

REPUBLIC OF KENYA



*Enhancing Accountability*

## REPORT

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**THE AUDITOR-GENERAL**

ON

**COUNTY ASSEMBLY OF KWALE**

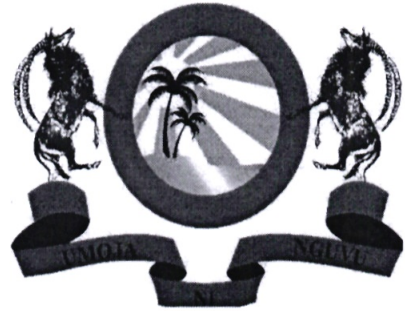
**FOR THE YEAR ENDED  
30 JUNE, 2023**

PAPERS LAID	
DATE	7/3/23
TABLED BY	S. M. K.
COMMITTEE	
CLERK AT THE TABLE	Angela Cherop

OFFICE OF THE AUDITOR GENERAL  
P.O. Box 95202, MOMBASA

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**KWALE COUNTY ASSEMBLY**

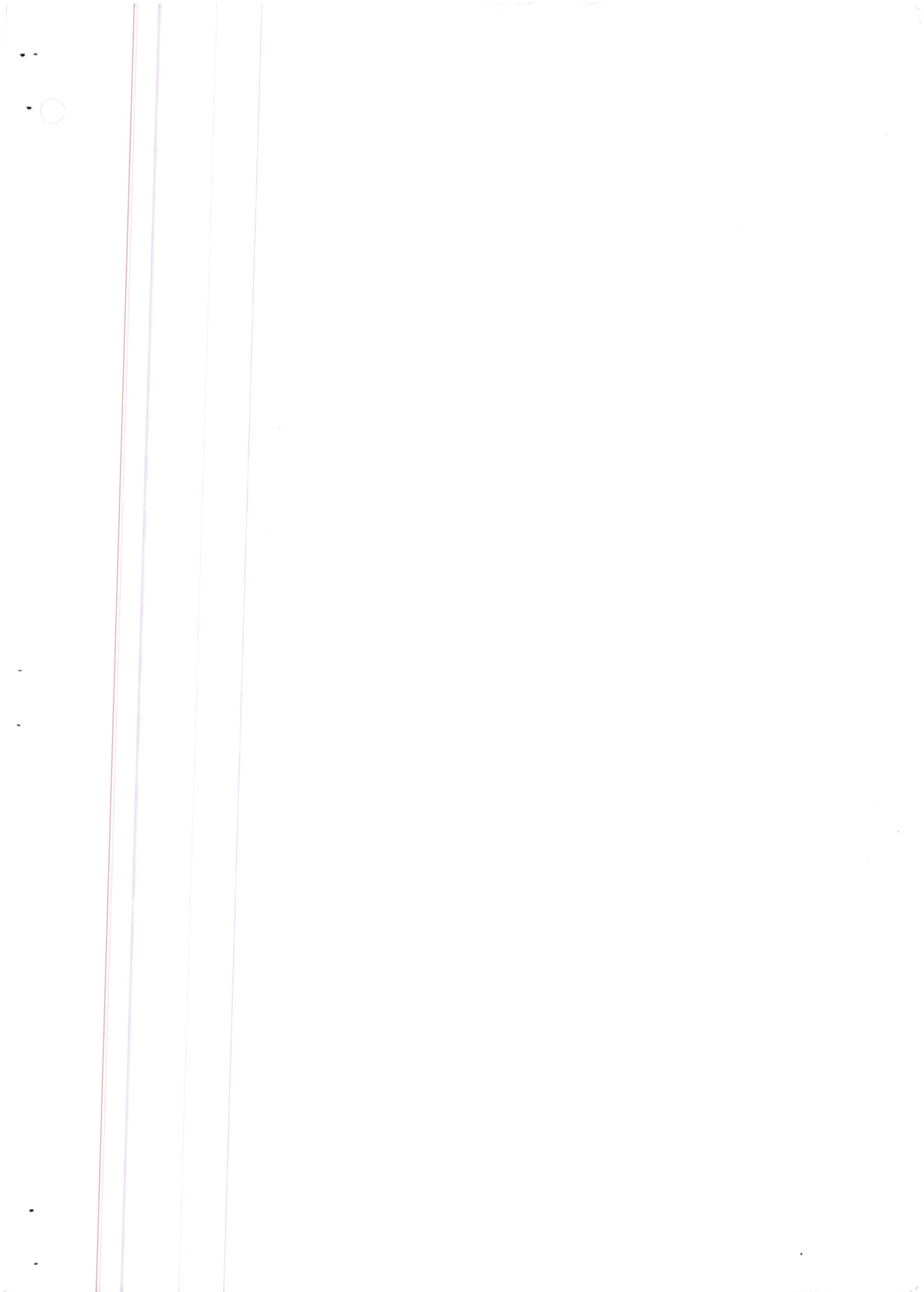
**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2023**

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



*Count Government of Kwale*  
*Kwale County Assembly*  
*Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023*

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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.
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## 2. Key Entity Information and Management

### (a) Background information

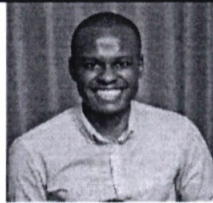
The County is constituted as per the constitution of Kenya is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes twenty Members of County Assembly (MCAs) elected to represent members of the public from their respective wards. 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 Kwale day-to-day management is under the following key organs:

No.	Designation	Name
1.	Speaker of the County Assembly	 Hon. Seth Kamanza Mwatela
2.	Clerk of the County Assembly	 Ms. Fatuma Hassan Mwalupa
3.	Director Finance and Accounts	 CPA Philip Wanje Ziro
4.	Director Human Resource and Administration	 Mr. Nick Olweya Siso

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No.	Designation	Name
5.	Director Information Technology & Communication	 Mr. Paul Mwero Ruwah

**(c) Fiduciary Management**

The key management personnel who held office during the year ended June 223 and who had direct fiduciary responsibility were:

No.	Designation	Name
1	Accounting Officer- Clerk	Ms. Fatuma Hassan Mwalupa
2	Director Finance And Accounts	CPA Philip Wanje Ziro
3	Director HR and Administration	Mr. Nick Olweya Siso
4	Director Information Technology & Communication	Mr. Paul Mwero Ruwah
5	Chief Hansard Editor	Mercy Murugi Ndirangu
6	Senior Legal Council	Lucy Mwende Waweru
7	Senior Procurement Officer	John Genya Kalu
8	Head of Sargent at Arms	Guzo Hamisi Mwatero
9	Human Resource Officer	Felistus Mwangeli Kalungu
10	Head of ICT	Joseph Ruwa Zecha
11	Head of Internal Audit	CPA Dickson Nyundo Mangale

**Key Entity Information and Management (Continued)**

**(d) Fiduciary Oversight Arrangements**

1. Internal Audit Committee

**Key Fiduciary Responsibility.**

**Financial reporting**

(a) *The audit committee should review, and report to the board and executive management on, the significant financial reporting issues and judgements made in connection with the preparation of the entity's financial statements (having regard to matters communicated to it by the auditor), interim reports, preliminary announcements and related formal statements.*

(b) *The audit committee should consider significant accounting policies, any changes to them and any significant estimates and judgements.*

(c) *Where, following its review, the audit committee is not satisfied with any aspect of the proposed financial reporting by the entity, it shall report its views to the board and executive management.*

(d) *The audit committee should review related information presented with the financial statements, including the business review, and corporate governance statements relating to the audit and to risk management*

**Narrative Reporting**

(a) *Where requested by the board or executive management, the audit committee should review the content of the annual report and accounts and advise the Executive Management, Accounting Officers, and the Boards or executive management on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for stakeholders to assess the entity's performance, business model and strategy.*

**Whistle blowing**

(a) *The audit committee should review arrangements by which staff of the entity or any other person may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.*

**Internal controls and risk management systems**

(a) *The audit committee should review the entity's internal financial controls (that is, the systems established to identify, assess, manage and monitor financial risks).*

**The internal audit process**

(a) *The audit committee should monitor and review the effectiveness of the entity's internal audit function.*



2. Public Investments and Accounts Committee

**Key Fiduciary Responsibility.**

a) *The examination of the accounts showing the appropriations of the sum voted by the County Assembly to meet the public expenditure and of such other accounts laid before the County Assembly as the Committee may think fit.*

b) *The examination of the reports, accounts and workings of the county public investments;*

c) *The examination, in the context of the autonomy and efficiency of the county public investments, whether the affairs of the county public investments, are being managed in accordance with sound financial or business principles and prudent commercial practices*

3. Budget and Appropriation Committee

**Key Fiduciary Responsibility.**

a) *Investigate, inquire into and report on all matters related to coordination, control and monitoring of the of the county budget,*

b) *Discuss and review the estimates and make recommendations to the County Assembly;*

c) *Examine the County Budget Policy Statement presented to the County Assembly;*

d) *Examine Bills related to the national budget, including Appropriations Bills;  
and*

e) *Evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays.*

**(e) Entity Headquarters**

P.O. Box 231-80403

Kwale County Head Quarters

Kwale/Kinango Highway

**KWALE, KENYA**

**(f) Entity Contacts**

E-mail: [info@kwaleassembly.go.ke](mailto:info@kwaleassembly.go.ke)

Website: [www.kwaleassembly.go.ke](http://www.kwaleassembly.go.ke)

**Key Entity Information and Management (Continued)**

**(g) Entity Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
**NAIROBI, KENYA**
  
2. Kenya Commercial Bank  
P.O. Box 43 – 80403  
**KWALE, 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**

Office of County Attorney  
P.O. Box 4-80403  
Kwale County Government Head Quarters  
Kwale/Kinango Highway  
**KWALE, KENYA**

### **3. Governance Statement**

#### **The County Assembly**

The County Assembly is constituted by the MCAs of Kwale County Government. It is headed by the Speaker who is elected by the MCAs. The speaker is also the chairperson of the County Assembly Service Board while the County Assembly clerk is the secretary.

