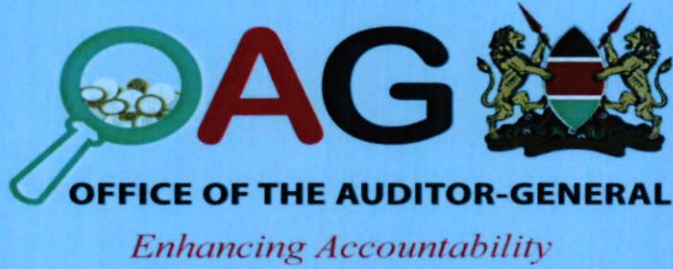


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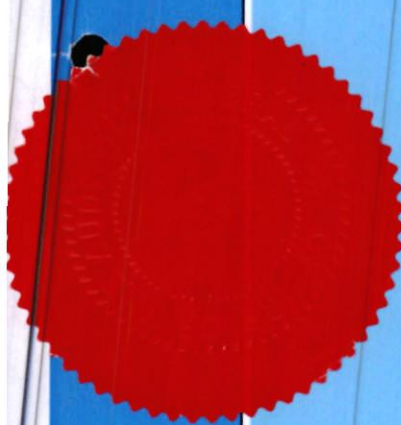
THE AUDITOR-GENERAL

ON

**COUNTY ASSEMBLY OF
BARINGO**

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

PAPERS LAID	
DATE	16/02/2022
TABLED BY	SMZ
COMMITTEE	
BY THE TABLE	





BARINGO COUNTY ASSEMBLY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020

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

BARINGO 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

Baringo County Assembly is the creation of Article 176 of the Constitution of Kenya 2010, which states that '*there shall be a county government for each county, consisting of a county assembly and a county executive*'. Article 177 provides that a county assembly consists of members elected by the registered voters of wards, each ward constituting a single member constituency, the number of special seat members necessary to ensure that no more than two-thirds of the membership of the assembly are of the same gender, the number of members of marginalized groups including persons with disabilities and the youth and the Speaker, who is an *ex-officio* member. Baringo County Assembly consists of 30 elected members representing the 30 electoral wards, 15 specially elected members to provide gender balance and other marginalized groups and the Speaker. The legislative authority of the County is vested in Baringo County Assembly. The county assembly is responsible for making any laws that are necessary for, or incidental to, the effective performance of the functions and exercise of the powers of the county government under the Fourth Schedule. In addition, the 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. The County Assembly is supported by a county assembly service under the administrative leadership of the Clerk of the County Assembly and other staff employed by the County Assembly Service Board.

Vision statement

To be a model, independent, competitive and development oriented County Assembly.

Mission statement

To promote the principle of good governance through legislation, oversight and representation to reflect the interest, welfare and aspiration of the people of Baringo County.

Core values

- Democracy
- Integrity
- Rule of Law
- Human dignity and social justice
- Diplomacy and consensus building
- Equity and Equality

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(b) Key Management

The Baringo County Assembly day-to-day management is under the following key organs:




- The County Assembly Service Board
- The Office of the Speaker &
- The Office of the Clerk

(c) Fiduciary Management

The key management personnel who held office during the year ended June 30, 2020 and who had direct fiduciary responsibility were:

Name	Designation and Experience
 <p style="text-align: center;">CPA Richard K.Koech</p>	<p>Year of Birth;1976</p> <p>Key Qualifications: Masters inBusiness Administration in Finance (UoN)</p> <p>Bachelor of Commerce (Accounting Option).</p> <p>CPA(K),SLDP,SMC</p> <p>Work Expearence:</p> <p>9 Years as an Auditor with OAG.</p> <p>Chief Officer Finance for 6 years (Baringo County Government and West Pokot County Government).</p> <p>Currently the Clerk To County Assembly.</p>

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	<p>Year Of Birth:1976</p> <p>Key Qualifications: Bachelor of Education, MBA-Human Resource option</p> <p>Previous Work Experience: Employee of the Teachers Service Commission.1998-2013</p> <p>Currently Deputy Clerk Administration Baringo County Assembly.2013-date</p>
<p>M.s Jepkemoi Chemase</p>	<p>Year Of Birth:1964</p> <p>Key Qualifications: Bachelor of Arts (Business Management)</p> <p>Previous Work Experience: previously worked over 6 years as fund accounts manager.</p> <p>Currently Deputy Clerk Legislation County Assembly.2013-date.</p>
 <p>Mr. James Warata</p>	<p>Year Of Birth:1981</p> <p>Key Qualifications: Bachelor of Business Administration(Accounting Option) and CPA(K)</p> <p>Previous Work Experience:2010-2013; Accountant World Vision Kenya;2008-2010</p> <p>Internal Auditor;Boresha Sacco SocietyLtd.</p> <p>Work Experiene; Currently Principal Accountant, Baringo County Assembly.</p>
 <p>CPA Nehemiah Kandie</p>	

BARINGO COUNTY ASSEMBLY
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Year of Birth;1983

Key Qualifications: MBA(Finance)-Catholic University of Eastern Africa.

Bachelor of Business Management (Accounting Option)-Moi University.

CPA(K)

Work Experience: Principal Accountant-Min of Health (NASCO) 2009-2020.

Currently Director Finance and Accounting Services, Baringo County Assembly

(d) Fiduciary Oversight Arrangements

The fiduciary oversight on the county assembly are performed by the following organs and institutions:

- (i) County Assembly Public Accounts and Investments Committee
- (ii) Senate Committee on County Public Accounts and Investments
- (iii) Internal Audit Department and Audit Committee of County Assembly
- (iv) Committee on Finance and Economic Planning
- (v) County Assembly Service Board

(i) County Assembly Public Accounts and Investments Committee

The County Public Accounts and Investment Committee performed the following responsibilities as per the Baringo County Assembly Standing Order No. 191 which established the Committee:

- Examination of the accounts showing the appropriations of the sum voted by the House to meet public expenditure and of such other accounts laid before the House.
- Examination of the working of the public investment
- Examine the reports and accounts of the public investment
- Examine any report from the Auditor General on public investment
- Examine autonomy an efficiency of public investment expenditure in relation to efficiency and prudence

(ii) Senate Committee on County Public Accounts and Investments

The Senate Sessional Committee on County Public Accounts and Investments is established pursuant to Standing Order 214 of the Senate Standing Orders and its mandate includes to examine the reports of the Auditor-General on the annual accounts of the county governments as well as to exercise oversight over county public accounts and investments.

The Committee has commenced examination of the reports of the Auditor-General on county assemblies as from 2013/14 financial year.

(iii) Audit Committee of County Assembly

The Public Finance Management Act, 2012 and Public Finance Management Regulation, 2015 requires that each public entity shall establish an Audit Committee. The Audit Committee form a key element in the governance process by providing an independent expert assessment of the activities of top management, the quality of the risk management, financial reporting, financial management and internal audit, to the board of directors or a supervisory board or executive management.

Another important role is to ensure that external audit recommendations are fully addressed, that the quality of internal audit is of an appropriate standard and that line management has full regard to internal audit recommendations. Properly exercised, their role is vital in being the watchdog for the independence of internal audit and in ensuring that the information made available to the owners (the stakeholders) is reliable thereby enabling them to make judgements about the quality of the management and the future prospects for the public entity.

The Audit Committee of the County Assembly was established and has been operational for 2019/20 financial year. The committee has executed its fiduciary mandate as required by law and guidelines.

(iv) Committee on Finance and Economic Planning

The Committee established under Standing Order 196 of Baringo County Assembly Standing Orders is responsible for all matters related to economic policies, planning, projects and programmes as proclaimed by the county executive through reports, papers, speeches made by the Governor and those officers appointed by him or her; and all matters related to finance in the county government other than the specific documents dealing with issues of the annual budget as specified in the Public Finance Management Act, 2012.

(v) County Assembly Service Board

The County Assembly Service Board established under section 12 of the County Governments Act, 2012 is responsible for preparing annual estimates of expenditure of the county assembly service and submitting them to the county assembly for approval and exercising budgetary control over the service.

