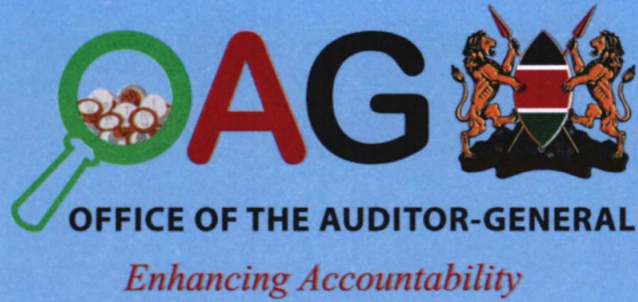
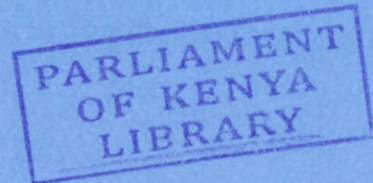


REPUBLIC OF KENYA



REPORT



OF

THE AUDITOR-GENERAL

ON

**COUNTY ASSEMBLY OF
MANDERA**

**FOR THE YEAR ENDED
30 JUNE, 2024**

PAPERS LAID	
DATE	6/3/2025
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COMMITTEE	
CLERK AT THE TABLE	Maalim

OFFICE OF THE AUDITOR GENERAL
NORTH EASTERN REGIONAL OFFICE

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COUNTY ASSEMBLY OF MANDERA

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2024

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

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1. Acronyms and Glossary of Terms

a) Acronyms

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

b) Glossary of Terms

Comparative FY	Means the financial year preceding the current financial year.
Fiduciary Management	Means officers directly involved in management of entity's finances and resources

2. Key Entity Information and Management

(a) Background information

The County Assembly of Mandera is constituted as per the constitution of Kenya and is headed by the Speaker of the County Assembly. Administratively the County Assembly Service Board is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes of 30 Members of County Assembly (MCAs) elected to represent members of the public from their respective wards as well as 20 specially elected members representing special interest groups. The MCAs are responsible for making laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

(b) Key Management Team

The County Assembly of Mandera's day-to-day management is under the following key organs:

No.	Designation	Name
1.	Speaker of the County Assembly	Hon. Omar Maalim Mohamed
2.	Clerk of the County Assembly	Mr. Ahmed Hassan Surow
3.	Head of Departments - Finance	Mr. Mohamed Hussein Kahia
4.	Head of Departments - Clerks	Mr. Hassan Abdullahi Abdikadir

(c) Fiduciary Management

The key management personnel who held office during the year ended 30th June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer- Clerk	Mr. Ahmed Hassan Surow
2.	Principal Finance Officer	Mr. Mohamed Hussein Kahia
3.	Procurement Officer	Mr. Abdi Issack Mohamed

Key Entity Information and Management (Continued)

(d) Fiduciary Oversight Arrangements

- Audit committee activities – The audit committee is established to assist the accounting officer/ Mandera County Assembly Service Board with its responsibility outlined in its charter.
- County Assembly committees – The committee activities help on the oversight over the various County Government Organs.
- County Assembly Service Board - – The County Assembly service board of Mandera which is created under section 12 of the County Government Acts, 2012, as a body corporate with perpetual succession and common seal. The County Assembly Service Board comprises of the speaker who is also the board chairperson; two members of County Assembly and two external members who are representatives of the public. The secretary of Service Board is the Clerk of the County Assembly.
- County Assembly Public Account and Investment Committee – The committee was formed to provide oversight on the County’s finances.

(e) Entity Headquarters

P.O. Box 408 - 70300
Mandera County Assembly
Mandera BP1 Road
MANDERA, KENYA

(f) Entity Contacts

Telephone: (254) 723 577 006
E-mail: manderaassembly.go.ke
Website: www.manderaassembly.go.ke

(g) Entity Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA

2. Other Commercial Banks

Kenya Commercial Bank

P.O. Box 275 – 70300

Mandera Branch

Mandera, Kenya.

Equity Bank Kenya Limited

P.O Box

Mandera Branch

Mandera, Kenya

(h) Independent Auditor

Auditor General

Office of The Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

NAIROBI, KENYA

(i) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

(j) County Attorney

Mandera County Government

P.O Box 13-70300

Mandera

3. Governance Statement

The County Assembly

The County Assembly's membership constitutes of MCAs of Mandera county. It is headed by the Speaker who is elected by the MCAs. The speaker is also the chairperson of the County Assembly Service Board while the County Assembly Clerk is the secretary.

Section 10 (4) of the County Governments 2012 provides that a County Assembly shall observe the following order of precedence.

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

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

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

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

a) Select Committees

Select committees are generally responsible for overseeing the work of government departments and agencies as well Assembly internal House Keeping Affairs

b) Sectoral Committees

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

The County Assembly of Mandera has the following Select and Sectoral committees:

- a) Committee of Powers and Privileges
- b) County Public Accounts/Investment Committee
- c) County Budget and Appropriations Committee
- d) Committee on Appointments
- e) Procedure & Rules Committee
- f) Committee on Selection
- g) Committee on Delegated County Legislation
- h) Committee on Implementation
- i) County Assembly Peace and Security
- j) Justice and Legal Affairs
- k) Lands & urban Development
- l) Trade and Co-operative Development
- m) Finance and Economic Planning
- n) Health Services
- o) Water, Energy, Environment and Climate Change
- p) Public Service, Devolved Units, Administration and Community Cohesion
- q) Agriculture, Livestock and Fisheries
- r) Social and Development Committee
- s) Roads public work and Transport
- t) Education and Human Capital Development
- u) County Assembly Business Committee
- v) Liaison Committee

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a) Committee of Powers and Privileges

There is established committee known as the Committee of Powers and Privileges consisting of the Speaker, who shall be the chairperson of the Committee; and such other members of the county assembly as may be provided in the Standing Orders of the county assembly. The functions of the Committee of Powers and Privileges shall be to inquire into the conduct of a member whose conduct is alleged to constitute a breach of privileges accorded to the county assembly members by any legislation or standing orders and perform such other functions as may be specified by enabling legislation. The committee held no meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Omar Mohamed	Hon. Speaker	Speaker
Hon. Adan Nura Ibrein	Member	Takaba South
Hon. Adan Hussein Ali	Member	Morothile
Hon. Abdihakim Ali Hassan	Member	sala
Hon. Bishar Sheikh Muktar	Member	Wargadud
Hon. Issack Dahir Abdi	Member	Banisa
Hon. Issack Derow Ibrahim	Member	Elwak South
Amran Adan Abdirahman	Member	Nominated
Hon. Maryam Issak Hussein	Member	Nominated
Hon. Nur Hussein Adan	Member	Nominated
Hon. Abdikarim Daud Abdi	Member	Malkamari
Hon. Elias Jimalle Abdille	Member	Rhamu-Dimtu

b) County Public Accounts/Investment Committee

The committee was formed to provide oversight on the County's finances. The committee held quarterly mandatory meetings during the year. Additionally, it also held 37 sittings to deal with arising matters. The members who served in the committee during the year were:

Member	Designation	Ward
Hon. Abdullahi S. Ibrahim	Chairperson	Waranqara
Hon. Zeituna Abdi Hassan	Vice-Chairperson	Nominated
Hon. Abdullahi M. Hassan	Member	Guba
Hon. Adan Mohamed Ali	Member	Neboi
Hon. Abdiwelly Haji Bukura	Member	Nominated
Hon. Mohamed Y. Mohamud	Member	Khalalio
Hon. Samia Abdi Hassan	Member	Nominated

c) County Budget and Appropriations Committee

The budget and appropriations committee provides guidance in the budgetary process. It is charged with the budget making process and ensuring that there is public participation in the budget process. The committee held 52 meetings in FY 2024. The members who served in the committee during the period were:

