

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

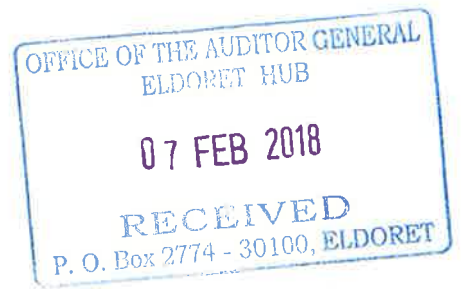
OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
COUNTY ASSEMBLY OF NANDI**

**FOR THE YEAR
ENDED 30 JUNE 2017**



NANDI COUNTY ASSEMBLY
AMMENDED
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2017

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

**NANDI COUNTY ASSEMBLY,
Reports and Financial Statements
For the year ended June 30, 2017**

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II. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The County is constituted as per the constitution of Kenya is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes the Speaker, 30 Members of County Assembly (MCAs) elected to represent members of the public from their respective wards and 8 nominated Members of County Assembly. The MCAs are responsible for making any laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

(b) Key Management

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

- The Hon. Speaker
- The County Assembly
- The CASB
- The Clerk to the County Assembly.

(c) Fiduciary Management

The key management personnel who held office during the quarter ended 30th June, 2016 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Ag. Clerk	Isabella J. Maiyo
2.	PFO	Wesley C. Kimeto
3.	HR	Henry Tarus
4.	HOB	Luke K. Cherutich

(d) Fiduciary Oversight Arrangements

- *County Assembly Service Board*
- *Internal Audit Reports*
- *County Assembly Inspection and Acceptance Committees*
- *Auditor General*

(e) Entity Headquarters

P.O. Box 673 – 30300,
COUNTY ASSEMBLY
Jean-Marie Seroney road, Bungei Street,
Kapsabet, KENYA

(f) Entity Contacts

Telephone: (254) 0535252039
E-mail: info@nandiassembly.go.ke
Website: www.nandiassembly.go.ke

(g) Entity Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Cooperative Bank of Kenya
P. O. Box 869 – 30300,
KAPSABET

(h) Independent Auditors

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

**NANDI COUNTY ASSEMBLY,
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For the year ended June 30, 2017**

III. FORWARD BY THE CLERK OF THE ASSEMBLY

The financial statements for the Financial Year 2016/2017 herein set out reflects actual expenditure of KShs. 590,989,044 against a total income (Exchequer Releases) of KShs. 619,900,000 thus leaving a surplus of KShs. 28,910,956. The Assembly's recurrent budget for the financial year under review is KShs. 600,288,748 representing 9.241% of the entire County Budget of KShs.6, 495,913,648.

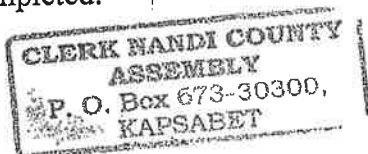
It is worth noting that the County Assembly gained its financial autonomy from the County Executive, albeit on recurrent budget only, in November 2015. The receipts and expenditure being reported here therefore relates to the period 1st July, 2016 up to 30th June, 2017. The Development component of the Assembly's Budget was operationalized with effect from January 2017 by the Assembly.

The County Assembly came into being in 2013 following the conclusion of the General Elections held in 4th March, 2013. Since then the Assembly has been carrying out its activities in the former County Council of Nandi buildings/offices. It is in this connection therefore that the architectural designs for a new modern Assembly chambers have been done and construction of a more spacious complex is ongoing.

The acquisition of more motor vehicles in the previous years, notably for monitoring and evaluation has greatly assisted the various committees of the Assembly in the performance of their oversight roles.

There has also been challenges faced by the Assembly largely on the issue of office space and mobility but as aforementioned, this will be a thing of the past once construction of the New Assembly complex is completed.

Sign



Ag. Clerk of the County Assembly of Nandi.

**NANDI COUNTY ASSEMBLY,
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STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year ended on 30 June, 2017. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Assembly; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the County Assembly; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

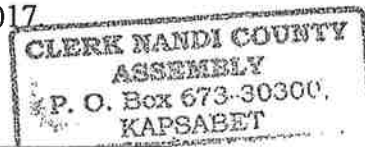
The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the County Assembly's financial statements give a true and fair view of the state of the County Assembly's transactions for the year ended 30 June, 2017, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The County Government's financial statements were approved and signed by the Clerk of the County Assembly on 29.9.2017 2017

[Handwritten Signature]



Ag. Clerk of the County Assembly

REPUBLIC OF KENYA

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Fax: +254-20-311482
E-mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON THE COUNTY ASSEMBLY OF NANDI FOR THE YEAR ENDED 30 JUNE 2017

REPORT ON THE FINANCIAL STATEMENTS

Disclaimer Opinion

I have audited the accompanying financial statements of the County Assembly of Nandi set out on pages 1 to 35, which comprise the statement of financial assets as at 30 June 2017, the statement of receipts and payments, statement of cash flows and statements of comparison of budget and actual amounts: recurrent, development and combined for the year then ended and 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 do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of the report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion these financial statements.

In addition, as required by Article 229(6) of the Constitution, I have not been able to obtain sufficient appropriate evidence to confirm that public money has been applied lawfully and in an effective way.

Basis for Disclaimer of Opinion

1.0 Transfers from the County Treasury/Exchequer Releases

The statement of receipts and payments for the year ended 30 June 2017 reflects County Treasury/Exchequer Releases of Kshs.619,900,000 which is at variance with the figure of Kshs.669,900,000 as indicated in the report of the Controller of Budget for the same period, comprising of recurrent exchequer of Kshs.550,000,000 and development exchequer releases of Kshs.118,900,000 and therefore resulting in unexplained or unreconciled difference of Kshs.49,000,000.

Consequently, the validity, accuracy and completeness of the County Treasury/Exchequer Releases of Kshs.619,900,000 reflected in the statement of receipts and payments for the year ended 30 June 2017 could not be confirmed.

