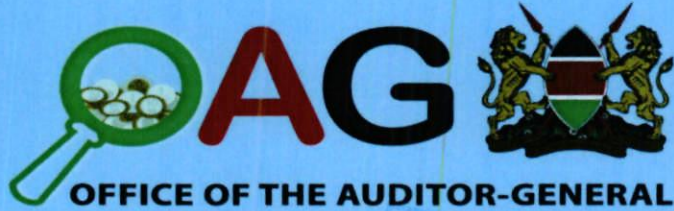


REPUBLIC OF KENYA

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*Enhancing Accountability*

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**REPORT**

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**OF**

**THE AUDITOR-GENERAL**

**ON**

**COUNTY ASSEMBLY OF MURANG'A**

**FOR THE YEAR ENDED  
30 JUNE, 2020**



Revised template of June 2020

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**MURANGA COUNTY ASSEMBLY**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**JUNE 30, 2020**

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



**MURANGA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

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## **1. KEY ENTITY INFORMATION AND MANAGEMENT**

### **(a) Background information**

The County Assembly 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 35 Members of County Assembly (MCAs) elected to represent members of the public from their respective wards and an additional 18 members nominated by political parties. 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**

Pursuant to section 12 of the County Government Act ,the County Assembly Service Board is responsible for:

- (a) Providing services and facilities to ensure efficient and effective functioning of the County Assembly.
- (b) Constituting offices in the County Assembly Service and appointing and supervising the office holder.
- (c) Preparing annual estimates of expenditure of the County Assembly Service and submitting them to the County Assembly for approval and executing budgetary control over the same.
- (d) Undertaking programmes to promote the ideals of parliamentary democracy.
- (e) Performing the function necessary for the wellbeing of the members and staff of the County Assembly.

### **Fiduciary Management**

The key management personnel who held office during the year ended June 30,2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	W.Kuria Thuita
2.	Director finance & accounting	Isaac Khalisia

### **(c) Fiduciary Oversight Arrangements**

While the County Assembly Service Board has the overall fiduciary oversight roles the board has established the following committees:

- (i)The loan management committee which considers application for car and mortgage loans . The committee is appointed by the Board and oversight the loan management .

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(ii) The members welfare and Board Advisory committee comprising of 9 members of the Assembly who receive and consider the representations and suggestions of members of the County Assembly and makes recommendations to the Board for action.

(iii) The management committee consists of all heads of departments in the Assembly and is responsible for advising the board on matters relating to the functions and powers of the board

(iv) The staff Advisory Committee consists of heads of departments and the clerk and is responsible for advising the Board through the committee on matters relating to staff .

(i) Entity Headquarters  
P.O. Box 731-102000  
Muranga County Assembly Offices  
Along Muranga Kiriaini Road

(j) Entity Contacts  
Telephone: 0722733391  
E-mail: [clerk@assembly.muranga.go.ke](mailto:clerk@assembly.muranga.go.ke)  
Website: [www.assembly.muranga.go.ke](http://www.assembly.muranga.go.ke)

(k) Entity Bankers  
1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya

(l) Independent Auditors  
Auditor General  
Kenya National Audit Office  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

(m) Principal Legal Adviser  
The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya



## **2. FORWARD BY THE CLERK OF THE ASSEMBLY**

### **INTRODUCTION**

The County Assembly is established pursuant to Article 185 of the Constitution of Kenya as the County the legislative arm of the County government. According to Article 177 of the constitution, and Section 7 of the County Governments Act, the County Assembly consists of;

- a) Members of the County Assembly elected from the Wards
- b) Members representing special interests in the assembly. Such interests include the youth, the marginalized communities, people living with disabilities among others.
- c) The Speaker of the County Assembly.

The Assembly also has a Clerk, who is the Chief Executive Officer, and the Accounting Officer of the County assembly. The Clerk is also Secretary to the County Assembly Service Board.

There is also an "Assembly Service", consisting of technical and support staff, employed by the County Assembly Service Board. The staff members provide support to Members of the County Assembly (MCAs) in their work.

### **The Functions of the County Assembly**

The functions of the County Assembly are as follows:

- a) A county assembly may make any laws that are necessary for the effective performance of the functions and exercise of the powers of the county government under the Fourth Schedule.
- b) A county assembly, while respecting the principle of the separation of powers, may exercise oversight over the county executive committee and any other county executive organs. A county assembly may receive and approve plans and policies for—
  - (1) the management and exploitation of the county's resources;
  - (2) the development and management of its infrastructure and institutions.
- 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) Vet and approve nominees for appointment to county public offices as may be provided in law.
- f) The county assembly participates in the removal of key officers:
  1. Governor
  2. Speaker
  3. County executives
  4. County Public Service Board



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To achieve the above, MCAs are involved in a number of activities. They include:

- ✓ Drafting, tabling, enacting and debating bills and motions
- ✓ Seeking answers on behalf of citizens
- ✓ Being involved in leadership in the house, such as Leader of Majority, Whip, etc.
- ✓ Working in assembly committees
- ✓ Presenting petitions on behalf of citizens

**Budget performance.**

The Assembly approved budget was ksh.923,333,175 which was reviewed in supplementary budget to ksh. 805,143,240. The amount received during the year 2019-2020 was kshs. 581,359,265.

Below is the summary of budget performance based on programmes:

<b>Budget performance</b>					
<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 difference</b>
	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>
Legislation and representation	323,400,000	-34,500,000	288,900,000	225,455,480	63,444,520
<b>Sub Total</b>	<b>323,400,000</b>	<b>-34,500,000</b>	<b>288,900,000</b>	<b>225,455,480</b>	<b>63,444,520</b>
					-
Oversight	240,750,000	-19,400,000	221,350,000	146,098,726	75,251,274
<b>Sub Total</b>	<b>240,750,000</b>	<b>-19,400,000</b>	<b>221,350,000</b>	<b>146,098,726</b>	<b>75,251,274</b>
General administration and planning support	359,183,175	-64,289,935	294,893,240	209,805,059	85,088,181
<b>Sub Total</b>	<b>359,183,175</b>	<b>-64,289,935</b>	<b>294,893,240</b>	<b>209,805,059</b>	<b>85,088,181</b>
<b>Total</b>	<b>923,333,175</b>	<b>-118,189,935</b>	<b>805,143,240</b>	<b>581,359,265</b>	<b>223,783,975</b>

The under utilization is as a result of delays in disbursement of funds leading to lapsing of expenditure period.

## **Operation Performance**

During the financial year the Assembly considered the following nine Bills, three of which have been adopted and forwarded for Assent, the remaining are in various stages of enactment

1. The Murang'a County Crop Agriculture Bill No. 3 of 2019
2. The Murang'a County Cultural Heritage Bill No. 4 of 2019
3. The Murang'a County Health Services Bill, No. 5 of 2019
4. The Murang'a County Transport Bill, No. 6 of 2019
5. The Murang'a County Alcoholics Drinks and Control (Amendment) Bill, 2019
6. The Murang'a County Control of Drugs and Controlled Substance Bill, 2019
7. The Murang'a County Avocado production, processing and Marketing Bill
8. The Murang'a County Supplementary Appropriation Bill, 2020
9. The Murang'a County Appropriation Bill, 2020

The county budget was passed on 21<sup>st</sup> June 2019 and supplementary budget was passed on 15<sup>th</sup> April 2020

## **The Structure and Functions of County Assembly Committees**

The committees of the county assembly are provided for in the County Governments, Act, 2012. Apart from helping the assembly manage its business, the committees of the county assembly have the following functions:

1. Conduct oversight on the executive to ensure that the executive is exercising fiscal prudence and good governance in the given sectors.
2. Initiate and/or scrutinize legislative and regulatory proposals on matters touching the relevant sectors
3. Review and recommend budget allocation to the department of the county
4. Investigate, inquire into, and report on all matters relating to the departments' management, activities, administration, and operations.
5. Study the programme and policy objectives of the departments and the effectiveness of the implementation
6. Vet and report on appointments in the departments where the Constitution or any law requires the Assembly to approve.



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**PERFORMANCE OF KEY DEVELOPMENT PROJECTS**

County Assembly is guided by a five year strategic plan that enumerates the strategic objectives of the organization. The realization of such objectives is guided by the vision of being the leading County Assembly in the Country by ensuring sustainable development and effective service delivery to the people of Murang'a with a mission of making laws, oversight and representation of the people of Murang'a for sustainable development and effective service delivery.

The principles that guide the operations of the Assembly are;

1. Efficiency
2. Professionalism
3. Integrity
4. Teamwork

The Murang'a County Assembly strategic plan 2019-2023 has three main objectives;

1. To enact a legislative framework for the County Government of Murang'a.
2. To undertake oversight of the County Government of Murang'a.
3. To facilitate effective public participation and representation of the people of Murang'a.