Member	Designation	Ward
Hon. Adan Maalim Mohamed	Chairperson	Elwak North
Hon. Abdikarim Daud Abdi	Vice Chair	Malkamari
Hon. Ibrahim Ali Wariyo	Member	Dandu
Hon. Ibrahim Alio Maalim	Member	Shimbirfatuma
Hon. Adan Nura Ibrein	Member	Takaba South
Hon. Hassan Hussein Adan	Member	Rhamu
Hon. Mohamed A. Mohamed	Member	Libihia
Hon. Adan Ali Hussein	Member	Morothile
Hon. Yussuf Sheikh Adan	Member	Kiliwehiri
Hon. Amran A. Abdirahman	Member	Nominated
Hon. Fardosa M. Hassan	Member	Nominated
Hon. Maryan Khalif Adan	Member	Nominated
Hon. Nasteha Abdi Ibrahim	Member	Nominated

d) Finance and Economic Planning Committee

The Finance and economic planning committee function is to Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments and also vet and report on all appointments where the Constitution or any law requires the County Assembly to approve. The committee held 33 meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Ismail Sheikh Hussein	Chairperson	Ashabito
Hon. Zeituna Omar Osman	V/Chairperson	Nominated
Hon. Muntaza Ahmed Haji	Member	Nominated
Hon. Mohamed Rashid Golo	Member	Kutulo
Hon. Halima Khalif Sheikh	Member	Nominated
Hon. Abdullahi Shukri Ibrahim	Member	Wjarankara
Hon. Abdimalik M. Ibrahim	Member	Fino
Hon. Yussuf S. Adan	Member	Kiliwehiri
Hon. Suban Ahmed Ibrahim	Member	Nominated

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e) Land and Urban Development Committee

The Land and Urban Development committee function is Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments and also vet and report on all appointments where the Constitution or any law requires the County Assembly to approve the committee held **44** meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Adan Mohamed Ali	Chairperson	Neboi
Hon. Nur Hussein Adan	Vice Chairperson	Nominated
Hon. Issack Dahir Abdi	Member	Banisa
Hon. Ibrahim Ali Wariyow	Member	Dandu
Hon. Adan Maalim Mohamed	Member	Elwak South
Hon. Feisal Abdinoor	Member	Township
Hon. Abdullahi Maalim Hassan	Member	Guba
Hon. Mohamed Yussuf Mohamud	Member	Khalalio
Hon. Mumtaza Haji Ahmed	Member	Nominated

f) Agriculture, Livestock and Fisheries Committee

The Agriculture, Livestock and Fisheries Committee function is to Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments and also vet and report on all appointments where the Constitution or any law requires the County Assembly to approve. The Committee held **32** sittings during the FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Elyas Jimale Abdille	Chairperson	Rhamu Dimtu
Hon. Maryam Issack Hussein	Vice - Chairperson	Nominated
Hon. Maryan Khalif Adan	Member	Nominated
Hon. Mohamed Ibrahim Edin	Member	Derkale
Hon. Abdikarim Daud Abdi	Member	Malkamari
Hon. Abdiwelly Bukura	Member	Nominated
Hon. Hussein Alio Maalim	Member	Lagsure
Hon. Mohamed Abdikarim Mohamed	Member	Libehiya
Hon. Khali Mohamed Salad	Member	Nominated

g) Education and Human Capital Development Committee

The Education and Human Capital Development Committee function is to Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments and also vet and report on all appointments where the Constitution or any law requires the County Assembly to approve the committee held 44 meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Mohamed Rashid Golo	Chairperson	Kutulo
Hon. Mohamed Yusuf Mohamed	Vice-Chairperon	Khalalio
Hon. Mahdi Hajji Rashid	Member	Takaba
Hon. Bishar Sheikh Muktar	Member	Wargadud
Hon. Samia Hassan Abdi	Member	Nominated
Hon. Adan Hussein Rahoy	Member	Lafey
Hon. Ismail Sheikh Hussein	Member	Ashabito
Hon. Khadra Abdullahi Mohamed	Member	Nominated
Hon. Zeituna Omar Osman	Member	Nominated

h) Water, Energy, Environment and Climate Change Committee

The Water, Energy, Environment and Climate Change function is Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments and also vet and report on all appointments where the Constitution or any law requires the County Assembly to approve. The committee had 36 sittings during the FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Mahdi Haji Rashid	Chairman	Takaba ward
Hon. Hassan Hussein	Vice chairman	Rhamu ward
Hon. Mahat Hassan	Member	Alungu ward
Hon. Elias Jimale	Member	Rhamu Dimtu ward
Hon. Quresha Gedi Samatar	Member	Nominated
Hon. Shukri Abdirahman	Member	Nominated
Hon. Zeituna Abdi	Member	Nominated
Hon. Abdihakim Ali	Member	Sala ward
Hon. Hussein Alio	Member	Lagsure ward

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i) Health Service Committee

The health service committee function is to Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments and also vet and report on all appointments where the Constitution or any law requires the County Assembly to approve. The committee held **40** meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Mahat Ibrahim Hassan	Chairperson	Alungu
Hon. Adan Ali Hussein	v/Chair	Morothile
Hon. Bishar sheikh Muktar	Member	Wargadud
Hon. Adan Mohamed Ali	Member	Neboi
Hon. Daud sheikh Ali	Member	Arabia
Hon. Ibrahim Alio Maalim	Member	Shimbirfatuma
Hon. Halima Khalif Sheikh	Member	Nominated
Hon. Bishar Hussein Farah	Member	Nominated
Hon. Khadra Abdullahi Mohamed	Member	Nominated

j) Trade and Cooperative Committee

The Trade and cooperative committee function are to Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments and also vet and report on all appointments where the Constitution or any law requires the County Assembly to approve. The committee held **35** meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Mohamed Abdikarim Mohamed	Chairperson	Libihiya
Hon. Zeitun Abdi Hassan	V/Chairperson	Nominated
Hon. Mohamed Ibrahim Yussuf	Member	Guticha
Hon. Abdullahi Maalim Hassan	Member	Guba
Hon. Abdiwelly Bukura	Member	Nominated
Hon. Fardowsa Mohamed Hassan	Member	Nominated
Hon. Nur Hussein Adan	Member	Nominated
Hon. Nasteha Abdi Ibrahim	Member	Nominated
Hon. Shukri Abdirehman	Member	Nominated

k) Social Development Committee

The Social Development committee function is to Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments and also vet and report on all appointments where the Constitution or any law requires the County Assembly to approve. The committee held **43** sittings in the FY 2023/2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Ibrahim Alio Maalim	Chairperson	Shimbir Fatuma
Hon. Maryam Khalif Adan	V/Chairperson	Nominated
Hon. Mohamed Ibrahim Edin	Member	Derkale
Hon. Ahmed Rashid Ahmed	Member	Gither
Hon. Qureisha Gedi Samatar	Member	Nominated
Hon. Amran Adan Abdirahman	Member	Nominated
Hon. Zeinab Mude Hussein	Member	Nominated
Hon. Hassan Hussein Adan	Member	Rhamu
Hon. Bishar H. Farah	Member	Nominated

l) Roads, Public works and Transport Committee

The Roads, Public works and Transport function is to Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments and also vet and report on all appointments where the Constitution or any law requires the County Assembly to approve. The committee held **36** meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Feisal Abdinoor Issak	Chairperson	Township
Hon. Issack Derow Ibrahim	V/Chairperson	Elwak South
Hon. Mohamed Ibrahim Yussuf	Member	Guticha
Hon. Abdullahi Shukri Ibrahim	Member	Waranqara
Hon. Khali Mohamed Salad	Member	Nominated
Hon. Nasteha Abdi Ibrahim	Member	Nominated
Hon. Maryam Issak Hussein	Member	Nominated
Hon. Ahmed Rashid Mohamed	Member	Gither
Hon. Adan Nura Ibren	Member	Takaba South

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m) Public Service, Devolved Units, Administration and Community Cohesion Committee

