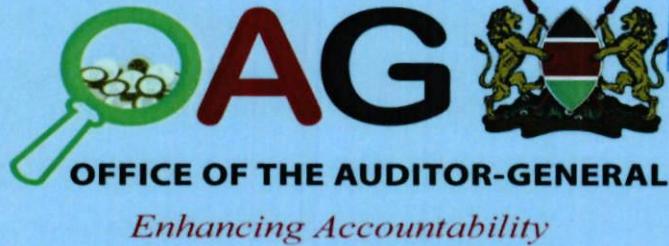


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REPORT

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OF

THE AUDITOR-GENERAL

ON

COUNTY ASSEMBLY OF TAITA/TAVETA

**FOR THE YEAR ENDED
30 JUNE, 2021**

OFFICE OF THE AUDITOR GENERAL
P.O. Box 95202, MOMBASA
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TAITA TAVETA COUNTY ASSEMBLY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2021

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

TAITA TAVETA COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

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1. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

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

(b) Key Management

The *entity's* day-to-day management is under the following key organs:

No.	Designation	Name
1.	Speaker of the County Assembly	Hon. Meshack Maghanga
2.	Clerk of the County Assembly	CPA Gadiel Mnyambo Maghanga
3.	Head of Finance	CPA Joseph Mwashighadi
4.	Head of audit	Renson Mambaria
5.	Principal Legal Officer	Fredrick Mwambili

(c) Fiduciary Management

The key management personnel who held office during the year ended 30th June 2021 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer- Clerk	CPA Gadiel Mnyambo Maghanga
2.	Chief Finance Officer	CPA Joseph Waduu
3.	Principal Internal Auditor	Renson Peter Mambaria

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KEY ENTITY INFORMATION AND MANAGEMENT (CONTINUED)

(d) Fiduciary Oversight Arrangements

Head Internal Audit	Renson Peter Mambaria
Chairperson Audit Committee	Urujji Daido
Chairperson Public Accounts Committee	Hon Anselim Mwadime Chao

(e) Entity Headquarters

County Assembly Headquarter
P.O. Box 1066 - 80304
Wundanyi, KENYA.

(f) Entity Contacts

Telephone: (254) 718703359 / 732604811

E-mail: informationdesk@taitatavetaassembly.go.ke

Website: www.taitatavetaassembly.go.ke

(g) Entity Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA
2. Kenya Commercial Bank
Wundanyi Branch
P.O. Box 1067 - 80304
Wundanyi.

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(h) Independent Auditor

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

NAIROBI, KENYA

(i) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

2. FORWARD BY THE CLERK OF THE ASSEMBLY

2.1 Budget performance

The total County Assembly expenditure for the 2020/2021 financial year amounted to Kshs. 547,133,322, which represented a total absorption rate of 78% of the total budget. The largest proportion of the expenditure comprised of Use of Goods and Services Kshs. 272,483,543 which accounted for 50% of the expenditure.

2.2 Operational Performance

- a) The County Assembly has been able to pass numerous bills, motions, regulations and policies. Furthermore, a number of statements and petitions have been received and most of them dealt with.
- b) The County Assembly approved a total of (13) thirteen bills, policies and regulations. The budget of 2020-2021, was approved by the County Assembly on the 26th June, 2020, The 1st Supplementary was approved on 2nd December, 2020 and the 2nd Supplementary was approved on 1st April, 2021.
- c) The Assembly committees include Tourism committee, Lands, Human – Wildlife Conflict Resolution Committee, Environment, Natural Resources, Forestry & Mining Committee, ECDE, Libraries & Vocational Training Committee, Transport, Roads, Public Works, I.C.T & Infrastructure Development, Gender & Culture Committee, Agriculture, Livestock and Fisheries Committee, Administration, Security, Devolution, Public Participation, Community Services & Drugs Control Committee, Water & Irrigation Services Committee, Justice, Constitutional, Legal Affairs, Labour, Employment, Trade Unions & Social Welfare Committee, Trade, Industry & Co-operatives Development Committee, Youth & Sports Committee, Health & Sanitation Services Committee. The County Assembly Committee is a group of Members of the County Assembly designated to do the detailed work of the County Assembly. The Members are expected to work together toward a common goal, and may work without the restrictions of formality. Section 14 (1)(b) of the County Governments Act, 2012 provides that subject to the standing orders, a county assembly “may establish committees in such a manner and for such general or special purposes as it considers fit, and regulate the procedure of any committee so established”. Committees perform specific roles on

behalf of the Assembly. Therefore, their mandate and powers are given by the Assembly, through the County Assembly Standing Orders (Second Edition) or resolution by the County Assembly. The power and mandate of the Committee are for the whole Committee not its individual members i.e. the mandate of Committees has to be exercised or discharged at a properly constituted meeting. No decision of the Committee is binding unless the meeting was properly constituted in terms of notice of meeting, quorum and the leadership. Committees of the Assembly make recommendations to the Plenary of the Assembly in the form of resolutions. Their recommendations may or may not be acted upon by the Assembly or may be rejected or ignored altogether.

d) **Risk Management Strategies**

The risk management strategies adopted by the County are to ensure for efficient operation of the Assembly. This includes among other; tagging of assets, proper filing system of documents, movement register for documents to avoid misplacement.