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

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

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

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

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

#### **a) Select Committees**

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

#### **b) Sectoral Committees**

The mandate of 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 has the following Select and Sectoral committees:

- a) Committee on Implementation
- b) Committee on Public Investment and Accounts
- c) Committee on Finance, Budget and Appropriation
- d) Committee on Delegated County Legislation
- e) Powers and Privileges
- f) Committee on Rules and Procedure
- g) Health Services
- h) Water Services
- i) Energy

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- j) Agriculture, Fisheries and Livestock Development
- k) Children, Culture and Community Service
- l) Early Childhood Education and Vocational Training
- m) Labour and Social Welfare
- n) Lands, Mining, Environment and Natural Resources
- o) Gender and Special Interests
- p) Transport and Public Works
- q) Planning, Trade, Tourism and Co-operatives Development
- r) Justice and Legal Affairs

**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 members during FY 2022/2023 were:

Member	Designation	Ward
Hon Seth Mwatela	Chairperson	Speaker
Hon. Ali Bedzame Mwauchi	Vice Chairperson	Ndavaya
Hon. Victor Nyanje	Member	Kasemeni
Hon. James Dawa	Member	Puma
Hon. Andrew Mulei	Member	Kubo South
Hon. Josephine Kinyajui	Member	Nominated
Hon. Mulki Adan	Member	Nominated
Hon. Omar Mwaduga	Member	Pongwe Kikoneni
Hon. Judy Kengo	Member	Nominated

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**b) Audit Committee**

The audit committee was constituted in 2020. Its mandate is to advise the County Assembly on institutional risk management and compliance. The committee held six meetings in FY 2022/2023. The committee members during FY 2022/2023 were:

Member	Designation
Geoffrey Sitati Khakame	Chairperson
Abdallah Mambo Dallu	Member
Neema Salim Mwangaza	Member
Aisha Ashok Kumar	Member
Dickson Nyundo Mangale	Secretary

**c) 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 xxx extra sittings to deal with arising matters. The members who served in the committee during the year were:

Member	Designation	Ward
Hon. Omar Kitengele	Chairperson	Ukunda
Hon. Melder Nyakiti	Vice Chairperson	Nominated
Hon. James Dawa	Member	Puma
Hon. Andrew Mulei	Member	Kubo South
Hon. Elizabeth Mwangolo	Member	Nominated

**d) Budget and Appropriations Committee**

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

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Member	Designation	Ward
Hon. Manza Beja	Chairperson	Mwereni
Hon. Hanifa Mwajirani	Vice Chairperson	Ramisi
Hon. Mwaboza Mwachuo	Member	Tsimba Golini
Hon. Juma Maone	Member	Kinondo
Hon. Teresia Muoki	Member	Nominated
Hon. Yusuf Sengeza	Member	Mkongani
Hon. Mulki Adan	Member	Nominated
Hon. Augustine Ndegwa	Member	Nominated
Hon. Hamisi Mkaha	Member	Mwavumbo

In addition to the above committees of the County Assembly, the County Assembly has an independent Audit Committee which was constituted in 2020 to comply with the PFM (County Government) regulations (2015) on the formation of audit committees for all Counties.

**Communication with all Stakeholders**

The County is committed to ensuring that all its stakeholders are provided with full and timely information about its programmes and performance. They are also given an opportunity to give feedback. In this regard, the County held an Annual consultative meeting in all the twenty wards where the different stakeholders were invited for information sharing. This communication is important in ensuring that stakeholder expectations are aligned to the County's service delivery charter.

During the budget and bills making process the Assembly ensured that it understood the stakeholder requirements, expectations, perceptions, personal agenda and concerns and that the stakeholders understood the role of the Assembly. Stakeholders are normally affected during the delivery of the Assembly's mandate and their support is also key towards the achievement of the desired objectives. The Assembly engaged stakeholders in a manner that fostered a sustainable relationship and maintained public trust and confidence. In engaging with its stakeholders, the Assembly upheld transparency, accountability, and equity that sustained a consultative and collaborative relationship.

The County Assembly also subjected two bills through public participation i.e, the Annual Development Plan 2023/2024 and the Budget Estimates 2023/2024.

**Risk management**

The County Assembly of Kwale has a working internal audit sector and internal Audit Committee that helps streamline the internal control systems. The Assembly is in the verge of generating the Risk Management Policy that will help curb any risks emanating from its operations.

**Compliance**

The Assembly is guided by different laws in its operation including but not limited to the Constitution of Kenya 2010, The PFM Act 2012 and its regulations, the County Assembly Service Act, County Revenue Act, Public Procurement and Asset Disposal Act 2015 with its regulations and different policies both external and internal. In its undertaking, the County Assembly of Kwale adheres with the relevant laws while executing its mandates by providing timely statutory reports.

**4. Foreword By the Clerk of The Assembly**

The Financial Statements reflect the County Assembly’s financial performance and position for the year ended 30th June 2023. These statements were prepared in accordance with the Cash basis Accounting Method under the International Public Sector Accounting Standards (IPSAS) as the Financial Report Framework provided for by the Public Sector Accounting Standards Board.

**(i) Budget performance**

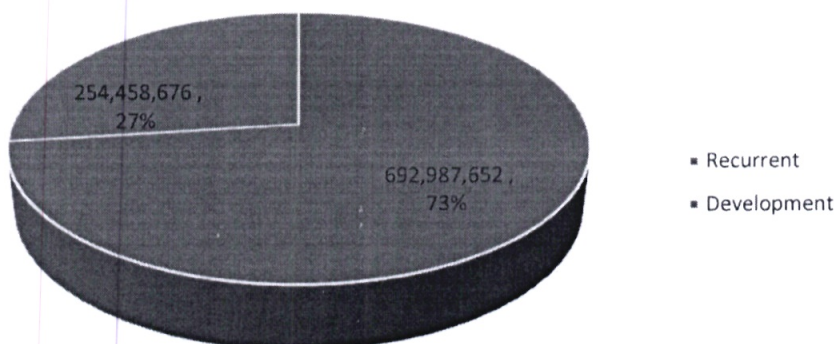
The County Assembly of Kwale had a total budget of Ksh. 1,169,141,072 divided into a Recurrent Budget of Ksh. 875,860,410 that include domestic payables from previous financial year of Ksh. 10,336,123 and a Development Budget of Ksh. 293,280,662 that include domestic payables from previous financial year of Ksh 179,840,821. The actual exchequer releases was Ksh 955,008,190 translating to 82% on actual comparable basis.

The absorption of the County Assembly’s recurrent budget was Ksh, 692,987,652 which translated to a 79% absorption rate while the development budget had a usage of Ksh. 254,458,676 a translation of 87% absorption rate. On average, 81% of the total budget was absorbed during the financial year.

**ACTUAL EXPENDITURE ANALYSIS**

	<b>Recurrent</b>	<b>Development</b>	<b>Total</b>
<b>Actual</b>	692,987,652	254,458,676	<b>947,446,328</b>
<b>Absorption</b>	73%	27%	100%

**ACTUAL EXPENDITURE ANALYSIS**

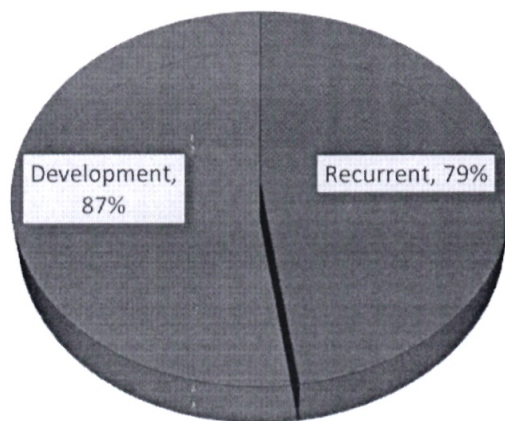




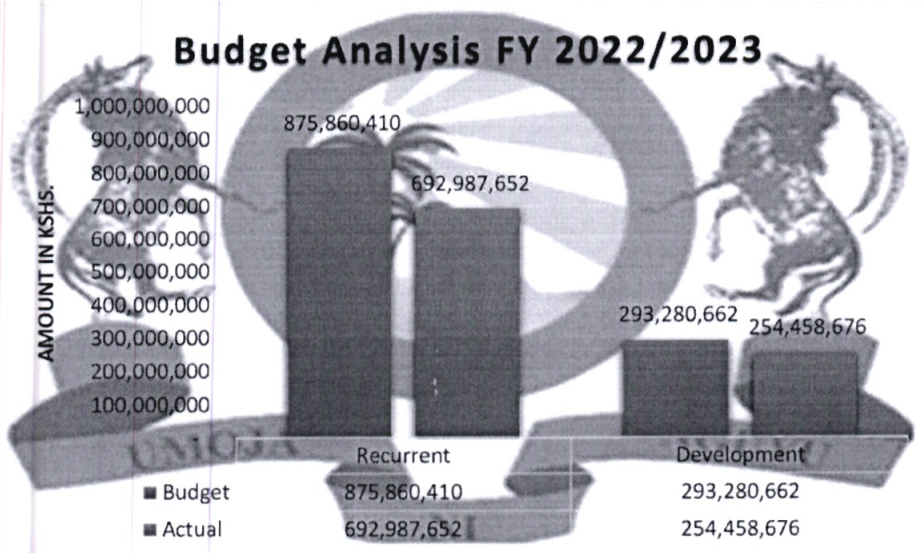
**BUDGET ANALYSIS FY 2022/2023**

	Recurrent	Development	Total
<b>Budget</b>	875,860,410	293,280,662	<b>1,169,141,072</b>
<b>Actual</b>	692,987,652	254,458,676	<b>947,446,328</b>
<b>Absorption Rate</b>	<b>79%</b>	<b>87%</b>	<b>81%</b>

**ABSORPTION RATE**



**Budget Analysis FY 2022/2023**



**(ii) Operational Performance**

- a) During the fiscal year 2022/23, the House deliberated on and successfully passed a total of three crucial laws. These include:
  - i. The County Appropriation Bill
  - ii. The First Supplementary Appropriation Bill
  - iii. The Second Supplementary Appropriation Bill

These legislative measures have been put in place to enhance the overall efficiency of County Operations, encompassing both recurrent and developmental expenditures. The primary advantage of these laws is that they ensure the allocation of resources to support essential services, thereby guaranteeing that the County's residents receive the intended services effectively.