**KEY DEVELOPMENT PROJECTS**

**Refurbishment of Assembly Chambers**

The County Assembly embarked on a refurbishment project of the Assembly Chambers in 2015. The project was completed on 24<sup>th</sup> September 2019 and fully installed with state of the art hansard and ICT related equipment. This development has largely enhanced efficiency and effectiveness in Assembly legislative processes.

**Enhanced Office infrastructure.**

Since inception the County Assembly has continually embarked on upgrading its infrastructural facilities such as the internet, leasing of additional office space and procurement of furniture and ICT systems as well as purchase of Motor vehicles. This has greatly enhanced efficiency and service delivery to both internal and external public.

**Statement on Value for Money Achievements**

The County Assembly has over the years endeavored to use the budget process to allocate resources for the implementation of all activities listed in its strategic plan. This has greatly been aided by strategic partnerships, capacity building of its Members and Staff, wide stakeholder engagement.



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In furtherance, and as guided by the law, the Assembly upholds the tenets fair practices in in all its procurement processes and ensures all its contractual engagements are honoured and that suppliers are paid on time for their products.

However, the progressive orientation of the Assembly towards attainment of its goals as steered by the Assembly's leadership through an appropriate monitoring and evaluation mechanism has suffered major challenges occasioned by untimely disbursement of funds from the county treasury. In addition the COVID-19 pandemic has greatly hampered performance and productivity since the institution was forced to transition to virtual engagement of most of its processes.



**W. Kuria Thuita**  
**Clerk of the County Assembly**

**MURANGA COUNTY ASSEMBLY**  
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**3. STATEMENT OF PERFORMANCE AGAINST COUNTY PREDETRMINED OBJECTIVES**

**Introduction**

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each County Government entity Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity’s performance against predetermined objectives.

The key mandate of the County Assembly of Muranga is legislation, oversight, and representation. To achieve this, the assembly’s program was document in terms of objective, key performance indicators, and output.

Below were the expected outputs of the assembly in FY 2019/2020

<b>Program 1</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Legislation, oversight and representation	Enhanced professional development of MCAs – Provide ongoing professional development of MCAs	Increased ability of MCA in legislation	During the financial year the Assembly considered the following nine Bills, three of which have been adopted and forwarded for Assent, the remaining are in various stages of enactment  1. The Murang’a County Crop Agriculture Bill No. 3 of 2019 2. The Murang’a County Cultural Heritage Bill No. 4 of 2019 3. The Murang’a County Health Services Bill, No. 5 of 2019 4. The Murang’a	In FY 2019/2020 MCA were trained on Governance, Budget process ,legislation and oversight roles

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			<p>County Transport Bill, No. 6 of 2019</p> <p>5. The Murang'a County Alcoholics Drinks and Control (Amendment) Bill, 2019</p> <p>6. The Murang'a County Control of Drugs and Controlled Substance Bill, 2019</p> <p>7. The Murang'a County Avocado production, processing and Marketing Bill</p> <p>8. The Murang'a County Supplementary Appropriation Bill, 2020</p> <p>9. The Murang'a County Appropriation Bill, 2020</p>	
	Enhanced professional development of MCAs – Review standing orders	Review standing orders	65% increase in efficient Assembly operation was achieved	The Assembly revised its standing orders to enable conduct of business in exceptional circumstances as a result of government directives, issued on the COVID-19



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				<p>pandemic, the amended Standing Orders enabled members of the Assembly to adhere to directives issued on mitigation of the spread of the virus, through holding of meetings virtually and observance of social distance.</p>
<p><b>Program 2</b> Oversight</p>	<p>Realistic and credible budget</p> <p>Oversight over usage of public resources</p> <p>Enhanced Governance in public service</p>	<p>Approved budget estimates</p> <p>PAC &amp; PIC Committees reports</p> <p>Committee reports</p>	<p>Meeting constitutional deadlines</p> <p>No of reports prepared</p> <p>No of reports prepared</p>	<p>The report on FY 209/2020 and Appropriation Bill was passed on June 21, 2019</p> <p>During the financial year, the Assembly considered and passed about 110 reports by the committees of the Assembly e.g.</p> <ol style="list-style-type: none"> <li>1. Report by the Budget and Appropriations Committee on the first nine months budget implementation report FY 2018/2019.</li> <li>2. Report on a Public petition by residents of Kihoya, Kangema Sub County on the</li> </ol>

**MURANGA COUNTY ASSEMBLY**

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				<p>matter of Kayu dispensary</p> <p>3. Report of the Budget and Appropriations Committee on the Murang'a County Government Supplementary Budget Estimates II on Revenue and Expenditure for FY 2018/2019</p> <p>4. Report by the Agriculture, Livestock and Fisheries Committee on a fact finding visit to Mariira Farm</p> <p>5. Report by the Liaison Committee on the Committees half year progress for FY 2018/2019.</p> <p>6. Report of the Budget and Appropriations Committee on the Murang'a County Government Budget Estimates of Revenue and Expenditure for</p>
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				FY 2019/2020
<p><b>Program 3</b>            General Administration            ,Planning support            services</p>	<p>Enhanced staff            performance</p> <p>Improved            working            conditions</p>	<p>Efficient and            effective service            delivery</p> <p>Adquate office            space ICT and            other facilities</p>	<p>There is a 25%            increase of            efficiency in the            administrative            services of the            Assembly            operations. The            employees have            improved in the            ways they            support the            Members of the            County            Assembly in            their both their            oversight and            legislative            roles. The            complaints            from the MCAs            on the            operations of            the Assembly            have reduced            by almost 75%            compared to the            last financial</p> <p>Enhanced            productivity.            The training            initiatives            have helped            the            employees</p>	<p>Increase in            efficiency and            effective service            delivery</p> <p>Increase in            efficiency and            effective service            delivery</p>



**MURANGA COUNTY ASSEMBLY**

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**For the year ended June 30, 2020**

			<p>to enhance their performance as a result of the increase in their skill level leading to completion of assigned work before the set deadlines. Improved Technical skills by about 80% compared to the last financial year for the technical staff working in the Hansard Department. Improved Employee Satisfaction. The trainings have increased the employees' satisfaction</p>	
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**MURANGA COUNTY ASSEMBLY**  
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			levels and have made them feel more valued at the Assembly resulting in high motivation that has led to performance of their duties with great enthusiasm and efficiency.	
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#### **4. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

Muranga 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 five pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

##### **1. Sustainability strategy and profile -**

County Assembly of Muranga endeavour to achieve its mandate of legislation, oversight, and representation through the operation of business in the county assembly.

During the financial year the Assembly considered the following nine Bills, three of which have been adopted and forwarded for Assent, the remaining are in various stages of enactment

1. The Murang'a County Crop Agriculture Bill No. 3 of 2019
2. The Murang'a County Cultural Heritage Bill No. 4 of 2019
3. The Murang'a County Health Services Bill, No. 5 of 2019
4. The Murang'a County Transport Bill, No. 6 of 2019
5. The Murang'a County Alcoholics Drinks and Control (Amendment) Bill, 2019
6. The Murang'a County Control of Drugs and Controlled Substance Bill, 2019
7. The Murang'a County Avocado production, processing and Marketing Bill
8. The Murang'a County Supplementary Appropriation Bill, 2020
9. The Murang'a County Appropriation Bill, 2020

##### **2.Environmental performance**

During the financial year the Assembly considered the following nine Bills which has impact on environment

1. The Murang'a County Crop Agriculture Bill No. 3 of 2019
2. The Murang'a County Cultural Heritage Bill No. 4 of 2019
3. The Murang'a County Health Services Bill, No. 5 of 2019
4. The Murang'a County Transport Bill, No. 6 of 2019
5. The Murang'a County Alcoholics Drinks and Control (Amendment) Bill, 2019
6. The Murang'a County Control of Drugs and Controlled Substance Bill, 2019
7. The Murang'a County Avocado production, processing and Marketing Bill

##### **3 .Employee welfare**

The hiring process is guided by the following policies:

- a. Human Resource Policies and Procedures Manual for the Public Service
- b. Human Resource Manual for the County Assembly of Murang'a

The hiring process is also bound by the National values and principles of governance as stipulated in Article 10 of the Constitution. These include

National unity, democracy and participation of the people, equity, inclusiveness, equality, non-discrimination and protection of the marginalised.



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The recruitment is guided by the values and principles of the Public Service as stipulated in Article 232 of the Constitution. The recruitment is taken on the basis of competition and merit, representation of the County's diverse communities, adequate and equal opportunities to all gender, youth, persons with disabilities and minorities. The policy also takes into consideration that not more than two-thirds of vacant posts are filled by either gender and at least thirty percent of the vacant posts at entry level are filled by candidates who are not from the dominant ethnic community in the County.

The recruitment process also gives due consideration to the appropriate organizational structure and optimal staffing levels, Scheme of Service, and Career Progression Guidelines.