(e) Entity Headquarters

• **Entity Headquarters**

P.O. Box 159-30400
Assembly Building
Kabarnet-Iten Road
Kabarnet, KENYA

• **Entity Contacts**

Telephone: (254) 053-22115
E-mail: baringocountyassembly@gmail.com
Website: www.baringoassembly.go.ke

• **Entity Bankers**

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Kenya Commercial Bank
Kabarnet Branch
P.O. Box 175- 30400
Kabarnet

(f) Independent Auditors

Auditor General
Office Of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(g) 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

Budget performance

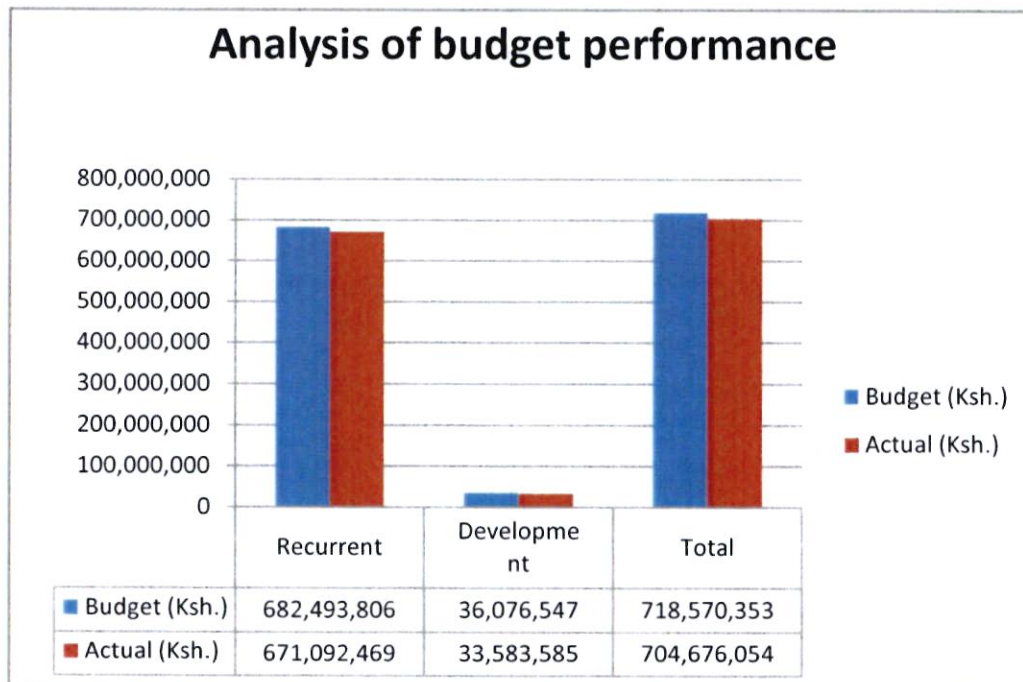
(a) Revenue

In the year ended 30th June 2020, the County Assembly had projected revenues of Ksh.718,570,353 from the County Revenue Fund. Out of the projected revenue, the County Assembly was able to realize Ksh. 707,962,885 in actual revenues, representing 98.5% performance. This good performance was attributable to proper planning and timely disbursements by the County Treasury and the Office of the Controller of Budget in financing the Assembly budget.

(b) Expenditure

The total expenditure for the year amounted to Ksh.704,676,054 against a budget of Ksh.718,570,353, resulting in an overall absorption rate of 98%. Out of this, Kshs.671,092,469 was spent on recurrent expenditure compared to a budget of Ksh.682,493,806, representing an absorption rate of 98%. In the period under review, Compensation of employees was Kshs. 359,535,346, Use of Goods and Services was Kshs. 267,991,880, acquisition of assets under recurrent was Kshs. 16,892,299, social security benefits was Kshs. 14,672,944 and the transfer to other entities i.e car loans and mortgage was Kshs. 12,000,000. On the other hand, Ksh. 33,583,585 was spent on development expenditure against a budget of Ksh.36,076,547, representing an absorption rate of 93%. This good expenditure was attributed to proper planning by implementers, timely cash requisitions, disbursements and prompt procurement processes.

The figure below, present an analysis of expenditure performance during the year:



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

Operational Performance

Baringo County Assembly enacted and passed the following legislation during the 2019/2020 Financial Year:

S/NO	HOUSE RESOLUTIONS	DESCRIPTION
1.	MOTIONS	<p>1. 03/07/2019 9:30AM) on the need for the County Government to provide medical facilities and health care assistance to elderly persons and persons living with disability;</p> <p>2.(10/07/2019 9:30AM) on the need for the County Government to come up clear frame works which can allow farmers to utilize the lands in forests so as to plant crops in preparation to re-forestation as trees planted near crops offer many environmental benefits which include simile, reduce erosion, increase soil fertility, lower water tables, lessen the risks of salinization, and help stabilize water supplies,</p> <p>3. on the need for the County Government to give an incentive to the Land Rates and rent payers to avoid overburdening the taxpayer,</p> <p>4. (06/08/2019 2:30PM) on the need for the County Assembly to extend the term of the ad hoc committee to ostensibly finish its duty assigned and report to the House.</p> <p>5. (7/8/2019 (9.30am) On the need to protect Children living with Autism conditions.</p> <p>6. 4/9/2019 (9.30am) On the need to avert several reported deaths resulting from drowning incidents and accidents at the Kirandich dam (KIRDAM)</p> <p>7. 30/10/2019(2.30pm).On the need for the County Government to;</p> <p>1.To increase the number of revenue collection officers especially within the boarder points so as to increase collection of revenue for the County which will go a long way in ensuring better services are accessible to the people of Baringo County.</p>
2.	BILLS	<p>i. 03/07/2019. The Baringo County Project Management and Implementation Bill 2018</p> <p>ii. 14/08/2019. The Baringo County Tobacco Control Bill, 2018.</p> <p>iii. 23/10/2019.The Baringo County Finance Bill, 2019</p>

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		<p>iv. 17/06/2020. The Second Supplementary Appropriation Bill, 2019/2020.</p> <p>v. 31/06/2020. The Baringo County Government Appropriation Bill, 2020</p>
3.	PETITIONS	<p>1) (25th April, 2019 2:30 pm). Public Petition to the County Assembly of Baringo by the Forest Evictees over Forceful Eviction from Forest.</p> <p>2) (26th November, 2019 2:30 pm) Public Petition to the County Assembly of Baringo by the Donkey owners and Beneficiaries of Baringo on Permanent Closure of Donkey Abattoirs in Baringo County. (Committed to the Committee on Agriculture Livestock and Fisheries)</p>
4.	POLICY	<p>1. 9th October, 2019 9:30 am) County Early Childhood Development Education Meals and Nutrition Policy Framework, October, 2019. (Committed to the Committee on Education, Vocation Training and ICT and Delegated County Legislation)</p>
5.	REGULATIONS	<p>i. 28/11/2019. (2:30 pm)- Baringo Cooperative Development Fund regulations 2019.</p> <p>ii. 28/11/2019. (2:30 pm)- Baringo Cooperative Baringo County Small and Medium enterprise regulations 2019.</p>
6.	REPORTS	<p>There were various committee reports totaling to 20</p>

Efficiency of operations of County Government can be realised through enhanced oversight to the County executive by the county assembly which will help the citizens of Baringo in the following ways

- **Ensure transparency and openness of executive activities** , County Assembly shed light on the operations of government by providing a public arena in which the policies and actions of government are debated, scrutinised, and subjected to public opinion;
- **Hold the executive branch accountable**. County Assembly oversight scrutinises whether the County executive's policies have been implemented and whether they are having the desired impact;
- **Provide financial accountability**. County Assembly approve and scrutinise government spending by highlighting waste within publicly funded services. Their aim is to improve the economy, efficiency and effectiveness of government expenditure; and,
- **Uphold the rule of law**. County Assembly protects the rights of citizens by monitoring policies and examining potential abuses of power, arbitrary behavior, and illegal or unconstitutional conduct by government.