- b) The County Budget Estimates for FY 2022/2023 was passed on 7<sup>th</sup> June 2022, The First Supplementary Budget for FY 2022/2023 was passed on 23<sup>rd</sup> November 2022 and The Second Supplementary Budget for FY 2022/2023 was passed on 24<sup>th</sup> May 2023.
- c) We have two main categories of committees in our County Assembly: Sectoral Committees and Select Committees. Within each category, there are several committees, and there are also Housekeeping Committees and Watchdog Committees. Overall, our County Assembly comprises more than 19 committees. Here are some examples from each category and highlight their respective mandates:

**Category A** (Sectoral Committees - Aligned to County Departments): In this category, we have committees such as the Agriculture Committee, Health Services Committee, Children Culture and Community Services Committee, Gender and Special Interest Committee, Lands Committee, among others. These committees are primarily responsible for providing oversight to all County government projects and activities related to their specific sectors. They ensure that County resources are used efficiently and effectively in delivering services to our county.

**Category B** (Select Committees): One of the notable committees in this category is the House Business Committee. Select Committees play a vital role in managing various aspects of the County Assembly's business and operations. They help streamline the legislative process, coordinate activities, and ensure that the County Assembly functions smoothly.

In summary, both categories of committees, as well as Housekeeping and Watchdog Committees, have consistently carried out their duties in accordance with the County Assembly Standing Orders. These committees are essential in upholding transparency, accountability, and the overall effectiveness of our County government.

**Enacted Legislation:** Over the course of the reporting period, the County Assembly has successfully passed a range of legislative measures aimed at improving the well-being and governance of our county. These laws encompass various sectors and address the diverse needs of our constituents. Some of the notable laws are as outlined above. **Part (a)**

**Committee Mandates:** Our County Assembly operates through a system of committees, each with its distinct mandate. These committees are instrumental in scrutinizing, debating, and shaping legislation, as well as conducting oversight functions to ensure the efficient and effective implementation of policies and programs. Here are examples of committees and their mandates:

**a. Finance, Budget, and Appropriation Committee:**

- Mandate: Responsible for budgetary matters, financial oversight, and recommending budget allocations.

**b. Health Services Committee:**

- Mandate: Oversight of healthcare policies, facilities, and programs within the county.

**c. Education Committee:**

- Mandate: Monitoring and enhancing the quality of education and educational institutions in the county.

**d. Infrastructure and Transport Committee:**

- Mandate: Oversight of infrastructure development projects, roads, and transportation systems.

**e. Agriculture and Environment Committee:**

- Mandate: Monitoring agricultural policies, environmental conservation, and natural resource management.

**f. Legal and Justice Committee:**

- Mandate: Reviewing legal matters, ensuring adherence to laws, and addressing legal concerns within the county.

d) The County Assembly committees play a crucial role in overseeing the various functions of the county government. Their oversight functions include:

- **Scrutiny and Review:** Committees thoroughly examine proposed legislation and policies to ensure they align with the best interests of our constituents.
- **Budget Oversight:** Monitoring the allocation and utilization of county funds to ensure transparency, accountability, and efficiency in financial matters.
- **Program Evaluation:** Assessing the effectiveness of government programs and projects to enhance service delivery.
- **Stakeholder Engagement:** Facilitating public participation and engaging with relevant stakeholders to gather input and feedback.
- **Reporting:** Providing regular reports to the County Assembly on their findings, recommendations, and actions taken.

In conclusion, the County Assembly and its committees are committed to enacting laws that benefit our constituents and ensuring that the county government operates transparently and effectively. Through diligent oversight, these committees help safeguard the interests of the people we serve, promoting good governance and accountability in our county.

**(iii) Performance of key development projects**

- a) These are the key development projects that the County Assembly planned, undertook and its impact.

<b>Project Description.</b>	<b>Project Progress</b>	<b>Project Output</b>	<b>Project Outcome</b>	<b>Project Impact.</b>
Ward Offices	<i>20 Offices Completed</i>	<i>Creation of Office space for MCAs</i>	<i>Accessibility of Services to the Public</i>	<i>Improved Service Delivery to the Public.</i>
Speakers Residence	<i>Completed &amp; Occupied</i>	<i>Permanent Residence for the Assembly Speaker.</i>	<i>Improved Security and Safety to the Speaker.</i>	<i>Adequate time for the Speaker to Serve the Assembly effectively</i>
County Assembly Complex	<i>98% Complete</i>	<i>Creation of new Chambers, Office space for MCAs, Speaker and Assembly Staff and public gallery.</i>	<i>Adequate Office Space and Good Working Environment for Members and Staff.</i>	<i>Efficient Service Delivery</i>

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- b) The following key development projects were included in the Assembly’s strategic plan, procurement plan and work plan. Their progress status and its effect ones completed are highlighted as below.

<b>Project Description.</b>	<b>Project Progress</b>	<b>Project Efficiency and Effectiveness</b>
Ward Offices	<i>20 Offices Completed</i>	<i>Improved Service Delivery to the Public.</i>
Speakers Residence	<i>Completed &amp; Occupied</i>	<i>Adequate time for the Speaker to Serve the Assembly effectively</i>
County Assembly Complex	<i>98% Complete</i>	<i>Efficient Service Delivery</i>

- c) The County Assembly has ensured Full compliance to various Acts and Regulations to promote responsible and fair competition practices on all tendering processes with transparency and Accountability. To ensure transparency, the Assembly rolled the E-Sourcing system in IFMIS to ensure quick and openness in the procurement process.

**(iv) Comment on value-for-money achievements**

The County Assembly undertook the construction of the Ward Offices with the sole aim of ensuring that the local citizen can access services of the member of County Assembly in their respective wards. This has improved the lives of the local people as most of their pertinent problems are solved on time and adequately. Further to this, the County Assembly Complex has enabled the staff and members of the County Assembly to perform exceedingly towards the various development affairs of the people of Kwale.

During the Period under Review, the County Assembly recoded minimal engagements on charitable activities on Community Social Responsibility, however through the committee on gender and talent Management, the Assembly mobilised resources to address the various social aspects touching on teenage girls.

**(v) Challenges and Recommended Way Forward**

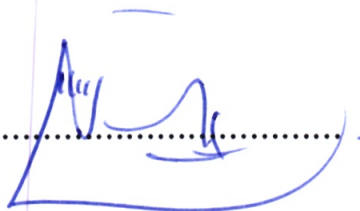
The year was not without its challenges. On the issue of development of MCAs ward offices, the assembly was hampered by unavailability of government land with title deeds where most ward offices are designated to be built. The Assembly is working closely with the department of lands to ensure this is resolved moving forward.

The Electioneering period, slowed passage of some key documents for the County including but not limited to, ten year Sectoral Plan and the County Integrated Development Plan.

Budget restrictions from the IFMIS department and late disbursement of exchequer releases by the Controller of Budget greatly affected the timely execution of Assembly activities.

In order to enhance our financial performance, we finalized the review of the strategic plan, implemented the already developed human resource manual as well employ appropriate project management skills to ensure that all assembly's projects contribute to the realisation of the Assemblies vision and vision Statement. This greatly enhanced the performance of the assembly in undertaking her key responsibilities of oversight, legislation and representation.

Finally yet importantly, I must thank the County Assembly Service Board, team of management, Members and the entire staff of the county assembly for their zeal in realizing the Vision of this great institution.



**Clerk of the County Assembly**

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**5. Statement Of Performance Against County Assembly Predetermined Objectives**

**Guidance**

**Strategic development objectives**

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

<b>Program 1</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>	<b>Remarks</b>
Legislation, oversight and representation	Enhanced professional development of MCAs – Provide ongoing professional development of MCAs	Increased ability of MCA in legislation	4 bills passed in the County Assembly	In FY 2022/2023 MCAs were trained on Leadership and Integrity.	
	Enhanced professional development of MCAs – Review standing orders	Review standing orders	70% Increase in efficient Assembly operation	Standing orders were reviewed and resulted to members participation in motions on the floor of the house.	
	Enhanced professional development of MCAs – Review and amendments of laws	Review and amendments of laws	Quality of laws passed	4 Acts and Bills passed	
	Enhanced professional development of MCAs – Public participation awareness programs	Public participation awareness to the public	Increased participation during public participation	General public engaged well during public participation	

**Count Government of Kwale**  
**Kwale County Assembly**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

<b>Program 2</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>	<b>Remarks</b>
Administration	Well trained and equipped Workforce to propel the Operations of the Assembly far and Beyond Expectations.	Increased Efficiency on staff output	Timely Production of reports and fully Compliance to law and statutory deadlines.	-In the Year under Review, 126 Assembly staff were trained including the ward staff on various aspects of their Profession. -Development of Sectoral plans -Review and development of departmental policies -Development of Sectoral plans -Review and development of departmental policies	



**6. Corporate Social Responsibility Statement/Sustainability Reporting**

**a) Sustainability strategy and profile –**

Kwale County Assembly exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on our Strategic pillars: putting the Citizen first, delivering relevant services, and improving operational excellence

As an Assembly we recognise the importance of running a sustainable institution and committed to sustainable economic environment and social impacts resulting from our everyday activities. Our goal is to continuously improve operations and create shared values through various initiatives that includes operational efficiencies in all our processes, diversity and inclusion. We are aligning our operations to the expectations and aspirations of the citizens of Kwale.

**b) Environmental performance**

We are committed to environmental conservation and have held tree planting programmes across the county. Through various legislations, the assembly has been keen on passing bills geared towards environmental conservation.

The Assembly through the ICT policy has an outlined Environmental Sustainability strategy to promote sustainable use of ICTs, in line with the best environmental practices. The Assembly prioritizes environmental sustainability practices such as enhanced energy efficiency and adoption of renewable energy. In this regard, the Assembly installed solar power in its ward offices and clean power at the Assembly's Complex.

**c) Employee welfare**

We take the health and wellbeing of our people very seriously. To improve the social wellbeing of the staff, several welfare programs have been maintained in the Assembly. This include among a good medical cover, pension scheme and a group life cover. Other staff events that we were engaged in included; team building, celebrating staff birthdays, staff retreats and staff wellness activity. These activities promoted staff productivity and boosted the team spirit. We have occupational health and safety protocols in place to ensure the physical security of staff, including strict security measures on all of our buildings.