2.3 Performance of key development projects

- a) The County Assembly embarked on construction of a new office block within the financial year 2017-2018 to reduce congestion within the offices. The county assembly continued to struggle with limited office space as well as committee rooms. County assembly of Taita Taveta has put a mechanism to ensure that tenders advertised by the Assembly can be assessed through the system and all application for quotations of work and suppliers are all done in the system. This has enhanced transparency and fair competition among the suppliers and limited bias in supplier selection.
- b) Payments of suppliers have been improved and are being paid within the prescribed time
- c) The county assembly are constructing an office block within the premises. This will ensure that there is adequate space for staffs increasing productivity and service delivery for its citizens.
- d) The county assembly has made numerous efforts to ensure responsible competition practices such as issues to deal with Anti-corruption, responsible political involvement, fair competition, respect for competitors and their products. Efforts by the County Assembly to treat its own suppliers responsibly have been improved through fair competition in tendering. Supply of goods and services from suppliers

2.4 Comment on value-for-money achievements

The County Assembly embarked on tree planting on schools, churches and community areas as a community social investment and corporate social responsibility. But due to outbreak of covid-19 the activity was halted.

The tree planting exercise was conducted at Tumaini Childrens home in Mwatate and Dr. Agrey highschool in Wundanyi. However after the outbreak of Covid-19 which led to closure of schools the program was halted.

2.5 Challenges and Recommended Way Forward

The following challenges were encountered by the County Assembly during financial year 2020/2021.

- Delay in disbursement of funds from National Government had hindered the flow of County Assembly operations and subsequently limiting the number of bills passed.
- Outbreak of covid-19 led to delay of activities and passing of bills by the County Assembly due to social distance factor making it impossible to get a quorum.

Inadequate office space. The County Assembly still uses the old municipal council buildings which do not have adequate space for staff and committee meetings.

To overcome the challenge of office space, the county assembly has opted to hold most of the committee meetings at the local hotels while at the same time undertaking construction of the new office block which will also include committee rooms.

Sign:



CPA Gadiel Mnyambo Maghanga
ICPAK NO: 24552
Clerk of the County Assembly

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

Guidance

The County Government will implement its accelerated transformative agenda. Priority will be given towards projects with high impact for socio –economic development. The priority areas that will continue to be pursued in FY 2021/2022 and the medium term include:

The Broad County priorities include among the following:-

1. Increasing access to clean, quality, affordable and potable water for all households, schools and health facilities.
2. Improved Food and Nutrition Security and community resilience through provision of adequate water for irrigation, livestock and wildlife throughout the County.
3. Improved household income and livelihood through value addition, marketing and establishment of fruits, tomatoes, beef and dairy processing plants.
4. Investing sufficiently in quality, accessible and affordable health care services including provision of prerequisite equipment, drugs and health personnel.

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 Taita Taveta 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 2020/2021

Program 1	Objective	Outcome	Indicator	Performance
Legislation, oversight and representation	Enhanced professional development of MCAs – Provide ongoing	Increased ability of MCA in legislation	No of bills passed in the County	In FY 2020/2021 there were 13 thirteen

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	professional development of MCAs		Assembly	bills passed
	Enhanced professional development of MCAs – Review standing orders	Review standing orders	26% increase in efficient Assembly operation	Over 50 standing orders were reviewed and resulted to 13 bills being passed
Program 2				
General Administration and Planning	Enhanced professional development of staffs	Training of staffs for proper management and enhanced professional in operations	Efficient handling of materials and documents through proper documentation and filing	Reduction of misplaced documents , files and vouchers

4. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

The County Assembly of Taita Taveta exists to transform lives. This is our purpose; the driving force behind everything we do. It is what guides us to deliver our strategy, which is founded on among the 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 top management will ensure that there is sustainability risks, engage with stakeholders and seek feedback and continually improve

2. Environmental performance

The assembly started a tree-planting project but failed to continue due to covid-19 outbreak.

3. Employee welfare

The county assembly has policies guiding the hiring process as outlined where staffs are employed based on gender ration and inclusivity of all ethnics. The organization carries out training programs for all staffs to ensure they improve on their working skills. The organisation policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA) has ensured that te new building will be equipped with fire extinguishers and the staffs who deal with ground and clearing have already been provided with safety boots and gloves, overalls and taken to training on measures of safety.

4. Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

The county assembly ensures that there is free and fair in regards to suppliers' i.e. tender opening and no corruption during tender processes.

b) Responsible Supply chain and supplier relations- the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.

- c) Responsible marketing and advertisement- the organization outlines efforts to maintain ethical marketing practices
- d) Product stewardship- efforts to safeguard consumer rights and interests are outlined as all customers and suppliers are treated equally

5. Community Engagements-

- a) Start off with a transparent community selection process and share results:-

There are many options on how to go about selecting your target communities. Donor requirements may indicate specific selection criteria or prioritized geographic or socio- demographic sectors. The quality and availability of quantitative data such as average family income or school dropout rates will also drive selection criteria. As important as defining your community selection process may be, it is equally important that you are transparent and publically share selection criteria and the results of the community selection process. Post the results of your community selection process online and share them with program stakeholders, including the communities that were not selected.

- b) Map community priorities and identify community leaders through community assessments: -

Once we identified our target communities, we designed a simple questionnaire with the goal of identifying potential community leaders as well as what community members saw as their most pressing priorities. The questionnaire was applied through a house-to-house survey approach and carried out by our program staff. This is a great opportunity to inform community members about your upcoming program, its objectives and next steps. We found that when interviewed individually and anonymously, community members

- c) Hold preliminary meetings with community leaders and enlist their support to mobilize community participation:-

Often vulnerable communities are skeptical of outsiders and have been on the receiving end of broken promises to improve community infrastructure or provide much needed basic services. Trying to engage communities directly through public calls for meetings without establishing community channels and trusted

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intermediaries may limit or delay your success in mobilizing communities to participate early in the program. Once Sowing Futures systematized the results of leaders identified by community members during the community assessment surveys, we convened leaders to introduce them to the program and request feedback and advice on how best to engage the broader community. We asked leaders to help us reach out to the community and to help organize the first community assembly meetings.

6. Others

The organization has held several tree-planting activities in children homes and schools such as Tumaini and Dr. Aggrey.

5. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year ended June 30, 2021. 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, 2021, 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

TAITA TAVETA COUNTY ASSEMBLY
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For the year ended June 30, 2021

which they were intended and were properly accounted for. Further the Clerk confirms that the County Assembly's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The County Government's financial statements were approved and signed by the Clerk of the County Assembly on 20th January, 2022.



CPA Gadiel Mnyambo Maghanga
ICPAK NO: 24552
Clerk of the County Assembly

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF TAITA/TAVETA FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

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

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

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the County Assembly of Taita/Taveta set out on pages 1 to 34, which comprise the statement of financial assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and 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 Taita/Taveta as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the County Governments Act No. 17 of 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Insufficient Disclosures in the Financial Statements

The financial statements contain the following anomalies:

- i. The statement of financial assets and liabilities reflects a debit prior year adjustment totalling Kshs.665,586 which is also disclosed as a receivable in Note 17 to the financial statements. However, the Note does not provide information on the nature and purpose of the adjustment.
- ii. The statement of comparison of budget and actual amounts - recurrent and development combined - does not include a commentary on significant variances between actual and budgeted receipts and expenditures. Further, contrary to Paragraph 1.7.23 of International Public Sector Accounting Standard (IPSAS) -Cash Basis, the reasons for the adjustments made on the original budget have not been disclosed.

In view of these anomalies, the financial statements do not provide sufficient disclosures on the operations of the County Assembly and do not conform to the reporting requirements set by the Public Sector Accounting Standards Board (PSASB)

2.0 Use of Goods and Services

The statement of receipts and payments reflects expenditure on use of goods and services totalling Kshs.272,483,543 out of which Kshs.201,019,189 relates to domestic travel and subsistence, as disclosed in Note 5 to the financial statements. However, the following anomalies were noted in relation to travel and subsistence expenditure:

2.1 Unsupported Domestic Travel and Subsistence Allowances

Requests and approvals for allowance payments totalling Kshs.2,865,400 and the activities undertaken thereof were not provided for audit. As a result, the occurrence, validity and accuracy of the expenditure could not be confirmed.

2.2 Misstatement of Ward Office Expenditure

The domestic travel and subsistence expenditure totalling Kshs.201,019,189 includes Kshs.13,260,000 disbursed to the Members of County Assembly for Ward Office running expenses.

Consequently, the domestic travel and subsistence expenditure totalling Kshs.13,260,0000 is not fairly stated.

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

Key Audit Matters

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

Other Matter

1.0 Budgetary Control and Performance

The statement of comparison budget and actual amounts - recurrent and development combined reflects final revenue budget of Kshs.699,775,000 against actual revenue of Kshs.591,413,161 resulting in a shortfall of Kshs.108,361,839 or 15% of the budget.

The statement also reflects a final expenditure budget totaling Kshs.699,775,000 against actual expenditure totalling Kshs.547,133,322, resulting in under-expenditure of Kshs.152,641,678 or 22%.