A culture of continuous learning is encouraged and practised to develop Human Capital in the Service. This ensures continuous upgrading of core competencies, knowledge, skills and attitudes of Officers including their ability to assimilate technology to enable them create and seize opportunities for career growth, social advancement, economic growth and development.

All the trainings are based on identified training needs from Training Needs Assessment conducted every two years. The Officers have at least five days training in a year while newly recruited are inducted within three months of joining the Service.

Staff Performance Appraisal System is predicted upon the principle of work planning, setting of agreed performance targets, feedback and reporting. This process is linked to other human resource systems and processes including staff development, career progression, placement, rewards and sanctions. The Strategic objectives are derived from the Assembly Work Plan and Performance Contract and cascaded to the department, sections and individual employees. The performance appraisal is an on-going process throughout the performance period with milestones reviewed, documented and maintained in the appraisee's personal file.

A Performance Management Committee is responsible for the implementation, monitoring and evaluation of the Performance Management System in the Assembly Service.

**4 Market place practices-**

a) Advertisement for tenders are done through widely read daily newspapers and assembly's website and the award given to the lowest bidder after going through the procurement process.

**MURANGA COUNTY ASSEMBLY**

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b) The assembly operates within approved budget and procures goods and services which have budgetary allocations .Orders are issued ,commitments are made and payments are made upon delivery within the stipulated timelines.

c) Advertisement of goods and services are done through widely read daily newspapers and assembly's website.

**5 Community Engagements-**

The assembly engages the public through public participation whenever an enactment of certain bill is about to be done . This is done by the Assembly Committees such as finance committee, Budget committee ,Agriculture committee etc .



**MURANGA COUNTY ASSEMBLY**  
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**5. 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, 2020. 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, 2020, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

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

**Approval of the financial statements**

The County Government's financial statements were approved and signed by the Clerk of the County Assembly on 14/12 2020.

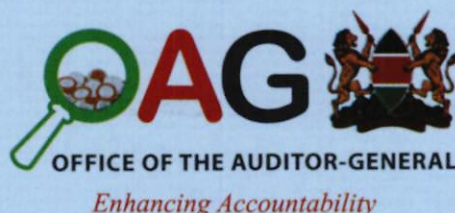
  
W. Kuria Thuita

Clerk of the County Assembly



# REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

## REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF MURANG'A FOR THE YEAR ENDED 30 JUNE, 2020

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of County Assembly of Murang'a set out on pages 1 to 40, which comprise the statement of financial assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the County Assembly of Murang'a as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the County Governments Act, 2012.

#### Basis for Qualified Opinion

##### 1.0 Unconfirmed Balances

Examination of records for the balances reflected in the financial statements revealed anomalies in the following accounts:

##### 1.0.1 Cash and Fund Balances

Bank, Cash and Fund account balances reflected in the statement of financial assets and liabilities as at 30 June, 2020 differ with those reflected in respect to the accounts in the Integrated Financial Information System (IFMIS) ledger as summarized below:

Item	Financial Statements Balances Kshs.	Balances as per IFMIS Ledger Kshs.	Variance Kshs.
1. Bank Balances	4,886,229	0	4,886,229
2. Cash Balances	0	4,886,229.50	(4,886,229.50)
3. Fund Balance Brought Forward	0	3,993,215	(3,993,215)



No reconciliations or explanation have been provided for the variances.

### 1.0.2 Compensation of Employees

The statement of receipts and payments reflects compensation of employees' payments totalling Kshs.260,945,725, as further disclosed in Note 4 to the financial statements. However, payroll records reflected balances totalling to 187,544,558 resulting in an aggregate difference of Kshs.73,401,167 as shown in the table below:

Item	Financial Statements (Kshs.)	Payroll (Kshs.)	Difference (Kshs.)
1. Basic Salaries of Permanent Employees,	188,749,189	260,696,698	71,947,509
2. Basic Wages of Temporary Employees	20,844,007	22,297,665	1,453,658
3. Personal Allowances	51,352,530	51,352,530	-
<b>Total</b>			<b>73,401,167</b>

No satisfactory explanation was provided by Management for the variance totalling Kshs.73,401,167 and as a result, the accuracy and completeness of the compensation to employees' expenditure totalling Kshs.260,945,725 reflected in the financial statements could not be confirmed.

### 1.0.3 Foreign Travel and Subsistence

Payments totalling Kshs.35,466,801 relating to foreign travel and subsistence include subsistence allowance claims totalling Kshs.7,782,336 paid to twenty members of the County Assembly and members of staff who were reported to have attended various meetings in foreign countries. However, examination of records on the trips revealed the following anomalies:

- i. The staff and MCAs supposedly used their own resources to finance the trips and claimed for refunds thereafter. However, there were no records on authority to do so having been granted to them by the Accounting Officer.
- ii. Reports prepared by the payees upon return, if any, were not submitted for audit and as a result the outputs and results from the trips could not be confirmed.

In view of the anomalies, it was not possible to confirm that the payments totalling Kshs.7,782,336, were a proper charge to public expenditure.

### 1.0.4 Fixed Assets

Disclosed in Annex 4 to the financial statements is a summary fixed assets register that reflects assets with historical costs totalling Kshs.465,595,952.50 as at 30 June, 2020. However, title deeds and valuation reports for lands costed at Kshs.127,000,000 included therein were not provided for audit review.



Consequently, the completeness and accuracy of the fixed assets balance totalling Kshs.465,595,952.50 as at 30 June, 2020 could not be confirmed. Further, computers, furniture and other equipment did not have tag numbers to identify and track their locations and users and as a result, the risk of their misplacement or loss was high.

### **1.0.5 Pending Bills**

Disclosed under Note 7.10 to the financial statements on other disclosures, are pending bills totalling Kshs.59,939,650 relating to construction of buildings - Kshs.1,567,285, staff payables - Kshs.53,155,240 and unpaid taxes to the Kenya Revenue Authority (KRA) - Kshs.5,217,125. However, detailed analyses of pending staff payables were not provided for audit.

As a result, the accuracy, validity and completeness of the reported pending bills totalling Kshs.59,939,650 as at 30 June, 2020 could not be confirmed.

## **2.0 Misstated Expenditures**

### **2.0.1 Social Security Benefits**

The statement of receipts and payments reflects social security benefits payments totalling Kshs.14,795,463 for the year under review. However, the payment vouchers presented for audit reflected payments totalling Kshs.16,193,841, resulting in an unexplained variance of Kshs.1,398,378 and as a result, the accuracy and completeness of the payments totalling Kshs.14,795,463 could not be confirmed.

### **2.0.2 Finance Costs**

Note 11 to the financial statements reflects payments for finance costs totalling Kshs.36,027,011. The trial balance as at 30 June, indicated that the costs comprised Kshs.34,989,191 and Kshs.1,037,820 designated as "other depository corporations" and "public enterprises" respectively. However, the two expenditure classes were not in the approved budget and Chart of Accounts. Examination of the respective payment records indicated that the items related to public participation expenses and loans provided to members of the County Assembly through an existing car and mortgage facility. No explanation was provided for the incorrect classification of the payments.

In addition, payments totalling Kshs.766,422 were incorrectly charged to the finance costs item. Management did not provide a satisfactory explanation the misallocation.

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



## **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. I have determined that there are no key audit matters to communicate in my report.

## **Other Matter**

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

In the report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. Management has made efforts to resolve some of the matters while others remain unresolved, as indicated in the report on follow-up on auditor's recommendations at Note 7 of other disclosures.

The actual status of the issues shall be determined after they are deliberated upon by the Legislature.

## **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**

#### **1.0 Lack of Ethnic Diversity in Staff Establishment**

Review of personnel records revealed that as at 30 June, 2020 the County Assembly had eighty-three (83) employees out of whom seventy-eight (78) or 94% were from the dominant ethnic community in the County. These included four staff recruited during the year under review.

Section 65(e) of the County Governments Act, 2012 provides that, in selecting candidates for appointment, the County Public Service Board shall consider the need to ensure that at least thirty percent of the vacant posts at entry level are filled by candidates who are not from the dominant ethnic community in the County in order to promote national unity. The County Assembly's staff establishment did not comply with the law on ethnic diversity in public sector staffing.

#### **2.0 Failure to Implement E-procurement**

Executive Order No.6 of 2015 of 7 May, 2015 required all public entities to fully implement the e-procurement processes within a period two weeks from the date of the Order.

Further, Executive Order No.2 of 2018 prescribed that by the 1 of January, 2019, all public procuring entities were to carry out all their procurement activities through the E-procurement module.

However, review of the County Assembly's procurement process revealed that only Requests for Quotations and payments for items that were procured through Open Tenders were done through the E-procurement system during the year under review. All other processes were conducted manually. No satisfactory explanation was provided for the failure to adhere to the Executive Orders.