In ensuring wellness and work-life balance, the County Assembly Service Board approved Thursday afternoons as a sports day where all staff are supposed to participate in their various sports. The games provide an opportunity for all staff to showcase their talents and informally interact hence enhancing unity. The Assembly also organised a training on personal financial management and planning for its staff to instil financial discipline

**d) Market place practices-**

**a) Responsible Supply chain and supplier relations-**

Kwale County Assembly strictly adhere to the laid down regulations and law regarding procurement processes that include, the Public Procurement Regulatory Authority, The Public Procurement and Disposal Act, the PFM Act etc.

**b) Responsible ethical practices-**

To maintain a Corruption free environment and good supplier relations, The Assembly has prequalified list of suppliers and strictly follows the IFMIS E-sourcing platform for transparency and efficiency in its operations. This notwithstanding, the Assembly normally does timely payment of suppliers to avoid accumulation of debts

**c) Stewardship of goods and services**

Through its oversight mandates, the County Assembly of Kwale ensures the Executive undertakes timely projects as passed by the Assembly and as per the standards hence service delivery to the citizens.

**e) Community Engagements**

We are glad to be involved in the social responsibility. The staff of the Assembly are involved in cleaning of Kwale town periodically to make sure that our environment is clean. In addition, the staff of the Assembly visited Kwale Hospital and made donations in forms of drugs and distributed sanitary towels in female wards. Further, the Kwale County Assembly netball team donated and installed netball goal posts at Kwale Primary School.

## **7. Statement Of Management Responsibilities**

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

The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year ended June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Assembly; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the County Assembly; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

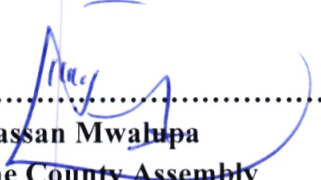
The Clerk confirms that the County Assembly has complied fully with applicable Government Regulations, and that the County Assembly's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Clerk confirms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

*Count Government of Kwale*  
*Kwale County Assembly*  
*Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023*

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**Approval of the financial statements**

The County Government's financial statements were approved and signed by the Clerk of the County Assembly on 06/11 2023.

.....  
  
**Fatuma Hassan Mwalupa**  
Clerk of the County Assembly

# REPUBLIC OF KENYA

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

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

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### PREAMBLE

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

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

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and 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 County Assembly of Kwale set out on pages 1 to 42, which comprise of the statement of financial assets and liabilities

as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

### **Basis for Qualified Opinion**

#### **Un-Supported Expenditure**

The statement of receipts and payments and Note 5 to the financial statements reflects use of goods and services amount of Kshs.300,928,656 which include expenditure of Kshs.138,069,445 on domestic travel and subsistence. Review of sampled payment vouchers revealed that payments totalling to Kshs.6,804,600 on domestic travel and subsistence allowance were not supported with signed attendance schedules for the events attended.

In the circumstances, the accuracy and validity of expenditures of Kshs.138,069,445 on domestic travel and subsistence 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 Kwale 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 the Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts - recurrent and development reflects final receipts budget and actual amounts on comparable basis of Kshs.1,169,141,072 and Kshs.955,008,190 respectively, resulting to under-funding of Kshs.214,132,882 or 18% of the budget. Similarly, the Assembly expended Kshs.947,446,328 against an approved budget of Kshs.1,169,141,072, resulting to an under-expenditure of Kshs.221,694,744 or 19% of the budget. The under-funding of the budget and under-expenditure may have affected implementation of the planned programs negatively impacting on service delivery to the public.

My opinion is however not modified in respect of the above matter.

## **Key Audit Matters**

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

## **Other Matter**

### **Unresolved Prior Year Audit Issues**

Various prior year audit issues remained unresolved as at 30 June, 2023. Management did not provide reasons for the delay in resolving the audit issues.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Irregular Payment of Ward Officers' Salaries**

The statement of receipts and payments reflects compensation of employees of Kshs.241,761,780 which include basic wages of temporary employees of Kshs.28,499,000 in respect of remuneration for ninety (90) ward staff for the Members of the County Assembly (MCAs) employed under the provisions of Commission on Revenue Allocation Circular Ref. CRA/CSO/CMG/9/Vol.V (43) of 3 August, 2020.

Review of the ward staff salaries revealed that the salaries paid were not as per the County Revenue Allocation (CRA) ward officers' salary structure as the officers were paid at different rates that were either higher or lower than the salary scales set by the CRA Ward Officers' salary structure, resulting to over and under payments totalling to Kshs.638,133 and Kshs.124,683 respectively. This was contrary to Section 5(2) of the Employment Act, 2007 which provides that an employer shall promote equal opportunity in employment and strive to eliminate discrimination in any employment policy or practice. It was further contrary to the CRA Circular that prescribed the salary scales.

Further, Management did not provide evidence in form of advertisements, applications, shortlisting and interviews to support the recruitment of the ninety (90) ward offices staff by the County Assembly Service Board as required under Section 12(7)(b) of the County Government Act, 2012 which provides that the county assembly service board is responsible for constituting offices in the county assembly service, and appointing and supervising office holders.

In the circumstances, Management was in breach of the law and the regularity of engagement of the Ward officers could not be confirmed.

## **2. Salaries Paid Outside Integrated Personnel and Payroll Database (IPPD)**

Review of personnel records indicated that the sitting Members of the County Assembly (MCAs) were sworn in on September, 2022 and thereafter defined in the IPPD system for salary processing. However, three (3) MCAs were paid salaries totalling to Kshs.6,156,744 outside the IPPD system in the year under review.

Manual processing of salaries may be vulnerable to manipulation leading to breach of Human Resource practices.

## **3. Over Commitment of Salaries**

Review of the payroll records revealed that six employees had salary deductions in excess of two-thirds of their basic salary, contrary to Section D22(2) of the County Public Service Human Resource Manual and Section 19(3) of the Employment Act, 2007 which requires that the total amount of deductions which may be made by an employer from the salary and wages of the employee at any one time shall not exceed two-thirds of the basic pay.

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

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and 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 overall governance.

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 and using the applicable basis of accounting unless Management is aware of the intention to dissolve the County Assembly or to cease operations.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in

an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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


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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County Assembly's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the County Assembly to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the County Assembly to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

16 January, 2024

9. Statement of Receipts and Payments for The Year Ended 30<sup>th</sup> June 2023

		2022-2023	2021-2022
	Note	KShs	KShs
<b>Receipts</b>			
Transfers from the CRF	1	955,008,190	853,430,078
Proceeds from sale of assets	2	-	-
Miscellaneous receipts	3	-	-
<b>Total receipts</b>		<b>955,008,190</b>	<b>853,430,078</b>
<b>Payments</b>			
Compensation of employees	4	241,761,780	301,076,330
Use of goods and services	5	300,928,656	305,958,297
Subsidies	6	-	-
Transfers to other government entities	7	113,392,000	30,000,000
Other grants and transfers	8	-	-
Social security benefits	9	-	-
Acquisition of assets	10	291,363,891	206,765,158
Finance costs	11	-	551,761
Other payments	12	-	-
<b>Total payments</b>		<b>947,446,328</b>	<b>844,351,547</b>
<b>Surplus/deficit</b>		<b>7,561,863</b>	<b>9,078,531</b>

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 06/11/2023 and signed by:

.....  
**Fatuma Hassan Mwalupa**  
 Clerk of the Assembly

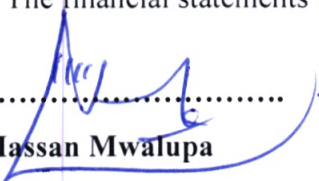
.....  
**CPA Philip Wanje Ziro**  
 Director Finance & Accounts– County Assembly  
 ICPAK Member Number: 20407

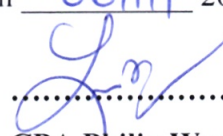
Count Government of Kwale  
Kwale County Assembly  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

10. Statement Of Financial Assets and Liabilities As At 30th June 2023

Financial assets	Note	2022-2023	2021-2022
		KShs	KShs
<b>Cash and cash equivalents</b>			
Bank balances	13A	90,126,052	76,249,653
Cash balances	13B	-	-
<b>Total cash and cash equivalents</b>		<b>90,126,052</b>	<b>76,249,653</b>
Imprests and Advances	14	10,696,664	10,696,664
<b>Total financial assets</b>		<b>100,822,716</b>	<b>86,946,317</b>
<b>Financial liabilities</b>			
Third party deposits and retention	15	82,564,189	71,634,337
<b>Net financial assets</b>		<b>18,258,527</b>	<b>15,311,980</b>
<b>Represented by</b>			
Fund balance b/fwd	16	15,311,980	18,546,587
Prior year adjustment	17	- 4,615,316	- 12,313,138
Surplus/(deficit) for the year		7,561,863	9,078,531
<b>Net Financial Position</b>		<b>18,258,527</b>	<b>15,311,980</b>

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 06/11/2023 and signed by:

.....  
  
**Fatuma Hassan Mwalupa**  
 Clerk of the Assembly

.....  
  