The shortfall of revenue and under-expenditure suggests that some activities planned for the year under review may not have been carried out. Therefore, the capacity of the County Assembly to undertake its legislative and oversight roles may have been constrained.

2.0 Prior Year Issues

The report for the previous year highlighted unsatisfactory matters in relation to several balances reflected in the financial statements, and on lawfulness and effectiveness in use of public resources. However, contrary to the reporting format prescribed by the Public Sector Accounting Standards Board, the financial statements for the year under review do not contain a report on the progress made in addressing the matters which, therefore, remain unresolved.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Lack of Training Needs Assessment Records

Examination of records on training expenses indicated that payments totalling Kshs.1,160,203 were made in the year under review in relation to training activities. However, records on assessments, if any, made to identify the training activities were not provided for audit review. As a result, the regularity and value for money on the expenditure incurred on the activities could not be confirmed.

2.0 Irregular Procurement of Laptops

Expenditure records indicated that Kshs.1,565,047 was spent on a local vendor who supplied twenty-four (24) laptops at a contract price of Kshs.2,396,400.

Procurement records provided for audit review indicated that the laptops were bought through Request for Quotations. However, the vendor was not in the list of prequalified suppliers, contrary to the requirements of Section 162(3) of the Public Procurement and Asset Disposal Act, 2015. As a result, expenditure incurred on the laptops was irregular and further, value for money on the purchase could not be confirmed.

3.0 Failure to Reserve Supply of Goods, Works and Services

Examination of procurement records indicated that contrary to Regulation (5) of the Public Procurement and Asset Disposal Regulations, the County Assembly did not reserve a minimum of twenty percent (20%) of its procurement budget to supplies by tenderers resident in the County.

In addition, contrary to Regulation 149 of the Public Procurement and Asset Disposal Regulations, 2020, there were no records of Management having allocated at least thirty percent (30%) of the procurement budget to goods, works and services supplied by enterprises owned by youth, women and persons with disabilities.

Therefore, procurement of goods and services by the County Assembly in the year under review may not have fulfilled all the provisions of the law.

4.0 Lack of Ethnic Diversity

Examination of staff records indicated that seventy-two percent (72%) of all members of staff under permanent and contract terms in the County Assembly were from one community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which requires staffing in public entities to denote the diversity of the people of Kenya.

5.0 Failure to Remit Statutory Deductions

National Treasury Circular No.14/2021 dated 28 October, 2021 indicated that the County Assembly of Taita/Taveta had defaulted in remitting Kshs.17,729,960 in pension deductions from its employees to the Local Authority Pension Trust (LAPTRUST) as at 31 December, 2020. The principal amount outstanding had attracted interest totalling Kshs.21,586,289, resulting in indebtedness of Kshs.39,316,249 to LAPTRUST on the said date.

No satisfactory explanation was provided by Management for the failure to remit the pension payments.

6.0 Failure to Appoint Staff Advisory Committee

Records provided for audit indicated that the Taita/Taveta County Assembly Service Board had not established a Staff Advisory Committee, contrary to Section 29 of the County Assembly Service Act, 2017. The provision requires the Board to establish a Staff Advisory Committee which shall be responsible for advising the Board on matters relating to staff.

Further, contrary to Section 36(1) of the County Assembly Service Act, 2017, a report on the operations of the Board for the year under review, or evidence that the report was laid before the County Assembly, was not provided for audit verification.

In view of these omissions, the Board may have operated contrary to the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Weak Information Communication Technology Controls

Audit review of information communication technology (ICT) operations of the County Assembly revealed that physical access to critical ICT equipment was not restricted to authorized staff. Further, the ICT network was not functionally segregated or restricted and as a result its functionalities were accessible to unauthorized users. In addition, the County Assembly did not have an approved policy on back-up of its data and information.

In view of these shortcomings, the risk of unauthorized access and possible permanent loss of vital records was high.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the County Assembly's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to 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 governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of noncompliance. 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 sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the County Assembly to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 May, 2022

TAITA TAVETA COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

7. FINANCIAL STATEMENTS

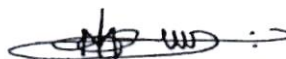
7.1. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2021

		2020-2021	2019-2020
	Note	KShs	KShs
RECEIPTS			
Transfers from the County Treasury/Exchequer Releases	1	569,038,638	587,000,000
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	22,374,523	6,911,763
TOTAL RECEIPTS		591,413,161	593,911,763
PAYMENTS			
Compensation of Employees	4	224,864,268	236,794,221
Use of goods and services	5	272,483,543	275,403,164
Subsidies	6	-	-
Transfers to Other Government Entities	7	-	7,500,000
Other grants and transfers	8	-	-
Social Security Benefits	9	6,410,959	20,424,825
Acquisition of Assets	10	4,372,064	40,464,995
Finance Costs	11	-	-
Other Payments-	12	39,002,488	13,293,146
TOTAL PAYMENTS		547,133,322	593,880,350
SURPLUS/DEFICIT		44,279,839	31,413