The public services committee function is to Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments and also vet and report on all appointments where the Constitution or any law requires the County Assembly to approve, the Committee held 38 sittings. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Issack Dahir Abdi	Chairperson	Banisa
Hon. Yussuf Sheikh Adan	Vice-Chairperson	Kiliweheri
Hon. Suban Ahmed Abdinoor	Member	Nominated
Hon. Zeinab Mude Hussein	Member	Nominated
Hon. Abdimalik Mohamed Ibrahim	Member	Fino
Hon. Adan Hussein Rahoy	Member	Lafey
Hon. Sahara Adan Mohamed	Member	Nominated
Hon. Issack Derow Ibrahim	Member	Elwak South
Hon. Samia Hassan Abdi	Member	Nominated

n) Justice and Legal Affairs Committee

The Justice and legal affairs committee function is to consider all matters related to human rights and Civic education and Study and review all county legislation referred to it; The committee held 16 meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Hussein Alio Maalim	Chairperson	Lagsure
Hon. Mumtaza Ahmed	Vice chairperson	Nominated
Hon. Adan Maalim Mohamed	Member	Elwak North
Hon. Mahdi Haji Rashid	Member	Takaba
Hon. Mahad Ibrahim Hassan	Member	Alungu
Hon. Shukri Abdirehman Abdi	Member	Nominated
Hon. Khadra Abdullahi	Member	Nominated

o) Committee on implementation

The committee on implementation scrutinize the resolutions of the County Assembly (including adopted committee reports), petitions and the undertakings given by the County Executive Committee and examine and whether or not such decisions and undertakings have been implemented within the minimum time. The committee held 28 meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
1.Hon.Ibrahim Ali Wariyo	Chairperson	Dandu
2.Hon.Quresha Gedi Samatar	Vice- chairperson	Nominated
3.Hon.Zeituna Omar Osman	Member	Nominated
4.Hon.Fardowsa Mohamed Hassan	Member	Nominated
5.Hon.Abdi Malik Mohamed	Member	Fino

p) Peace and Security Committee

The peace and security committee engage in peace building and reconciliation initiatives within the County. The committee held 38 meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon Adan Nura Ibren	Chairperson	Takaba South
Hon Bishar Hussein Farah	Vice-Chairperson	Nominated
Hon Ismail Sheikh Hussein	Member	Ashabito
Hon Sahara Adan Mohamed	Member	Nominated
Hon Mohamed Ibrahim Edin	Member	Derkale
Hon Abdihakim Ali Hassan	Member	Sala
Hon Feisal Abdinoor	Member	Township
Hon Khali Salad Mohamed	Member	Nominated
Hon Daud Sheikh Ali	Member	Arabia

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q) Committee on Delegated County Legislation

The Committee on Delegated County Legislation shall consider in respect of any statutory instrument. The committee held 34 meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Sahara Adan Mohamed	Chairperson	Nominated
Hon Halima Khalif	Vice- Chairperson	Nominated
Hon Suban Ahmed	Member	Nominated
Hon Abdikarim Daud Abdi	Member	Malkamari
Hon Yussuf Sheikh Adan	Member	Kiliwehiri
Hon Mohamed Abdikarim Mohamed	Member	Libahiya
Adan Ali Hussein	Member	Morodile
Hon Mohamed Rashid Golo	Member	Kutulo
Hon Daud Sheikh Ali	Member	Arabia

r) Committee on Selection

The committee on selection nominate members to serve in Committees. The committee held 5 meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Adan Nura Ibrein	Majority Leader-Chairperson	Takaba South
Hon. Abdihakim Ali Hassan	Member, Minority Leader	Sala
Hon. Adan Maalim Mohamed	Member	Elwak- North
Hon.Zeinab Mude Hussein	Member	Nominated
Hon. Ibrahim Ali Wariyo	Member	Dandu
Hon. Fardowsa Mohamed Hassan	Member	Nominated
Hon. Ibrahim Alio Maalim	Member	Shimbir-Fatuma
Hon. Issack Dahir Abdi	Member	Banisa
Hon. Feisal Abdinoor Issack	Member	Township
Hon. Yussuf Sheikh Adan	Member	Kiliweheri
Hon. Bishar Sheikh Muktar	Member	Wargadud
Hon. Mohamed Ibrahim Yussuf	Member	Guticha
Hon. Samia Hassan Abdi	Member	Nominated

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Hon. Khadra Abdullahi Mohamed	Member	Nominated
Hon. Adan Hussein Rahoy	Member	Lafey
Hon. Maryan Khalif Adan	Member	Nominated
Hon. Mohamed Abdikarim Mohamed	Member	Libehia
Hon. Abdullahi Shukri Ibrahim	Member	Waranqara
Hon. Abdikarim Daud Abdi	Member	Malkamari

s) Committee on Appointments

The Committee on Appointments shall consider, for approval by the County Assembly, appointments under Articles 179 (2) (Members of County Executive Committees), County secretary and County Public Service Chairperson, Secretary and Board Members. The committee held no meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon.Omar Mohamed Maalim	Chairperson	Hon. Speaker
Hon. Adan Nura Ibrein	Majority Leader	Takaba South
Hon.Abdihakim Ali Hassan	Minority Leader	Sala
Hon. Ibrahim Ali wariyo	Member	Dandu
Hon. Ismail Sheikh Hussein	Member	Ashabito
Hon.Shukri A. Abdi	Member	Nominated

t) County Assembly Procedures and rules Committee

The procedures and rules committee consider and report on all matters relating to these Standing Orders. The committee held o meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon.Omar Mohamed Maalim	Hon. Speaker-Chairperson	Hon. Speaker
Hon. Mohamed Ibrahim Edin	V/Chairperson	Derkale
Hon. Nasteha Abdi Ibrahim	Member	Nominated
Hon. Adan Hussein Rahoy	Member	Lafey
Hon. Zeinab Mude Hussein	Member	Nominated

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u) County Assembly Business Committee

The committee Monitor and oversee the implementation of the County Assembly Business and programmes. The committee held 25 meetings in FY 2024. The committee members during FY 2024 were:

S/No	Member	Designation	Ward
1.	Hon.Omar Mohamed Maalim	Speaker, Chairperson	N/A
2.	Hon.Adan Nura Ibrein	Majority leader	Takaba South
3.	Hon. Hon.Abdihakim Ali Hassan	Minority Leader	Sala
4.	Hon.Adan Ali Hussein	Majority Whip	Morothile
5.	Hon. Bishar Sheikh Mukhtar	Minority Whip	Wargadud
6.	Hon. Mohamed Rashid Golo	Member	Kutulo
7.	Hon. Hussein Alio Maalim	Member	Lagsure
8.	Hon. Issack Derow Ibrahim	Member	Elwak South
9.	Hon. Amran Adan Abdirahman	Member	Nominated
10.	Hon. Zeituna Abdi Hassan	Member	Nominated
11.	Hon. Khali Mohamed Salad	Member	Nominated
12.	Hon. Maryan Isaack Hussein	Member	Nominated
13.	Hon. Ismail Sheikh Hussein	Member	Ashabito
14.	Hon. Quresha Gedi Samatar	Member	Nominated
15.	Hon. Mohamed Yussuf Mohamud	Member	Khalalio
16.	Hon. Mahat Ibrahim Hassan	Member	Alungu
17.	Hon. Nasteha Abdi Ibrahim	Member	Nominated
18.	Hon. Elyas Jimalle Abdille	Member	Rhamu-Dimtu
19.	Hon. Daud Sheikh Ali	Member	Arabia
20.	Hon. Fardowsa Mohamed Hassan	Member	Nominated
21.	Hon. Sahara Adan Mohamed	Member	Nominated

In addition to the above committees of the County Assembly, the County Assembly of Mandera has an independent Audit Committee which was constituted in 2019 to comply with the PFM (County Government) regulations (2015) on the formation of audit committees for all Counties.

v) Audit Committee

The audit committee was constituted in 2019. Its mandate is to advise the County Government on institutional risk management and compliance. The committee held no meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation
Hassan Ahmed Mohamed	Chair Person
Abdirahman Alio Kala	Member
Abdiaziz Serad Sheik	Member

Communication with all Stakeholders

The County Assembly of Mandera is committed to ensuring that all its stakeholders are provided with full and timely information about its programmes and performance through County Assembly website and Assembly Facebook page. The members of public are also given an opportunity through public notice with regard to vetting on public appointments or other general information that require public inputs. Members of public submits any Information /memorandum on bill and other statutory documents in accordance to public participation principles as envisaged in Article 196 of CoK,2010. The County Assembly of Mandera has severally invited state and non-state actors for consultative engagements on budget making process and other statutory document for information sharing. This communication is important in ensuring that stakeholder expectations are aligned to the County's service delivery charter. The

County Assembly also subjected four bills through public participation.