2.0 Acquisition of Assets

2.1 Construction of County Assembly Building

The statement of receipts and payments reflects acquisition of assets figure of Kshs.64,768,145 as disclosed under note 10 to the financial statements. The amount includes Kshs.55,235,423 for the construction of County Assembly chambers, offices

Report of the Auditor-General on the Financial Statements of the County Assembly of Nandi for the year ended 30 June 2017

and auxiliary amenities and Kshs.9,532,722 for consultancy services pertaining to architectural design and drawings. Available information indicated that, a construction company was awarded the contract to construct the County Assembly building at a cost of Kshs.469,469,934 and payments totaling Kshs.55,235,423 had been made during the year under review. However, the management did not provide the bill of quantities of the building, architectural drawing of the building, and certificates of inspection and acceptance committee.

Under the circumstances, it was not possible to confirm the accuracy and validity of the amount of Kshs.64,768,145 expended for acquisition of assets for the year ended 30 June 2017.

2.2 Construction of the Perimeter Wall at the County Assembly

As reported in the previous year 2015/2016, the County Assembly entered into a contract with two construction firms to put up a perimeter wall in the year 2014/2015 at a contract sum of Kshs.4,165,317. The contract was to commence on 3 February, 2015 and be completed in 12 weeks on 8 July 2015. As at 10 November 2015, approximately 70% of the work had been completed. An inspection of the project during the year under review indicated that the construction of the perimeter wall stalled due to non-payment of the contractor since there was no budgetary allocation for the works. Further, management did not provide the reason why it entered into a contract for the works without a budgetary allocation contrary to Section 26(6) of the Public Procurement and Disposal Act, 2005.

Consequently, the objectives of the project have not been achieved and the Assembly may not have obtained value for money on the expenditure of Kshs.4,165,317 on the perimeter wall.

3.0 Use of Goods and Service

3.1 Unsupported Domestic Travel and Subsistence

The statement of receipts and payments as at 30 June 2017 reflects use of goods figure of Kshs.193,260,382 which includes an expenditure of Kshs.55,416,813 in respect of domestic travel and subsistence as disclosed in note 5 to the financial statements. Records made available for audit review revealed that out of the expenditure of Kshs.55,416,813, an amount of Kshs.32,955,697 was issued to various staff of the County Assembly in respect of domestic travelling and subsistence. However, the expenditure was not supported with the relevant documents such as copies of approved imprest requisitions, imprest warrants, letters of invitation, workshop and activity programs, evidence of means of travel and attendance register.

Under the circumstances, the propriety of the expenditure of Kshs.32,955,697 on domestic travelling and subsistence for the year ended 30 June 2017 could not be confirmed.

3.2 Foreign Travel and Subsistence

Included also in the use of goods and services figure of Kshs.193,260,382 as disclosed in note 5 to the financial statements is an amount of Kshs.9,368,555 in respect of foreign travel and subsistence. However, an amount of Kshs.8,533,808 out of the balance of Kshs.9,326,555 was not supported by documents, such as approved imprest requisitions, imprest warrants, invitation letters, photo copies of boarding passes, reports for tabling and adoption in the Assembly and attendance registers.

Consequently, the propriety of the foreign travel and subsistence expenditure of Kshs.8,533,808 for the year ended 30 June 2017 could not be confirmed.

3.3 Insurance Costs

Included in the use of goods and services figure of Kshs.193,260,382 as disclosed in note 5 to the financial statements is a figure of Kshs.25,584,259 for insurance costs. Available records revealed that management reallocated an amount of Kshs.5,914,600 for insurance costs to training expenditure item through virement of funds which was then used for a workshop in Mombasa for Members of the County Assembly as indicated below.

No	Payment Voucher No.	Payment Date	Details	Amount Kshs
1	30002318	22.6.2017	Payment for eight night outs and transport for MCAs training in Mombasa	3,257,000
2	30002319	22.6.2017	Payment for eight night outs and transport for MCAs training in Mombasa	1,397,000
3	30002320	22.6.2017	Payment for eight night outs and transport for MCAs training in Mombasa	1,260,600
	Total			5,914,600

However, this expenditure has been wrongly charged to the insurance item instead of training item. Further, documents in support of these payments such as workshop invitation letters, attendance register, evidence of means of transport and reports for tabling and adoption in the Assembly were not availed for audit verification.

Consequently, the propriety of the training expenditure of Kshs.5,914,600 for the year ended 30 June 2017 could not be confirmed.

3.4 Other Operating Expenses

Included also in the use of goods and services figure of Kshs.193,260,382 under note 5 to the financial statements is a balance of Kshs.56,748,159 for other operating

expenses which includes Kshs.23,640,100 paid to various county staff in respect of night outs while attending meetings. However, the payment vouchers were not supported by copies of approved imprest requisitions, imprest warrants, letters of invitation, workshop and activity programs, evidence of means of travel and attendance register.

Under the circumstances, the propriety of the expenditure of Kshs.23,640,100 on night outs while attending meetings for the year ended 30 June 2017 could not be confirmed.

4.0 Inaccuracies in the Financial Statements

4.1 Variances in Sets of Financial statements

The County Assembly availed first set of financial statements for audit review. However, after audit verification, a second set of financial statements was availed resulting to unexplained or unreconciled variances of Kshs.22,919,048 as indicated below.

Item	Financial statements - Set I (Kshs)	Financial Statements - Set II (Kshs)	Variance (Kshs)
Compensation of Employees	352,655,298	329,144,924	23,510,374
Use of Goods and Services	197,509,002	193,260,382	4,248,620
Social Security	-	3,815,594	(3,815,594)
Acquisition of Assets	63,743,793	64,768,145	(1,024,352)
Totals	613,908,093	590,989,045	22,919,048

Consequently, the accuracy and completeness of the financial statements for the year ended 30 June, 2016 could not be confirmed.

4.2 Summary statement of appropriation

Note VII to the financial statements reflects a figure of Kshs.701,188,748 for the final approved budget for the year ended 30 June 2017. However, the approved budget indicated a figure of Kshs.719,188,748 comprising of Kshs.600,288,748 for recurrent expenditure and Kshs.118,900,000 for development expenditure resulting to unexplained or unreconciled variance of Kshs.18,000,000.