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 20th January, 2022 and signed by:



CPA Gadiel Mnyambo Maghanga
 ICPAK NO: 24552
 Clerk of the Assembly



CPA Joseph Waduu
 ICPAK NO: 7006
 Principal Finance Officer – County Assembly

TAITA TAVETA COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

7.2. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT 30TH JUNE

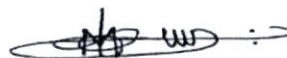
2021

		2020-2021	2019-2020
FINANCIAL ASSETS	Note	KShs	KShs
Cash and Cash Equivalents			
Bank Balances	13A	48,185,942	3,906,103
Cash Balances	13B	-	-
Total Cash and cash equivalents		-	-
Accounts receivables	14	-	665,586
TOTAL FINANCIAL ASSETS		48,185,942	4,571,689
FINANCIAL LIABILITIES			
Accounts Payables	15	-	-
NET FINANCIAL ASSETS		48,185,942	4,571,689
REPRESENTED BY			
Fund balance b/fwd	16	4,571,689	1,006,896
Surplus/(Deficit) for the year		44,279,839	31,413
Prior year adjustment	17	-665,586	3,533,380
NET FINANCIAL POSITION		48,185,942	4,571,689

The financial statements were approved on on 20th January, 2022 and signed by:



CPA Gadiel Mnyambo Maghanga
 ICPAK NO: 24552
Clerk of the Assembly
County Assembly



CPA Joseph Waduu
 ICPAK NO: 7006
Principal Finance Officer –

TAITA TAVETA COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

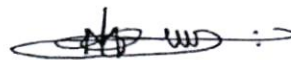
7.3. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

	Note	2020-2021 KShs	2019-2020 KShs
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating income			
Transfers from the County Treasury/Exchequer Releases	1	569,038,638	587,000,000
Other Receipts	3	22,374,523	6,911,763
Total Receipts		591,413,161	593,911,763
Payments for operating expenses			
Compensation of Employees	4	224,864,268	236,794,221
Use of goods and services	5	272,483,543	275,403,164
Subsidies	6	-	-
Transfers to Other Government Entities	7	-	7,500,000
Other grants and transfers	8	-	-
Social Security Benefits	9	6,410,959	20,424,825
Finance Costs	11	-	-
Other Payments	12	39,002,488	13,293,146
Total payments		542,761,258	553,415,356
Net cash flows from operating activities		48,651,903	40,496,407
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	10	(4,372,064)	-40,464,995
Net cash flows from investing activities		(4,372,064)	-40,464,995
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalent at BEGINNING of the year	13A	3,906,103	1,006,896
Cash and cash equivalent at END of the year	13A	48,185,942	3,906,103
As per Statement of Assets		48,185,942	3,906,103

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved 20th January, 2022 and signed by:



CPA Gadiel Mnyambo Maghanga
ICPAK NO: 24552
Clerk of the Assembly



CPA Joseph Waduu
ICPAK NO: 7006
Principal Finance Officer – County Assembly

TAITA TAVETA COUNTY ASSEMBLY
 Reports and Financial Statements
 For the year ended June 30, 2021

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

COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization difference	% Utilization difference
	a	b	c=a+b	d	e=c-d	f=(d/c*%)
RECEIPTS	KShs	KShs	KShs	KShs	KShs	%
Transfers from the County Treasury/Exchequer Releases	653,000,000	46,775,000	699,775,000	569,038,638	130,736,362	81%
Proceeds from Sale of Assets	-	-	-	-	-	0%
Other Receipts	-	-	-	22,374,523	- 22,374,523	0%
TOTAL	653,000,000	46,775,000	699,775,000	591,413,161	108,361,839	85%
PAYMENTS						0%
Compensation of Employees	278,000,000	(27,712,851)	250,287,149	224,864,268	25,422,881	90%
Use of goods and services	255,740,695	66,387,851	322,128,546	272,483,543	49,645,003	85%
Subsidies	-	-	-	-	-	0%
Transfers to Other Government Entities	10,000,000	- 10,000,000	-	-	-	0%
Other grants and transfers	-	-	-	-	-	0%
Social Security Benefits	22,000,000	6,000,000	28,000,000	6,410,959	21,589,042	23%
Acquisition of Assets	63,600,000	3,600,000	67,200,000	4,372,064	62,827,936	7%
Finance Costs	-	-	-	-	0	0%
Other Payments	23,659,305	8,500,000	32,159,305	39,002,488	- 6,843,183	121%
TOTAL	653,000,000	46,775,000	699,775,000	547,133,322	152,641,678	78%
SURPLUS/ DEFICIT				44,279,839	- 44,279,839	

a) Acquisition of assets of 7%: - Underutilization in acquisition of assets was due to delay in exchequer releases

b) Other payments 121%: - Overutilization of other payments at 121% was due to funds transfer from recurrent account to development account for funds previously borrowed from development account.