BARINGO COUNTY ASSEMBLY
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Dates showing adoption /passage of budget documents including Supplementary Budgets during the period FY 2019/2020

Budget Document	Date tabled on the floor of the House	Dated passed/adopted
The Budget Estimates of the Baringo County Government for the Financial Year 2020/2021	21 st May,2020	26 th June, 2020
The Baringo County Government Second Supplementary Budget Estimates for 2019/2020 FY	16 th June, 2020	17 th June, 2020
The Baringo County Government First Supplementary Budget Estimates for 2019/2020 FY	30 th January,2020	2 nd April, 2020
County Fiscal Strategy Paper (CFSP)	4 th March, 2020	30 th April, 2020

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County Budget Review and Outlook Paper (CBROP) for 2018/2019 FY	17 th October, 2019	
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County Assembly Committees, their mandate and achievements.

a) Sectoral Committees			
S/No.	Committee	Mandate	Successes/Achievements
1.	Agriculture, Livestock and Fisheries	All matters related to agriculture, including crop and animal husbandry; livestock sale yards; County abattoirs; plant and animal disease control; fisheries; animal control and welfare, including licensing of dogs; and facilities for the accommodation, care and burial of animals	Bills - 1 Petitions - 1 Policy
2.	Environment and Natural Resources	All matters related to the implementation of specific national government policies on natural resources, energy and environmental conservation, including soil and water conservation and forestry; and control of air pollution, noise pollution, other public nuisances and outdoor advertising	Petitions - 1
3.	Health Services	All matters related to County health facilities and pharmacies; ambulance services; promotion of primary health care; licensing and control of undertakings that sell food to the public; veterinary services (excluding regulation of the profession); cemeteries, funeral parlours and crematoria; and refuse removal, refuse dumps and solid waste disposals	Reports tabled - 1 Bills - 1
4.	County Heritage, Gender, Culture and Community Services	All matters related to cultural activities, public entertainment and public amenities, including betting, casinos and other forms of gambling;	

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		racing; liquor licensing; cinemas; video shows and hiring; libraries; museums; cultural activities and facilities; County parks, beaches and recreation facilities; and ensuring and coordinating the participation of communities and locations in governance at the local level and assisting communities and locations to develop the administrative capacity for the effective exercise of the functions and powers and participation in governance at the local level regardless of gender	
5.	Transport, Public Works and Infrastructure	All matters related to County transport, including County roads; street lighting; traffic and parking; public road transport; and ferries and harbours, excluding the regulation of international and national shipping and matters related thereto; County public works and services including public buildings; fire fighting services; and disaster management	Reports tabled - 1
6.	Lands, Housing and Urban Development	All matters related to County planning and development, including statistics; land survey and mapping; boundaries and fencing; housing; and electricity and gas reticulation and energy regulation	Reports tabled - 3
7.	Trade, Tourism and Co-operatives	Trade development and regulation, including markets; trade licences (excluding regulation of professions); fair trading practices; local tourism; and co-operative societies	Reports tabled - 4 Bill - 1
8.	Education, Vocational Training and ICT	All matters related to pre-primary education, village /youth polytechnics, home craft centres, child care facilities; management of all	Policy – 1

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		educational/ school bursary fund programmes and overseeing the provision of public infrastructure and learning equipment and facilities in all public schools within the County; and Information Communication Technology	
9.	Labour and Social Welfare, Children, Youth and Sports	All matters related to labour, human resource planning and capacity building, social welfare, youths and children welfare, sports and sporting activities including coaching, equipment and facilities; and control of drugs and pornography	
10.	Justice, Legal Affairs, Devolution, Governance and Cohesion	Constitutional affairs, the administration of law and justice, including the elections, ethics, integrity and anti- corruption measures; protection of human rights and good governance; and the general direction and pace the devolved Government system is taking within the Baringo County	
11.	Finance and Economic Planning	All matters related to economic policies, planning, projects and programmes as proclaimed by the County Executive through reports, papers and speeches made by the Governor and those officers appointed by him or her; and all matters related to finance in the County Government other than the specific documents dealing with issues of the annual budget as specified in the Public Finance Management Act, 2012	Reports tabled - 4 Bills - 2
12.	Water and Irrigation	All matters related to the use of water for both domestic and irrigation purposes including storm water management systems in built-up	

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		areas; and water and sanitation services	
b) Standing Committees			
13.	House Business Committee	<p>(a) prepare and , if necessary, from time to time adjust the County Assembly calendar with the approval of the House;</p> <p>(b) monitor and oversee the implementation of the House business and programmes;</p> <p>(c) implement the Standing Orders respecting the scheduling or programming of the business of the House and the functioning of the Committees of the House;</p> <p>(d) determine the order in which the reports of Committees shall be debated in the House;</p> <p>(e) take decisions and issue directives and guidelines to prioritise or postpone any business of the House acting with the concurrence of the Leader of the Majority Party or the Leader of the Minority Party, as the case may be; and</p> <p>(f) consider such matters as may from time to time arise in connection with the business of the House and shall have and perform such powers and functions as are conferred on and ascribed to it by these Standing Orders or from time to time by the House.</p>	
14.	Committee on Selection	Nominate Members to serve in Committees, save for the membership of the House Business Committee and Committee on Appointments	
15.	Committee on Powers and Privileges	Guided by the relevant applicable laws	
16.	Committee on Appointments	Consider, for approval by the House, all appointments under Article 179 (2) (b) of the Constitution	Reports tabled - 1
17.	County Public Accounts and Investments	(a) examination of the accounts showing the appropriations of the sum voted by the House to meet the public expenditure and of such other	

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	Committee	accounts laid before the House as the Committee may think fit; and (b) examination of the working of the public investments	
18.	County Budget and Appropriations Committee	(a) investigate, inquire into and report on all matters related to coordination, control and monitoring of the County budget; (b) discuss and review the estimates and make recommendations to the House; (c) examine the County Fiscal Strategy Paper presented to the House; (d) examine Bills related to the County budget, including Appropriations Bills; and (e) evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays	Reports tabled - 3 Bills - 2
19.	Procedure and House Rules Committee	(a) consider and report on all matters relating to these Standing Orders. (b) may propose amendments to these Standing Orders and any such amendments shall upon approval by the House, take effect at the time appointed by the County Assembly. (c) may propose rules for the orderly and effective conduct of Committee business and any such rules shall, upon approval by the House, continue in force until amended or repealed by the House.	
20.	Committee on Implementation	Scrutinise the resolutions of the House (including adopted Committee reports), Petitions and the undertakings given by the County Executive Committee and examine— (a) whether or not such decisions and undertakings have been implemented and where implemented, the extent to which they have been implemented, and whether such implementation has taken place within the minimum time necessary; and (b) whether or not legislation passed by the County Assembly has been operationalised and where operationalised, the extent to which such operationalization has taken place within the minimum time necessary. The Committee may propose to the House sanctions against any member of the County Executive Committee who fails to report to the relevant select Committee on implementation status without justifiable reasons.	Report 1
21.	Committee on Delegated County Legislation	Consider any statutory instrument laid in the House as per the criteria in the Standing Orders No. 195 (3)	Reports tabled - 2 Regulations -

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			2
c) Ad Hoc Committees			
22.	County Public Administration, Security and Disaster Management	<p>(a) To investigate, inquire and report on all matters relating to County security and disaster responses;</p> <p>(b) Formulate measures to put in place to curb insecurity and disaster related incidences;</p> <p>(c) Management of occurring natural disaster and emergencies in the County;</p> <p>(d) Liaising with relevant bodies to ensure proper marking of boundaries within the county;</p> <p>(e) Formulating compensation programs for victims of insecurity;</p> <p>(f) Promote ethnic inclusion in County administration;</p> <p>(g) Push for initiation of development projects in cattle rustling prone areas;</p> <p>(h) Push for cohesion reforms;</p> <p>(i) Powers to summon witnesses, receive evidence</p> <p>(j) Exploit available natural resources within the county for the benefit of residents.</p>	Reports tabled – 1
23.	Catering and Health Services	Consider report on, advice on and make recommendations to the House of the Baringo County Assembly on all matters relating to or incidental to the catering and health services provided to the members of County Assembly	

Highlights on the Oversight role of the County Assembly.

Oversight is the process by which the County Assembly monitors the quality of the work of the government regarding implementation of the law, development plans and budgets that have been previously adopted by the County Assembly. The County Assembly oversight is a means for holding the executive accountable for its actions and for ensuring that it implements policies in accordance with the laws and budget passed by the Assembly. The robust monitoring of the executive by the County Assembly is an indicator of good governance. Besides the County Assembly's legislative function, it is through oversight that the County Assembly can ensure

a balance of power and assert its role as the defender of people's interests.

Article 185(3) of the Constitution of Kenya, states that the legislative authority of the County is vested in, and exercised by the County Assembly. 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.

The County Assembly achieved its oversight function through House committee work such as:

- a) Quarterly implementation reports,
- b) Field visits, fact-finding and report writing retreats,
- c) Audit reports,
- d) Committee meetings,
- e) Vetting of state officers,
- f) Ministerial statements to the House

Performance of key development projects

The Assembly has done a vertical Extension of the office block by an additional two floors having 28 offices which is now almost complete. The extension improved service delivery through provision of adequate working space for staff and honourable Members of County Assembly. It also installed 8 Passenger lift to aid access to offices easily as well as a ramp for access by people with disabilities. The assembly constructed Speaker's gallery which is 80% complete intended to create more space for members of public to attend plenary and committee sessions hence provide services to its stakeholders effectively and efficiently. The County Assembly acquired 1.977 acres of land for construction of speakers residence.