	Name of the Bill	Committee
1	The Mandera County Appropriation Bill, 2023	Budget and appropriations committee
2	The Mandera County Disaster Risk Management Bill, 2023.	Social Development Committee
3	The Mandera County Education Bursary (Amendment) Bill, 2024	Education and Human Capital Development Committee
4	The Mandera County Supplementary Appropriation Bill, 2024.	Budget and appropriations committee

Risk management

Risk management and internal control are critical components for any governmental body, including the County assembly of Mandera to ensure transparency, accountability, and efficiency. This includes risk assessment, Mitigation strategies, monitoring and internal audit functions.

The County Assembly of Mandera has in place risk management policies like Disaster risk recovery plan, ICT policies, Finance and Accounting manual procedures and internal control policies. These management policies can help the County Assembly of Mandera manage risks effectively and maintain strong internal controls, contributing to the overall efficiency and effectiveness of its operations.

Compliance

The County Assembly of Mandera meets its compliance obligations effectively and maintains a transparent and accountable governance structure. This compliance includes Financial, Human resource, Ethical and conduct, Environmental and Health and Legislative compliances.

This Compliance with laws and regulations is crucial for the County Assembly of Mandera to ensure its operations are lawful, transparent, and accountable.

4. Foreword By the Clerk of The Assembly

It is my privilege and honour to present the annual financial report of the County Assembly of Mandera for the year ended 30th June 2024. This document is a critical reflection of our stewardship over public funds and our commitment to transparency, accountability, and prudent financial management.

I extend my heartfelt appreciation to the members of the Assembly, the members of the board of management and other staff who have contributed to the budget planning and execution process. Their expertise, dedication, and collaborative spirit have been instrumental in achieving our financial objectives and upholding the principles of good governance.

(i) Budget performance

The County Assembly of Mandera had an approved budget of Ksh 1,013,000,000. During the financial year 2023-2024, a total of ksh 954,793,083 was received as an exchequer transfer from County treasury to finance the County Assembly's budget. The exchequer releases comprise of both Recurrent and Development expenditure. Out of the exchequer released, ksh 748,345,700 was for recurrent expenditure against a revised budget of ksh 753,911,204 representing an absorption rate of 99%. The remaining amount of ksh 206,447,383 was for Development expenditure against a budget of ksh 259,088,796. This represents an absorption rate of 80%. The overall budget absorption rate for the County Assembly of Mandera is 94%.

(ii) Operational Performance

The Mandera County Assembly was created by the Constitution of Kenya 2010, and operationalized by the County Government Act no. 17 of 2012. It provides that the Mandera County Assembly, while respecting the principle of the separation of powers, may exercise oversight role over the County Executive Committee and any other County Executive organs.

During the period under review five bills and three policy papers were passed.

Two were on budget (The Mandera County Appropriation Bill 2023, Mandera County Supplementary Appropriations Bill 2024) and the three policies were also on Budget (Annual development Plan 2024-2025, County Budget review outlook paper 2023 and County Fiscal strategy paper 2024)

They authorized the issue of certain sums of money out of the County Revenue Fund so as to offer certain public services and enhance service delivery.

(iii) Performance of key development projects

The County Assembly of Mandera has embarked on several major development programs aimed at improving infrastructure, enhancing service delivery, and fostering economic growth within the County. During the Financial year 2023-2024, The County Assembly of Mandera undertook capital projects whose end result would impact on services delivery by the County Assembly to the residence of Mandera County and beyond.

This project includes, completion of County Assembly Building, constructions of auxiliary facilities in the Speaker's Residence and Refurbishment of buildings.

(iv) Comment on value-for-money achievements

The County Assembly of Mandera has applied all funds received prudently in terms of both Development and recurrent expenditure and value for money was achieved in all areas of operations. Therefore, Mandera County Assembly funds were utilised in accordance with the Public Finance Management Act and the purpose for which they were intended for.

(v) Challenges and Recommended Way Forward

Some of the major challenges faced by the Mandera County Assembly during the Financial Year 2023-2024 includes but not limited to;

- Delays in Exchequer releases thus hampering efficiency and effectiveness of implementing in the activities work plan
- Unreliable internet connectivity to access IFMIS and Internet Banking
- Occasionally achieving quorum in the Plenary and Committees is an issue thereby slowing legislative and oversight business of the County Assembly.

RECOMMENDATIONS

- Improved internet connectivity through reliable networks
- Early disbursement of resources to County Government and County Assemblies
- Improvement on attainment of quorum by the Hon. Members.



.....
Name: Ahmed Hassan Surow
Clerk of the County Assembly

County Government of Mandera
County Assembly of Mandera
Annual Report and Financial Statements For the year ended 30th June 2024

5. Statement Of Performance Against County Assembly Predetermined Objectives

The key mandate of the County Assembly of Mandera is legislation, oversight, and representation. To achieve this, the Assembly’s program was documented in terms of objective, key performance indicators, and output. Below is the performance of the Assembly in FY 2024.

Program 1	Objective	Outcome	Indicator	Performance	Remarks (Explain the reasons underperformance/ Overperformance)
Legislation, oversight and representation	Four Bills passed into Acts of the County Assembly	Improved service delivery to citizens	No of bills passed in the County Assembly	In FY 2024 Four number of bills were passed	
	Enhanced professional development of MCAs – Review standing orders	Review standing orders	87% Increase in efficient Assembly operation	54 standing orders were reviewed and resulted to service delivery	

6. Corporate Social Responsibility Statement/Sustainability Reporting

The County Assembly of Mandera exists to transform lives and the primary mandate is to legislate, provide oversight, and represent the interests of its citizens. It is what guides us to deliver our strategy, which is founded on Sustainable strategy, environmental performance, employee welfare, marketplace practices and community engagement pillars; putting the citizen first, delivering relevant services and improving operational excellence. Below is a brief highlight of our achievement in each pillar.

a) Sustainability strategy and profile –

The County Assembly of Mandera have made various sustainable efforts that focus on service delivery to the citizen. The strategic area of focus for service delivery includes but not limited to:

- County’s Legislative Agenda
- Oversight Through Committees
- Staff Management and development
- Physical infrastructure development
- Financial Resource Management
- Application of ICT’s
- Strategic Partnerships to service delivery (including development partners)

b) Environmental performance

The County Assembly of Mandera works towards the Health and Safety measures that aims at prevention and protection of officers against accidents and occupational hazards arising at workplace as well as reduce the environmental impact of the institution activities and products.

The Assembly have put in place measures to prevent and mitigate against accidents, explosions, fire, floods, earthquakes, bomb threats and prepared procedures to be followed in such events.

The Clerk of the County Assembly has put in place measures to ensure that the fire protection facilities are provided in the buildings under the assembly control and are adequate and maintained as advised by Fire Officers and Occupational Safety and Health Officers. The management is responsible for enforcing all necessary fire precaution measures as directed by both the County Department responsible for Public Works and the Directorate responsible for Labour.

c) Employee welfare

The County Assembly of Mandera commits to ensure employee welfare is taken into consideration to ensure maximum efficiency and effectiveness. Amongst the welfare opportunities present to County Assembly of Mandera Members and Staff includes: Prompt payment of Salaries, Annual incremental of Salaries, advance of salary, subsistence & foreign allowance, acting allowance and leave allowance.

The Assembly also provides Medical Cover to the Members and Staffs as per SRC advice. The medical covers entail inpatient, outpatient, dental, Optical Maternity as well as last expense.

In addition, the Assembly takes into consideration occupational Safety and Health by providing Occupational Benefits; Group Life Insurance, Group Personal Accident and Work Injury Benefit (WIBA).

The Members and staff of County Assembly of Mandera enjoy other benefit like leave allowances, including Annual Leave, Maternity & Paternity Leave, Unpaid Leave, Compassionate Leave, Sick/Convalescent Leave, Terminal and Study leave.

The Members and staff also enjoy various workshops and training programme intended to improve the employee performance and shortcomings. The Supervisor addresses this through training, mentorship and coaching.

d) Market place practices-

Various rules and regulations, Acts and other government directions to run its day-to-day activities guide the County Assembly of Mandera.

The procurement department of Assembly does market place practices on behalf of the institution following the Public Procurement and Asset Disposal and PFM Acts to guide them.