The entity financial statements were approved on 20th January, 2022 and signed by:



CPA Gadiel Mnyambo Maghanga
 ICPAK NO: 24552
 Clerk of the Assembly



CPA Joseph Waduu
 ICPAK NO: 7006
 Principal Finance Officer – County Assembly

TAITA TAVETA COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

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

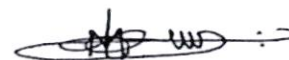
Receipt/Expense Item	Original Budget	Supplementary Adjustments	Final supplementary Budget	Actual on Comparable Basis	Budget Utilization difference	% Utilization difference
	a	b	c=a+b	d	e=c-d	f=(d/c*%)
RECEIPTS	KShs	KShs	KShs	KShs	KShs	%
Transfers from the County Treasury/ Exchequer Releases	601,000,000	46,775,000	647,775,000	549,324,602	98,450,398	85%
Proceeds from Sale of Assets	-	-	-	-	-	0%
Other Receipts	-	-	-	22,374,523	- 22,374,523	0%
TOTAL	601,000,000	46,775,000	647,775,000	571,699,125	76,075,875	88%
PAYMENTS						
Compensation of Employees	278,000,000	(27,712,851)	250,287,149	224,864,268	25,422,881	90%
Use of goods and services	255,740,695	66,387,851	322,128,546	272,483,543	49,645,003	85%
Subsidies	-	-	-	-	-	0%
Transfers to Other Government Entities	10,000,000	- 10,000,000	-	-	0	0%
Other grants and transfers	-	-	-	-	-	0%
Social Security Benefits	22,000,000	6,000,000	28,000,000	6,410,959	21,589,042	23%
Acquisition of Assets	11,600,000	3,600,000	15,200,000	1,565,047	13,634,954	10%
Finance Costs	-	-	-	-	0	0%
Other Payments	23,659,305	8,500,000	32,159,305	39,002,488	(6,843,183)	121%
TOTAL	601,000,000	46,775,000	647,775,000	544,326,304	103,448,696	84%
SURPLUS/ DEFICIT	-	-	-	27,372,821	- 27,372,821	

- a) Other payments 121%: - Overutilization of other payments at 121% was due to funds transfer from recurrent account to development account for funds previously borrowed from development account

The entity financial statements were approved on 20th January, 2022 and signed by:



CPA Gadiel Mnyambo Maghanga
ICPAK NO: 24552
Clerk of the Assembly



CPA Joseph Waduu
ICPAK NO: 7006
Principal Finance Officer – County Assembly

TAITA TAVETA COUNTY ASSEMBLY
 Reports and Financial Statements
 For the year ended June 30, 2021

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization difference	% Utilization difference
	a	b	c=a+b	d	e=c-d	f=(d/c*%)
	KShs	KShs	KShs	KShs	KShs	%
RECEIPTS						
Transfers from the County Treasury/ Exchequer Releases	52,000,000	-	52,000,000	19,714,036	32,285,964	38%
Proceeds from Sale of Assets	-	-	-	-	-	0%
Other Receipts	-	-	-	-	-	0%
TOTAL	52,000,000	-	52,000,000	19,714,036	32,285,964	38%
PAYMENTS						
Compensation of Employees	-	-	-	-	-	0%
Use of goods and services	-	-	-	-	-	0%
Subsidies	-	-	-	-	-	0%
Transfers to Other Government Entities	-	-	-	-	-	0%
Other grants and transfers	-	-	-	-	-	0%
Social Security Benefits	-	-	-	-	-	0%
Acquisition of Assets	52,000,000	-	52,000,000	2,807,017	49,192,983	5%
Finance Costs	-	-	-	-	-	0%
Other Payments	-	-	-	-	-	0%
TOTAL	52,000,000	-	52,000,000	2,807,017	49,192,983	5%
SURPLUS/ DEFICIT	-	-	-	16,907,019	- 16,907,018.85	

c) Acquisition of assets of 5%: - Underutilization in acquisition of assets was due to delay in exchequer releases

The entity financial statements were approved on 20th January, 2022 and signed by:



CPA Gadiel Mnyambo Maghanga
 ICPAK NO: 24552
 Clerk of the Assembly



CPA Joseph Waduu
 ICPAK NO: 7006
 Principal Finance Officer – County Assembly

TAITA TAVETA COUNTY ASSEMBLY
 Reports and Financial Statements
 For the year ended June 30, 2021