Comment on value-for-money achievements

In the view of the projects above, The extension of office block has provided adequate space which facilitates the Members and staff of the Assembly to deliver on their mandate of legislation, representation and oversight. The installation of 8 passenger lift and construction of ramp has enhanced access to offices with much ease and convenience. Also the extension of speakers gallery will enhance public participation.

Conducting Public participation at ward level has improved citizens participation in decision making in the County Assembly.

Challenges and Recommended Way Forward

Some of the challenges encountered during FY 2019/2020 include:

- Some modules in IFMIS i.e Cash Management not yet operationalized thus not possible to make Auto bank reconciliation in the IFMIS system.
- Introduction of new requirements by Office of Controller of budget for approval and release of funds caused delay in making payments
- COVID-19 Pandemic containments measures that led to temporary closure of the Assembly, hence planned activities could not be achieved during the period.

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Recommendations

- The National Treasury to operationalize the Modules and conduct appropriate mapping in the IFMIS System.
- Office of the controller of budget to communicate to counties early enough whenever there are changes in requirements to release funds
- Governments to contain the spread of COVID-19 pandemic and the Assembly should put in place contingency plans to mitigate against possible risks and challenges.

Sign _____
Clerk of the County Assembly



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 Baringo 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 19/20

Program 1	Objective	Outcome	Indicator	Performance
Legislation, oversight and representation	To enhance capacity building of MCAs – Provide continuous capacity building of MCAs	Increased ability of MCAs in legislation, Oversight and Representation	5 No of bills, 2 Regulations, 7 Motions and several statements passed in the County Assembly	In FY 19/20 MCA conducted various trainings and benchmarks
Program 2	Objective	Outcome	Indicator	Performance
General administration, planning and support services	Effective and efficient service delivery	Increased service delivery	Staff appraised	In FY 19/20 The staff were appraised on individual performance

4. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Baringo 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 4 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

The County Assembly ensures they develop and implement strategic policies that define how we operate.

We have a strategic plan that captures the aspirations and priorities on adhering on our mandate i.e Legislation, Oversight and Representation.

2. Environmental performance

The Assembly embraces the use of green energy i.e Solar energy, Biogas amongst others it also ensures proper waste management including electronic waste.

The Baringo County Assembly has established environment and natural resources committee which has a mandate to create policies and do an oversight on the executive to ensure that they improve on environment through various ways which include provision of clean water and accessible road network.

3. Employee welfare

The County Assembly is gender sensitive and strive to ensure gender ratio is adhered to. The is well established and operational Staff Advisory Committee to advice on matters, recruitment, disciplinary, promotion amongst any other matter the board may require.

Baringo County Assembly strictly follows the Human resource guidelines on its employment of its employees, promotion of employees and disciplinary matters. The county Assembly involve all stakeholders i.e Members of county Assembly and employees through public participation on developing policies and strategies. The Baringo county Assembly strictly follow Human Resource Guideline for career progression

4. Market place practices-

The County Assembly ensures that it a corruption free zone and does not involve in partisan politics in the Assembly.

The County Assembly ensures timely payments of suppliers and other stakeholders.

There is free and fair procurement and tendering process within the County Assembly.

Baringo county assembly embrace the issue of stakeholders involvement through public participation.

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 Assembly 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

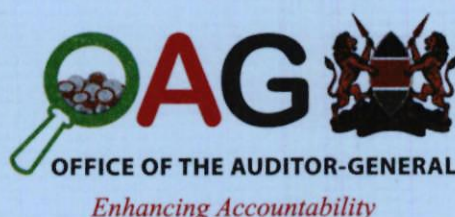
The County Assembly's financial statements were approved and signed by the Clerk of the County Assembly on 16/12 2020.


Clerk of the County Assembly



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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 BARINGO 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 Baringo set out on pages 1 to 27, 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 the statement of comparison of budget and actual amounts recurrent and development combined 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 Baringo 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. Inaccurate Statement of Cash Flows

The statement of cash flows reflects cash and cash equivalents balance totalling Kshs.3,286,831 which, however, differs with the sum of Kshs.3,244,031 reflected in the statement of assets and liabilities in respect to the account. The difference amounting to Kshs.42,800 between the two sets of records has not been explained. In addition, the statement of cash flows excludes adjustments for changes in accounts receivables totalling to Kshs.13,036,700 and Kshs.61,410 for the year 2018/2019 and 2019/2020 financial years respectively.

From the foregoing, the accuracy and completeness of the statement of cash flows for the year ended 30 June, 2020 has not been confirmed.

2. Omitted Fund Balance

The statement of assets and liabilities reflects nil amount of fund balance brought forward from 2018/2019 financial year. However, the audited financial statements for the year reflected a closing fund balance of Kshs.242,201. The difference between the two statements has not been explained.

Consequently, the accuracy and completeness of the statement of assets and liabilities as at 30 June, 2020 has not been confirmed.

3. Variance Between Financial Statements and IFMIS Balances

Several account balances reflected in the financial statements differ from those reflected in respect to identical accounts in the Integrated Financial Management Information Systems (IFMIS) trial balance resulting in net debit variance of Kshs.3,919,758,209 as shown in the attached Appendix 1. No explanation has been provided for the differences and as a result, the accuracy and completeness of the financial statements has not been confirmed.

4. Misclassification of Expenses

The statement of receipts and payments reflects expenditure on use of goods and services and acquisition of assets totalling Kshs.267,991,879 and Kshs.50,475,844 respectively, as further disclosed in Notes 3 and Note 6 to the financial statements respectively. However, several expenditure items totalling Kshs.4,638,745 analyzed in the attached Appendix II do not relate to use of goods and services or acquisition of assets and have, therefore, been misclassified in the financial statements.

In the circumstance, the use of goods and services and acquisition of assets balances totalling Kshs.267,991,879 and Kshs.50,475,844 respectively do not reflect the true and fair view of the expenditures incurred on the two items during the year under review.

5. Unsupported Allowances and Mileage Claims

The statement of receipts and payments reflects compensation of employees costs totalling Kshs.359,535,346, as further disclosed in Note 2 to the financial statements. Included in the balance are allowances and mileage claims for the months of March, April, May and June, 2020 totalling Kshs.3,749,371. However, evidence of meetings or activities undertaken in relation to the expenditures were not presented for audit.

Consequently, the occurrence and validity of allowances and mileage claims payments totalling Kshs.3,749,371 for the year ended 30 June, 2020 has not been confirmed.

6. Unconfirmed Imprest Expenditures

The statement of receipts and payments reflects use of goods and services expenditure totalling Kshs.267,991,879, as further disclosed in Note 3 to the financial statements. Included in the expenditure on goods and services were imprests totalling

Kshs.148,678,032 that were charged to the respective budget lines upon issuance to officers and were not surrendered on completion of the respective tasks, as prescribed in Regulation 93(5) of the Public Finance Management (County Governments) Regulations, 2015.

In the absence of imprest surrender records, the occurrence and validity of the expenditure totalling Kshs.148,678,032 incurred through imprests and charged to use of goods and services for the year ended 30 June, 2020 could not be confirmed.

7. Bank Balances

The statement of financial assets and liabilities reflects bank balances totalling Kshs.3,244,031, as further disclosed in Note 7 to the financial statements. However, the following unsatisfactory issues were noted in respect to the balance:

7.1. Omitted Bank Account

As similarly reported in the previous year, the cashbook and bank statement balance as at 30 June, 2020, reflects operations bank account No.1142302326 at a local bank with a balance of Kshs.356,356 as at 30 June, 2020. However, the balance is not included in the cash and cash equivalents balance of Kshs.3,244,031 reflected in the statement of assets and liabilities as at 30 June, 2020. This is despite of the disclosure of the account under other bank disclosures in Note 8 to the financial statements.

7.2. Omitted Cash in Hand and Un-analyzed Receipts

The recurrent cashbook reflects cash in hand balance amounting to Kshs.118,560 as at 30 June, 2020 which, however, is neither supported with a Board of Survey Report nor disclosed in the financial statements.

In addition, the recurrent account bank reconciliation statement as at 30 June, 2020 reflects un-analyzed receipts in cashbook not yet recorded in the bank statement totalling Kshs.55,369,830 and whose nature has, therefore, not been confirmed.

