	**17,932,324**	**6,484,930**	**1,500,000**	**11,959,436**		**117,819,294**
Additions		14,817,985					2,541,580	**17,359,565**
Disposals	-		-	-	-			-
Transfer/adjustments	-		-	-	-			-

At 30th June 2021	**29,917,547**	**64,843,041**	**17,932,324**	**6,484,930**	**1,500,000**	**11,959,436**	**2,541,580**	**135,178,859**
At 1st July 2021	**29,917,547**	**64,843,041**	**17,932,324**	**6,484,930**	**1,500,000**	**11,959,436**	**2,541,580**	**135,178,859**
Additions	**5,688,132**		-	-	-		**89,628,423**	**95,316,555**
Disposals	-		-	-	-			-
Transfers/adjustments	-		-	-	-		- 2,541,580	- **2,541,580**
At 30th June 2022	**35,605,680**	**64,843,041**	**17,932,324**	**6,484,930**	**1,500,000**	**11,959,436**	**89,628,423**	**227,953,833**
Depreciation and impairment								
At 1st July 2019	-		-	-	-			-
Depreciation	747,939	-	6,724,622	810,616	450,000	3,587,831		12,321,007
Impairment	-		-	-	-			-
At 30th June 2020	**747,939**		**6,724,622**	**810,616**	**450,000**	**3,587,831**	-	**12,321,007**
At 1st July 2020	**747,939**		**6,724,622**	**810,616**	**450,000**	**3,587,831**		12,321,007
Depreciation	747,939		4,483,081	648,493	375,000	3,587,831		9,842,344
Disposals	-		-	-	-			-
Impairment	-		-	-	-			-

Transfer/adjustment	-		-	-	-			-
At 30th June 2021	**1,495,877**		**11,207,703**	**1,459,109**	**825,000**	**7,175,662**	**-**	22,163,351
At 1st July 2021	**1,495,877**		**11,207,703**	**1,459,109**	**825,000**	**7,175,662**	**-**	22,163,351
Depreciation	890,142		4,483,081	648,493	375,000	3,587,831		9,984,547
Disposals	-		-	-	-			-
Impairment	-		-	-	-			-
Transfer/adjustment	-		-	-	-			-
At 30th June 2022	**2,386,019**	**-**	**15,690,784**	**2,107,602**	**1,200,000**	**10,763,493**	**-**	32,147,898
Net book values								-
At 30th June 2021	**28,421,670**	**64,843,041**	**6,724,622**	**5,025,821**	**675,000**	**7,325,355**	**-**	**113,015,508**
At 30th June 2022	**33,219,660**	**64,843,041**	**2,241,541**	**4,377,328**	**300,000**	**1,195,944**	**89,628,423**	**195,805,935**

CHANGES IN PPE

Description of the error	2021/2022
	KShs
Additional Work in Progress during the year (A)	89,628,423
Completed works in the year (B)	5,688,132
B/F Work in Progress completed included in (B) above (C)	2,541,580
Net Addition in the year D= A+B-C	92,774,974

(The WIP represents projects that are ongoing with part payments through certificates.)

(Notes to the Financial Statements Continued)

23. Intangible assets

Description	2021/22	2020/21
	Kshs.	Kshs.
Cost		
At beginning of the year	-	-
Additions	-	-
At end of the year	-	-
	-	-
Amortization and impairment	-	-
At beginning of the year	-	-
Amortization	-	-
At end of the year	-	-
Impairment loss	-	-
At end of the year	-	-
NBV	-	-

24. (a)Trade and other payables from exchange transactions

Description	2021/22	2020/21
	Kshs.	Kshs.
Trade payables	-	-
Refundable deposits (Retentions, court bonds etc)	12,204,994	3,496,308
Accrued expenses	-	-
Other payables *(Specify)*	-	-
Total trade and other payables	12,204,994	3,496,308

CHANGES IN ACCOUNTS PAYABLE

Description of the error	2021/2022	2020/2021
	KShs	KShs
Accounts Payable as at 1st July 2020 (A)	3,496,308	18,368,907

Accounts Payable held during the year (B)	9,277,498	1,735,956
Accounts Payable paid during the Year (C)	568,812	16,608,555
Net changes in account receivables D= B-C	8,708,686	- 14,872,599
Balance account receivables E= A+D	12,204,994	**3,496,308**

25. Provisions

Description	2021/22	2020/21
	Kshs.	Kshs.
Balance at the beginning of the year	-	-
Additional Provisions (*Specify)*	-	-
Provision utilised	-	-
Balance at the end of the year	-	-
	-	-
Current Portion of provision	-	-
Long term portion of provision	-	-
Total Provisions	-	-