7.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2020/2021		2020/2021	30th June 2021	
	KShs	KShs	KShs	KShs	KShs
Program 1: General Administration and Planning					
Sub-programme 1	293,850,000	21,048,750	314,898,750	246,209,995	68,688,755
Sub-programme 2	-	-	-	-	-
Sub-programme 3	-	-	-	-	-
Program 2: Legislation and Oversight					
Sub-programme 1	359,150,000	25,726,250	384,876,250	300,923,327	83,952,923
Sub-programme 2	-	-	-	-	-
Sub-programme 3	-	-	-	-	-
Grand Total	653,000,000	46,775,000	699,775,000	547,133,322	152,641,678

7.8. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Reporting entity

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

3. Recognition of receipts and payments

a) Recognition of receipts

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Transfers from the Exchequer/ County Treasury

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

ii) Other Receipts

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

b) Recognition of payments

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

i) Compensation of employees

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

ii) Use of goods and services

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

iii) Acquisition of fixed assets

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

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

4. In-kind contributions

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. Third Party Payments

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

6. Cash and cash equivalents

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

Restriction on cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2021, this amounted to KShs 2,439,381 compared to KShs 3,800,000 in prior period as indicated on note 13A.

7. Accounts Receivable

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 *entity* at the end of the year. Pending bill form a first charge to the subsequent year budget and when they are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Annex 6 of this financial statement is a register of the contingent liabilities in the year.

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

12. Contingent Assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 *entity's* budget was approved as required by Law. The original budget was approved by the County Assembly on 26th June, 2020 for the period 1st July 2020 to 30 June 2021 as required by law. There was 2 number of supplementary budgets passed in the year. The supplementary budgets were approved on on 2/12/2021 and 1/04/2021. A high-level assessment of the *entity's* 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.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

16. Errors

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

17. Related party transactions

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

TAITA TAVETA COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

7.9. NOTES TO THE FINANCIAL STATEMENTS

1. Transfers from the County Treasury/Exchequer Releases

	2020-2021	2019-2020
	KShs	KShs
Transfers from the County Treasury for Q1	68,000,000	45,000,000
Transfers from the County Treasury for Q2	177,097,168	210,000,000
Transfers from the County Treasury for Q3	174,017,875	185,000,000
Transfers from the County Treasury for Q4	149,923,595	147,000,000
Cumulative Amount	569,038,638	587,000,000

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	KShs	KShs
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from Sale of Certified Seeds and Breeding Stock	-	-
Receipts from the Sale of Strategic Reserves Stocks	-	-
Receipts from the Sale of Inventories, Stocks and Commodities	-	-
Disposal and Sales of Non-Produced Assets	-	-
Total	-	-

3. OTHER RECEIPTS

	2020-2021	2019-2020
	KShs	KShs
Tender fees received	-	-
Other Receipts II-Returned RTGS	-	3,911,763
Other Receipts III-MCA Facilitation by executive	-	3,000,000
Other Receipts IV-	22,374,523	-
Total	22,374,523	6,911,763

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NOTES TO THE FINANCIAL STATEMENTS

4. COMPENSATION OF EMPLOYEES

	2020 - 2021	2019 - 2020
	KShs	KShs
Basic salaries of permanent employees	107,024,341.40	111,014,944
Basic wages of temporary employees	25,777,223.08	22,464,820
Personal allowances paid as part of salary	67,179,564.82	76,454,332
Personal allowances paid as reimbursements	17,947,600.00	21,308,300
Personal allowances provided in kind		
Employer Contribution to compulsory National Social Schemes	5,812,443.10	4,326,533
Employer Contribution to Compulsory National health Insurance Schemes	1,123,096.00	1,225,292
Pension and other social security contributions		-
Social benefit schemes outside government	-	-
Other personnel payments	-	-
Total	224,864,268	236,794,221

TAITA TAVETA COUNTY ASSEMBLY
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. USE OF GOODS AND SERVICES

	2020 - 2021	2019 - 2020
	KShs	KShs
Utilities, supplies and services	113,512	155,249
Communication, supplies and services	-	7,500
Domestic travel and subsistence	201,019,189	197,373,774
Foreign travel and subsistence	175,712	19,571,324
Printing, advertising and information supplies & services	1,190,852	3,700,289
Rentals of produced assets	330,000	-
Training expenses	2,701,390	4,291,987
Hospitality supplies and services	13,102,705	8,884,818
Insurance costs	32,294,997	21,094,500
Specialized materials and services	100,000	416,450
Office and general supplies and services	7,276,153	5,264,967
Fuel, oil and lubricants	2,479,999	4,615,788
Other operating expenses	7,948,744	9,261,255
Routine maintenance – vehicles and other transport equipment	3,420,789	713,479
Routine maintenance – other assets	329,500	51,785
Total	272,483,543	275,403,164

TAITA TAVETA COUNTY ASSEMBLY
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. SUBSIDIES