5.0 Car Loan and Mortgage

As reported in the previous year, scrutiny of the records made available for audit review revealed that loan repayments totaling Kshs.199,797,030 had been made by the Members of the County Assembly since 2014 out of which only Kshs.47,831,267 had been banked in the fund account leaving Kshs.151,965,763 unbanked. Further as reported, the cars purchased through the car loan scheme were not jointly registered in the name of the County Assembly and the beneficiary as required in

the loan application form contrary to Regulation 11 (c) of the Public Finance Management (Nandi County Assembly Car loan and Mortgage Scheme fund) Regulations, 2014 which stipulate that a loan granted shall be subject to such other conditions as may be in the application form or may be prescribed by the Salaries and Remuneration Commission or any lawful Authority. Further, the County Assembly did not prepare and submit the Fund's financial statements for audit. In addition, no records were provided for audit review to show how much was recovered during the year and the outstanding balance as at 30 June 2017. It was therefore not possible to ascertain how much money the County Assembly was owed by the Members of the County Assembly not re-elected back.

Under the circumstances, the validity of the car loan and mortgage recoveries amounting to Kshs.151,965,763 from salaries and allowances of Members of the County Assembly not banked and the fund balance as at 30 June 2017 could not be confirmed.

6.0 Failure to Observe One Third Rule in Staff Establishment

A review of the personnel records availed for audit review revealed that as at 30 June 2017, the County Assembly of Nandi had a total of seventy (70) employees in its payroll all of whom were from one dominant community contrary to Section 65(1) (e) of the County Government Act, 2012 which requires that Public Service Board in selecting employees to consider the need to ensure that at least thirty percent (30%) of the vacant posts at the entry level are filled by candidates for appointments who are not from the dominant ethnic candidates.

Consequently, the County Assembly is in therefore in breach of the County Government Act, 2012 on staff establishment as a means of promoting national unity.

7.0 Budgetary Control and Performance

7.1 Budgeting Process of the Entity

Examination of the County Assembly documents and records availed for audit review indicated that, the Assembly had an approved budget of Kshs.701,188,748 for the year under review. The figure for the approved budget was comprised of Kshs.600,288,748 for recurrent expenditure and Kshs.118,900,000 for development expenditure. However, management did not avail documentary evidence pertaining to the budgeting process for audit review as required by Sections 137(1) and 128 of the Public Finance Management Act, 2012 which requires that, a county government shall establish a forum to be known as the Nandi County Budget and Economic Forum and the purpose of the forum is to provide a means for consultation by the county government on specific issues highlighted in Section 137(3) of the Act.

Under the circumstances, it was not possible to confirm whether the due process of budgeting was followed in the year under review.

7.2 Budget Performance (Absorption)

During the year 2016/2017, the County Assembly of Nandi had a total budget of Kshs.701,188,748 comprising of recurrent budget of Kshs.600,288,748 and development budget of 100,900,000. Further, the total budget reflected overall under absorption of Kshs.86,256,300 or 12% as summarized below:

No	Vote	Approved budget figure	Actual expenditure figure	Under absorption	% of Under absorption
		Kshs	Kshs	Kshs	
1	Development	100,900,000	64,768,145	36,131,855	42%
2	Recurrent	600,288,748	550,164,300	50,124,448	58%
	Total	701,188,748	614,932,445	86,256,303	12%

The under absorption of the approved budget is an indication that activities and projects planned for were not implemented by the County Assembly and is likely to have a negative effect on the delivery of goods and services of the County. There is need for the management to relook at its budgetary mechanism with a view to focusing on priority areas to enhance service delivery to the citizens of Nandi County.

7.3 Development Budget

During the year under review, the County Assembly of Nandi allocated an amount of Kshs.100,900,000 towards development projects out of which it spent Kshs.64,768,145 resulting in under expenditure of Kshs.36,131,855 or 36.3% of the budget. It is clear that the County Assembly did not utilize all the funds allocated for development and hence the objectives may not have been achieved and this may hamper service delivery to the people of Nandi County due to lack of the prerequisite infrastructure.

8.0 Audit Committee

The County Assembly of Nandi has not established an audit committee 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. The County Assembly is therefore in breach of the law.

Management's Responsibility for the Financial Statements and Those Charged with Governance for the Financial Statements

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 such 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.

In preparing the financial statements, management is responsible for assessing the County Assembly's ability to sustain services, disclosing, as applicable, matters related to sustainability of services.

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.

Those charged with governance are responsive for overseeing the County Assembly's reporting process.

Auditor-General's Responsibilities for the Audit of the Financial Statements

My responsibility is to conduct an audit of the County Assembly's financial statements in accordance with International Standards of Supreme Audit Institutions (ISSAIs) and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015, and submit the audit report in compliance with Article 229(7) of the Constitution. However, because of the matters described in the Basis for Disclaimer Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

I am independent of the County Assembly of Nandi in accordance with ISSAI 30 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.



FCPA Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi


16 July 2018

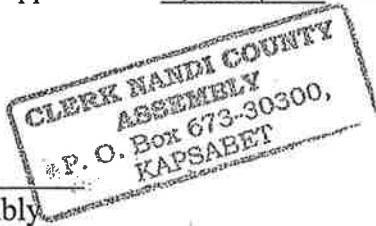
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IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016/2017	2015/2016
		KShs	KShs
RECEIPTS			
Transfers from the County Treasury/Exchequer Releases	1	619,900,000	478,188,491
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		619,900,000	478,188,491
PAYMENTS			
Compensation of Employees	4	329,144,924	303,667,193
Use of goods and services	5	193,260,382	160,398,793
Subsidies	6	-	-
Transfers to Other Government Entities	7	3,815,594	-
Other grants and transfers	8	-	-
Social Security Benefits	9	-	-
Acquisition of Assets	10	64,768,145	14,058,132
Finance Costs	11	-	-
Other Payments	12	-	-
TOTAL PAYMENTS		590,989,044	478,124,118
SURPLUS/DEFICIT		28,910,956	64,373

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 29.09. 2017 and signed by:


 Ag. Clerk of the Assembly
 Name: Isabella J. Maiyo



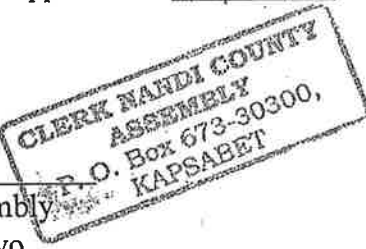

 Chief Finance Officer, County Assembly
 Name: Wesley C. Kimeto
 ICPAK Member Number: 11505