Consequently, the accuracy and fair statement of the reported bank balances totalling Kshs.3,244,031 as at 30 June, 2020 has not been confirmed.

8. Non-Maintenance and Disclosure of Deposits and Retentions Account

Examination of records on construction works indicated that the County Assembly did not maintain a deposits and retentions account although payment records indicated that a sum of Kshs.2,554,536 was deducted for the purpose from payments made to contractors during the year under review. Further, the deductions were not disclosed in the financial statements.

In the circumstances, the County Assembly's deposits and retention monies may not have been accounted for.

9. Incomplete Disclosure of Fixed Assets

Annex 2, Summary of fixed asset register reflects County Assembly assets with historical cost of Kshs.94,057,997. However, Management did not maintain a fixed asset register with information on the nature of the assets and their location, among other details.

Consequently, the ownership, completeness and accuracy of fixed assets balance totalling Kshs.94,057,997 reflected in the financial statements has not been confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of County Assembly of Baringo 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 judgement, are of most significance in the audit of the financial statements. I have determined that there were no key audit matters to report in the year under review

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing 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. Excess Revenue Receipts

The County Assembly received Exchequer Releases from the County Treasury totalling Kshs.707,962,885 representing 12.8% of Kshs.5,519,759,147 County revenue for the year. The transfers exceeded the threshold set in Regulation 25(1)(f) of the Public Finance Management (County Governments) Regulations, 2015, which caps the approved expenditures of a County Assembly at not more than 7% (seven per cent) of the total revenues of the County Government or 200% (two hundred per cent) of the personnel emoluments of the County Assembly, whichever is lower. The excess transfers amounted to Kshs.321,579,744.

2. Delayed Completion of Construction Project

The statement of receipts and payments reflects acquisition of assets costs totalling Kshs.50,475,884, as further disclosed in Note 6 to the financial statements. However, the following unsatisfactory issues were noted in respect to the expenditure:

2.1 Delayed Construction of County Assembly Gallery

Audit inspection confirmed that work on a project to expand the County Assembly initiated in 2018 continued during the year under review. The contract valued at Kshs.26,811,973 included construction of a public gallery at a cost of Kshs.19,181,461 and was due for completion on 13 March, 2020. However, the audit confirmed that the public gallery had not been completed at the time of the audit in October, 2020.

Any further delay in completing the pending works will delay delivery of the services the gallery was intended to provide and could result in additional costs being incurred on the project.

2.2 Delayed Construction of Offices

As reported in the previous year, the County Assembly entered into a contract to build an office at a total cost of Kshs.40,000,000 in 2014. A sum of Kshs.6,402,124 was spent on the project during the year under review which raised the total payments made under the contract to 39,064,413 as at 30 June, 2020. An audit inspection carried out in October, 2020, confirmed that the project was yet to be completed and was behind schedule by five (5) years having been expected to be completed in 2015. Management valued the pending works at Kshs.10,934,430. However, a works certificate dated 11 January, 2019 indicated that the contractor had partially handed over the building to Management even though the contract had not provided for partial completion and handover of the works. Further, the Ministry of Public Works was yet to issue a certificate of occupancy for the building which, however, had already been put to use.

Management did not provide any plausible explanation for the anomaly.

2.3 Unauthorized Variation of Contract

Examination of the project's records indicated that the cost of the ramp to the building was varied from Kshs.3,103,595 to Kshs.10,589,201 equivalent to a 241% increase in the contract price. However, the variation was not subjected to competitive bidding contrary to Section 139 (4)(a) of the Public Procurement and Asset Disposal Act, 2015. The provision prescribes that any contract price variation must be based on the prevailing consumer price index obtained from the Kenya National Bureau of Statistics or the monthly inflation rate issued by the Central Bank of Kenya. The variation of works should, in addition, not exceed 20% (twenty per cent) of the original contract value.

In the circumstance, Management contravened the law and further, there was no confirmation that value for money was obtained from the additional funds totalling Kshs.7,485,606 spent on the project.

3. Irregular Payment for Subscription Fees

The statement of receipts and payments reflects use of goods and services totalling Kshs.267,991,879 which includes other operating costs expenses totalling Kshs.20,544,835.

Examination of expenditure records indicated that in the year under review, Management made donations totalling Kshs.500,000 and Kshs.800,000 to the Society of Clerks at the Table and The County Assemblies Forum respectively. However, the donations were not budgeted for in the estimates for the year. Therefore, they were incurred contrary to Section 149(1)(a) of the Public Finance Management Act, 2012 which requires the Accounting Officers to use the public resources they are responsible for in a lawful way.

4. Failure to Establish Public Finance Management Standing Committee

Review of the operational systems of the County Assembly confirmed that Management had not established a Public Finance Management Standing Committee to provide strategic guidance on public finance management. The omission contravened Regulation 18(1) of the Public Finance Management (County Governments) Regulations, 2015 which requires every County Government entity to establish the Committee.

In the circumstance, Management may be lacking appropriate advice on use of the public funds at its disposal.

5. Irregularities in Compensation of Employees

Examination of compensation of employees records revealed the following irregularities:

5.1. Non-Adherence to the One-Third Basic Salary Rule

Analysis of payrolls indicated that thirty (30) employees drew net salaries that were below one-third of their basic pay contrary to Section 19(3) of the Employment Act, 2007. The provision prohibits employers from deducting more than two-thirds of the wages of an employee at any one time. The excessive deductions resulted from Management allowing the staff to incur loans and other liabilities whose repayments were deducted by check-off.

In the circumstance, the Management contravened the law and put the officers at the risk of pecuniary embarrassment.

5.2. Overemployment of Ward Staff

Review of the Ward Office records indicated that that four (4) officers were employed in each ward instead of the three (3) prescribed by the Commission on Revenue Allocation

in its Circular Ref. CRA/CSO/CMG/9/VOL.V(43) of 28 June, 2018. The records indicted the excess staff in the year under review numbered twenty-nine (29) and were retained at an annual cost of Kshs.20,893,812 in salaries and emoluments.

In the circumstance, Management contravened provisions on management of staff costs.

5.3. Lack of an Authorized Staff Establishment

Examination of personnel management systems indicated that the County Assembly did not have an approved staff establishment. As a result, recruitment and retention of staff was not based on approved human resource management plans.

Consequently, there was risk of Management misapplying public resources by overemploying staff and failing to recruit and retain those with the skills and competencies required to effectively manage the operations of the County Assembly.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance 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

Lack of Risk Management Policy

The County Assembly did not have a risk management policy in place during the year under review. Consequently, there were no guidelines on how to mitigate operational and other risks faced by the County Assembly. The omission contravened Regulation 158(1)(a) and (b) of the Public Finance Management (County Governments)

Regulations, 2015 which requires the Accounting Officer to develop risk management strategies that build robust business operations.

Consequently, the County Assembly may not respond adequately to events that may affect its operations in an unfavorable way.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the County Assembly's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to dissolve the 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 which 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 County Assembly monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them, and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

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

the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the County Assembly to cease to continue to sustain its services.

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

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

12 October, 2021


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

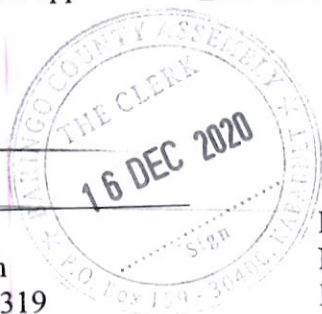
7. FINANCIAL STATEMENTS


7.1. STATEMENT OF RECEIPTS AND PAYMENTS

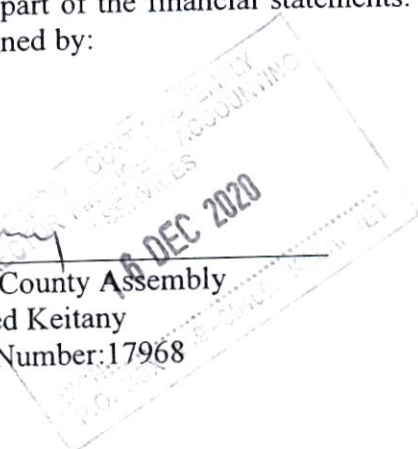
		2019/20	2018/19
	Note	KShs	KShs
RECEIPTS			
Transfers from the County Treasury/Exchequer Releases	1	707,962,885	628,528,287
TOTAL RECEIPTS		707,962,885	628,528,287
PAYMENTS			
Compensation of Employees	2	359,535,346	344,704,862
Use of goods and services	3	267,991,879	230,331,453
Transfers To Other Government Entities	4	12,000,000	18,500,000
Social Security Benefits	5	14,672,944	15,681,290
Acquisition of Assets	6	50,475,884	19,068,481
TOTAL PAYMENTS		704,676,054	628,286,086
SURPLUS/DEFICIT		3,286,831	242,201