26. Borrowings

The table below shows the classification of borrowings long-term and current borrowings:

Description	2021/22	2020/21
	Kshs.	Kshs.
Short term borrowings (current portion)	-	-
Long term borrowings	-	-
Total	-	-

(NB: the total of this statement should tie to note 20 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed)

Description	2021/22	2020/21
	Kshs.	Kshs.
Balance at beginning of the period	-	-
Borrowings during the year	-	-
Repayments of borrowings during the period	-	-
Balance at end of the period	-	-

(Notes to the Financial Statements continued)

The table below shows the Distribution of borrowings:

	2021/22	2020/21
	Kshs.	Kshs.
Borrowings		
Kenya Shilling loan from KCB	-	-
Kenya Shilling loan from Barclays Bank	-	-
Kenya Shilling loan from Consolidated Bank	-	-
Borrowings from other government institutions	-	-
Total balance at end of the year	-	-

27. Employee benefit obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	Total
	Kshs.	Kshs.	Kshs.	Kshs.
Current benefit obligation	-	-	-	-
Non-current benefit obligation	-	-	-	-

Total employee benefits obligation	-	-	-	-

28. Cash generated from operations

	2021/22	2020/21
	Kshs.	Kshs.
Surplus/ (deficit) for the year before tax	**14,624,669**	**118,084,724**
Adjusted for:	-	-
Depreciation	**9,984,547**	**9,842,344**
Amortisation	-	-
Gains/ losses on disposal of assets	-	-
Interest income	-	-
Finance cost	-	-
Working Capital adjustments	-	-
Increase in inventory	-	-
Increase in receivables	-	-
Increase in payables	**8,708,686**	**- 14,872,599**
Net cash flow from operating activities	**33,317,902**	**113,054,469**

(The total of this statement should tie to the cash flow section on net cash flows from operating activities)

Other Disclosures

29. Related party balances

a) Nature of related party relationships

Entities and other parties related to the Municipality include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members. The Municipality/scheme is related to the following entities:

a) The County Government.
b) The Parent County Government Ministry.
c) County Assembly.
d) Key management.
e) Municipality Board; etc.

b) Related party transactions

	2021/22	2020/21
	Kshs.	Kshs.
Transfers from related parties'	-	-
Transfers to related parties	-	-

c) Key management remuneration

	2021/22	2020/21
	Kshs.	Kshs.
Board of Board Members	-	-
Key Management Compensation	-	-
Total	-	-

d) Due from related parties

	2021/22	2020/21
	Kshs.	Kshs.
Due from parent Ministry	-	-
Due from County Government	-	-

Due from County Assembly	-	-
Total	-	-

e) Due to related parties

	2021/22	2020/21
	Kshs.	Kshs.
Due to parent Ministry	-	-
Due to County Government	-	-
Due to Key management personnel	-	-
Due to County Assembly	-	-
Total	-	-

30. Contingent liabilities

Contingent liabilities	2021/22	2020/21
	Kshs.	Kshs.
Court case	-	-
Bank guarantees	-	-
Total	-	-

(Give details)

31. Contingent Assets

Contingent liabilities	2021/22	2020/21
	Kshs.	Kshs.
Court case	-	-
Others Specify	-	-
Total	-	-

(Other Disclosures continued)

32. Financial risk management

The Municipality's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Municipality's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Municipality does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Municipality's financial risk management objectives and policies are detailed below:

I. Credit risk

The Municipality has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Municipality's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the Municipality's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount Kshs.	Fully performing Kshs.	Past due Kshs.	Impaired Kshs.
At 30 June 2022				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-

Bank balances	-	-	-	-
Total	-	-	-	-
	-	-	-	-
At 30 June 2021	-	-	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	**107,264,427**	**107,264,427**	-	-
Total	**107,264,427**	**107,264,427**	-	-

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Municipality has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Municipality doesn't have significant concentration of credit risk.

The Municipality Board sets policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

II. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Municipality Manager, who has built an appropriate liquidity risk management framework for the management of the Municipality's short, medium and long-term liquidity management requirements. The Municipality manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the Municipality under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month	**Between 1-3 months**	**Over 5 months**	**Total**
	Kshs.	**Kshs.**	**Kshs.**	**Kshs.**
At 30 June 2022				

Trade payables	-	**8,962,842**	**3,242,152**	**12,204,994**
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	**8,962,842**	**3,242,152**	**12,204,994**
At 30 June 2021	-	-	-	-
Trade payables	-	**3,496,308**	-	**3,496,308**
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	**3,496,308**	-	**3,496,308**

III. Market risk

The Board has put in place an internal audit function to assist it in assessing the risk faced by the Municipality on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Municipality's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Municipality's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the Municipality's exposure to market risks or the manner in which it manages and measures the risk.