### **3.0 Irregular Payments to Society of Clerks at the Table**

Expenditure records indicated Kshs.500,000 was in the year under review paid for subscription fees to the Society of Clerks at the Table (SOCAT), which caters for affairs of County Assembly staff nation-wide. However, as similarly reported in previous years, legislation recognizing the Society as qualified to receive grants from public funds does not exist.

In the circumstance, the payment totalling Kshs.500,000 was irregular.

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **Weak Oversight and Governance System**

Review of the operations of the Internal Audit Unit indicated that it was not sufficiently staffed as it had only one internal auditor. In addition the minutes of the deliberations of the Audit Committee were not made available for audit review.

In view of these weaknesses oversight and governance over the County Assembly's administrative operations was not properly established.



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 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 ability of the County Assembly 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.

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 that govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the entity 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 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 ability of the County Assembly 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 sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the County Assembly to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

**Nairobi**

**08 December, 2021**



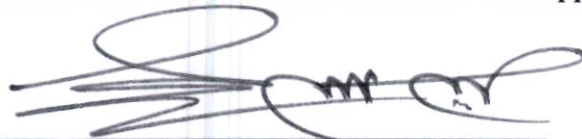
**MURANGA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

**7. FINANCIAL STATEMENTS**

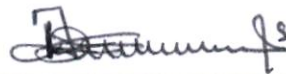
**7.1. STATEMENT OF RECEIPTS AND PAYMENTS**

		2019/20	2018/19
	Note	KShs	KShs
<b>RECEIPTS</b>			
Transfers from the County Treasury/Exchequer Releases	1	581,359,265	627,000,000
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>TOTAL RECEIPTS</b>		<b>581,359,265</b>	<b>627,000,000</b>
<b>PAYMENTS</b>			
Compensation of Employees	4	260,945,725	282,168,410
Use of goods and services	5	260,735,052	265,249,717
Subsidies	6	-	-
Transfers to Other Government Entities	7	-	-
Other grants and transfers	8	-	-
Social Security Benefits	9	14,795,463	15,409,069
Acquisition of Assets	10	8,456,137	52,078,308
Finance Costs	11	36,027,011	6,272,910
Other Payments	12	399,878	5,961,902
<b>TOTAL PAYMENTS</b>		<b>581,359,265</b>	<b>627,140,316</b>
<b>SURPLUS/DEFICIT</b>		<b>0</b>	<b>- 140,316</b>

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 14/12 2020 and signed by:



Clerk of the Assembly  
Name: W. Kuria Thuita



Principal Accounts Controller  
Name: David Mwangi  
ICPAK Number: 9322

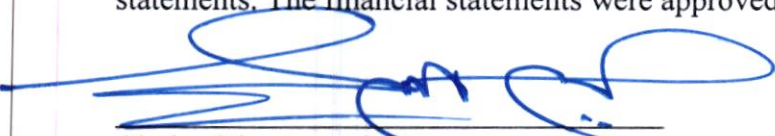



**MURANGA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

**7.2. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES**

		2019/20	2018/19
<b>FINANCIAL ASSETS</b>	<b>Note</b>	<b>KShs</b>	<b>KShs</b>
<b>Cash and Cash Equivalents</b>			
Bank Balances	13A	4,886,229	3,993,215
Cash Balances	13B	-	-
<b>Total Cash and cash equivalents</b>		<b>4,886,229</b>	<b>3,993,215</b>
Accounts receivables – Outstanding Imprests	14	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>4,886,229</b>	<b>3,993,215</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables – Deposits and retentions	15	4,886,229	3,993,215
<b>NET FINANCIAL ASSETS</b>		<b>0</b>	<b>-</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	16	-	140,316
Surplus/Deficit for the year		0	- 140,316
<b>NET FINANCIAL POSITION</b>		<b>0</b>	<b>0</b>

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 14/12 2020 and signed by:

  
 Clerk of the Assembly  
 Name: W. Kuria Thuita

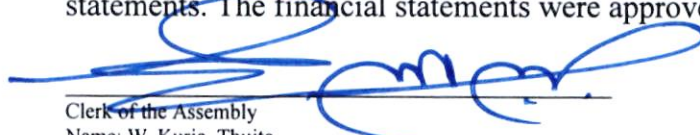
  
 Principal Accounts Controller  
 Name: David Mwangi  
 ICPAK Number: 9322

**MURANGA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2020**

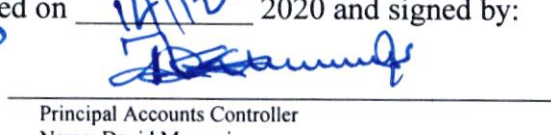
**7.3. STATEMENT OF CASH FLOWS**

		2019/20	2018/19
	Note	KShs	KShs
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts from operating income</b>			
Transfers from the County Treasury/Exchequer Releases	1	581,359,265	627,000,000
Other Receipts	3	-	-
<b>Payments for operating expenses</b>			
Compensation of Employees	4	(260,945,725)	(282,168,410)
Use of goods and services	5	(260,735,052)	(265,249,717)
Subsidies	6	-	-
Transfers to Other Government Entities	7	-	-
Other grants and transfers	8	-	-
Social Security Benefits	9	(14,795,463)	(15,409,069)
Finance Costs	11	(36,027,011)	(6,272,910)
Other Payments	12	(399,878)	(5,961,902)
<b>Adjusted for:</b>			
Prior year adjustment	17	-	-
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	18	-	-
Increase/(Decrease) in Accounts Payable: (deposits and retention)	19	893,014	2,850,099
<b>Net cash flows from operating activities</b>		<b>9,349,150</b>	<b>54,788,100</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	10	(8,456,137)	(52,078,308)
<b>Net cash flows from investing activities</b>		<b>(8,456,137)</b>	<b>(52,078,308)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>			
		893,014	2,709,782
<b>Cash and cash equivalent at BEGINNING of the year</b>	13	3,993,215	1,283,433
<b>Cash and cash equivalent at END of the year</b>		<b>4,886,229</b>	<b>3,993,215</b>

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 14/12 2020 and signed by:



Clerk of the Assembly  
Name: W. Kuria Thuita



Principal Accounts Controller  
Name: David Mwangi  
ICPAK Number: 9322



**MURANGA COUNTY ASSEMBLY**

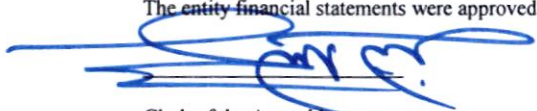
**Reports and Financial Statements**

**For the year ended June 30, 2020**


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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilization difference
	KShs	KShs	c=a+b	e=d-c	
<b>RECEIPTS</b>					
Transfers from the County Treasury/Exchequer Releases	923,333,175	-118,189,935	805,143,240	581,359,265	72
Proceeds from Sale of Assets			-		
Other Receipts			-		
<b>TOTAL</b>	<b>923,333,175</b>	<b>(118,189,935)</b>	<b>805,143,240</b>	<b>581,359,265</b>	<b>72</b>
<b>PAYMENTS</b>					
Compensation of Employees	351,000,000	(36,900,000)	314,100,000	260,945,725	83
Use of goods and services	425,833,175	(54,589,935)	371,243,240	260,735,052	70
Subsidies	-		-	-	
Transfers to Other Government Entities	-	-	-	-	
Other grants and transfers	-	-	-	-	
Social Security Benefits	30,000,000	-	30,000,000	14,795,463	49
Acquisition of Assets	57,000,000	-21,900,000	35,100,000	8,456,137	24
Finance Costs	56,500,000	(3,000,000)	53,500,000	36,027,011	67
Other Payments	3,000,000	(1,800,000)	1,200,000	399,878	33
<b>TOTAL</b>	<b>923,333,175</b>	<b>(118,189,935)</b>	<b>805,143,240</b>	<b>581,359,265</b>	<b>72</b>
<b>SURPLUS/ DEFICIT</b>				<b>0</b>	

The entity financial statements were approved on 14/12 2020 and signed by:



Clerk of the Assembly  
Name: W. Kuria Thuita



Principal Accounts Controller  
Name: David Mwangi  
ICPAK Number: 9322

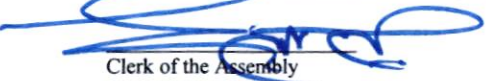
**MURANGA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
**For the year ended 30 June 2020**


**7.5. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilisation difference
	<b>A</b>	<b>b</b>	<b>c=a+b</b>	<b>e=d-c</b>	
<b>RECEIPTS</b>					
Transfers from the County Treasury/ Exchequer Releases	873,333,175	(98,189,935)	775,143,240	569,359,265.00	73
Proceeds from Sale of Assets			-		
Other Receipts			-		
<b>TOTAL</b>	<b>873,333,175</b>	<b>(98,189,935)</b>	<b>775,143,240</b>	<b>569,359,265</b>	<b>73</b>
<b>PAYMENTS</b>					
Compensation of Employees	351,000,000	(36,900,000)	314,100,000	260,945,725	83
Use of goods and services	425,833,175	(54,589,935)	371,243,240	260,735,052	70
Subsidies	-	-	-	-	
Transfers to Other Government Entities	-	-	-	-	
Other grants and transfers	-	-	-	-	
Social Security Benefits	30,000,000	-	30,000,000	14,795,463	49
Acquisition of Assets	7,000,000	(1,900,000)	5,100,000	201,000	4
Finance Costs	56,500,000	(3,000,000)	53,500,000	36,027,011	67
Other Payments	3,000,000	(1,800,000)	1,200,000	399,878	33
<b>TOTAL</b>	<b>873,333,175</b>	<b>(98,189,935)</b>	<b>775,143,240</b>	<b>573,104,128</b>	<b>74</b>
<b>SURPLUS/DEFICIT</b>				<b>(3,744,863)</b>	

The entity financial statements were approved on 14/2 2020 and signed by: The amount of kshs.3,744,864 was transfer from development account to fund account to cater loans issued.