**NANDI COUNTY ASSEMBLY,
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V. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2016/2017	2015/2016
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	13A	28,975,330	64,373
Cash Balances	13B	-	-
Total Cash and cash equivalents		28,975,330	64,373
Accounts receivables – Outstanding Imprests	14	-	-
TOTAL FINANCIAL ASSETS		28,975,330	64,373
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	15	-	-
NET FINANCIAL ASSETS		28,975,330	64,373
REPRESENTED BY			
Fund balance b/fwd	16	64,373	-
Surplus/Deficit for the year		28,910,956	64,373
NET FINANCIAL POSITION		28,975,329	64,373
<i>Control</i>		<i>0 -</i>	<i>0</i>

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 29.09. 2017 and signed by:

Isabella J. Maiyo

 Ag. Clerk of the Assembly
 Name: Isabella J. Maiyo


 Chief Finance Officer, County Assembly
 Name: Wesley C. Kimeto
 ICPAK Member Number: 11505

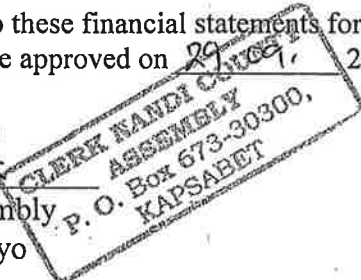
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VI. STATEMENT OF CASH FLOWS

	Note	2016/2017	2015/2016
		KShs	KShs
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from operating income			
Transfers from the County Treasury/Exchequer Releases	1	619,900,000	519,540,064
Other Receipts	3	0	0
Payments for operating expenses			
Compensation of Employees	4	(329,144,924)	(303,667,193)
Use of goods and services	5	(193,260,382)	(160,398,793)
Subsidies	6	0	0
Transfers to Other Government Entities	7	(3,815,594)	0
Other grants and transfers	8	0	0
Social Security Benefits	9	0	0
Finance Costs	11	0	0
Other Payments	12	0	0
Adjusted for:			
Adjustments during the year			(41,415,946)
Net cash flows from operating activities		93,679,101	14,058,132
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0	0
Acquisition of Assets	10	(64,768,145)	(14,058,132)
Net cash flows from investing activities		(64,768,145)	(14,058,132)
NET INCREASE IN CASH AND CASH EQUIVALENT		28,910,956	0
Cash and cash equivalent at BEGINNING of the year		64,373	
Cash and cash equivalent at END of the year		28,975,330	
As per statement of assets		28,975,330	64,373
Control		-	-

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 29 June 2017 and signed by:

Isabella J. Maiyo
Ag. Clerk of the Assembly
Name: Isabella J. Maiyo



Wesley C. Kimeto
Chief Finance Officer, County Assembly
Name: Wesley C. Kimeto
ICPAK Member Number: 11505

VII. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of utilization difference to final budget
	KShs	KShs	KShs	KShs	KShs
RECEIPTS					
Transfers from the County Treasury/Exchequer Releases	701,188,748		701,188,748	619,900,000	88%
Proceeds from Sale of Assets			-		
Other Receipts			-		
TOTAL	701,188,748		701,188,748	619,900,000	88%
PAYMENTS					
Compensation of Employees	334,375,640		334,375,640	329,144,924	98%
Use of goods and services	254,613,108		254,613,108	187,552,472	74%
Subsidies			-		
Transfers to Other Government Entities			-	3,815,594	
Other grants and transfers			-		
Social Security Benefits			-		
Acquisition of Assets	100,900,000		100,900,000	64,768,145	64%
Finance Costs			-		
Other Payments-Maintenance Costs	11,300,000		11,300,000	5,707,909	51%
TOTAL	701,188,748		701,188,748	590,989,044	84%

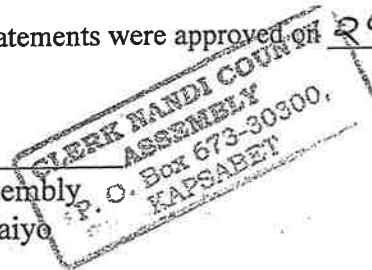
Reports and Financial Statements
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(NB: the total under actual on comparable basis should be the same as the totals under the statement of receipts and payments, where the two statements are not in agreement, a reconciliation of these two statements should be prepared as required under IPSAS and presented hereunder)

The entity financial statements were approved on 29.09. 2017 and signed by:

Isabella J. Maiyo

Ag. Clerk of the Assembly
Name: Isabella J. Maiyo



Wesley C. Kimeto

Chief Finance Officer, County Assembly
Name: Wesley C. Kimeto
ICPAK Member Number: 11505

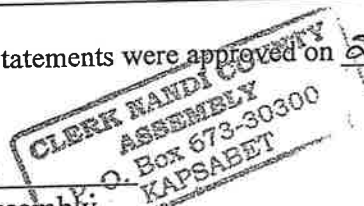
**NANDI COUNTY ASSEMBLY,
Reports and Financial Statements
For the year ended June 30, 2017**

VIII. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of utilization difference to final budget
	KShs	KShs	KShs	KShs	KShs
RECEIPTS					
Transfers from the County Treasury/Exchequer Releases	600,288,748	-	600,288,748	530,000,000	88%
Proceeds from Sale of Assets			-		
Other Receipts			-		
TOTAL	600,288,748	-	600,288,748	530,000,000	88%
PAYMENTS					
Compensation of Employees	334,375,640		334,375,640	329,144,924	98%
Use of goods and services	254,613,108		254,613,108	187,552,472	74%
Subsidies			-		
Transfers to Other Government Entities			-		
Other grants and transfers			-		
Social Security Benefits			-		
Acquisition of Assets		-	-		
Finance Costs	-	-	-		
Other Payments	11,300,000		11,300,000	5,707,909	51%
TOTAL	600,288,748	-	600,288,748	522,405,305	87%

The entity financial statements were approved on 29.09.2017 and signed by:

Isabella J. Maiyo
Ag. Clerk of the Assembly
Name: Isabella J. Maiyo



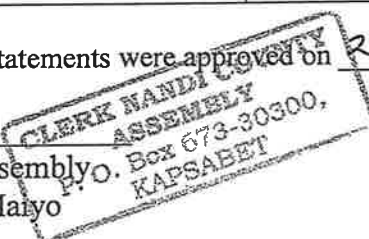
Wesley C. Kimeto
Chief Finance Officer, County Assembly
Name: Wesley C. Kimeto
ICPAK Member Number: 11505