All procurement related issues are published through supplier portals to give fair competitions to suppliers.

e) Community Engagements

The County Assembly of Mandera engaged the general public through public participations in delivering its mandate and responsibilities. All bills, plans and policies go through public participation before being enacted. The institution also organises local sports events to promote physical fitness and community spirit.

7. Statement Of Management Responsibilities

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

The Clerk of the County Assembly of Mandera is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year ended June 30, 2024. This responsibility includes:

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

The Clerk accepts responsibility for the County Assembly of Mandera's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the County Assembly of Mandera's financial statements give a true and fair view of the state of the County Assembly of Mandera's transactions for the year ended June 30, 2024, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly of Mandera which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

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

County Government of Mandera
County Assembly of Mandera
Annual Report and Financial Statements For the year ended 30th June 2024

Approval of the financial statements

The County Assembly 's financial statements were approved and signed by the Clerk of the County Assembly on 13th August 2024.



.....
Name: Ahmed Hassan Surow
Clerk of the County Assembly

REPUBLIC OF KENYA



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

Enhancing Accountability

REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF MANDERA FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

1. 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;
2. Report on lawfulness and effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended the purpose; and,
3. 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 Assembly.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 the County Assembly of Mandera set out on pages 1 to 27, which comprise of the statement of financial assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement

Report of the Auditor-General on County Assembly of Mandera for the year ended 30 June, 2024

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the County Assembly of Mandera as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the County Government Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Domestic Travel and Subsistence Allowances

The statement of receipts and payments reflect use of goods and services amount of Kshs.278,576,333 as disclosed in Note 3 to the financial statements. Included in the amount is domestic travel and subsistence allowances of Kshs.74,332,894. However, examination of payment vouchers provided for audit revealed that expenditure of Kshs.3,163,786 was not supported by way of invitation letters to attend the meetings, approval letters, program of events, work or bus tickets and attendance registers.

In the circumstances, the occurrence and validity of domestic travel and subsistence allowances amounting to Kshs.3,163,786 could not be confirmed.

2. Cash and Cash Equivalents Balance

The statement of financial assets and liabilities reflects cash and bank balances of Kshs.18,413,341 as disclosed in Note 6A to the financial statements. However, review of the cash books, bank reconciliation statements, bank statements and certificate of bank balances provided in support revealed the below anomalies:

2.1. Equity Bank Retention Account

Note 6 A to the financial statements reflects bank account balance of Kshs.18,413,341 in respect of Equity Bank retention account. However, certificate of bank balance indicated balance of Kshs.17,465,796 as at 30 June, 2024 resulting into an unexplained variance of Kshs.947,545. Further, the summary page of the cash book as at the close of financial year was not signed by board of survey members.

2.2. Kenya Commercial Bank (KCB) Account

Note 6 A to the financial statements reflects Nil bank balance in respect of KCB account. However, the certificate of bank balance revealed that the balance as at 30 June, 2024

was Kshs.976, resulting in unexplained variance of Kshs.976. The variance between the two (2) sets of records was not reconciled. Further, various alterations were noted in the cash book that were not counter-signed. In addition, the summary page of the cash books as at the close of financial year was not signed by board of survey members.

2.3. Central Bank of Kenya (CBK) Recurrent Account

Note 6 A to the financial statements reflects Nil bank balance in respect of CBK recurrent Account. However, certificate of bank balance reflected balance of Kshs.1,610,598 resulting into unexplained variance of Kshs.1,610,598. Further, various alterations were noted in the cash book that were not counter signed. In addition, the summary page of the cash books as at the close of financial year was not signed by board of survey members.

In the circumstances, the accuracy and completeness of the reported bank balance of Kshs.18,413,341 as at 30 June, 2024 could not be confirmed

3. Un-procedural Voiding of Payments

Analysis of the Integrated Financial Management Information System (IFMIS) revealed that forty (40) transactions amounting to Kshs.5,560,199 were voided before final payment stage. However, supporting documents including voided payment vouchers, requests to void payments, the National Treasury approval and Exchequer requisitions from the Controller of Budget were not provided for audit. Further, no documentary evidence was provided to support authorization for voiding of the transactions which had been approved and funded by the Controller of Budget. In addition, the details of the payments made in place of those that were voided together with approvals from Controller of Budget were not provided for review. The voided payments were not also disclosed as pending accounts payable.

In the circumstances, the propriety of the total voided transactions amounting to Kshs.5,560,199 and utilization of funds meant for the voided transactions in the financial statements could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts: Recurrent and Development reflects total receipts budget and actual on comparable basis of Kshs.1,013,000,000 and

Kshs.954,793,083 respectively, resulting in an under-funding of Kshs.58,206,918 or 6% of the revenue budget.

The underfunding may have affected the planned activities which impacted negatively on the implementation of the County Assembly programs.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several paragraphs were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources. However, Management has not resolved the issues or given any explanation for the failure to adhere to the provisions of the Public Sector Accounting Standards Board template as at 30 June, 2024.

Delayed Exchequer Releases

During the year under review, the Assembly received Exchequer releases totalling Kshs.954,793,083 from the County Treasury. Included in this amount are releases received late in the months of June and July, 2024 totalling Kshs.296,219,140 representing 31% of the total receipts. Delayed release of Exchequer negatively affected the implementation of budgeted programs and activities to the detriment of service delivery to the residents of Mandera County.

Other Information

The Management is responsible for the Other Information set out on page iii to xxviii of Annual Report and Financial Statements which comprise of the Key Entity Information and Management, Governance Statement, Foreword by the Clerk of The Assembly, Statement of Performance Against County Assembly Predetermined Objectives, Corporate Social Responsibility Statement /Sustainability Reporting and the Statement of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the County Assembly financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the

work I have performed, I conclude that there is a material misstatement of this other information and I am required to report that fact. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE 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. Irregular Expenditure on Subscriptions

The statement of receipts and payments reflects Kshs.278,576,333 in respect of use of goods and services as disclosed in Note 3 to the financial statements. Included in the amount is other operating expenses amount of Kshs.32,451,105. However, review of records provided for audit revealed that Kshs.6,000,000 and Kshs.750,000 were paid to the County Assembly Forum (CAF) and Society of Clerks at The Table in Kenya (SOCATT-K) respectively as subscription fees. However, the payments lacked legal backing or supporting policy guidelines.

In the circumstances, the regularity of the subscription's expenditure amount of Kshs.6,750,000 could not be confirmed.

2. Non-Compliance with Ward Partisan Staffing Levels

The statement of receipts and payments reflects Kshs.425,596,043 in respect of compensation of employees as disclosed in Note 2 to the financial statements. Included in the amount is basic wages of temporary employees amount of Kshs.49,833,338, out of which Kshs.41,575,000 was paid in respect of ward partisan staff wages and gratuity. However, review of the records provided revealed that the County Assembly employed a total of two hundred and three (203) partisan staff for the wards against the set limit of one hundred and forty-four (144) as per circular dated 21 October, 2020 on Advisory of Ward Offices Operation Costs from the Commission on Revenue Allocation. In addition, the Assembly paid a monthly salary ranging from Kshs.15,000 to Kshs.25,000 instead of the recommended minimum amount of Kshs.30,341.

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

3. Non-Adherence to Fiscal Responsibility Principle on Disbursements to County Assembly

During the financial year under review, the County Assembly had an approved budget of Kshs.1,013,000,000 comprising of Kshs.753,911,204 for recurrent expenditure and Kshs.259,088,796 for development expenditure, representing 7.7% of the total approved County Government budget of Kshs.13,000,831,007. This exceeded the seven (7%)

percent of the total revenues of the County Government by Kshs.102,941,830 or 0.8%. This was contrary to Regulations 25 (f) of the Public Finance Management (County Governments) Regulations, 2015 which states that the approved expenditures of a County Assembly shall not exceed seven per cent (7%) of the total revenues of the County Government or twice the personnel emoluments of that County Assembly, whichever is lower.

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

4. Non-Compliance with Provisions for Regional Balance and Affirmative Action on Gender and Disabilities

Review of the payroll data as at 30 June, 2024 revealed that the Assembly had a total of ninety-seven (97) staff members comprising permanent and pensionable and contract employees. However, analysis of the employees' data revealed that 53% of the employees were from the dominant community in the County.