The amount of kshs.201,000 against budget of kshs.7,000,000 on acquisition of asset on recurrent budget was used to purchase furniture and fittings and represent 4% of the budgeted amount.

  
 Clerk of the Assembly  
 Name: W. Kuria Thuita

  
 Principal Accounts Controller  
 Name: David Mwangi ICPAK Number 9322



**Reports and Financial Statements  
For the year ended June 30, 2020**

## 7.6. STATEMENT OF COMPARISON OF BUDGET &amp; ACTUAL AMOUNTS: DEVELOPMENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilization difference
	KShs	KShs	c=a+b	e=d-c	
<b>RECEIPTS</b>					
Transfers from the County Treasury/ Exchequer Releases	50,000,000	-20,000,000	30,000,000	12,000,000	40
Proceeds from Sale of Assets			-		
Other Receipts			-		
<b>TOTAL</b>	<b>50,000,000</b>	<b>(20,000,000)</b>	<b>30,000,000</b>	<b>12,000,000</b>	<b>40</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	50,000,000	(20,000,000)	30,000,000	8,255,137	28
Finance Costs			-		
Other Payments			-		
<b>TOTAL</b>	<b>50,000,000</b>	<b>(20,000,000)</b>	<b>30,000,000</b>	<b>8,255,137</b>	<b>28</b>
<b>SURPLUS/ DEFICIT</b>	-	-	-	<b>3,744,864</b>	

The entity financial statements were approved on 14/12 2020 and signed by: The amount of kshs.3,744,864 was transfer from development account to fund account to cater loans issued.

Clerk of the Assembly  
Name: W. Kuria Thuita

Principal Accounts Controller  
Name: David Mwangi  
ICPAK Number 9322

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**7.7. 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 difference</b>
	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>	<b>KShs</b>
Legislation and representation	323,400,000	-34,500,000	288,900,000	225,455,480	63,444,520
<b>Sub total</b>	<b>323,400,000</b>	<b>-34,500,000</b>	<b>288,900,000</b>	<b>225,455,480</b>	<b>63,444,520</b>
					-
Oversight	240,750,000	-19,400,000	221,350,000	146,098,726	75,251,274
<b>Sub total</b>	<b>240,750,000</b>	<b>-19,400,000</b>	<b>221,350,000</b>	<b>146,098,726</b>	<b>75,251,274</b>
General administration and planning support	359,183,175	-64,289,935	294,893,240	209,805,059	85,088,181
<b>Sub total</b>	<b>359,183,175</b>	<b>-64,289,935</b>	<b>294,893,240</b>	<b>209,805,059</b>	<b>85,088,181</b>
					-
<b>Total</b>	<b>923,333,175</b>	<b>-118,189,935</b>	<b>805,143,240</b>	<b>581,359,265</b>	<b>223,783,975</b>



## **7.8. SIGNIFICANT ACCOUNTING POLICIES**

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

### **1. Statement of compliance and basis of preparation**

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

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

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

### **2. Reporting entity**

The financial statements are for the Muranga 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 actually been received by the Assembly.

#### **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.

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**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

**Compensation of employees**

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

**Use of goods and services**

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

**Acquisition of fixed assets**

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

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

**4. In-kind contributions**

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



**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

**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 2020, this amounted to KShs 4,886,229 compared to KShs 3,993,215 in prior period as indicated on note 13A..

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

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**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**9. 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 Muranga County Assembly fixed asset register a summary of which is provided as a memorandum to these financial statements.

**10. 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 Muranga County Assembly 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.

**11. 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,

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

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



**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**12. Contingent Assets**

Muranga County Assembly 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.

**13. Budget**

The budget is prepared on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The Muranga County Assembly budget was approved as required by Law .The original budget was approved by the County Assembly on 24 June 2019 for the period 1<sup>st</sup> July 2019 to 30 June 2020 as required by law. There was one number of supplementary budgets passed in the year. The supplementary budgets were approved on 15 April 2020. A high-level assessment of the Muranga County Assembly actual performance against the comparable budget for the financial year under review has been included in the Statement of Comparison between actual and budgeted amounts included in these financial statements.

**14. Comparative figures**

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

**15. 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.

**16. Errors**

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

**17. Related party transactions**

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

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**7.9. NOTES TO THE FINANCIAL STATEMENTS**

**1. Transfers from the County Treasury/Exchequer Releases**

	<b>2019/20</b>	<b>2018/19</b>
	<b>KShs</b>	<b>KShs</b>
Transfers from the County Treasury for Q1	69,359,265	68,000,000
Transfers from the County Treasury for Q2	160,000,000	199,000,000
Transfers from the County Treasury for Q3	202,000,000	100,000,000
Transfers from the County Treasury for Q4	150,000,000	260,000,000
<b>Cumulative Amount</b>	<b>581,359,265</b>	<b>627,000,000</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	<b>2019/20</b>	<b>2018/19</b>
	<b>KShs</b>	<b>KShs</b>
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>

**3. OTHER RECEIPTS**

	<b>2019/20</b>	<b>2018/19</b>
	<b>KShs</b>	<b>KShs</b>
Tender fees received	-	-
Other Receipts II	-	-
Other Receipts III	-	-
Other Receipts IV	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**4. COMPENSATION OF EMPLOYEES**

	<b>2019/20</b>	<b>2018/19</b>
	<b>KShs</b>	<b>KShs</b>
Basic salaries of permanent employees	188,749,189	202,459,085
Basic wages of temporary employees	20,844,007	25,270,287
Personal allowances paid as part of salary	51,352,530	54,439,038
Personal allowances paid as reimbursements	-	-
Personal allowances provided in kind	-	-
Pension and other social security contributions	-	-
Compulsory national social security schemes	-	-
Compulsory national health insurance schemes	-	-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
<b>Total</b>	<b>260,945,725</b>	<b>282,168,410</b>

**5. USE OF GOODS AND SERVICES**

	<b>2019/20</b>	<b>2018/19</b>
	<b>KShs</b>	<b>KShs</b>
Utilities, supplies and services	655,134	745,202
Communication, supplies and services	5,592,801	6,030,705
Domestic travel and subsistence	137,942,428	140,891,609
Foreign travel and subsistence	35,466,801	19,741,622
Printing, advertising and information supplies & services	3,492,522	3,324,299
Rentals of produced assets	3,101,655	6,774,261

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Training expenses	5,617,718	6,203,734
Hospitality supplies and services	9,314,388	31,457,023
Insurance costs	20,409,048	18,562,396
Specialized materials and services	-	1,374,012
Office and general supplies and services	7,086,033	901,437
Fuel Oil and Lubricants	1,192,047	2,348,931
Other operating expenses	30,328,250	25,229,898
Routine maintenance – vehicles and other transport equipment	171,300	960,000
Routine maintenance – other assets	364,927	704,588
<b>Total</b>	<b>260,735,052</b>	<b>265,249,717</b>



**MURANGA COUNTY ASSEMBLY****Reports and Financial Statements****For the year ended June 30, 2020****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****6. SUBSIDIES**

<b>Description</b>	<b>2019/20</b>	<b>2018/19</b>
	<b>KShs</b>	<b>KShs</b>
Subsidies to County Corporations	-	-
Subsidies to Private Enterprises	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**7. TRANSFERS TO OTHER GOVERNMENT ENTITIES**

<b>Description</b>	<b>2019/20</b>	<b>2018/19</b>
	<b>KShs</b>	<b>KShs</b>
Transfers to National Government entities	-	-
Transfers to other County Assembly entities	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**8. OTHER GRANTS AND TRANSFERS**

	<b>2019/20</b>	<b>2018/19</b>
	<b>KShs</b>	<b>KShs</b>
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>	<b>-</b>	<b>-</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**9. SOCIAL SECURITY BENEFITS**