IX. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: DEVELOPMENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of utilization difference to final budget
	KShs	KShs	KShs	KShs	KShs
RECEIPTS					
Transfers from the County Treasury/Exchequer Releases	100,900,000		100,900,000	89,900,000	89%
Proceeds from Sale of Assets					
Other Receipts					
TOTAL	100,900,000	-	100,900,000	89,900,000	89%
PAYMENTS					
Compensation of Employees					
Use of goods and services					
Subsidies					
Transfers to Other Government Entities					
Other grants and transfers					
Social Security Benefits					
Acquisition of Assets	100,900,000		100,900,000	64,768,145	64%
Finance Costs					
Other Payments					
TOTAL	100,900,000	-	100,900,000	64,768,145	64%

The entity financial statements were approved on 29.09 2017 and signed by:

Isabella J. Maiyo
Ag. Clerk of the Assembly
Name: Isabella J. Maiyo



Wesley C. Kimeto
Chief Finance Officer, County Assembly
Name: Wesley C. Kimeto
ICPAK Member Number: 11505

X. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2016/2017		2016/2017	2016/2017	
	Kshs	Kshs	Kshs	Kshs	Kshs
Programme 1					
Sub-programme 1					
Sub-programme 2					
Sub-programme 3					
Programme 2					
Sub-programme 1					
Sub-programme 2					
Sub-programme 3					

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the County budgets which are programmatic)

XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the entity all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented.

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

2. Reporting entity

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

3. Recognition of receipts and payments

a) Recognition of receipts

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

Tax receipts

Tax Receipts is recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

Transfers from the Exchequer/ County Treasury

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

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.

**NANDI COUNTY ASSEMBLY,
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SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Recognition of payments

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

Compensation of employees

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

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.

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.

4. In-kind contributions

In-kind contributions are donations that are made to the *Nandi County Assembly* 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 *Nandi County Assembly* 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. 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.

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.

There were no other restrictions on cash during the year

SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Accounts Receivable

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.

7. Accounts Payable

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.

8. Non-current assets

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

9. 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 *entity* 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.

10. Budget

The budget is prepared on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The entity's budget was approved as required by Law .The original budget was approved by the County Assembly on June 29th 2016, for the period 1st July 2016 to 30 June 2017 as required by law. A high-level assessment of the *County Assembly of Nandi* actual performance against the comparable budget for the financial year under review has been included in the Statement of Comparison between actual and budgeted amounts included in these financial statements.

**NANDI COUNTY ASSEMBLY,
Reports and Financial Statements
For the year ended June 30, 2017**

SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Comparative figures

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

12. Subsequent events

Events subsequent to 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.

13. Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

14. Related party transactions

Related party transactions involve cash and in kind transactions with the National Government, National Government entities and County Government entities. Specific information with regards to related party transactions is included in the disclosure notes.

**NANDI COUNTY ASSEMBLY,
Reports and Financial Statements
For the year ended June 30, 2017**

XII. NOTES TO THE FINANCIAL STATEMENTS

1 Transfers from the County Treasury/Exchequer Releases

	KShs	KShs
	FY 2016/2017	FY 2015/2016
Total Exchequer Releases for quarter 1	145,000,000	134,932,527
Total Exchequer Releases for quarter 2	155,000,000	87,788,200
Total Exchequer Releases for quarter 3	200,000,000	124,117,404
Total Exchequer Releases for quarter 4	119,900,000	131,350,360
Total	619,900,000	478,188,491

QUARTER	Recurrent Expenditure Account	Development Expenditure Account	TOTAL RECEIPTS
Q1	145,000,000	0	145,000,000
Q2	135,000,000	20,000,000	155,000,000
Q3	150,000,000	50,000,000	200,000,000
Q4	100,000,000	19,900,000	119,900,000
	530,000,000	89,900,000	619,900,000

2 PROCEEDS FROM SALE OF ASSETS

	2016/2017	2015/2016
	Kshs	Kshs
Receipts from the Sale of Buildings	0	0

**NANDI COUNTY ASSEMBLY,
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Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Receipts from Sale of Certified Seeds and Breeding Stock	0	0
Receipts from the Sale of Strategic Reserves Stocks	0	0
Receipts from the Sale of Inventories, Stocks and Commodities	0	0
Disposal and Sales of Non-Produced Assets	0	0
Receipts from the Sale of Strategic Reserves Stocks	0	0
Total	0	0

3 OTHER RECEIPTS

	2016/2017	2015/2016
	KShs.	KShs.
Other Receipts I	0	0
Other Receipts II	0	0
Other Receipts III	0	0
Other Receipts IV	-0	0
Other Receipts XXXX	0	0
Total	0	0

(Provide a detailed explanation of what other receipts relate to, who they were received from and whether they had been budgeted for)

NANDI COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 COMPENSATION OF EMPLOYEES

	2016/2017	2015/2016
	Kshs	Kshs
Basic salaries of permanent employees	237,355,763	296,579,783
Basic wages of temporary employees	719,000	0
Personal allowances paid as part of salary	72,747,461	0
Personal allowances paid as reimbursements	18,322,700	0
Personal allowances provided in kind	0	0
Pension and other social security contributions	0	7,087,410
Compulsory national social security schemes	0	0
Compulsory national health insurance schemes	0	0
Social benefit schemes outside government		0
Other personnel payments		0
Total	329,144,924	303,667,193

(Provide detailed explanation with regard to the number of employees recruited by the Assembly, new employees and resignations. Explain what other personnel costs relate to)

5 USE OF GOODS AND SERVICES

	2016/2017	2015/2016
	KShs	KShs
Utilities, supplies and services	668,247	3,032,908
Communication, supplies and services	1,353,678	2,151,589
Domestic travel and subsistence	55,416,813	51,716,174

**NANDI COUNTY ASSEMBLY,
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Foreign travel and subsistence	9,368,555	20,217,227
Printing, advertising and information supplies & services	5,582,278	3,325,932
Rentals of produced assets	990,000	990,000
Training expenses	19,068,795	30,275,114
Hospitality supplies and services	4,658,907	4,199,560
Insurance costs	25,584,259	0
Specialized materials and services	820,384	346,343
Office and general supplies and services	163,800	2,251,896
Other operating expenses	56,748,159	26,975,454
Routine maintenance – vehicles and other transport equipment	5,707,909	3,477,660
Routine maintenance – other assets	428,040	5,259,909
Fuel, Oil and Lubricants	6,700,557	6,179,027
Total	193,260,382	160,398,793

NANDI COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 SUBSIDIES

Description	2016/2017	2015/2016
	KShs	KShs
Subsidies to Public Corporations		
<i>See list attached</i>		
Nyumbani Sugar Company		
Subsidies to Private Enterprises		
<i>See list attached</i>		
Vijana Fisheries Ltd		
TOTAL	0	0

(Provide explanations as to what subsidies relate to)

7 TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	2016/2017	2015/2016
	KShs	KShs
Transfers to National Government entities	3,815,594	0
See attached list	0	0
	0	0
Transfers to Counties	0	0
County Assembly Car Loan Fund Account (Housing Finance Company of Kenya)	0	0

**NANDI COUNTY ASSEMBLY,
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	0	0
TOTAL	3,815,594	0

This transfer to National Government entities relate to the Value Added Tax withheld and paid to the Kenya Revenue Authority.