This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 on ethnic composition thresholds requirements.

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

5. Failure to Deliberate on the Audit Reports and Implement Senate Recommendations

The County Assembly Public Accounts and Investment Committee (PAIC) has not deliberated and issued recommendations on the Auditor-General's reports for all the Mandera County Government entities since inception of devolved governments. Further, the County Assembly did not submit a report on how it addressed the Senate recommendations and findings on audit reports since inception of devolved governments. This is contrary to Section 31(1)(a) of the Public Audit Act, 2015 which states that within three (3) months after Parliament has debated and considered the final report of the Auditor-General and made recommendations, a state organ or a public entity that had been audited shall, as a preliminary step, submit a report on how it has addressed the recommendations and findings of the previous year's audit.

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

6. Non Provision of Project Implementation Status Records

6.1 Proposed Works at New County Assembly in Mandera Town

The County Assembly entered into a contract agreement with a local contractor for the construction of paved parking, water reticulation, land scaping, washrooms, lift installation and other ancillary works at new County Assembly offices in Mandera Town at a contract price of Kshs.170,498,000. As at the time of audit an amount of Kshs.69,917,300 had already been paid to the contractor. However, physical inspection of the project carried out on 30 August, 2024 revealed that the contractor was on site. Paved parking, water

reticulation, land scaping, washrooms and other ancillary works were all on-going/work in progress. However, the delivery and installation of lift had not started. In addition, the detailed progress report and interim completion certificate in respect of the project was not provided to confirm the level and percentage of work completed.

In the circumstances, without detailed progress report and interim completion certificate the value for money on the expenditure of Kshs.69,917,300 on incomplete but ongoing projects could not be confirmed.

6.2 Proposed Speaker's Residences in Mandera Town

The County Assembly entered into a contract agreement with a local contractor for proposed land scaping, water reticulation and construction of servant quarter at the Speakers' Residences in Mandera Town at a contract price of Kshs.31,584,834. As at the time of audit an amount of Kshs.9,475,450 had already been paid to the contractor. However, physical inspection of the Project carried out on 30 August, 2024 revealed that the contractor was on site. The construction of servant quarter was complete. However, land scaping and water reticulation work was ongoing/work in progress. In addition, detailed progress report of the project and interim completion certificate was not provided to confirm the level and percentage of work completed.

In the circumstances, without detailed progress report and interim completion certificate the value for money on the expenditure of Kshs.9,475,450 on incomplete but ongoing projects could not be confirmed.

The audit was conducted in accordance with the ISSAIs 3000 and 4000. The standards requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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 overall governance were not effective.

Basis for Conclusion

Failure to Establish Audit Committee

During the financial year under review, the County Assembly operated without an audit committee. This was contrary to Regulation 167(1) of the Public Finance Management (County Governments) Regulations, 2015 which requires each County Government entity to establish an Audit Committee to monitor the entities governance process,

accountability process and control systems, offer objective advice on issues concerning risk, control, regulatory requirements and governance. The Audit Committee was established on 1 June, 2024 after advertisement through a gazette notice on 9 December, 2023 and as result, the County Assembly Audit Committee did not meet at least once in every three (3) months to assess the operation of Assembly contrary to Section 172 of the Public Finance Management Act, 2012.

In the circumstances, in the absence of an Audit Committee, oversight and follow up on the recommendations of the internal auditors could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 governance.

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

unless Management is aware of the intention to terminate the County Assembly or to cease operations.

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

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

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

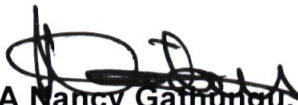
Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


09 December, 2024

County Government of Mandera
 County Assembly of Mandera
 Annual Report and Financial Statements For the year ended 30th June 2024


9. Statement of Receipts and Payments for The Year Ended 30th June 2024

		2023-2024	2022-2023
	Note	KShs	KShs
Receipts			
Transfers from the CRF	1	954,793,083	927,322,403
Total receipts		954,793,083	927,322,403
Payments			
Compensation of employees	2	425,596,043	540,350,189
Use of goods and services	3	278,576,333	279,413,929
Social security benefits	4	18,471,010	33,410,696
Acquisition of assets	5	232,149,697	74,145,215
Total payments		(954,793,083)	(927,320,029)
Surplus/deficit		0	2,374

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 13th August 2024 and signed by:



Name: Ahmed H. Surow
Clerk of the Assembly

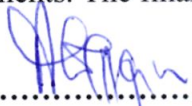


Name: Mohamed H. Kahia
Principal Finance Officer – County Assembly
ICPAK Member Number: 20956


10. Statement Of Financial Assets and Liabilities as at 30th June 2024

		2023-2024	2022-2023
Financial assets	Note	KShs	KShs
Cash and cash equivalents			
Bank balances	6A	18,413,341	22,414,922
Total cash and cash equivalents		18,413,341	22,414,922
Total financial assets		18,413,341	22,414,922
Financial liabilities			
Third party deposits and retention	7	18,413,341	22,412,547
Net financial assets		0	2,374
Represented by			
Fund balance b/fwd	8	2,374	1,324
Prior year adjustment	9	(2,374)	(1,324)
Surplus/(deficit) for the year		0	2,374
Net Financial Position		0	2,374

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 13th August 2024 and signed by:



Name: Ahmed H. Surow
Clerk of the Assembly



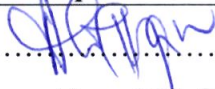
Name: Mohamed H. Kahia
Principal Finance Officer – County
Assembly
ICPAK Member Number: 20956

County Government of Mandera
County Assembly of Mandera
Annual Report and Financial Statements For the year ended 30th June 2024

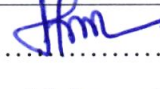
11. Statement Of Cash Flows for The Period Ended 30th June 2024

		2023-2024	2022-2023
	Note	KShs	KShs
Cash flows from operating activities			
Receipts from operating income			
Transfers from the CRF	1	954,793,083	927,322,403
Total receipts from operating income		954,793,083	927,322,403
Payments for operating expenses			
Compensation of employees	2	(425,596,043)	(540,350,189)
Use of goods and services	3	(278,576,333)	(279,413,929)
Social security benefits	4	(18,471,010)	(33,410,696)
Total payments for operating expenses		(722,643,386)	(853,174,814)
Net receipts/(payments) from operating activities		(722,643,386)	(853,174,814)
Adjusted for:			
Prior year adjustment	9	(2,374)	(1,324)
Increase/(decrease) in accounts payable:	10	(3,999,207)	(628,021)
Net cash flows from operating activities		228,148,116	73,518,244
Cashflow from investing activities			
Acquisition of assets	5	(232,149,697)	(74,145,215)
Net cash flows from investing activities		(232,149,697)	(74,145,215)
Net increase in cash and cash equivalents		(4,001,581)	(626,971)
Cash & cash equivalent at Start of the year		22,414,922	23,041,893
Cash & cash equivalent at end of the year		18,413,341	22,414,922

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 13th August 2024 and signed by:



.....
Name: Ahmed H. Surow
Clerk of the Assembly



.....
Name: Mohamed H. Kahia
Principal Finance Officer – County
Assembly
ICPAK Member Number: 20956

12. Statement Of Comparison of Budget & Actual Amounts: Recurrent and Development for year ended 30th June 2024

Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Transfers from the CRF	1,133,000,000	(120,000,000)	1,013,000,000	954,793,083	-	-
Total	1,133,000,000	(120,000,000)	1,013,000,000	954,793,083	-	-
Payments						
Compensation of employees	459,064,816	(33,031,888)	426,032,928	425,596,043	436,885	100
Use of goods and services	323,194,560	(39,562,413)	283,632,147	278,576,333	5,055,814	98
Social security benefits	18,525,150	(54,135)	18,471,015	18,471,010	6	100
Acquisition of assets	332,215,474	(47,351,564)	284,863,910	232,149,697	52,714,213	81
Total	1,133,000,000	(120,000,000)	1,013,000,000	954,793,083	58,206,918	94
Surplus/ deficit	-	-	-	0	-	-

- Acquisition of assets is below 90% underutilisation due to the underfunding of exchequer releases for development project.
- The changes between the original and final budget are as a result of reallocations within the budget during supplementary budget.