**CPA Philip Wanje Ziro**  
 Director Finance & Accounts– County Assembly  
 ICPAK Member Number: 20407

Count Government of Kwale  
Kwale County Assembly  
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11. Statement Of Cash Flows for The Period Ended 30<sup>th</sup> June 2023

	Note	2022-2023	2021-2022
		KShs	KShs
<b>Cash flows from operating activities</b>			
<b>Receipts from operating income</b>			
Transfers from the CRF	1	955,008,190	853,430,078
Miscellaneous receipts	3	-	-
<b>Total receipts from operating income</b>		<b>955,008,190</b>	<b>853,430,078</b>
<b>Payments for operating expenses</b>			
Compensation of employees	4	- 241,761,780	- 301,076,330
Use of goods and services	5	- 300,928,656	- 305,958,297
Subsidies	6	-	-
Transfers to other government entities	7	- 113,392,000	- 30,000,000
Other grants and transfers	8	-	-
Social security benefits	9	-	-
Finance costs	11	-	- 551,761
Other payments	12	-	-
Total payments for operating expenses		- 656,082,436	- 637,586,389
<b>Net receipts/(payments) from operating activities</b>		<b>298,925,754</b>	<b>215,843,690</b>
<b>Adjusted for:</b>			
Prior year adjustment	17	- 4,615,316	- 12,313,138
Decrease/(increase) in accounts receivable:	18	-	- 4,463,215
Increase/(decrease) in accounts payable:	19	10,929,852	15,058,461
<b>Net cash flows from operating activities</b>		<b>305,240,290</b>	<b>214,125,798</b>
<b>Cashflow from investing activities</b>			
Proceeds from sale of assets	2	-	-
Acquisition of assets	10	- 291,363,891	- 206,765,158
<b>Net cash flows from investing activities</b>		<b>- 291,363,891</b>	<b>- 206,765,158</b>
<b>Cash flow From Financing Activities</b>			
Repayment of principal on domestic and foreign borrowing		-	-
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>13,876,399</b>	<b>7,360,639</b>
<b>Cash &amp; cash equivalent at Start of the year</b>		<b>76,249,653</b>	<b>68,889,014</b>
<b>Cash &amp; cash equivalent at end of the year</b>		<b>90,126,052</b>	<b>76,249,653</b>

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 06/11/2023 and signed by:

.....  
Fatuma Hassan Mwalupa  
Clerk of the Assembly

.....  
CPA Philip Wanje Ziro  
Director Finance & Accounts- County Assembly  
ICPAK Member Number: 20407

12. Statement Of Comparison of Budget & Actual Amounts: Recurrent and Development for year ended 30<sup>th</sup> June 2023

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	
<b>Receipts</b>						
Transfers from the CRF	773,930,873	395,210,199	1,169,141,072	955,008,190	214,132,882	82%
Proceeds from sale of assets	-	-	-	-	-	
Other receipts	-	-	-	-	-	
<b>Total</b>	<b>773,930,873</b>	<b>395,210,199</b>	<b>1,169,141,072</b>	<b>955,008,190</b>	<b>214,132,882</b>	<b>82%</b>
<b>Payments</b>						
Compensation of employees	301,291,321	-47,561,431	253,729,890	241,761,780	11,968,110	95%
Use of goods and services	266,697,250	67,087,925	333,785,175	300,928,656	32,856,519	90%
Subsidies	-	-	-	-	-	
Transfers to other government entities	58,766,586	191,593,414	250,360,000	113,392,000	136,968,000	45%
Other grants and transfers	-	-	-	-	-	
Social security benefits	-	-	-	-	-	
Acquisition of assets	147,175,716	184,090,291	331,266,007	291,363,891	39,902,116	88%
Finance costs	-	-	-	-	-	
Other payments	-	-	-	-	-	
<b>Total</b>	<b>773,930,873</b>	<b>395,210,199</b>	<b>1,169,141,072</b>	<b>947,446,328</b>	<b>221,694,744</b>	<b>81%</b>
<b>Surplus/ deficit</b>	-	-	-	<b>7,561,863</b>		

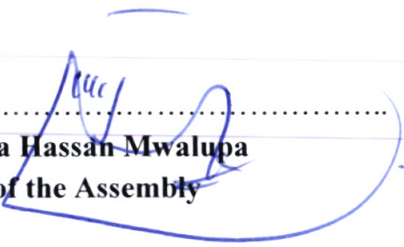
(a) Under Transfer to other government entities line item, 55% of the total budgetary allocation was not absorbed. This majorly relates to funds set aside for Car Loan & Mortgage Fund and Car reimbursement for the MCAs, and by end of the year, the Controller of Budget didn't remit funds for the same as per the requisitions made..

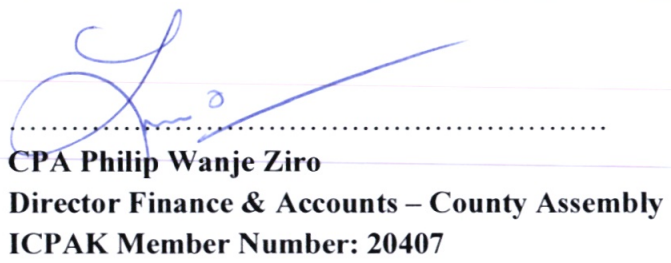
(b) The changes between the original budget and final budget was as a result of pending bills from the previous financial year and internal reallocations which were introduced in the current budget through supplementary budgets as per IPSAS 1.7.23.

*County Government of Kwale*  
*Kwale County Assembly*  
*Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023*

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The entity financial statements were approved on 06/11/2023 and signed by:

  
.....  
**Fatuma Hassan Mwalupa**  
Clerk of the Assembly

  
.....  
**CPA Philip Wanje Ziro**  
Director Finance & Accounts – County Assembly  
ICPAK Member Number: 20407



12A Statement of Comparison Of Budget & Actual Amounts: Recurrent for the year ended 30<sup>th</sup> June 2023

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	
<b>Receipts</b>						
Transfers from the CRF	673,930,873	201,929,537	875,860,410	700,549,514	175,310,896	80%
Proceeds from sale of assets	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
<b>Total</b>	<b>673,930,873</b>	<b>201,929,537</b>	<b>875,860,410</b>	<b>700,549,514</b>	<b>175,310,896</b>	<b>80%</b>
<b>Payments</b>						
Compensation of employees	301,291,321	-47,561,431	253,729,890	241,761,780	11,968,110	95%
Use of goods and services	266,697,250	67,087,925	333,785,175	300,928,656	32,856,519	90%
Subsidies	-	-	-	-	-	
Transfers to other government entities	58,766,586	191,593,414	250,360,000	113,392,000	136,968,000	45%
Other grants and transfers	-	-	-	-	-	
Social security benefits	-	-	-	-	-	
Acquisition of assets	47,175,716	-9,190,371	37,985,345	36,905,215	1,080,130	97%
Finance costs	-	-	-	-	-	
Other payments	-	-	-	-	-	
<b>Total</b>	<b>673,930,873</b>	<b>201,929,537</b>	<b>875,860,410</b>	<b>692,987,652</b>	<b>182,872,758</b>	<b>79%</b>
<b>Surplus/ deficit</b>	-	-	-	<b>7,561,863</b>	-	-

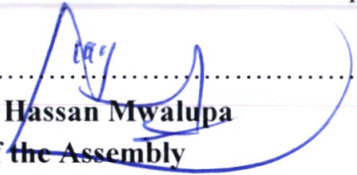
(a) The low absorption in Transfers to other government entities was as a result of unremitted requisition by the COB for the Car Loan & Mortgage Fund and Car reimbursement for the MCAs.

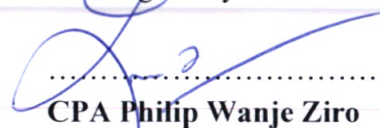
(b) The changes in the expenditure budget are as a result of internal reallocations. (IPSAS 1.7.23)

*Count Government of Kwale*  
*Kwale County Assembly*  
*Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023*

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The entity financial statements were approved on 06/11 2023 and signed by:

.....  
  
**Fatuma Hassan Mwalupa**  
Clerk of the Assembly

.....  
  
**CPA Philip Wanje Ziro**  
Director Finance & Accounts – County Assembly  
ICPAK Member Number: 20407

**12B Statement Of Comparison of Budget & Actual Amounts: Development for the year ended 30<sup>th</sup> June 2023**

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	
<b>Receipts</b>						
Transfers from the CRF	100,000,000	193,280,662	293,280,662	254,458,676	38,821,986	87%
Proceeds from sale of assets	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
<b>Total</b>	<b>100,000,000</b>	<b>193,280,662</b>	<b>293,280,662</b>	<b>254,458,676</b>	<b>38,821,986</b>	<b>87%</b>
<b>Payments</b>						
Compensation of employees	-	-	-	-	-	-
Use of goods and services	-	-	-	-	-	-
Subsidies	-	-	-	-	-	-
Transfers to other government entities	-	-	-	-	-	-
Other grants and transfers	-	-	-	-	-	-
Social security benefits	-	-	-	-	-	-
Acquisition of assets	100,000,000	193,280,662	293,280,662	254,458,676	38,821,986	87%
Finance costs	-	-	-	-	-	-
Other payments	-	-	-	-	-	-
<b>Total</b>	<b>100,000,000</b>	<b>193,280,662</b>	<b>293,280,662</b>	<b>254,458,676</b>	<b>38,821,986</b>	<b>87%</b>
<b>Surplus/ deficit</b>	-	-	-	-	-	

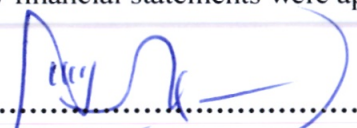
(a) Under acquisition for Assets, 13% of the total budgetary allocation was not absorbed and by end of the year the contractor had not submitted certificates of equal worth to warrant payment

(b) Funds from pending bills from previous budgets were rolled over as first charge item during supplementary budget as per IPSAS 1.7.23

*Count Government of Kwale  
Kwale County Assembly  
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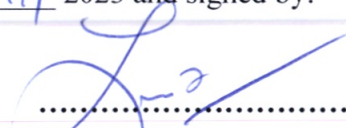
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The entity financial statements were approved on 06/11 2023 and signed by:



.....

**Fatuma Hassan Mwalupa**  
Clerk of the Assembly



.....

**CPA Philip Wanje Ziro**  
Director Finance & Accounts – County Assembly  
ICPAK Member Number: 20407

**13. Budget Execution By Programmes And Sub-Programmes**

<b>Programme/Sub-Programme</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on comparable basis</b>	<b>% Budget utilization</b>
	<b>2022/2023</b>	<b>2022/2023</b>	<b>2022/2023</b>	<b>2022/2023</b>	<b>2022/2023</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Programme 1</b>	<b>540,542,247</b>	<b>196,645,806</b>	<b>737,188,053</b>	<b>683,058,127</b>	<b>93%</b>
0704013060 (Audit Services)	301,291,321	- 47,561,431	253,729,890	241,761,780	<b>95%</b>
0704043060 (General Administration)	239,250,926	244,207,237	483,458,163	441,296,347	<b>91%</b>
Sub-Programme 3	-	-	-	-	
<b>Programme 2</b>	<b>233,388,626</b>	<b>198,564,393</b>	<b>431,953,019</b>	<b>264,388,201</b>	<b>61%</b>
0705013060 (Oversight and legislation of County affairs)	233,388,626	198,564,393	431,953,019	264,388,201	<b>61%</b>
Sub-Programme 2	-	-	-	-	
Sub-Programme 3	-	-	-	-	
<b>Total</b>	<b>773,930,873</b>	<b>395,210,199</b>	<b>1,169,141,072</b>	<b>947,446,328</b>	<b>81%</b>

#### **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 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 Kwale County Assembly. The financial statements encompass the reporting entity as specified in section 164 of PFM Act 2012.