NANDI COUNTY ASSEMBLY
Reports and Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 OTHER GRANTS AND TRANSFERS

	2016/2017	2015/2016
	KShs.	KShs.
Scholarships and other educational benefits	0	0
Emergency relief and refugee assistance	0	0
Subsidies to small businesses, cooperatives, and self employed	0	0
Other current transfers, grants	0	0
Other capital grants and transfers	0	0
Total	0	0

(Give explanations on what other grants and transfers relate to and who the beneficiaries are)

9 SOCIAL SECURITY BENEFITS

	2016/2017	2015/2016
	KShs	KShs
Government pension and retirement benefits	0	0
Social security benefits in cash and in kind	0	0
Employer Social Benefits in cash and in kind	0	0
Total	0	0

(Give explanations and distinguish between NSSF benefits and contributions made to other entities on behalf of staff.)

**Reports and Financial Statements
For the year ended 30 June 2017**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 ACQUISITION OF ASSETS

	2016/2017	2015/2016
Non-Financial Assets	KShs	KShs
Purchase of Buildings		
Construction of Buildings	55,235,423	
Refurbishment of Buildings		
Construction of Roads		
Construction and Civil Works		
Overhaul and Refurbishment of Construction and Civil Works		
Purchase of Vehicles and Other Transport Equipment		
Overhaul of Vehicles and Other Transport Equipment		
Purchase of Household Furniture and Institutional Equipment		412,800
Purchase of Office Furniture and General Equipment	0	0
Purchase of ICT Equipment, Software and Other ICT Assets		13,645,332
Purchase of Specialised Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Purchase of Certified Seeds, Breeding Stock and Live Animals		
Research, Studies, Project Preparation, Design & Supervision	9,532,722	
Rehabilitation of Civil Works		
Acquisition of Strategic Stocks and commodities		
Acquisition of Land		

NANDI COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 ACQUISITION OF ASSETS

	2016/2017	2015/2016
Non-Financial Assets	KShs	KShs
Purchase of Buildings		
Construction of Buildings	55,235,423	
Refurbishment of Buildings		
Construction of Roads		
Construction and Civil Works		
Overhaul and Refurbishment of Construction and Civil Works		
Purchase of Vehicles and Other Transport Equipment		
Overhaul of Vehicles and Other Transport Equipment		
Purchase of Household Furniture and Institutional Equipment		412,800
Purchase of Office Furniture and General Equipment	0	0
Purchase of ICT Equipment, Software and Other ICT Assets		13,645,332
Purchase of Specialised Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Purchase of Certified Seeds, Breeding Stock and Live Animals		
Research, Studies, Project Preparation, Design & Supervision	9,532,722	
Rehabilitation of Civil Works		
Acquisition of Strategic Stocks and commodities		
Acquisition of Land		

**NANDI COUNTY ASSEMBLY,
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	2016/2017	2015/2016
Acquisition of Intangible Assets		
Financial Assets		
Domestic Public Non-Financial Enterprises		
Domestic Public Financial Institutions		
Foreign financial Institutions operating Abroad		
Other Foreign Enterprises		
Foreign Payables - From Previous Years		
Total	64,768,145	14,058,132

NANDI COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 FINANCE COSTS

	2016/2017	2015/2016
	KShs	KShs
Bank Charges	0	0
Exchange Rate Losses	0	0
Other Finance Costs	0	0
	0	0
Total	0	0

(Provide detailed explanation on finance costs and whether they relate to borrowings on bank overdraft)

12 OTHER PAYMENTS

	2016/2017	2015/2016
	KShs	KShs
Budget Reserves	0	0
Civil Contingency Reserves	0	0
Capital Transfers to Non-Financial Public Enterprises	0	0
Capital Transfer to Public Financial Institutions and Enterprises	0	0
Capital Transfer to Private Non-Financial Enterprises	0	0
Other expenses	0	0
Domestic Accounts	0	0
Total	0	0

(Provide detailed explanations for other payments)

**NANDI COUNTY ASSEMBLY,
Reports and Financial Statements
For the year ended June 30, 2017**

13 A BANK ACCOUNTS

Name of Bank, Account No. & Currency	Indicated whether recurrent or development	2016/2017 KShs	2015/2016 KShs
Central Bank of Kenya, 1000197056	Recurrent	335,822	37,243
Central Bank of Kenya, 1000197048	Development	28,481,932	0
Cooperative Bank of Kenya,	Commercial Bank	157,576	27,130
Total		28,975,330	64,373

(NB: all bank accounts operated by the County Assembly should be included in this note.)

NANDI COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 B CASH IN HAND

	2016/2017	2015/2016
	KShs	KShs
Cash in Hand – Held in domestic currency		
Cash in Hand – Held in foreign currency		
Total	0	0

13 C Cash in hand should be analysed as follows:

	2016/17	2015/16
	Kshs	Kshs
Location 1	0	0
Location 2	0	0
Location 3	0	0
Total	0	0

(Provide locations where cash in hand is held e.g head office, cashier's office, cash office etc)

14 ACCOUNTS RECEIVABLE

	2016/2017	2015/2016
	KShs	KShs
Government Imprest (COUNTY EXECUTIVE)	0	0
Clearance Accounts	0	
Staff Advances	0	
Other Advances	0	
Total	0	0