The County Assembly of Mandera's financial statements were approved on 13th August 2024 and signed by:



.....
Name: Ahmed H. Surow
Clerk of the Assembly



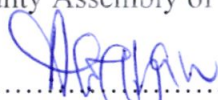
.....
Name: Mohamed H. Kahia
Principal Finance Officer – County Assembly
ICPAK Member Number: 20956

12A Statement of Comparison Of Budget & Actual Amounts: Recurrent for the year ended 30th June 2024

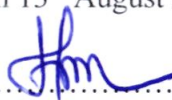
Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Transfers from the CRF	873,911,204	(120,000,000)	753,911,204	748,345,700	0	100
Total	873,911,204	(120,000,000)	753,911,204	748,345,700	0	100
Payments						
Compensation of employees	459,064,816	(33,031,888)	426,032,928	425,596,043	436,885	100
Use of goods and services	323,194,560	(39,562,413)	283,632,147	278,576,333	5,055,814	98
Social security benefits	18,525,150	(54,135)	18,471,015	18,471,010	6	100
Acquisition of assets	73,126,678	(47,351,564)	25,775,114	25,702,314	72,800	100
Total	873,911,204	(120,000,000)	753,911,204	748,345,700	5,565,505	99
Surplus/ deficit	-	-	-	-	-	-

- The changes between the original and final budget are as a result of reallocations within the budget during supplementary budget.

The County Assembly of Mandera's financial statements were approved on 13th August 2024 and signed by:



Name: Ahmed H. Surow
 Clerk of the Assembly



Name: Mohamed H. Kahia
 Principal Finance Officer – County Assembly
 ICPAK Member Number: 20956

12B Statement Of Comparison of Budget & Actual Amounts: Development for the year ended 30th June 2024

Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/e %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Transfers from the CRF	259,088,796	-	259,088,796	206,447,383	0	100
Total	259,088,796	-	259,088,796	206,447,383	0	100
Payments						
Acquisition of assets	259,088,796	0	259,088,796	206,447,383	52,641,413	80
Total	259,088,796	0	259,088,796	206,447,383	52,641,413	80
Surplus/ deficit	-	-	-	0	-	-

- Acquisition of assets is below 90% underutilization due to the underfunding of exchequer releases for development project.
- The changes between the original and final budget are as a result of reallocations within the budget during supplementary budget.

The County Assembly of Mandera’s financial statements were approved on 13th August 2024 and signed by:



Name: Ahmed H. Surow
 Clerk of the Assembly



Name: Mohamed H. Kahia
 Principal Finance Officer – County Assembly
 ICPAK Member Number: 20956

13. Budget Execution By Programmes And Sub-Programmes

Programme/Sub-Programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	% Budget utilization
	2024	2024	2024	2024	2024
	Kshs	Kshs	Kshs	Kshs	Kshs
711003410	-	-	-	-	-
711013410 - Office of the Speaker	2,000,000	(12,718)	1,987,282	1,987,282	100
711023410 - Finance and Compliance	1,300,000	(1,300,000)	0	0	0
711033410 - Administrative Liason and Support Services	379,721,238.00	(78,384,274)	301,336,964	296,219,950	98
712003410	-	-	-	-	-
712013410 - County Assembly Headquarters	709,678,762	(33,086,023)	676,592,739	641,038,986	95
712023410 - Office of the Speaker	36,500,000	(3,416,985)	33,083,015	15,546,865	47
712033410 - Legislation and Procedures	3,800,000	(3,800,000)	0	0	0
Total	1,133,000,000	(120,000,000)	1,013,000,000	954,793,083	94

14. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include third party deposits and retentions. The statement of assets and liabilities, although not a requirement of the IPSAS Cash Standard, has been included to disclose information on some classes of receivables and payables as outlined above.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the County Assembly of Mandera all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented. The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

2. Reporting entity

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

3. Recognition of receipts and payments

a) Recognition of receipts

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

Significant Accounting Policies (Continued)

i) Transfers from the Exchequer/ County Treasury

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

ii) Other Receipts

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

b) Recognition of payments

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

i) Compensation of employees

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

ii) Use of goods and services

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

iii) Acquisition of fixed assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment. A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

Significant Accounting Policies (Continued)

4. In-kind contributions

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

5. Third Party Payments

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

6. Cash and cash equivalents

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

7. Restriction on cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. There was no deposit bank account held by the County Assembly of Mandera during the year.

Significant Accounting Policies (Continued)

8. Imprests and Advances

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

9. Third party deposits and retention

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

10. Non-current assets

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

11. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as ‘memorandum’ or ‘off-balance’ items to provide a sense of the overall net cash position of the County Assembly of Mandera at the end of the year. Pending bill form a first charge to the subsequent year budget and when they are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

Significant Accounting Policies (Continued)

12. Contingent Liabilities

A contingent liability is:

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

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

13. Contingent Assets

The County Assembly of Mandera does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the County Assembly of Mandera in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

Significant Accounting Policies (Continued)

14. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County Assembly of Mandera's budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on 3rd August 2023 for the period 1st July 2023 to 30 June 2024 as required by law. There was one number of supplementary budgets passed in the year. A high-level assessment of the County Assembly of Mandera's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

15. Comparative figures

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

16. Subsequent events

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

17. Prior Period Adjustment

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

18. Related Party Transactions

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

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

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

15. Notes to the Financial Statements

1. Transfer From CRF

	2023-2024	2022-2023
	Kshs	Kshs
Transfers from the county treasury for Q1	123,499,332	129,978,597
Transfers from the county treasury for Q2	201,978,977	130,254,508
Transfers from the county treasury for Q3	251,175,405	225,091,307
Transfers from the county treasury for Q4	378,139,369	441,997,991
Cumulative amount	954,793,083	927,322,403

2. Compensation Of Employees

	2023-2024	2022-2023
	Kshs	Kshs
Basic salaries of permanent employees	141,072,132	195,184,734
Basic wages of temporary employees	49,833,338	29,333,500
Personal allowances paid as part of salary	207,638,830	296,052,362
Personal allowances paid as reimbursements	3,216,000	3,359,934
Employer contribution to compulsory national social schemes	20,066,694	16,419,659
Social benefit schemes outside government	3,769,050	0
Total	425,596,043	540,350,189

Notes To The Financial Statements (Continued)

3. Use Of Goods And Services

	2023-2024	2022-2023
	Kshs	Kshs
Utilities, supplies and services	3,657,556	3,099,783
Communication, supplies and services	1,099,950	1,535,900
Domestic travel and subsistence	74,332,894	70,071,133
Foreign travel and subsistence	25,651,247	16,045,646
Printing, advertising and information supplies & services	9,484,418	15,583,210
Rentals of produced assets	10,104,892	10,625,000
Training expenses	16,526,389	22,160,663
Hospitality supplies and services	21,472,692	26,103,211
Insurance costs	61,610,522	48,917,333
Specialized materials and services	2,999,950	2,999,690
Office and general supplies and services	6,798,450	8,470,180
Fuel, oil and lubricants	5,464,500	4,699,500
Other operating expenses (<i>Include Bank charges</i>)	32,451,105	41,137,171
Routine maintenance – vehicles and other transport equipment	4,273,268	4,051,940
Routine maintenance – other assets	2,648,500	3,913,570
Total	278,576,333	279,413,929

Notes To The Financial Statements (Continued)

4. Social Security Benefits

	2023-2024	2022-2023
	Kshs	Kshs
Social Security Benefits	18,471,010	33,410,696
Total	18,471,010	33,410,696

Notes To The Financial Statements (Continued)

5. Acquisition Of Assets

Non- financial assets	2023-2024	2022-2023
	Kshs	Kshs
Construction of buildings	128,530,083	28,105,260
Refurbishment of buildings	3,975,114	4,995,080
Construction and civil works	77,917,300	14,059,980
Purchase of office furniture and general equipment	18,280,700	13,793,957
Purchase of specialized plant, equipment and machinery	3,446,500	13,190,938
Total acquisition of non- financial assets	232,149,697	74,145,215
Total acquisition of assets	232,149,697	74,145,215