##### **3. Recognition of receipts and payments**

###### **a) Recognition of receipts**

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

**Significant Accounting Policies (Continued)**

**i) Transfers from the Exchequer/ County Treasury**

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

**ii) Other Receipts**

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

**b) Recognition of payments**

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

**i) Compensation of employees**

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

**ii) Use of goods and services**

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

**iii) Acquisition of fixed assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment. A fixed asset register is maintained by 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 *entity* 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 *entity* includes such value in the statement of receipts and payments both as receipts and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

**5. Third Party Payments**

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

**6. Cash and cash equivalents**

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

**7. Restriction on cash**

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30<sup>th</sup> June 2023, this amounted to KShs 82,377,861 compared to KShs 71,634,337 in prior period as indicated on note 13. *There were no other restrictions on cash 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 entity fixed asset register a summary of which is provided as a memorandum to these financial statements.

### **11. Pending bills**

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

## **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 Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. Annex 6 of this financial statement is a register of the contingent liabilities in the year.

### **13. Contingent Assets**

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

## **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 Executive'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 30<sup>th</sup> June 2022 for the period 1<sup>st</sup> July 2022 to 30 June 2023 as required by law. There was two number of supplementary budgets passed in the year. A high-level assessment of the County Executive'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 17* 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**

	2022-2023	2021-2022
	Kshs	Kshs
Transfers from the county treasury for Q1	145,006,844	116,108,092
Transfers from the county treasury for Q2	159,466,353	200,565,115
Transfers from the county treasury for Q3	53,219,258	183,619,064
Transfers from the county treasury for Q4	597,315,735	353,137,807
<b>Cumulative amount</b>	<b>955,008,190</b>	<b>853,430,078</b>

**2. Proceeds From Sale of Assets**

	2022-2023	2021-2022
	Kshs	Kshs
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from Sale of Certified Seeds and Breeding Stock	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Receipts from the Sale of Inventories, Stocks and Commodities	-	-
Disposal and Sales of Non-Produced Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*Count Government of Kwale*  
*Kwale County Assembly*  
*Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023*

**Notes to the Financial Statements**

**3. Miscellaneous receipts**

	2022-2023	2021-2022
	Kshs	Kshs
Insurance Recoveries	-	-
Other receipts (specify)*	-	-
<b>Total</b>	-	-

**4. Compensation Of Employees**

	2022-2023	2021-2022
	Kshs	Kshs
Basic salaries of permanent employees	98,485,951	133,327,920
Basic wages of temporary employees	28,700,445	22,705,800
Personal allowances paid as part of salary	84,511,047	104,429,344
Personal allowances paid as reimbursements	1,722,580	2,196,000
Personal allowances provided in kind	1,566,000	7,476,943
Employer contribution to compulsory national social schemes	26,775,757	30,940,324
Employer contribution to compulsory national health insurance schemes	-	-
Pension and other social security contributions	-	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
<b>Total</b>	<b>241,761,780</b>	<b>301,076,330</b>

**Notes To The Financial Statements (Continued)**

**5. Use Of Goods And Services**

	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	184,500	77,385
Communication, supplies and services	2,047,413	1,650,600
Domestic travel and subsistence	138,069,445	137,629,755
Foreign travel and subsistence	30,415,260	51,902,728
Printing, advertising and information supplies & services	9,527,374	10,692,180
Rentals of produced assets	-	3,540,000
Training expenses	6,951,850	2,253,850
Hospitality supplies and services	42,484,811	28,438,532
Insurance costs	24,192,413	28,976,800
Specialized materials and services	-	2,014,450
Office and general supplies and services	4,626,206	159,600
Fuel, oil and lubricants	2,445,325	3,216,318
Other operating expenses ( <i>Include Bank charges</i> )	26,603,043	33,520,126
Routine maintenance – vehicles and other transport equipment	8,443,814	1,373,835
Routine maintenance – other assets	4,937,201	512,138
<b>Total</b>	<b>300,928,656</b>	<b>305,958,297</b>

Notes To The Financial Statements (Continued)

6. Subsidies

Description	2022-2023	2021-2022
	Kshs	Kshs
Subsidies To County Corporations		
<i>See List Attached</i>		-
(Insert Name)		-
Subsidies To Private Enterprises		
<i>See List Attached</i>		-
(Insert Name)		-
<b>Total</b>		-

7. Transfers To Other Government Entities

Description	2022-2023	2021-2022
	Kshs	Kshs
<b>Transfers to national government entities</b>	-	-
<b>Transfers to other county assembly entities</b>		
Car loan scheme fund		30,000,000
Mortgage scheme/fund	78,000,000	-
Car Reimbursement	35,392,000	-
<b>Total</b>	<b>113,392,000</b>	<b>30,000,000</b>

*The transfers relates to funds for Car Loan & Mortgage Fund and Car reimbursement for the MCAs.*

Notes To The Financial Statements (Continued)

8. Other Grants And Transfers

	2022-2023	2021-2022
	Kshs	Kshs
Scholarships and other educational benefits	-	-
Membership fees and dues and subscriptions to organizations	-	-
Emergency relief and refugee assistance	-	-
Subsidies to small businesses, cooperatives, and self employed	-	-
<b>Total</b>	-	-

9. Social Security Benefits

	2022-2023	2021-2022
	Kshs	Kshs
Government Pension and Retirement Benefits	-	-
Social Security Benefits	-	-
Employer Social Benefits	-	-
<b>Total</b>	-	-



**Notes To The Financial Statements (Continued)**

**10. Acquisition Of Assets**

<b>Non- financial assets</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of buildings	-	-
Construction of buildings	86,464,412	62,856,236
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	16,270,000	-
Overhaul of vehicles and other transport equipment	-	-
Purchase of household furniture and institutional equipment	-	-
Purchase of office furniture and general equipment	10,878,999	204,999
Purchase of specialized 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	-	-
Rehabilitation of civil works	-	-
Acquisition of strategic stocks and commodities	-	-
Acquisition of land	-	-
Acquisition of intangible assets	-	-
<b>Total acquisition of non- financial assets</b>	<b>113,613,411</b>	<b>63,061,235</b>
<b>Financial assets</b>		
Domestic public non-financial enterprises	177,750,480	143,703,923
Domestic public financial institutions	-	-
<b>Total acquisition of financial assets</b>	<b>177,750,480</b>	<b>143,703,923</b>
<b>Total acquisition of assets</b>	<b>291,363,891</b>	<b>206,765,158</b>

Notes To The Financial Statements (Continued)

11. Finance Costs

	2022-2023	2021-2022
	Kshs	Kshs
Bank charges	-	551,761
Interest payments on foreign borrowings	-	-
Interest payments on guaranteed debt taken over by govt	-	-
Interest on domestic borrowings (non-govt)	-	-
Interest on borrowings from other government units	-	-
<b>Total</b>	-	<b>551,761</b>

12. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Other Payments	-	-
<b>Total</b>	-	-

**Count Government of Kwale**  
**Kwale County Assembly**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

**Notes To The Financial Statements (Continued)**

**13. Cash And Bank Balances**

**13A. Bank Balances**

Name Of Bank, Account Name & Currency	Account Number	Indicate whether Rec, Dev, Dep e.t.c	2022-2023  Kshs	2021-2022  Kshs
Central Bank of Kenya, Kwale County Assembly Dev. Acc (Kshs)	A/C No. 1000282568	Development Acc	-	4,582,397
Central Bank of Kenya, Kwale County Assembly Recurrent Acc. (Kshs)	A/C No. 1000241567	Recurrent Acc	7,686,680	19,278
Central Bank of Kenya, Kwale County Assembly Deposit Acc (Kshs)	A/C No. 1000282557	Deposits Acc	82,377,861	71,634,337
Kenya Commercial Bank, Kwale County Assembly Imprest Acc. (Kshs)	A/C No. 1142128148	Commercial Bank Accs.	61,511	13,642
<b>Total</b>			<b>90,126,052</b>	<b>76,249,653</b>

*These balances do not include bank balances for self-reporting entities and revenue collection accounts as at reporting date.*

**13B. Cash In Hand**

	2022-2023  Kshs	2021-2022  Kshs
Cash In Hand – Held In Domestic Currency	-	-
Cash In Hand – Held In Foreign Currency	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*Count Government of Kwale  
Kwale County Assembly  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023*

**Notes To The Financial Statements (Continued)**

Cash in hand should be analysed as follows:

Description	2022-2023	2021-2022
	Kshs	Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
<b>Total</b>	-	-

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

**14. Imprests and Advances**

Description	2022-2023	2021-2022
	Kshs	Kshs
Government Imprests	10,696,664	10,696,664
Salary Advance	-	-
Clearance accounts	-	-
<b>Total</b>	<b>10,696,664</b>	<b>10,696,664</b>

Breakdown Of Imprest And Salary Advance Per Department	2022-2023	2021-2022
Imprests	Kshs	Kshs
Clearance Accounts (Rent Deposit)	200,000	200,000
Prepayment -FBT & KRA	1,899,057	1,899,057
Prepayment -PAYE & KRA (Demand Notice)	4,119,392	4,119,392
Prepayment-KRA AGENCY NOTICE DD 16032022	4,478,215	4,478,215
Sub-Total	<b>10,696,664</b>	<b>10,696,664</b>
<b>Salary Advance</b>		
Department Xx	-	-
Department Xx	-	-
<b>Sub-Total</b>	-	-
<b>Grand Total</b>	<b>10,696,664</b>	<b>10,696,664</b>

*\*See Annex 5 for a detailed analysis of the outstanding imprests.*

Notes To The Financial Statements (Continued)