Government Imprest Holders

**NANDI COUNTY ASSEMBLY,
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Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		KShs	KShs	KShs
Name of Officer or Institution	dd/mm/yy			
Name of Officer or Institution	dd/mm/yy			
Name of Officer or Institution	dd/mm/yy			
Name of Officer or Institution	dd/mm/yy			
Name of Officer or Institution	dd/mm/yy			
Name of Officer or Institution	dd/mm/yy			
Total				

**See Annex 6 for a detailed analysis of the outstanding imprests.*

15 ACCOUNTS PAYABLE

	2016/2017	2015/2016
	KShs	KShs
Deposits and Retentions		
Total	0	0

(NB: Amount under deposits and retentions should tie to cash held in deposit account)

NANDI COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16 FUND BALANCE BROUGHT FORWARD

	2016/2017	2015/2016
	KShs	KShs
Bank accounts		64,373
Cash in hand		
Accounts Receivables		
Accounts Payables		
Total	0	64,373

17 PRIOR YEAR ADJUSTMENT

Description of the adjustment	2016/17	2015/16
	Kshs	Kshs
Adjustments on bank account balances		
Adjustments on cash in hand	0	41,415,946
Adjustments on payables	0	0
Adjustments on receivables	0	0
Others (<i>specify</i>)	0	0
Total	0	0

(Explain whether the prior year relates to errors noted in prior year, changes in estimates or accounting policy.)

EXPLANATION:

NANDI COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2017

DISCLOSURE NOTES

18.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2016/2017	2015/2016
	KShs.	KShs.
Construction of buildings		
Construction of civil works		
Supply of goods		
Supply of services		
Total		

18.2: PENDING STAFF PAYABLES (See Annex 2)

	2016/17	2015/16
Name of Staff	Kshs	Kshs
Xxx	Xxx	xxx
Xxx	Xxx	xxx
Total	Xxx	xxx

18.3: OTHER PENDING PAYABLES (See Annex 3)

	2016/17	2015/16
	Kshs	Kshs
Amounts due to National Government entities	Xxx	xxx
Amounts due to County Government entities	Xxx	xxx
Amounts due to third parties	Xxx	xxx
Total	Xxx	xxx

19 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.

**NANDI COUNTY ASSEMBLY,
Reports and Financial Statements
For the year ended June 30, 2017**

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

Related party transactions:

	2016/2017	2015/2016
	Kshs	Kshs
Compensation to the MCAs	xxx	xxx
Key Management compensation	xxx	xxx
	=====	=====
Transfers from the County Treasury	xxx	xxx
Transfers to/ from other County Government entities	xxx	xxx
Transfers to/ from County Ministries and Departments	xxx	xxx
Payments made in favour of other related parties	xxx	xxx
Payments made by related parties on behalf of Assembly	xxx	xxx
	=====	=====

**NANDI COUNTY ASSEMBLY,
Reports and Financial Statements
For the year ended June 30, 2017**

XIII. PROGRESS ON FOLLOW UP OF AUDITOR 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	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved/ Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.

Ag. Clerk of the County Assembly

Sign..... *[Signature]*



Date..... *29.09.2017*

NANDI COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2017

XIV. ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2016	Comments
	A	b	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						

XV. ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2016	Comments
		a	b	c	d=a-c		
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
	Sub-Total						
	Grand Total						

NANDI COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2017

XVI. ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount a	Date Payable Contracted b	Amount Paid To-Date c	Outstanding Balance 2015 d=a-c	Outstanding Balance 2016	Comments
Amounts due to National Govt Entities							
1.							
2.							
3.							
	Sub-Total						
Amounts due to County Govt Entities							
4.							
5.							
6.							
	Sub-Total						
Amounts due to Third Parties							
7.							
8.							
9.							
	Sub-Total						
Others (specify)							
10.							
11.							
12.							
	Sub-Total						
	Grand Total						

XVII. ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2015/2016	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 2016/2017
Land	18,000,000			18,000,000
Buildings and structures	17,500,000	64,768,145		82,268,145
Transport equipment	59,039,408			59,039,408
Office equipment, furniture and fittings	14,058,132			14,058,132
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	108,597,540			173,365,685

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Assembly since its inception. Additions during the year should tie to note 10 on acquisition of assets during the year and subsequently the statement of receipts and payments

**NANDI COUNTY ASSEMBLY,
Reports and Financial Statements
For the year ended June 30, 2017**

XVIII. ANNEX 5 – ANALYSIS OF OUTSTANDING IMPREST

Government Imprest Holders

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
				Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
Total				Xxx

XVIII. ANNEX 5 – ANALYSIS OF OUTSTANDING IMPREST

Government Imprest Holders

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
Total				Xxx

XIX. ANNEX 6 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Report from IFMIS)

NANDI COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2017

XVI. ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount a	Date Payable Contracted b	Amount Paid To-Date c	Outstanding Balance 2015 d=a-c	Outstanding Balance 2016	Comments
Amounts due to National Govt Entities							
1.							
2.							
3.							
	Sub-Total						
Amounts due to County Govt Entities							
4.							
5.							
6.							
	Sub-Total						
Amounts due to Third Parties							
7.							
8.							
9.							
	Sub-Total						
Others (specify)							
10.							
11.							
12.							
	Sub-Total						
	Grand Total						

XVII. ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2015/2016	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost e/f (Kshs) 2016/2017
Land	18,000,000			18,000,000
Buildings and structures	17,500,000	64,768,145		82,268,145
Transport equipment	59,039,408			59,039,408
Office equipment, furniture and fittings	14,058,132			14,058,132
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	108,597,540			173,365,685

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Assembly since its inception. Additions during the year should tie to note 10 on acquisition of assets during the year and subsequently the statement of receipts and payments

XVIII. ANNEX 5 – ANALYSIS OF OUTSTANDING IMPREST

<i>Government Imprest Holders</i>				
<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
				Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
Total				Xxx

**NANDI COUNTY ASSEMBLY,
Reports and Financial Statements
For the year ended June 30, 2017**

XVIII. ANNEX 5 – ANALYSIS OF OUTSTANDING IMPREST

Government Imprest Holders

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Total</i>				Xxx

XIX. ANNEX 6 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Report from IFMIS)

NANDI COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended 30 June 2017

XVI. ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount a	Date Payable Contracted b	Amount Paid To-Date c	Outstanding Balance 2015 d=a-c	Outstanding Balance 2016	Comments
Amounts due to National Govt Entities							
1.							
2.							
3.							
	Sub-Total						
Amounts due to County Govt Entities							
4.							
5.							
6.							
	Sub-Total						
Amounts due to Third Parties							
7.							
8.							
9.							
	Sub-Total						
Others (specify)							
10.							
11.							
12.							
	Sub-Total						
	Grand Total						