County Government of Mandera
County Assembly of Mandera
Annual Report and Financial Statements For the year ended 30th June 2024

Notes To The Financial Statements (Continued)

6. Cash And Bank Balances

6A. Bank Balances

Name Of Bank, Account Name & Currency	Account Number	Indicate whether Rec, Dev, Dep e.t.c	2023-2024	2022-2023
			Kshs	Kshs
Central bank of Kenya, Mandera County Assembly Development Account, kshs.	1000380508	Development	0	0
Central bank of Kenya, Mandera County Assembly Recurrent Account, kshs.	1000240897	Recurrent	0	2,374
Equity Bank Kenya Limited, Mandera county assembly Retention Account, kshs.	1000278516437	Retention	18,413,341	22,412,547
Kenya Commercial Bank, Mandera Branch, Mandera County Assembly Service board Account. Kshs.	1143310691	Commercial Bank	0	0
Total			18,413,341	22,414,922

Notes To The Financial Statements (Continued)

7. Third Party Deposits and Advances

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Retentions	18,413,341		22,412,547	
Total	18,413,341		22,412,547	
Ageing analysis (third party deposits and advances)	Current FY	% of the Total	Comparative FY	% of the Total
	Under one year	7,939,275	43	1,608,828
	1-2 years	202,830	1	11,592,975
	2-3 years	10,271,236	56	9,210,744
	Total (tie to above total)	18,413,341	100	22,412,547

8. Fund Balance Brought Forward

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Bank Accounts	22,414,922		23,041,893	
Third party deposits and retentions	(22,412,547)		(23,040,569)	
Total	2,374		1,324	

This is the retention Balances held in Retention account and return to CRF during the opening of the financial year.

9. Prior Year Adjustments

Description Of The Error	Balance b/f from Comparative FY as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted ** Balance b/f For Comparative FY
	Kshs	Kshs	Kshs
Others (<i>Adjustments on Refund to CRF Account</i>)	2,374	(2,374)	0
	2,374	(2,374)	0

- Prior year adjustment relates to the returns to CRF

10. Changes In Third-Party Deposits and Retentions

Description	2023-2024	2022-2023
	Kshs	Kshs
Opening Third Party Deposits and Retention As At 1 st July 2023	22,412,547	23,040,569
Closing Third Party Deposits and Retention As At 30 th June 2024	18,413,341	22,412,547
Change In Third Party Deposits and Retention	(3,999,206)	(628,022)

Notes To The Financial Statements (Continued)

Other Disclosures

1. Pending Staff Payables (See Annex 1)

	Balance b/f 2022-2023	Additions for the year	Paid during the year	Balance c/f 2023-2024
Description	Kshs	Kshs	Kshs	Kshs
Others (Members of County Assembly)	-	4,218,872	-	4,218,872
Total	-	4,218,872	-	4,218,872

Notes To The Financial Statements (Continued)

2. Related Party Disclosures

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS.

The following comprise of related parties to the County Assembly:

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

*County Government of Mandera
County Assembly of Mandera
Annual Report and Financial Statements For the year ended 30th June 2024*

Related party transactions:

	2023-2024	2022-2023
	Kshs	Kshs
Compensation to Key Management		
Compensation to the Speaker, Deputy Speaker and the MCAs	149,685,861	180,993,994
Key Management Compensation (Clerk and Heads of departments)	25,100,570	61,133,993
Total Compensation to Key Management	174,786,431	242,127,987
<u>Transfers from related parties</u>		
Transfers from the CRF	954,793,083	927,322,403
Total Transfers from related parties	954,793,083	927,322,403

County Government of Mandera
County Assembly of Mandera
Annual Report and Financial Statements For the year ended 30th June 2024

3. Progress On Follow On Prior Year Auditor’s Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Unsupported Domestic Travel and Subsistence Allowances	The expenditure reported as not supported amounting to Kshs. 2,842,000 was incurred in relation to officers on official duty outside their work stations. The supporting documents such as activity reports, imprest warrants, conferences and meetings invitation letters and travel documents that were observed as not attached to the payment vouchers have now been attached as per Appendix	Not Resolved	
2.0	Budgetary Control and Performance	The county assembly makes fund requisition through County treasury. However, the County Treasury was not able to fully fund our approved budget. This resulted to underfunding of the Assembly which led to under absorption of the budget.	Not Resolved	
3.0	Unresolved Prior Year Matters	We were able to attend to some of the issues that were previously in the auditor’s report and we are endeavouring to clear outstanding issues.	Not Resolved	
REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES				
1	Irregular Payment of Subscriptions	The County Assembly Forum (CAF) and Society of Clerks at the Table in Kenya SOCATT (K) are associations County Assemblies and of the Clerks of County Assemblies and their officers. It is a platform for sharing best	Not Resolved	

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)
		<p>practices and harmonize the legislative procedures and practice across the County Assemblies in Kenya. Through the activities of the two organizations there have been several successes in capacity development, parliamentary strengthening and networking and collaboration. These achievements include several trainings with staff of the County Assemblies, development and publication of Model Manuals, the National Symposium for Clerk and their Assistants, the successful negotiation of increased County Assembly ceilings, and contributed to heightening public awareness and understanding of the County Assemblies. The County Assembly will work with other Assemblies to ensure that there is a legislation for the two organizations.</p>		
2	Non-Compliance with Ward Partisan Staffing Levels	<p>It is true the Assembly engaged two hundred (200) partisan staff. This is because the County Assembly Service Board has made a resolution to that effect, which is their mandate as per section 24(1) of the County Assembly service Act 2017. The Assembly has observed minimum wage guidelines while making the said decision and at the same time facilitating members of the County Assembly.</p>	Not Resolved	
3	Unutilized Speaker's Residence	<p>It is true that the speaker's residence was completed and completion certificate issued,</p>	Not Resolved	

County Government of Mandera

County Assembly of Mandera

Annual Report and Financial Statements For the year ended 30th June 2024

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)
		however, the speaker couldn't occupy due to insecurity of the area but the County Assembly is endeavouring to make use of the building as soon as possible.		
REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE				
1	Lack of Disaster Recovery Plan	The County Assembly has a Disaster Recovery Plan in place and the same has been presented for audit verification as per attached appendix.	Not Resolved	



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Clerk of the County Assembly

13th August 2024

16. Annexes

Annex 1 – Analysis Of Pending Staff Payables

Name of Staff	Job Group	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2023-2024	Outstanding Balance 2023/2023	Comments
			a	b	c=a-b		
Others (MCA's)							-
1. Hon. Halima Khalif Sheikh	Q	24 th – 30 th Jun 2024	527,359	-	527,359	-	
2. Hon. Abdullahi Shukri Ibrahim	Q	24 th – 30 th Jun 2024	527,359	-	527,359	-	
3. Hon. Noor Hussein Adan	Q	24 th – 30 th Jun 2024	527,359	-	527,359	-	
4. Hon. Ibrahim Alio Maalim	Q	24 th – 30 th Jun 2024	527,359	-	527,359	-	
5. Hon. Abdikarim Daud Abdi	Q	24 th – 30 th Jun 2024	527,359	-	527,359	-	
6. Hon. Sahara Adan Mohamed	Q	24 th – 30 th Jun 2024	527,359	-	527,359	-	
7. Hon. Mohamed yussuf Mohamud	Q	24 th – 30 th Jun 2024	527,359	-	527,359	-	
8. Mr. Siyad Bashir Mohamed	P	24 th – 30 th Jun 2024	527,359	-	527,359	-	
Grand Total			4,218,872		4,218,872		

NB: This are foreign travel allowances to Dubai for Hon. Members.

Annex 2 – Summary Of Non-Current Asset Register

Asset class	Historical Cost b/f (Kshs) Previous Year	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year (Kshs)	Historical Cost c/f (Kshs) 2024
Buildings and structures	388,678,964	210,422,497			599,101,461
Transport equipment	20,550,653	0			20,550,653
Office equipment, furniture and fittings	77,942,880	18,280,700			96,223,580
ICT equipment	18,654,025	0			18,654,025
Machinery and equipment	21,072,938	3,446,500			24,519,438
Intangible assets	3,615,000	0			3,615,000
Total	530,514,459	232,149,697			762,664,157