	<b>2019/20</b>	<b>2018/19</b>
	<b>KShs</b>	<b>KShs</b>
Government pension and retirement benefits	14,795,463	15,409,069
Social security benefits in cash and in kind	-	-
Employer Social Benefits in cash and in kind	-	-
<b>Total</b>	<b>14,795,463</b>	<b>15,409,069</b>

**10. ACQUISITION OF ASSETS**

<b><u>Non- Financial Assets</u></b>	<b>2019/20</b>	<b>2018/19</b>
	<b>KShs</b>	<b>KShs</b>
Purchase of Buildings		
Construction of Buildings	-	15,420,553
Refurbishment of Buildings	8,255,137	16,579,755
Construction of Roads	-	-
Construction and Civil Works	-	-
Overhaul and Refurbishment of Construction and Civil Works	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and Equipment	201,000	78,000
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	-	-
Purchase of ICT Equipment	-	-
Acquisition of Strategic Stocks and commodities	-	-
Acquisition of Other Inventories	-	-



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<b>Non- Financial Assets</b>	<b>2019/20</b>	<b>2018/19</b>
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
<b>Total purchase of non-financial assets</b>	-	-
<b>Financial Assets</b>	-	-
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Domestic Lending and on –lending	-	20,000,000
<b>Total purchase of financial assets</b>	-	-
<b>Total</b>	<b>8,456,137</b>	<b>52,078,308</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**11. FINANCE COSTS**

	2019/20	2018/19
	KShs	KShs
Bank Charges	-	-
Exchange Rate Losses	-	-
Other Finance costs	36,027,011	6,272,910
Interest on borrowings	-	-
<b>Total</b>	<b>36,027,011</b>	<b>6,272,910</b>

**12. OTHER PAYMENTS**

	2019/20	2018/19
	KShs	KShs
Budget Reserves	399,878	5,961,902
Civil Contingency Reserves	-	-
Capital Transfers to Non-Financial Public Enterprises	-	-
Capital Transfer to Public Financial Institutions and Enterprises	-	-
Capital Transfers to Private Non-Financial Enterprises	-	-
<b>Total</b>	<b>399,878</b>	<b>5,961,902</b>

**13. CASH AND BANK BALANCES**

**13A. BANK BALANCES**

Name of Bank, Account No. & Currency	Indicated whether recurrent or development	2019/20	2018/19
		KShs	KShs
Central bank of Kenya acc.no 1000196416	Development Acc	-	-
Central bank of Kenya acc.no 1000196408	Recurrent Acc	-	-
Central bank of Kenya acc.no 1000300469	Deposits Acc	4,886,229	3,993,215
<b>Total</b>		<b>4,886,229</b>	<b>3,993,215</b>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**13B. CASH IN HAND**

	2019/20	2018/19
	KShs	KShs
Cash in Hand – Held in domestic currency	-	-
Cash in Hand – Held in foreign currency	-	-
<b>Total</b>	-	-

Cash in hand should be analysed as follows:

Description	2019/20	2018/19
	KShs	KShs
Location 1	-	-
Location 2	-	-
Location 3	-	-
<b>Total</b>	-	-

**14. ACCOUNTS RECEIVABLE**

Description	2019/20	2018/19
	KShs	KShs
Government Imprests	-	-
Clearance Accounts	-	-
Staff Advances	-	-
Other Advances	-	-
<b>Total</b>	-	-

**15. ACCOUNTS PAYABLE**

Description	2019/20	2018/19
	KShs	KShs
Deposits		
Retentions	4,886,229	3,993,245.
<b>Total</b>	4,886,229	3,993,245.

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**16. FUND BALANCE BROUGHT FORWARD**

<b>Description</b>	<b>2019/20</b>	<b>2018/19</b>
	<b>KShs</b>	<b>KShs</b>
Bank accounts	3,993,215	1,283,433
Cash in hand	-	-
Accounts Receivables	-	-
Accounts Payables	3,993,215	1,143,117
<b>Total</b>	-	140,316



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**17. PRIOR YEAR ADJUSTMENTS** a prior period adjustment really applies to the correction of an error in the financial statements of a prior period

	<b>Balance b/f FY 2018/2019 as per Financial statements</b>	<b>Adjustments</b>	<b>Adjusted Balance b/f FY 2018/2019</b>
<b>Description of the error</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

**18. CHANGES IN RECEIVABLE**

<b>Description of the error</b>	<b>2019 - 2020</b>	<b>2018 - 2019</b>
	<b>KShs</b>	<b>KShs</b>
Outstanding Imprest as at 1 <sup>st</sup> July 2019 (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

**19. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS**

<b>Description of the error</b>	<b>2019 - 2020</b>	<b>2018 - 2019</b>
	<b>KShs</b>	<b>KShs</b>
Deposit and Retentions as at 1 <sup>st</sup> July 2019 (A)	3,993,215	1,711,943
Deposit and Retentions held during the year (B)	893,014	2,281,272
Deposit and Retentions paid during the Year (C)	-	-
Net changes in account receivables D= A+B-C	<b>4,886,229</b>	<b>3,993,215</b>

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**7.10. OTHER DISCLOSURES**

**1. PENDING ACCOUNTS PAYABLE (See Annex 1)**

	<b>Balance b/f FY 2018/2019</b>	<b>Additions for the period</b>	<b>Paid during the year</b>	<b>Balance c/f FY 2019/2020</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Construction of buildings	8,255,137	0	8,255,137	0
Construction of civil works	-	-	-	-
Supply of goods	-	275,719	-	275,719
Supply of services	-	1,291,566	-	1,291,566
<b>Total</b>	<b>8,255,137</b>	<b>1,567,285</b>	<b>8,255,137</b>	<b>1,567,285</b>

**2. PENDING STAFF PAYABLES (See Annex 2)**

	<b>Balance b/f FY 2018/2019</b>	<b>Additions for the period</b>	<b>Paid during the year</b>	<b>Balance c/f FY 2019/2020</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Senior management	-	-	-	-
Middle management	-	-	-	-
Unionisable employees	-	-	-	-
Others	-	53,155,240	-	53,155,240
<b>Total</b>	<b>-</b>	<b>53,155,240</b>	<b>-</b>	<b>53,155,240</b>

**3. OTHER PENDING PAYABLES (See Annex 3)**

	<b>Balance b/f FY 2018/2019</b>	<b>Additions for the period</b>	<b>Paid during the year</b>	<b>Balance c/f FY 2019/2020</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Amounts due to National Government entities(tax)	-	5,217,125	-	5,217,125
Amounts due to County Government entities	-	-	-	-
Amounts due to third parties	-	-	-	-
<b>Total</b>	<b>-</b>	<b>5,217,125</b>	<b>-</b>	<b>5,217,125</b>



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**4. External Assistance**

	<b>FY 2019/2020</b>	<b>FY 2018/2019</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
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>	-	-

a) External assistance relating loans and grants

	<b>FY 2019/2020</b>	<b>FY 2018/2019</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
External assistance received as loans	-	-
External assistance received as grants	-	-
<b>Total</b>	-	-

b) Undrawn external assistance

	<b>Purpose for which the undrawn external assistance may be used</b>	<b>FY 2019/2020</b>	<b>FY 2018/2019</b>
<b>Description</b>		<b>Kshs</b>	<b>Kshs</b>
Undrawn external assistance - loans		-	-
Undrawn external assistance - grants		-	-
<b>Total</b>		-	-

c. Classes of providers of external assistance

	<b>FY 2019/2020</b>	<b>FY 2018/2019</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
<b>Total</b>	-	-

**MURANGA COUNTY ASSEMBLY**  
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**d.Non-monetary external assistance**

	<b>FY 2019/2020</b>	<b>FY 2018/2019</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
Goods	-	-
Services	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

<b>PAYMENTS MADE BY THIRD PARTIES</b>	<b>FY 2019/2020</b>	<b>FY 2018/2019</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	-	-
Repayment of principal on Domestic and Foreign borrowing	-	-
Other Payments	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>



**MURANGA COUNTY ASSEMBLY****Reports and Financial Statements****For the year ended June 30, 2020****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

	<b>FY 2019/2020</b>	<b>FY 2018/2019</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**5. PAYMENTS BY THIRD PARTY ON BEHALF OF THE COUNTY****Classification by Source**

	<b>FY 2019/2020</b>	<b>FY 2018/2019</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

<b>PAYMENTS MADE BY THIRD PARTIES</b>	<b>FY 2019/2020</b>	<b>FY 2018/2019</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>

**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:

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

**Related party transactions:**



**MURANGA COUNTY ASSEMBLY****Reports and Financial Statements****For the year ended June 30, 2020**

	<b>2019-2020</b>	<b>2018-2019</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Compensation to Key Management</b>		
Compensation to the Speaker, Deputy Speaker and the MCAs	164,962,087	172,322,067
Key Management Compensation (Clerk and Heads of departments)	18,613,121	15,186,930
<b>Total Compensation to Key Management</b>	<b>183,575,208</b>	<b>187,508,997</b>
<b><u>Transfers to related parties</u></b>		
Transfers to other County Government Entities such as car and mortgage schemes	34,989,190	20,000,000
Transfers to County Corporations	-	-
Transfers to non reporting entities e.g ECD centres, welfare centres etc	-	-
<b>Total Transfers to related parties</b>	<b>34,989,190</b>	<b>20,000,000</b>
<b><u>Transfers from related parties</u></b>		
Transfers from the County Executive- Exchequer	581,369,265	627,000,000
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>581,369,265</b>	<b>627,000,000</b>

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**7. 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.