IV. Foreign currency risk

The Municipality has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The carrying

(Other Disclosures continued)

amount of the Municipality's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

		Other currencies	Total
	Kshs.	Kshs.	Kshs.
At 30 June 2022			
Financial assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors/ receivables	-	-	-
Liabilities	-	-	-
Trade and other payables	-	-	-
Borrowings	-	-	-
Net foreign currency asset/(liability)	-	-	-

(The Ol Kalou Municipality manages foreign exchange risk form future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.)

Foreign currency sensitivity analysis

The following table demonstrates the effect on the Fund's statement of financial performance on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs.	Kshs.	Kshs.
20xx			
Euro	-	-	-

USD	-	-	-
20xx-1	-	-	-
Euro	-	-	-
USD	-	-	-

V. Interest rate risk

Interest rate risk is the risk that the Ol Kalou Municipality's financial condition may be adversely affected as a result of changes in interest rate levels. The Ol Kalou Municipality's interest rate risk arises from bank deposits. This exposes the Fund to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Fund's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

VI. Capital risk management

The objective of the Municipality's capital risk management is to safeguard the Municipality's ability to continue as a going concern. The Municipality capital structure comprises of the following Municipality's:

	2021/22	**2020/21**
	Kshs.	**Kshs.**
Revaluation reserve	-	-
Capital/Development Grants Municipality	-	-
Accumulated surplus	14,624,669	118,084,724
Total Funds	14,624,669	118,084,724
Total borrowings	-	-
Less: cash and bank balances	**107,264,427**	**166,721,499**
Net debt/(excess cash and cash equivalents)	**107,264,427**	**166,721,499**
Gearing	0%	0%

19. Annexes

Annex 1. Progress on Follow up of Auditors Recommendations.

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*

Guidance Notes:

a) Use the same reference numbers as contained in the external audit report.

b) Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management.

c) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Ol Kalou Municipality responsible for implementation of each issue.

d) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to County Treasury.

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Annex 2: Inter Entity Transfers

	MUNICIPALITY NAME:			
	Breakdown of Transfers from the County Executive of Nyandarua County			
	FY 20xx-1/20xx			
a.	Recurrent Grants	Bank Statement Date	Amount (Kshs.)	Indicate the FY to which the amounts relate
		Total	-	
b.	Development Grants	Bank Statement Date	Amount (Kshs.)	Indicate the FY to which the amounts relate
		21/03/2022	34,122,081	2020/2021
		Total	34,122,081	
c.	Direct Payments	Bank Statement Date	Amount (Kshs.)	Indicate the FY to which the amounts relate
		Total	-	

(The above amounts have been communicated to and reconciled with the parent Department in the County.)

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Annex 3: Reporting of Climate Relevant Expenditures

Name of the Organization; Municipality of Olkalou

Telephone Number 0723204685

Email Address; annttn@gmail.com

Name of CEO/MD/Head Anne Theuri

Project Name	Project Description	Project Objectives	Project Activities				Source Of Funds	Implementing Partners
Proposed Construction of Paving Block Plant, Cemetery, Modern Kiosks, Solid Waste Management & Street Beautification	Tree Planting and beautification	-As trees grow, they help stop climate change by removing carbon dioxide from the air, storing carbon in the trees and soil, and releasing oxygen into the atmosphere. -The trees	**Q1** -Cleaning the site. -digging a hole. -obtaining the plant. -Placing the plant in the hole. Covering the roots with soil and gently packing the soil around the tree.	**Q2** Watering the seedling.	**Q3** Watering the seedling.	**Q4** Watering the seedling.	World Bank through Kenya Urban Support Programme	County Government of Nyandarua

		release water vapor during transpiration and cool the atmosphere.	-Watering seedling					

Annex 4: Disaster Expenditure Reporting Template

Municipality did not incur any disaster related to expenditure.

Date:

Ol Kalou Municipality

Period to which this report refers (FY)	Year			Quarter		
Name of Reporting Officer						
Contact details of the reporting officer:	Email			Telephone		
Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster	Category of disaster related Activity that	Expenditure	Amount	Comments

		Type	require expenditure reporting (response/recovery/mitigation/preparedness)	item	(Kshs.)	