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 16/12/2020 and signed by:


 Clerk of the Assembly
 Name: CPA Richard Koech
 ICPAK Member Number:8319




 Director Finance-County Assembly
 Name: CPA Alfred Keitany
 ICPAK Member Number:17968




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


7.2. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

FINANCIAL ASSETS	Note	2019/20 KShs	2018/19 KShs
Cash and Cash Equivalents			
Bank Balances	7	3,244,031	137,991
Total Cash and cash equivalents		3,244,031	137,991
Accounts receivables – Outstanding Imprests	8	42,800	104,210
TOTAL FINANCIAL ASSETS		3,286,831	242,202
FINANCIAL LIABILITIES		-	-
NET FINANCIAL ASSETS		3,286,831	242,201
REPRESENTED BY			
Fund balance b/fwd	10	-	-
Surplus/Deficit for the year		3,286,831	242,201
NET FINANCIAL POSITION		3,286,831	242,201

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 16/12/2020 and signed by:


 Clerk of the Assembly
 Name: CPA Richard Koech
 ICPAK Member Number: 8319




 Director Finance-County Assembly
 Name: CPA Alfred Keitany
 ICPAK Member Number: 17968

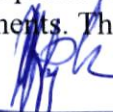


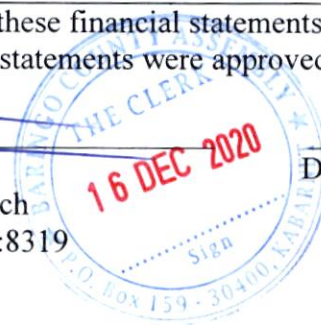
BARINGO COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2020


7.3. STATEMENT OF CASH FLOWS

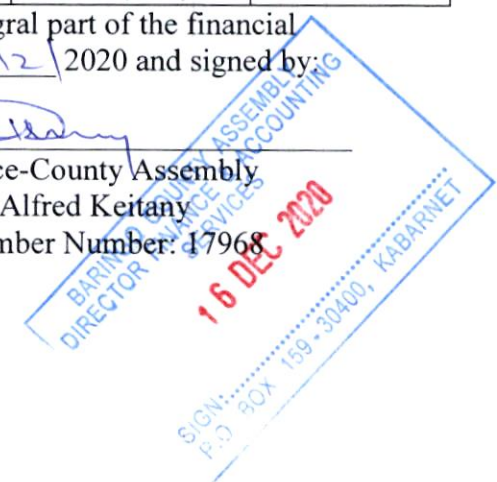
		2019/20	2018/19
	Note	KShs	KShs
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating income			
Transfers from the County Treasury/Exchequer Releases	1	707,962,885	628,528,287
Payments for operating expenses			
Compensation of Employees	2	359,535,346	344,704,862
Use of goods and services	3	267,991,879	230,331,453
Transfers To Other Government Entities	4	12,000,000	18,500,000
Social Security Benefits	5	14,672,944	15,681,290
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	9	42,800	-
Net cash flows from operating activities		53,762,715	19,310,682
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	6	50,475,884	19,068,481
Net cash flows from investing activities		50,475,884	19,068,481
NET INCREASE IN CASH AND CASH EQUIVALENTS		3,286,831	242,201
Cash and cash equivalent at BEGINNING of the year		-	-
Cash and cash equivalent at END of the year		3,286,831	242,201

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 16/12/2020 and signed by:


 Clerk of the Assembly
 Name: CPA Richard Koech
 ICPAK Member Number: 8319





 Director Finance-County Assembly
 Name: CPA Alfred Keitany
 ICPAK Member Number: 47968




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

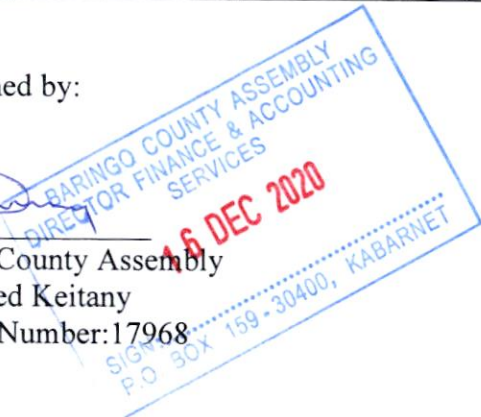
Receipt/Expense Item	Original Budget KShs	Adjustments KShs	Final Budget c=a+b	Actual on Comparable Basis e=d-c	% Utilization difference KShs
RECEIPTS					
Transfers from the County					
Treasury/Exchequer Releases	657,337,657	61,232,696	718,570,353	707,962,885	99%
TOTAL	657,337,657	61,232,696	718,570,353	707,962,885	99%
PAYMENTS					
Compensation of Employees	391,352,699	(38,693,808)	352,658,891	359,535,346	102%
Use of goods and services	221,516,508	62,825,973	284,342,481	267,991,879	94%
Transfers To Other Government Entities	12,000,000	-	12,000,000	12,000,000	100%
Social Security Benefits	15,564,434	-	15,564,434	14,672,944	94%
Acquisition of Assets	16,904,016	37,100,531	54,004,547	50,475,884	93%
TOTAL	657,337,657	61,232,696	718,570,353	704,676,054	98%
SURPLUS/ DEFICIT				3,286,831	

The entity financial statements were approved on 16/12/2020 and signed by:


Clerk of the Assembly
Name: CPA Richard Koech
ICPAK Member Number: 8319




Director Finance-County Assembly
Name: CPA Alfred Keitany
ICPAK Member Number: 17968



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

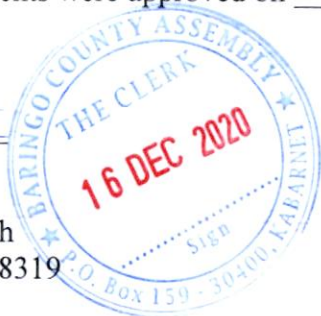
7.5. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilisation difference
	a	b	c=a+b	e=d-c	
RECEIPTS					
Transfers from the County Treasury/ Exchequer Releases	644,633,641	37,860,165	682,493,806	674,317,746	99%
TOTAL	644,633,641	37,860,165	682,493,806	674,317,746	99%
PAYMENTS					
Compensation of Employees	391,352,699	(38,693,808)	352,658,891	359,535,346	102%
Use of goods and services	221,516,508	62,825,973	284,342,481	267,991,879	94%
Transfers To Other Government Entities	12,000,000	-	12,000,000	12,000,000	100%
Social Security Benefits	15,564,434	-	15,564,434	14,672,944	94%
Acquisition of Assets	4,200,000	13,728,000	17,928,000	16,892,299	94%
TOTAL	644,633,641	37,860,165	682,493,806	671,092,469	98%
Surplus/ Deficit				3,225,277	

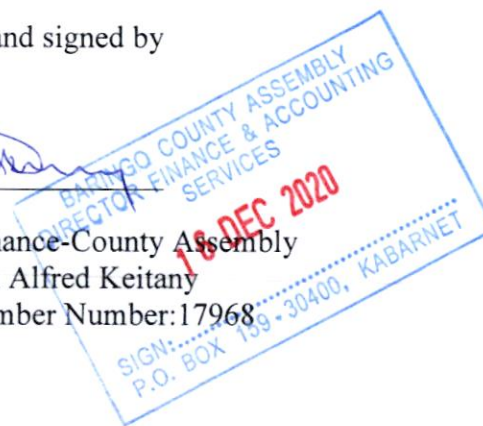
The entity financial statements were approved on 16/12 2020 and signed by



Clerk of the Assembly
 Name: CPA Richard Koech
 ICPAK Member Number: 8319




Director Finance-County Assembly
 Name: CPA Alfred Keitany
 ICPAK Member Number: 17968




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

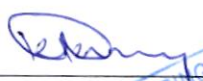
Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% Utilization difference
	KShs	KShs	c=a+b	e=d-c	KShs
RECEIPTS					
Transfers from the County Treasury/ Exchequer Releases	12,704,016	23,372,531	36,076,547	33,644,939	93%
TOTAL	12,704,016	23,372,531	36,076,547	33,644,939	93%
PAYMENTS					
Acquisition of Assets	12,704,016	23,372,531	36,076,545	33,583,585	93%
TOTAL	12,704,016	23,372,531	36,076,545	33,583,585	93%
SURPLUS/ DEFICIT				61,354	