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Focal Point person to resolve the issue (Name and designation)</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
1	<p><b>Cash and Bank Balances</b></p> <p>The statement of financial assets and liabilities reflects nil balances as at 30<sup>th</sup> June 2019. Bank reconciliation statement as at 30<sup>th</sup> June 2019 reflects payments in cash book and not in bank statements and payments in bank statements and not in cash book amounting to kshs 27,812,950, and 2,973,676 respectively. Reconciling items amounting to Kshs 13,924,769 relates to the month of August 2018 have taken long to be reversed/voided in the cash book to reflect the correct balances.</p>	<p>, payments in cash book and not in bank statements have been voided and cancelled. Further payments in bank statements and not in cash book amounting to Kshs 2,973,676 are payments relating to the previous year paid in the year under review.</p>	David Mwangi PAC	resolved	n/a
2.1	The statement of receipts and payments figures totaling	The Variance between IFMIS and The	David Mwangi PAC	resolved	n/a



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Kshs.627,000, 000 and Kshs.627,140,316 are at variance with IFMIS report balances of Kshs 627,000,000 and Kshs.632,801,480 respectively as tabulated below:</p>	<p>financial statements was caused by items that were input in IFMIS but did not complete the system process. The Assembly is working with the National Treasury to regularize the variance between the IFMIS report and financial statements.</p> <p>Further, the actual exchequer releases for the year under review was KSH 627,000,000 and is as reflected in our financial statements and in the IFMIS generated reports.</p>			
	The balances reflected	IFMIS figures	David	resolved	n/a

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2.2	in the statement of financial assets and liabilities as at 30 June 2018 do not tally with IFMIS report	have been adjusted and now tally with FS	Mwangi PAC		
3	<p><b>. Pending Accounts</b></p> <p><b>Payables (Bills)</b></p> <p>The financial statements of the County Assembly under Note 2.10.1 indicate that accounts payables (bills) amounting to Kshs.14,203,325 relating to construction of buildings was not settled during the year under review but were carried forward to 2019/2020. Had the bills been paid and the expenditure charged to the accounts for the year under review, the surplus of Kshs.140,316 reflected in the statement of receipts and payments would have reduced to a deficit of Kshs.14,063,009 an indication that the management entered into financial</p>	<p>The Assembly had committed funds for settlement of works undertaken, however, the contractor did not submit the interim certificate on time resulting to none payment.</p>	Isaac Bubishi-DFFA	resolved	n/a



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>commitments for which no resources were available.</p> <p>Failure to settle bills during the year to which they relate distorts the financial statements for that year and adversely affects the provisions for the subsequent year to which they have to be charged.</p>				
	<p><b>Budget Performance</b></p> <p>During the year under review, the Assembly's approved expenditure budget was Kshs. 836,381,818 comprising Kshs.786,381,818 and Kshs.50,000,000 for recurrent and development votes respectively. The Assembly incurred actual expenditures of Kshs.595,140,317 and Kshs.22,812,724 on recurrent and development votes respectively. Under-utilization of Kshs. 191,241,501 of the recurrent budget and Kshs. 17,812,724 of the development budget has</p>	<p>After approval of County annual budget, the Assembly prepares a cash flow statement for implementation of the budget. The cash flow statement is forwarded to the County Treasury as a guiding tool for disbursement of funds to the Assembly. The Assembly requested via its annual cash flow statement for monthly</p>	<p>Isaac Bubiru-DFA</p>	<p>Not resolved</p>	<p>30/12/2020</p>

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**Reports and Financial Statements**  
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	been explained.	disbursement from County Treasury of Kshs 836,381,818 comprising of Development Kshs 50,000,000.00 and recurrent expenditure of Kshs 786,381,818. During the year under review, the Assembly received Kshs.22, 812,724 and Kshs for Development and recurrent respectively resulting to shortfall of Kshs .This adversely affected the Assembly in implementing its budgetary programs including completion of the refurbishment			



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		of the County Assembly Chambers. The Assembly will continually engage County Treasury, Controller of Budget and the National Treasury to ensure total budget disbursement			
2	<p><b>Engagement of Casual Employees</b>                      Disclosed under note 3 to the financial statements an expenditure of Kshs. 25,187,991 in respect to wages of temporally employee .Appointment letter were not made available for audit verification and Some casual were engage continuously for more than three months on casual basis without converting the terms of service from temporary to permanent contrary to provision of Sec 37 of the Employment Act,</p>	Murang'a County Assembly engages casuals on contract basis. Ward office casual are engaged for a contract period of five years as per the term of elected members, while other casuals are engaged for a period of one year which is renewable.	Hildah Kamzee-DHR	resolved	n/a

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<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Focal Point person to resolve the issue (Name and designation)</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
	2007.				
3	<p><b>. Irregular sitting allowances paid to members of the County Assembly</b>  A review of records and register and attendance registers for the meetings revealed that there were some instances of some MCAs having attended two or more separate meetings held on the same day or concurrently and paid sitting allowances totaling Kshs. 568,100. The management has not provided satisfactory explanation for these double payments.</p>	The Assembly has instituted mechanisms for recovery of the double payments from the affected members.	Kuria Thuita - CCA	Not resolved	30/10/2020
4	<p><b>. Subscription Fees</b>  The Assembly paid Kshs. 2,800,000 to County Assemblies Forum (CAF) and the Society of Clerks At The Table (SOCATT) as subscription fee. The Assembly did not have a policy guideline or regulations governing</p>	Murang'a County Assembly is a member of County Assemblies in Kenya under the umbrella of County Assemblies	Kuria Thuita -CCA	Not resolved	30/12/2020



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	payments of subscriptions to such bodies. The validity of the expenditure of Kshs 2,800,000 on subscription fees could not be confirmed.	Forum (CAF) and Society of Clerks at the Table (SOCCAT). County Assembly Service Board resolved that the Assembly joins the two bodies and is therefore bound by the terms and conditions of membership which includes payments of annual subscription fees. County Assembly Service Board is in the process of formulating policy guidelines on subscriptions			
5	. <b>Delay in Construction of Assembly Chambers 5.1 Initial Contract</b> The initial contract for	The chambers have been completed	Isaac Bubiru-DFA	resolved	n/a

**MURANGA COUNTY ASSEMBLY**  
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>the construction of the Assembly chambers was awarded to a local construction firm on November 11, 2014 at a sum of Kshs. 77, 484,830 for a contract period of 24 weeks. The contractor terminated the contract on January 2017 owing to delays in payments for certified works which stood at Kshs. 33,092,879/=</p> <p><b>5.2 New Contract</b>  A new contract was awarded to a new contractor after termination of the initial contract at a contract sum of Kshs. 49,016,050/= for a contract period of 26 weeks. However, in October 2019, the project had not been completed.</p> <p><b>5.3 Payments to the Contractors</b>  The initial contractor was paid for value of certified works of Kshs. 33,092,879 up to the time of termination of contract which included interests on</p>				



**MURANGA COUNTY ASSEMBLY**

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**For the year ended June 30, 2020**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>delayed payments of Kshs. 361,642/= . The total cost of the project has increased from the original contract sum of kshs. 77,484,830/= to Kshs. 82,108,929/= comprising of payments made to the first contractor of Kshs. 33,092,879 and new contract sum of Kshs. 49,016,050/=</p>				
6	<p><b>. PRINTING AND ADVERTISEMENT</b> Disclosed under Note 5 to the financial statements is an expenditure of Kshs. 3,307,804 in respect of printing, advertising and information supplies and services. Kshs. 955,900 was paid to media companies for direct advertisement contrary to the national Treasury Circular No. 20/2015 which requires that all government advertisement be done through government advertisement agency.</p>	<p>We note the auditor's observation and wish to clarify that Article 35 and 196 of the Constitution of Kenya as read together with Section 93 and 95 of the County Governments Act, No. 17 of 2012 provides for access to information to all citizens and in the form and media with the widest public</p>	Paul Mukuria	resolved	n/a

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue ( <i>Name and designation</i> )	Status: ( <i>Resolved / Not Resolved</i> )	Timeframe: ( <i>Put a date when you expect the issue to be resolved</i> )
		<p>outreach. In addition, Section 7 (5) as read together with Section 7 (4) of the Public Appointments (County Assemblies) Approvals Act, 2017 mandates the accounting officer to place notifications for public hearing on appointments in two newspapers of nation-wide circulation.</p> <p><b>Note:</b> Section 5 of the Public Procurement and Asset Disposal Act, 2015 provides that;</p> <p>“This Act shall prevail in case of any inconsistency between this</p>			



**MURANGA COUNTY ASSEMBLY**  
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		Act and any other legislation or government notices or circulars in matters relating to procurement and asset disposal except in cases where procurement of professional services is governed by an Act of parliament applicable to such services".			