15. Third Party Deposits and Advances

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Deposits	-		-	
Unpaid Withholding taxes	186,328			
Retentions	82,377,861		71,634,337	
<b>Total</b>	<b>82,564,189</b>		<b>71,634,337</b>	
Ageing analysis (third party deposits and advances)	2022-2023	% of the Total	2021-2022	% of the Total
Under one year	25,632,196	31%	20,656,016	29%
1-2 years	20,656,016	25%	6,231,797	9%
2-3 years	6,231,797	8%	15,539,598	22%
Over 3 years	30,044,180	36%	29,206,926	41%
<b>Total (tie to above total)</b>	<b>82,564,189</b>	<b>100%</b>	<b>71,634,337</b>	<b>100%</b>

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

16. Fund Balance Brought Forward

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Bank Accounts	76,249,653		68,889,014	
Cash In Hand	-		-	
Imprests and advances	10,696,664		6,233,449	
Third party deposits and retentions	-71,634,337		-56,575,876	
<b>Total</b>	<b>15,311,980</b>		<b>18,546,587</b>	

Provide short appropriate explanations, as necessary. The fund balances brought forward refers to the previous financial year's closing balances]

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**17. Prior Year Adjustments**

	Balance b/f from FY 2021/2022 as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted Balance b/f For FY 2021/2022
Description Of The Error	Kshs	Kshs	Kshs
Bank Account Balances	-	-	-
Cash In Hand	-	-	-
Imprests and advances	-	-	-
Third party deposits and retention	-	-	-
Return to CRF-Development		-4,582,397	-4,582,397
Return to CRF-Recurrent		-19,278	-19,278
Return to CRF-Imprest		-13,642	-13,642
Others ( <i>Specify</i> )	-	-	-
	-	<b>-4,615,316</b>	<b>-4,615,316</b>

(Prior period adjustment applies to the correction of an error in the financial statements of a prior period. This related to Bank balances for FY 2021/2022 swiftd back to CRF.)

**18. Changes In Imprests and Advances**

Description	2022-2023	2021-2022
	Kshs	Kshs
Opening Imprests and Advances As At 1st July 2022	10,696,664	6,233,449
Closing Imprests and Advances As At 30th June 2023	10,696,664	10,696,664
Change In Imprests and Advances	-	<b>-4,463,215</b>

**19. Changes In Third Party Deposits and Retentions**

Description	2022-2023	2021-2022
	Kshs	Kshs
Opening Third Party Deposits and Retention As At 1st July 2022	71,634,337	56,575,876
Closing Third Party Deposits and Retention As At 30th June 2023	82,564,189	71,634,337
Change In Third Party Deposits and Retention	<b>10,929,852</b>	<b>15,058,461</b>

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**Notes To The Financial Statements (Continued)**

**Other Disclosures**

**1. Pending Accounts Payable (See Annex 1)**

	Balance b/f 2021/2022	Additions for the year	Paid during the year	Balance c/f 2022/2023
Description	Kshs	Kshs	Kshs	Kshs
Construction Of Buildings	-	-	-	-
Construction Of Civil Works	-	-	-	-
Supply Of Goods	-	1,123,200	-	1,123,200
Supply Of Services	-	4,943,122	-	4,943,122
<b>Total</b>	-	<b>6,066,322</b>	-	<b>6,066,322</b>

**2. Pending Staff Payables (See Annex 2)**

	Balance b/f 2021/2022	Additions for the year	Paid during the year	Balance c/f 2022/2023
Description	Kshs	Kshs	Kshs	Kshs
Senior Management	-	-	-	-
Middle Management	-	-	-	-
Unionisable Employees	-	-	-	-
Others	-	-	-	-
<b>Total</b>	-	-	-	-

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3. Other Pending Payables (See Annex 3)

Description	Balance b/f 2021/2022 Kshs	Additions for the year Kshs	Paid during the year Kshs	Balance c/f 2022/2023 Kshs
Amounts due to National Government entities	-	-	-	-
Amounts due to County Government entities	-	-	-	-
Amounts due to third parties	-	-	-	-
<b>Total</b>	-	-	-	-

(Provide explanations for the prior year adjustments made, their nature and effect on the fund balance of the County)

4. External Assistance

Description	2022-2023 Kshs	2021-2022 Kshs
External assistance received in cash	-	-
External assistance received as loans and grants	-	-
External assistance received in kind- as payment by third parties	-	-
<b>Total</b>	-	-

(Total here to tie to line 2 of note 4)

a) External assistance relating loans and grants

Description	2022-2023 Kshs	2021-2022 Kshs
External assistance received as loans	-	-
External assistance received as grants	-	-
<b>Total</b>	-	-



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**Notes To The Financial Statements (Continued)**

**b) Undrawn external assistance**

	Purpose for which the undrawn external assistance may be used	2022-2023	2021-2022
Description		Kshs	Kshs
Undrawn External Assistance - Loans		-	-
Undrawn External Assistance - Grants		-	-
<b>Total</b>		-	-

*(This is a disclosure of the assistance not yet received as per donor agreements)*

**c) Classes of providers of external assistance**

	2022-2023	2021-2022
Description	Kshs	Kshs
Multilateral Donors	-	-
Bilateral Donors	-	-
International Assistance Organization	-	-
NGOs	-	-
National Assistance Organization	-	-
<b>Total</b>	-	-

*(Provide details for external assistance e, g. Economic development or welfare objective, Emergency relief, Trading activities etc. The total here should tie to totals of note 4))*

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**Notes To The Financial Statements (Continued)**

**d. Non-Monetary External Assistance**

	2022-2023	2021-2022
Description	Kshs	Kshs
Goods	-	-
Services	-	-
<b>Total</b>	-	-

*This may occur when goods such as vehicles, computers, medical equipment, food aid etc are contributed to a county by donors, NGO etc.*

*N/B: Disclose the basis on which the value of goods and services were determined (This may be by: depreciated historical cost of physical assets, price attached on the goods, an assessment of value by the management of transferor, recipient on Third Party, Fair value measurement. The totals here tie with line 3 of note 4.)*

**e. Purpose and use of external assistance.**

Payments Made By Third Parties	2022-2023	2021-2022
Description	Kshs	Kshs
Compensation Of Employees	-	-
Use Of Goods and Services	-	-
Subsidies	-	-
Transfers To Other Government Units	-	-
Other Grants and Transfers	-	-
Social Security Benefits	-	-
Acquisition Of Assets	-	-
Finance Costs, Including Loan Interest	-	-
Repayment Of Principal On Domestic & Foreign Borrowing	-	-
Other Payments	-	-
<b>Total</b>	-	-

*N/B The above sub-classification will be adopted based on the purpose of the external assistance and how the external assistance was used. (The total here should tie to the note 4 on external assistance)*

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**f. External Assistance paid by Third Parties on behalf of the Entity by Source**

*This relates to external assistance paid directly by third parties to settle obligations on behalf of the entity*

	2022-2023	2021-2022
Description	Kshs	Kshs
National Government	-	-
Multilateral Donors	-	-
Bilateral Donors	-	-
International Assistance Organization	-	-
NGOs	-	-
National Assistance Organization	-	-
<b>Total</b>	-	-

*(This note should tie to line 3 of note 4 on external assistance)*

**5. PAYMENTS BY THIRD PARTY ON BEHALF OF THE COUNTY ASSEMBLY**

*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.*

**5.1 Classification by Source**

	2022-2023	2021-2022
Description	Kshs	Kshs
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
<b>Total</b>	-	-

*(Third party payments may be done by other entities that are not providers of external assistance)*

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**Notes To The Financial Statements (Continued)**

**5.2 Classification of payments made by Third Parties by Nature of expenses.**

<b>Payments made by third parties</b>	<b>2022-2023</b>	<b>2021-2022</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to other government units	-	-
Other grants and transfers	-	-
Social security benefits	-	-
Acquisition of assets	-	-
Finance costs, including loan interest	-	-
Other payments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*N/B The above subclassification will be adopted based on the appropriate county's operations.*

**6. 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.

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**Related party transactions:**

	2022-2023	2021-2022
	Kshs	Kshs
<b>Compensation to Key Management</b>		
Compensation to the Speaker, Deputy Speaker and the MCAs	119,265,550	164,338,951
Key Management Compensation (Clerk and Heads of departments)	21,365,590	20,348,181
<b>Total Compensation to Key Management</b>	<b>140,631,140</b>	<b>184,687,132</b>
<b><u>Transfers to related parties</u></b>		
Transfers to other County Government Entities such as car and mortgage schemes	78,000,000	30,000,000
Transfers to other entities under the Assembly		
<b>Total Transfers to related parties</b>	<b>78,000,000</b>	<b>30,000,000</b>
<b><u>Transfers from related parties</u></b>		
Transfers from the CRF	955,008,190	853,430,078
Payments made on behalf of the County Assembly by other Government Agencies	-	-
(Insert any other transfers received)	-	-
<b>Total Transfers from related parties</b>	<b>955,008,190</b>	<b>853,430,078</b>

**7. Contingent Liabilities**

Contingent liabilities	2022-2023	2021-2022
	Kshs	Kshs
Court case xxx against the entity	-	-
Bank guarantees in favour of subsidiary	-	-
contingent liabilities arising from PPPs	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*(Give details- Update ANNEX 8 Contingent liabilities register)*

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**16. Progress On Follow On Prior Year Auditor's Recommendations**

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

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)
1.1	Unsupported Domestic Travel and Subsistence Allowance	The Management noted the concern and provide the extra support documentation as recommended.	Not Resolved	30 <sup>th</sup> Oct 2023
1.2	Unsupported Foreign Travel and Subsistence Allowance	The Management noted the concern and provide the extra support documentation as recommended.	Not Resolved	30 <sup>th</sup> Oct 2023
1.3	Unsupported Hospitality Supplies and Services	The Management wishes to confirm that, the additional documentation is hereby provided.		
1.4	Irregular Expenditure on Printing, Advertising and Information Supplies			
1.5	Irregular Expenditure on Other Operating Expenses			
2.	Doubtful Accounts Receivable- Imprests and Advances	The Management wishes to confirm that all Receivables with reference to KRA have been duly followed up for recovery. Further, the management has organized meetings with the Public Sector	Not Resolved	