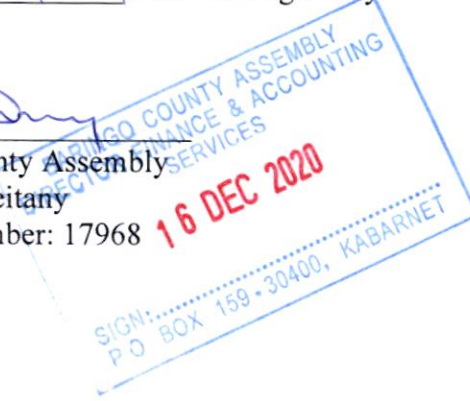
The budget was well utilized by the County Assembly of Baringo

The Baringo County Assembly financial statements were approved on 16/12/ 2020 and signed by:


 Clerk of the Assembly
 Name: CPA Richard Koech
 ICPAK Member Number: 8319




 Director Finance-County Assembly
 Name: CPA Alfred Keitany
 ICPAK Member Number: 17968



7.7 BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES-RECURRENT

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
Description	KShs	KShs	KShs	KShs	KShs
General administration, Planning and support services	644,633,641	37,860,165	682,493,806	671,092,469	11,401,337
Legislation, Representation and Oversight services	644,633,641	37,860,165	682,493,806	671,092,469	11,401,337
Grand Total	644,633,641	37,860,165	682,493,806	671,092,469	11,401,337

7.8 BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES-DEVELOPMENT

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
Description	KShs	KShs	KShs	KShs	KShs
General Administration and support services	12,704,016	23,372,531	36,076,547	33,583,584.05	2,492,962.95
General administrative services	12,704,016	23,372,531	36,076,547	33,583,584.05	2,492,962.95
Grand Total	12,704,016	23,372,531	36,076,547	33,583,584.05	2,492,962.95

7.9 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 Baringo 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.

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 Baringo 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 Baringo 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.

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.

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 entity 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 Baringo 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,

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

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

The 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 Baringo County Assembly budget was approved as required by Law. The original budget was approved by the County Assembly on 26th June, 2019 for the period 1st July 2019 to 30 June 2020 as required by law. There was two number of supplementary budgets passed in the year. The supplementary budgets were approved on 02/04/2020 and 17/06/2020. A high-level assessment of the Baringo 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.

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

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.

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

7.10 NOTES TO THE FINANCIAL STATEMENTS

1. Transfers from the County Treasury/Exchequer Releases

	2019/20	2018/19
	KShs	KShs
Transfers from the County Treasury for Q1	80,573,961	80,059,633
Transfers from the County Treasury for Q2	205,267,045	197,634,945
Transfers from the County Treasury for Q3	164,608,017	138,214,912
Transfers from the County Treasury for Q4	257,513,862	212,618,797
Cumulative Amount	707,962,885	628,528,287

BARINGO COUNTY ASSEMBLY
Reports and Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. COMPENSATION OF EMPLOYEES

	2019/20	2018/19
	KShs	KShs
Basic salaries of permanent employees	314,393,867	301,439,744
Pension and other social security contributions	39,766,429	37,974,867
Compulsory national social security schemes	1,352,800	1,324,800
Compulsory national health insurance schemes	4,022,250	3,965,450
Total	359,535,346	344,704,862

In the period under review the County Assembly had a staff establishment of 105 permanent staff, 142 temporary (ward) staff, 46 Members of County Assembly, 2 other service board members representing the public, and 3 audit committee members

3. USE OF GOODS AND SERVICES

	2019/20	2018/19
	KShs	KShs
Utilities, supplies and services	664,866	1,119,637
Communication, supplies and services	4,946,414	4,827,427
Domestic travel and subsistence	124,082,325	102,303,933
Foreign travel and subsistence	26,376,277	27,254,914
Printing, advertising and information supplies & services	5,951,317	4,456,297
Rentals of produced assets	4,590,000	4,444,100
Training expenses	20,135,564	14,805,670
Hospitality supplies and services	12,699,020	10,187,241
Insurance costs	28,991,003	23,960,504
Specialized materials and services	2,829,908	13,264,190
Office and general supplies and services	4,429,791	4,087,761
Fuel Oil and Lubricants	7,090,875	3,151,660
Other operating expenses	20,544,835	-

BARINGO COUNTY ASSEMBLY
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Routine maintenance – vehicles and other transport equipment	3,271,844	2,358,812
Routine maintenance – other assets	1,387,840	268,850
KRA Agency Notice	0	13,840,459
Total	267,991,879	230,331,453

BARINGO COUNTY ASSEMBLY

Reports and Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. TRANSFERS TO OTHER GOVERNMENT ENTITIES

	2019/20	2018/19
	KShs	KShs
Car Loan and Mortgage	12,000,000	18,500,000
Total	12,000,000	18,500,000

(It relates to Car loans and Mortgages which benefits Members of County Assembly and Staff)

BARINGO COUNTY ASSEMBLY
Reports and Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. SOCIAL SECURITY BENEFITS

	2019/20	2018/19
	KShs	KShs
Government pension and retirement benefits	14,672,944	15,681,290
Total	14,672,944	15,681,290

It relates to gratuity to Members to County Assembly.

6. ACQUISITION OF ASSETS

Non- Financial Assets	2019/20	2018/19
	KShs	KShs
Construction of Building-Office Block	6,402,124	-
Construction of Building-Public Gallery	19,181,461	-
Acquisition of Land	8,000,000	-
Purchase of Vehicles and Other Transport Equipment	8,489,000	13,825,000
Purchase of Office Furniture and Equipment	993,989	2,842,845
Purchase of Office Equipment	2,032,464	
Purchase of ICT Equipment	5,376,846	2,400,636
Total	50,475,884	19,068,481

There are no Comparative figures for construction of office block and public gallery since the County Assembly gained autonomy of executing its projects and making payments as from November 2019, however in the previous financial year the County Executive were in charge of all development projects including the County Assembly development projects.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. CASH AND BANK BALANCES

BANK BALANCES

Name of Bank, Account No. & Currency	Indicated whether recurrent or development	2019/20	2018/19
		KShs	KShs
Central Bank, Acc. No. 1000195371. & Kshs.	Development Acc	61,355	-
Central Bank, Acc. No.1000195363 & Kshs.	Recurrent Acc	3,182,676	137,991
Total		3,244,031	137,991

8. ACCOUNTS RECEIVABLE

Description	2019/20	2018/19
	KShs	KShs
Government Imprests	42,800	104,210

**See Annex 3 for a detailed analysis of the outstanding imprests.*

BARINGO COUNTY ASSEMBLY
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OTHER BANK DISCLOSURES

Name of Bank, Account No. & Currency	Indicated whether recurrent or development	2019/2020	2018/2019
		KShs	KShs
Kenya commercial Bank., Acc. No1142302326. & Kshs.	Operations Account	356,356	308,273
Kenya commercial Bank., Acc. No1152063324. & Kshs.	Members Car loan and Mortgage Fund Acc	85,289,050	39,919,162
Kenya commercial Bank., Acc. No1219723320. & Kshs.	Catering and Health Services	778,784	442,500
Kenya commercial Bank., Acc. No1271884267. & Kshs.	Staff Car loan and Mortgage Fund Acc	12,000,000	-
Total		98,424,190	40,669,935

BARINGO COUNTY ASSEMBLY
Reports and Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. CHANGES IN RECEIVABLE

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 st July 2019 (A)	104,210	-
Imprest issued during the year (B)	39,833,115	-
Imprest surrendered during the Year (C)	39,894,525	-
Net changes in account receivables D= A+B-C	42,800	-

10. FUND BALANCE BROUGHT FORWARD

Description	2019/20	2018/19
	KShs	KShs
Bank accounts	-	-
Cash in hand	-	-
Total	-	-

BARINGO COUNTY ASSEMBLY
Reports and Financial Statements
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7.11 OTHER DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 1)

	Balance b/f FY 2018/2019	Additions for the period	Paid during the year	Balance c/f FY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Acquisition Of Land	-	15,360,000	(8,000,000)	7,360,000
Supply of goods	3,290,000	-	(3,290,000)	-
Supply of services	2,990,000	2,150,000	(2,990,000)	2,150,000
Total	6,280,000	17,510,000	(14,280,000)	9,510,000

2. RELATED PARTY DISCLOSURES

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS. The following comprise of related parties to the County Assembly:

- 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; and
- The National Government;

BARINGO COUNTY ASSEMBLY
Reports and Financial Statements
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Related party transactions:

	2019- 2020	2018- 2019
	Kshs	Kshs
Compensation to Key Management		
Compensation to the Speaker, Deputy Speaker and the MCAs	171,394,273	161,831,683
Key Management Compensation (Clerk and Heads of departments)	36,498,792	35,076,500
Total Compensation to Key Management	207,893,065	196,908,183
Transfers to related parties		
Transfers to other County Government Entities such as car and mortgage schemes	12,000,000	18,500,000
Total Transfers to related parties	12,000,000	18,500,000
Transfers from related parties		
Transfers from the County Executive- Exchequer	707,962,885	628,528,287
Payments made on behalf of the County Assembly by other Government Agencies	-	6,194,136
Total Transfers from related parties	707,962,885	634,722,423

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

8 PROGRESS ON FOLLOW UP ON PRIOR YEAR AUDITOR'S RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	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)
1.1	Non inclusion of Progress on follow up of Auditor recommendations from the previous year.	This has been done and The financial statements include Progress on follow up of Auditor recommendations	Mr. Richard Koech Clerk To Assembly	Resolved	Done
1.2	Inaccurate Statement of Cash flows	This has been done and the financial statements have been amended.	Mr. Alfred Keitany Director Finance	Resolved	Done
1.3	Understatement of Outstanding Imprest.	This is to be investigated and necessary adjustment to be done.	Mr. Alfred Keitany Director Finance	Not Resolved	30 th June 2021
1.4	Understated Summary of Fixed Assets	This is to be investigated and necessary adjustment to be done	Mr. Kiptoo Kitaria Principal Procurement Officer	Not Resolved	30 th June 2021
2.1	Irregular issuance of Imprest- Domestic travel and subsistence	This has been done and corrective measures put in place	Mr. Alfred Keitany Director Finance	Resolved	Done
2.2	Uneconomical Expenditure- Domestic travel and subsistence	The issue has been noted by the Management and measures are being instituted to reduce expenditure.	Mr. Richard Koech Clerk To Assembly	Resolved	Done

BARINGO COUNTY ASSEMBLY
Reports and Financial Statements
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)
2.3	Lack of Valuation Reports – Insurance Costs	This has been done	Mr. Kiptoo Kitaria Principal Procurement Officer	Resolved	Done
2.4	Irregular Payment of Salaries- Compensation of Employees	The issue has been noted and corrective measures is being put in place by the management	Mr.Jaffred Chepsoi Payroll Manager	Not Resolved	30 TH June 2022
2.5	Irregular Expenditure- Communication, Supplies and services	The issue has been noted and corrective measures undertaken to avoid a re-currence in the future	Mr. Kiptoo Kitaria Principal Procurement Officer	Resolved	Done
2.6	Incomplete Project County Assembly of Baringo Offices	This has been done	Mr. Richard Koech Clerk To Assembly	Resolved	Done
3.1	Internal Control Weakness	The issue has been noted and corrective measures are being undertaken to correct the situation	Mr. Richard Koech Clerk To Assembly	Not Resolved	Work In Progress
3.2	Failure to Establish Audit Committee	The Audit Committee has been established and it is operational	Mr. Richard Koech Clerk To Assembly	Resolved	Done

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;

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

- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.

Clerk of the County Assembly

Sign.....

Date.....

[Handwritten signature]
16/12/2020



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

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		
Acquisition Of Land						
1. Kiplagat Rotich	15,360,000	17/4/2019	8,000,000	7,360,000	-	
Sub-Total	15,360,000		8,000,000	7,360,000	-	
Supply of goods	-	-	-	-	3,290,000	
Sub-Total	-				3,290,000	
Supply of services					2,990,000	
2. Ablyn Media Ltd	320,000	30/6/2020	-	320,000	-	
3. Odhiambo &Odhiambo Advocates	1,830,000		-	1,830,000	-	
Sub-Total	2,150,000			2,150,000	2,990,000	
Grand Total	17,510,000		8,000,000	9,510,000	6,280,000	

BARINGO COUNTY ASSEMBLY
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ANNEX 2 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (KShs) 2018/19	Additions during the year (KShs)	Disposals during the year (KShs)	Transfers in/(out)	Historical Cost c/f (KShs) 2019/20
Land	0	8,000,000	0	0	8,000,000
Buildings and structures	0	25,583,585	0	0	25,583,585
Transport equipment	27,492,000	8,489,000	0	0	35,981,000
Office equipment, furniture and fittings	9,567,845	3,026,453	0	0	12,594,298
ICT Equipment	6,522,268	5,376,846	0	0	11,899,114
Total	43,582,113	50,475,884	0	0	94,057,997

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Assembly since its inception. Additions during the year should tie to note 6 on acquisition of assets during the year and subsequently the statement of receipts and payments

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

ANNEX 3 – ANALYSIS OF OUTSTANDING IMPRESTS

Government Imprest Holders

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>KShs</i>	<i>KShs</i>	<i>KShs</i>
Dennis Motonyo	13/9/2019	42,800	0	42,800
Total		42,800	0	42,800

ANNEX 4 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Reports from IFMIS)



BARINGO COUNTY GOVERNMENT

BANK RECONCILIATION STATEMENT AS AT 30TH JUNE, 2019
BARINGO COUNTY ASSEMBLY RECURRENT A/C NO. 1000195363

DETAILS/DESCRIPTIONS	Sh.	Cts	Sh.	Sh.
Balance As Per Bank Statement				35,523,396.00
Less:-				
a) Payments in Cash Book not yet recorded in Bank Statement(Unpresented Cheques)	-	-		87,710,550.75
b) Receipts in Bank Statement not yet recorded in Cash Book	-	-		
Add: -				
c) Payments in Bank Statement not yet recorded in Cash Book	-	-		
d) Receipts in Cash Book not yet recorded in Bank Statement	-	-		55,369,830.00
Balance As Per Cash Book				3,182,675.25

a) Payments in Cash Book not yet recorded in Bank Statement(Unpresented Cheques)

Ref No.(P.V No.)	Date	Payee	Amount
		VARIOUS AS PER ATTACHMENT	87,710,550.75

b) Receipts in Bank Statement not yet recorded in Cash Book

Ref No.	Date	Details	Amount

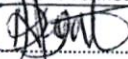
c) Payments in Bank Statement not yet recorded in Cash Book

Ref No.	Date	Payee	Amount

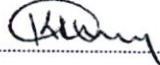
d) Receipts in Cash Book not yet recorded in Bank Statement

Ref No.	Date	Details	Amount
	10/7/2020	EXCHEQUER RELEASE FOR JUNE AND RETURNED RTGS DUE TO INVALID ACCOUNT	55,369,830.00

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct

Prepared By: 
 Signature

Duncan Kikat 20/7/2020
 Name/Designation Accountant

Reviewed By: 
 Signature

Alfred Keltany 20/07/2020
 Name/Designation Director Finance & Accounts

REPUBLIC OF KENYA



BARINGO COUNTY GOVERNMENT

BANK RECONCILIATION STATEMENT AS AT 30TH JUNE, 2020
BARINGO COUNTY ASSEMBLY DEVELOPMENT A/C NO. 1000195371

DETAILS/DESCRIPTIONS	Sh.	Cts	Sh.	Sh.
Balance As Per Bank Statement			-	61,354.95
Less:-				
a) Payments in Cash Book not yet recorded in Bank Statement(Unpresented Cheques)	-	-		-
b) Receipts in Bank Statement not yet recorded in Cash Book	-	-	-	
Add:-				
c) Payments in Bank Statement not yet recorded in Cash Book	-	-		
d) Receipts in Cash Book not yet recorded in Bank Statement	-	-	-	
Balance As Per Cash Book				61,354.95

a) Payments in Cash Book not yet recorded in Bank Statement(Unpresented Cheques)

Ref No.(P.V No.)	Date	Payee	Amount

b) Receipts in Bank Statement not yet recorded in Cash Book

Ref No.	Date	Details	Amount

c) Payments in Bank Statement not yet recorded in Cash Book

Ref No.	Date	Payee	Amount

d) Receipts in Cash Book not yet recorded in Bank Statement

Ref No.	Date	Details	Amount

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct

Prepared By:
 Signature

Doncah Lagat 10/07/2020
 Name/Designation

Reviewed By:
 Signature

Mahemah Karrie 10/07/2020
 Municipal Accountant
 Name/Designation