XVII. ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2015/2016	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 2016/2017
Land	18,000,000			18,000,000
Buildings and structures	17,500,000	64,768,145		82,268,145
Transport equipment	59,039,408			59,039,408
Office equipment, furniture and fittings	14,058,132			14,058,132
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	108,597,540			173,365,685

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Assembly since its inception. Additions during the year should tie to note 10 on acquisition of assets during the year and subsequently the statement of receipts and payments

XVIII. ANNEX 5 – ANALYSIS OF OUTSTANDING IMPREST

<i>Government Imprest Holders</i>				
<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
Total				Xxx

**NANDI COUNTY ASSEMBLY,
Reports and Financial Statements
For the year ended June 30, 2017**

XVIII. ANNEX 5 – ANALYSIS OF OUTSTANDING IMPREST

Government Imprest Holders

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	Xxx
<i>Total</i>				Xxx

XIX. ANNEX 6 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Report from IFMIS)



COUNTY ASSEMBLY OF NANDI

JOURNAL VOUCHER NO. 001

Payee's Name Address:

COUNTY ASSEMBLY OF
NANDI.....

PARTICULARS OR SUMMARY

Description:

To recognize voided transactions (that were unsuccessfully paid) during the FY 2016/2017 appearing as valid payments in the IFMIS but did not feature in the IB statements-overstated expenditure on Basic Salaries.

TOTAL:

Twenty Four Million, Three Hundred and Nineteen Thousand, One Hundred and Seventy Six Shillings and Fifteen Cents

AMOUNT: _

KShs. 24,319,176.15

ORIGINATED BY:

ISAAC KIPLAGAT TUM

Date..... **02/02/2018**

Certified Public Accountant No. 16906

Designation

**FISCAL
ANALYST**

Signature

AUTHORIZATION

I certify that I have examined the journal and the transactions being passed are charged to the accounts shown below:

Isabella Jebet Maiyo

Ag. Clerk of County Assembly

Signature.....

Iselles

<i>Account</i>	<i>DR</i>	<i>CR</i>
Receipts and Payments	<i>24,319,176.15</i>	
Basic Salaries		<i>24,319,176.15</i>





COUNTY ASSEMBLY OF NANDI

JOURNAL VOUCHER NO. 002

Payee's Name Address:

COUNTY ASSEMBLY OF

NANDI.....

PARTICULARS OR SUMMARY

Description:

To recognize voided transactions (that were unsuccessfully paid) during the FY 2016/2017 appearing as valid payments in the IFMIS but did not feature in the IB statements-overstated expenditure on Travel Costs.

TOTAL:

Eighty Two Thousand, Two Hundred Shillings Only

AMOUNT: _

KShs. 82,200

ORIGINATED BY:

ISAAC KIPLAGAT TUM

Date..... *02/02/2018*

Certified Public Accountant No. 16906

Designation *FISCAL ANALYST*

Signature *[Signature]*

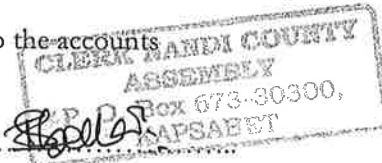
AUTHORIZATION

I certify that I have examined the journal and the transactions being passed are charged to the accounts shown below:

Isabella Jebet Maiyo

Ag. Clerk of County Assembly

Signature..... *[Signature]*



	<i>Account</i>	<i>DR</i>	<i>CR</i>
	Receipts and Payments	<i>82,200</i>	
	Travel costs		<i>82,200</i>



COUNTY ASSEMBLY OF NANDI

JOURNAL VOUCHER NO. 003

Payee's Name Address:

COUNTY ASSEMBLY OF
NANDI.....

PARTICULARS OR SUMMARY

Description:

To recognize voided transactions (that were unsuccessfully paid) during the FY 2016/2017 appearing as valid payments in the IFMIS but did not feature in the IB statements-overstated expenditure on Insurance Costs.

TOTAL:

Four Million, Four Hundred and Eighteen Thousand, Four Hundred and Twenty Shillings Only

AMOUNT: _

KShs. 4,418,420

ORIGINATED BY:

ISAAC KIPLAGAT TUM

Certified Public Accountant No. 16906

Date..... 02/02/2018

Designation **FISCAL
ANALYST**

Signature

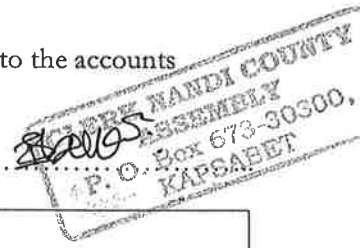
AUTHORIZATION

I certify that I have examined the journal and the transactions being passed are charged to the accounts shown below:

Isabella Jebet Maiyo

Ag. Clerk of County Assembly

Signature.....



	<i>Account</i>	<i>DR</i>	<i>CR</i>
	Receipts and Payments	4,418,420	
	Travel costs		4,418,420



COUNTY ASSEMBLY OF NANDI

JOURNAL VOUCHER NO. 004

Payee's Name Address:

COUNTY ASSEMBLY OF
NANDI.....

PARTICULARS OR SUMMARY

Description:

To correct the overstated receipts.

These were the amounts that released into County Executive development expenditure accounts before the operationalization of the County Assembly of Nandi Development Expenditure Account.

TOTAL:

Twenty Million Only

AMOUNT: _

KShs. 20,000,000

ORIGINATED BY:

ISAAC KIPLAGAT TUM

Date..... **02/02/2018**

Certified Public Accountant No. 16906

Designation: **FISCAL ANALYST**

Signature

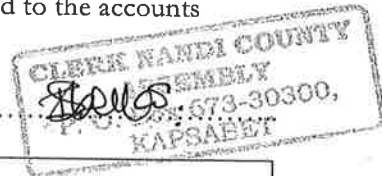
AUTHORIZATION

I certify that I have examined the journal and the transactions being passed are charged to the accounts shown below:

Isabella Jebet Maiyo

Ag. Clerk of County Assembly

Signature...



	<i>Account</i>	<i>DR</i>	<i>CR</i>
	Receipts and Payments	20,000,000	