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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>Division Officer at KRA to fast-track the reconciliation and subsequent recovery.</p> <p>The Management further wishes to state that the recovery of the Rental deposit on the Former Speakers house has been initiated with the Landlord.</p>		
3.	Construction of Ward Offices on Parcels of Land without Titles	<p>The Management wishes to state that, much of the land in Kwale have no title deeds, however, the County Assembly Service Board initiated the Land Acquisition Processes. Further, the legal department has been instructed to fast track the land Ownership Agreements with the Communities.</p>	Not Resolved	
4.	Unconfirmed Fringe Benefits Tax	<p>The Management wishes to confirm that the Assembly has been paying fringe Benefit tax from the car loans and Mortgages issued to staff and Members. The FBT reconciliation began and will put into considerations the items required.</p>	Not Resolved	
REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES				

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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	Subscriptions and Memberships not Anchored in Law		Not Resolved	
2	Failure to Establish a County Assembly Fund	The Management wishes to confirm the Assembly has made some steps to establish the Fund Account. Currently waiting for CECs approval on the same.	Not Resolved	
3.	Irregular Allowances- Payment to Police officers		Not Resolved	
4	Inefficient Management of Motor Vehicles	The management confirms that the requisition with approval and the pre and post inspection report are hereby availed for your verification.	Not Resolved	
5	Lack of Financial Procedures Manual	The management wishes to confirm that a draft manual is in place pending Board's Approval.	Not Resolved	30 <sup>th</sup> Oct 2023
6	Payment of Salaries for Permanent Staff Outside Integrated Personnel and Payroll Database (IPPD)	The Management wishes to confirm that the issue was addressed and currently all the staff on permanent and pensionable terms are in IPPD.	Not Resolved	
7	Irregularity in Staffing	The management wishes to acknowledge that it hired extra cleaners contrary to the advertisement. This was	Not Resolved	



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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)
		necessitated by movement of some of our operations to the new complex and the need to maintain the building in a usable condition. So, going by the size of the New Complex and offices the numbers that had been earlier advertised would not have been sufficient.		
8	Overcommitment of Salaries	The Management has noted the issues with major concern and has initiated discussion with the staff concerned to renegotiate their loan terms through standing order of cash disbursement so as to reinstate the compliance to the one third rule.	Not Resolved	
9	Failure to Comply with Gender Requirements	The Management wishes to state that the County assembly is yet to attain its optimum staff establishment and it is in the efforts to ensure Full compliance of the one-third rule on staffing. This notwithstanding, the County assembly is in the process of recruiting staff in various positions and will endeavour to comply.	Not Resolved	

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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)
10	Failure to Comply with Ethnicity Requirements	The Management wishes to state that the County assembly is yet to attain its optimum staff establishment and it is in the efforts to ensure Full compliance of the Ethnicity Requirements rule on staffing. This notwithstanding, the County assembly is in the process of recruiting staff in various positions and will endeavour to comply	Not Resolved	
11	Termination of Employment Contract of the Clerk of the County Assembly	The Management noted the concern, however the issue has been resolved and the CASB recruited a substantive Clerk.	Not Resolved	
12	Irregular Payment of Salaries to Staff on Extended Leave		Not Resolved	
13	Lack of a Training Committee	The management wishes to confirm that a training committee had not been formed at the time of audit. The management is in the process of forming the training committee.	Not Resolved	
14.1	Delayed Construction of Kubo Ward Office	The Management noted the concerns and wishes to confirm	Not Resolved	

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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)
		that the Office is complete and occupied.		
14.2	Delayed Construction of Vanga Ward Office	The Management noted the concerns and wishes to confirm that the Office is complete and	Not Resolved	
14.3	Irregularities on Construction of Ukunda Ward Office	The Seventh Member is the head of Supply Chain, and he was in charge of writing the professional opinion so he was not supposed to be in the Committee, and the secretary was delegated. There was an addendum in the daily newspaper and also in the PPIP portal attached dated 4th June 2021. The Contract was delayed due to change of site.	Not Resolved	
<b>REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE</b>				
1	Lack of Substantive ICT Strategic Committee & Approved ICT Strategic Plan	The management wishes to confirm that the process of forming a strategic committee has been initiated. This committee will be tasked with the responsibility of coming up with an ICT strategic plan. Nonetheless, we wish to confirm that an ICT	Not Resolved	

**Count Government of Kwale**

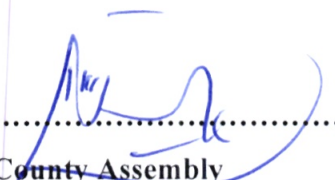
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		strategy has been captured in the draft institutional strategic plan.		
2	Inactive ICT Steering Committee	The Management noted the concern and the committee is now active	Not Resolved	
3	Lack of ICT Risk Framework		Not Resolved	
4.	Voided Transactions in IFMIS	The management wishes to confirm that the transactions voided during the year were due to specific reasons such as payments already made, insufficient funds, wrong credited bank accounts and last financial year transactions as per the CBK stopped transactions report provided.	Not Resolved	
5	Cash Payments as Per IFMIS System Reports	The management wishes to reiterate that no cash transactions were made during the year. The transactions are referenced as cash payments in the IFMIS System however they were mainly interbank transfers from CBK Deposit, CBK Development, CBK Recurrent and KCB Imprest Accounts. These transactions were paid through bank transfers as per	Not Resolved	

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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)
		the provided bank statements extracts hence no cash transactions were made during the year.		
6	Transactions in IFMIS System Payments not Processed in Payment Details Report		Not Resolved	

.....  
  
 Clerk of the County Assembly

Date 06/11/2023.

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17. Annexes

Annex 1 – Analysis Of Pending Accounts Payable

Supplier of Goods or Services	Date invoiced/contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance
			a	b	c	d=a+b-c	
<b>Construction Of Buildings</b>							
1.							
<b>Sub-Total</b>							
<b>Construction Of Civil Works</b>							
2.							
<b>Sub-Total</b>							
<b>Supply Of Goods</b>							
Ibrahim Hajio	01/02/2023	Supply of bottled water	-	-	1,123,200	-	1,123,200
<b>Sub-Total</b>			-	-	<b>1,123,200</b>	-	<b>1,123,200</b>
<b>Supply Of Services</b>							
Sasu Enterprises	01/05/2023	Provision of outside Catering services	-	-	393,321	-	393,321
Jacaranda Indian Beach Hotel	08/06/2023	Conference & Accommodation services	-	-	4,393,190	-	4,393,190
Royal Court Hotel	02/11/2022	Conference services	-	-	156,611	-	156,611
<b>Sub-Total</b>			-	-	<b>4,943,122</b>	-	<b>4,943,122</b>
<b>Grand Total</b>			-	-	<b>6,066,322</b>	-	<b>6,066,322</b>

Note: Pending bills comprise goods and services rendered and invoiced but not yet settled as at the end of the year.

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**Annex 2 – Analysis Of Pending Staff Payables**

<b>Name of Staff</b>	<b>Job Group</b>	<b>Date Contracted</b>	<b>Original Amount</b>	<b>Amount Paid To-Date</b>	<b>Outstanding Balance Current FY</b>	<b>Outstanding Balance Comparative FY</b>	<b>Comments</b>
			a	b	c=a-b		
Senior Management							
1.							
Sub-Total							
Middle Management							
2.							
Sub-Total							
Unionisable Employees							
3.							
Sub-Total							
Others ( <i>specify</i> )							
4.							
<b>Sub-Total</b>							
<b>Grand Total</b>							

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**Annex 3 – Analysis Of Other Pending Payables**

Name	Brief Transaction Description	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
			a	b	c=a-b		
<b>Amounts Due To National Govt Entities</b>							
1.							
<b>Sub-Total</b>							
<b>Amounts Due To County Govt Entities</b>							
2.							
<b>Sub-Total</b>							
<b>Amounts Due To Third Parties</b>							
3.							
<b>Sub-Total</b>							
<b>Others (Specify)</b>							
4.							
5.							
6.							
<b>Sub-Total</b>							
<b>Grand Total</b>							



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**Annex 4 – Summary Of Non-Current Asset Register**

Asset class	Historical Cost b/f (Kshs) 2021/2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year (Kshs)	Historical Cost c/f (Kshs) 2022/2023
Land	22,900,000	-	-	-	22,900,000
Buildings and structures	1,030,423,071	254,458,676	-	-	1,284,881,747
Transport equipment	27,380,048	16,270,000	-	-	43,650,048
Office equipment, furniture and fittings	28,088,798	-	-	-	28,088,798
ICT equipment	21,437,620	10,574,000	-	-	32,011,620
Machinery and equipment	13,084,126	304,999	-	-	13,389,125
Biological assets	-	-	-	-	-
Infrastructure assets	12,686,213	-	-	-	12,686,213
Heritage and cultural assets	-	-	-	-	-
Intangible assets	-	-	-	-	-
Work in progress	-	-	-	-	-
<b>Total</b>	<b>1,155,999,876</b>	<b>281,607,675</b>	-	-	<b>1,437,607,551</b>

*NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Assembly. Additions during the year should tie to **note 10** on acquisition of assets during the year. Ensure a complete fixed asset register is separately prepared in line with guidelines from The National Treasury.*

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**Annex 5 – Analysis Of Accounts Receivables**

**(a) Government Imprest**

<b>Name Of Officer Or Institution</b>	<b>Date Imprest Taken</b>	<b>Amount Taken</b>	<b>Amount Surrendered</b>	<b>Balance</b>
		<b>KShs</b>	<b>KShs</b>	<b>KShs</b>
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	-	-	-
<b>Total</b>		-	-	-

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(b) Salary Advance

<i>Name of Officer</i>	<i>Date Advanced</i>	<i>Amount Advanced</i>	<i>Amount Recovered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name Of Officer</i>	dd/mm/yy	-	-	-
<i>Name Of Officer</i>	dd/mm/yy	-	-	-
<i>Name Of Officer</i>	dd/mm/yy	-	-	-
<i>Name Of Officer</i>	dd/mm/yy	-	-	-
<b>Total</b>		-	-	-

**Annex: 6 Reporting of Climate Relevant Expenditures**

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

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**Annex 7 Reporting on Disaster Expenditure**

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

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**Annex 8: Contingent Liabilities Register**

	Nature of contingent liability	Payable to	Currency	Estimated Amount Kshs	Expected date of payment	Remarks
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						