Clerk of the County Assembly

Sign..... 

Date..... 14/12

**MURANGA COUNTY ASSEMBLY**  
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**ANNEXES**

**ANNEX 1 – ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
	A	B	C	d=a-c		
<b>Construction of buildings</b>						
1. Stepal Builders Co .Ltd	49,016,050	24,oct ,2017	43,067,862	0	8,255,137	
2.						
3.						
<b>Sub-Total</b>	49,016,050	24,oct ,2017	43,067,862	0	8,255,137	
<b>Construction of civil works</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
JOSCARL GENERAL AGENCIES	12,775.85			12,775.85		
GENESIS TWO LIMITED	12,775.85			12,775.85		
Sagana Holdings Limited	82,486			82,486		
COPIAN ENTERPRISES	167,682			167,682		



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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
<b>Sub-Total</b>	275,719			275,719		
<b>Supply of services</b>						
NELLION DEVELOPMENT COMPANY LIMITED	198,620.70			198,620.70		
KENYA POWER AND LIGHTING COMPANY LI	33,909.00			33,909.00		
SWEET LAKE RESORT	569,017.25			569,017.25		
RENTOKIL INITIAL(K) LTD	6,019.40			6,019.40		
ap welfare muranga county	484,000			484,000		
<b>Sub-Total</b>	1,291,566			1,291,566.		
<b>Grand Total</b>	1,567,285			1,567,285		

**MURANGA COUNTY ASSEMBLY**  
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**ANNEX 2 – ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
		A	b	C	d=a-c		
1. Salary & allowances		53,155,240			53,155,240		
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
<b>Sub-Total</b>		53,155,240			53,155,240		
<b>Grand Total</b>		53,155,240			53,155,240		



**ANNEX 3 – ANALYSIS OF OTHER PENDING PAYABLES**

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Original Amount</b>	<b>Date Payable Contracted</b>	<b>Amount Paid To-Date</b>	<b>Outstanding Balance 2019/20</b>	<b>Outstanding Balance 2018/19</b>	<b>Comments</b>
		a	B	C	d=a-c		
<b>Amounts due to National Govt Entities</b>							
1.	KRA(TAX)	5,217,125			5,217,125		
2.							
3.							
	<b>Sub-Total</b>	5,217,125			5,217,125		
<b>Amounts due to County Govt Entities</b>							
4.							
5.							
6.							
	<b>Sub-Total</b>						
<b>Amounts due to Third Parties</b>							
7.							
8.							
9.							
	<b>Sub-Total</b>						
<b>Others (specify)</b>							
10.							
11.							
12.							
	<b>Sub-Total</b>						
	<b>Grand Total</b>	5,217,125			5,217,125		

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**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

<b>Asset class</b>	<b>Historical Cost b/f (KShs) 2018/19</b>	<b>Additions during the year (KShs)</b>	<b>Disposals during the year (KShs)</b>	<b>Transfers in/(out)</b>	<b>Historical Cost c/f (KShs) 2019/20</b>
Land	127,000,000.00				127,000,000.00
Buildings and structures	255,631,828.00	8,255,136.50			263,886,964.50
Transport equipment	49,674,794.00				49,674,794.00
Office equipment, furniture and fittings	8,508,935.00	201,000.00			8,709,935.00
ICT Equipment	11,870,209.00				11,870,209.00
Machinery and Equipment	4,454,050.00				4,454,050.00
Biological assets	-				-
Infrastructure Assets	-				-
Heritage and cultural assets	-				-
Intangible assets	-				-
Work In Progress	-				-
<b>Total</b>	<b>457,139,816.00</b>	<b>8,456,136.50</b>	-	-	<b>465,595,952.50</b>



**MURANGA COUNTY ASSEMBLY**  
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**ANNEX 5 – ANALYSIS OF OUTSTANDING IMPRESTS**

**Government Imprest Holders**

<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>
-		-	-	-
-		-	-	-
-		-	-	-
-		-	-	-
-		-	-	-
-		-	-	-
<b>Total</b>		-	-	-

**MURANGA COUNTY ASSEMBLY**  
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**Imprest Register**

	Staff name	Staff Personal number	Department	Imprest warrant No.	Date of issue	Expected date of surrender	Actual date of surrender	Number of days outstanding	Currency	Imprest Amount Kshs	Amount surrendered Kshs	Balance Kshs	Remarks
1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-	N/A
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													

Prepared by

\_\_\_\_\_  
*Name*

\_\_\_\_\_  
*Designation*

\_\_\_\_\_  
*Date*

Checked by:

\_\_\_\_\_  
*Name*

\_\_\_\_\_  
*Designation*

\_\_\_\_\_  
*Date*



**MURANGA COUNTY ASSEMBLY**  
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**ANNEX 6 Contingent liabilities register**

	<b>Nature of contingent liability</b>	<b>Payable to</b>	<b>Currency</b>	<b>Estimated Amount Kshs</b>	<b>Expected date of payment</b>	<b>Remarks</b>
1	N/A	N/A	N/A	N/A	N/A	N/A
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						

**MURANGA COUNTY ASSEMBLY**  
**Reports and Financial Statements**  
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**ANNEX 7 – BANK RECONCILIATION/FO 30 REPORT**

F.O. 30

**REPUBLIC OF KENYA**  
**BANK RECONCILIATION**

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From Date : 01-AUG-19 To : 30-JUL-20

MURANGA COUNTY ASSEMBLY RECURRENT

Bank : Central Bank of Kenya , Branch : Head Office , Account Number : 1000196408

<b>Balance as per bank certificate</b>	30.00
<b>Less --</b>	
1. Payment in Cash Book not yet recorded in Bank Statement (Unpresented Cheques)	
2. Receipts in Bank Statement not yet recorded in Cash Book	
<b>Add --</b>	
3. Payment in Bank Statement not yet recorded in Cash Book	
4. Receipts in Cash Book not yet Recorded in Bank Statement	
<b>Bank Balance as per Cash Book</b>	30.00

Reconciled by: ..... Signature: ..... Date: .....

Reviewed by : ..... Signature: ..... Date: .....

Approved by: ..... Signature: ..... Date: .....

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**BANK RECONCILIATION**

From Date : 01-AUG-19 To : 30-JUL-20

MURANGA COUNTY ASSEMBLY RECURRENT

Bank : Central Bank of Kenya , Branch : Head Office , Account Number : 1000196408

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT ( UNPRESENTED CHEQUES)			
Cheque		Payee	Amount
No	Date		
Total :			
2. RECEIPTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK			
Receipts		Amount	
No	Date		
Total :			
3. PAYMENTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK			
Cheque		Amount	
No	Date		
Total :			
4. RECEIPTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT			
Receipts		Amount	
No	Date		
Total :			



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**BANK RECONCILIATION**

From Date : 01-AUG-19 To : 30-JUL-20

MURANGA COUNTY ASSEMBLY DEVELOPMENT

Bank : Central Bank of Kenya , Branch : Head Office , Account Number : 1000196416

Balance as per bank certificate	0.00
<b>Less --</b>	
1. Payment in Cash Book not yet recorded in Bank Statement (Unpresented Cheques)	
2. Receipts in Bank Statement not yet recorded in Cash Book	
<b>Add --</b>	
3. Payment in Bank Statement not yet recorded in Cash Book	
4. Receipts in Cash Book not yet Recorded in Bank Statement	
<b>Bank Balance as per Cash Book</b>	<b>0.00</b>

Reconciled by: ..... Signature: ..... Date: .....

Reviewed by : ..... Signature: ..... Date: .....

Approved by: ..... Signature: ..... Date: .....

**MURANGA COUNTY ASSEMBLY**  
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**BANK RECONCILIATION**

From Date : 01-AUG-19 To : 30-JUL-20

MURANGA COUNTY ASSEMBLY DEVELOPMENT

Bank : Central Bank of Kenya , Branch : Head Office , Account Number : 1000196416

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT ( UNPRESENTED CHEQUES)			
Cheque		Payee	Amount
No	Date		
Total :			
2. RECEIPTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK			
Receipts		Amount	
No	Date		
Total :			
3. PAYMENTS IN BANK STATEMENT NOT YET RECORDED IN CASH BOOK			
Cheque		Amount	
No	Date		
Total :			
4. RECEIPTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT			
Receipts		Amount	
No	Date		
Total :			