Description	2020-2021	2019-2020
	KShs	KShs
Subsidies to County Corporations		
<i>See list attached</i>	-	-
(insert name)	-	-
Subsidies to Private Enterprises		
<i>See list attached</i>	-	-
(insert name)	-	-
TOTAL	-	-

7. TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	KShs	KShs
Transfers to National Government entities	-	-
Transfers to other County Assembly entities		
Car Loan Scheme fund	-	7,500,000
Mortgage	-	-
Others (insert name of budget agency)	-	-
TOTAL	-	7,500,000

TAITA TAVETA COUNTY ASSEMBLY
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. OTHER GRANTS AND TRANSFERS

	2020-2021	2019-2020
	KShs	KShs
Scholarships and other educational benefits	-	-
Membership Fees and Dues and Subscriptions to Organizations	-	-
Emergency relief and refugee assistance	-	-
Subsidies to small businesses, cooperatives, and self employed	-	-
Total	-	-

9. SOCIAL SECURITY BENEFITS

	2020 - 2021	2019 - 2020
	KShs	KShs
Government pension and retirement benefits	-	-
Social security benefits	6,410,959	20,424,825
Employer Social Benefits	-	-
Total	6,410,959	20,424,825

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. ACQUISITION OF ASSETS

Non- Financial Assets	2020 - 2021	2019 - 2020
	KShs	KShs
Purchase of Buildings	-	-
Construction of Buildings	2,807,017	37,971,811
Refurbishment of Buildings	-	-
Construction of Roads	-	-
Construction and Civil Works	-	-
Overhaul and Refurbishment of Construction and Civil Works	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Purchase of Certified Seeds, Breeding Stock and Live Animals	-	-
Research, Studies, Project Preparation, Design & Supervision	-	-
Rehabilitation of Civil Works	-	-
Acquisition of Strategic Stocks and commodities		
Acquisition of Land	-	-
Acquisition of Intangible Assets-ICT Equipment	1,565,047	2,493,183
Total acquisition of non- financial assets	4,372,064	40,464,995
Financial Assets		
Domestic Public Non-Financial Enterprises	-	-
Domestic Public Financial Institutions	-	-
Total acquisition of financial assets	-	-
Total acquisition of assets	4,372,064	40,464,995

TAITA TAVETA COUNTY ASSEMBLY
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. FINANCE COSTS

	2020 - 2021	2019 - 2020
	KShs	KShs
Bank Charges	-	-
Interest Payments on Foreign Borrowings	-	-
Interest Payments on Guaranteed Debt Taken over by Govt	-	-
Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
Total	-	-

12. OTHER PAYMENTS

	2020 - 2021	2019 - 2020
	KShs	KShs
Budget Reserves	-	-
Civil Contingency Reserves	-	-
Transfer from recurrent account to development account	8,310,490	
Other payments-Pending Bills	8,317,475	13,293,146
Other payments-Payments for salary advance for TTCA staffs	22,374,523	
	39,002,488	13,293,146

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. CASH AND BANK BALANCES

13A. BANK BALANCES

Name of Bank, Account Name & currency	Account Number	Indicate whether Rec, Dev, Dep e.t.c	2020 - 2021 KShs	2019 - 2020 KShs
<i>CBK NAIROBI A/C 1000402857 & Currency Kshs.</i>		Development Acc	16,907,019	28,189
<i>CBK NAIROBI A/C 1000245743 & Currency Kshs.</i>		Recurrent Acc	28,774,358	3224
<i>CBK NAIROBI A/C 436627 & Currency Kshs.</i>		Deposits Acc	2,439,381	3,800,000
<i>KCB-WUNDANYI BRANCH, 1145543405 & Currency Kshs.</i>		Commercial Bank Accs.	38,748	36,512
<i>KCB BANK-DEVELOPMENT A/C 1158049811</i>		Commercial Bank Accs.	26,436	38,178
Total			48,185,942	3,906,103

13B. CASH IN HAND

	2020 - 2021 KShs	2019 - 2020 KShs
Cash in Hand – Held in domestic currency	-	-
Cash in Hand – Held in foreign currency	-	-
Total	-	-

Cash in hand should be analysed as follows:

Description	2020 - 2021 KShs	2019 - 2020 KShs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14. ACCOUNTS RECEIVABLE

<i>Description</i>	2020 - 2021	2019 - 2020
	Kshs	Kshs
Government Imprests	-	665,586
Salary Advance	-	-
Clearance accounts	-	-
Total	-	665,586

<i>Breakdown of imprest and salary advance per department</i>	2020 - 2021	2019 - 2020
<i>Imprests</i>	KShs	KShs
Department	-	-
Department	-	-
Department	-	-
Sub-Total	-	-
<i>Salary advance</i>		
Department	-	-
Department	-	-
Sub-Total	-	-
Grand Total	-	-

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

15. ACCOUNTS PAYABLE

Description	2020 - 2021	2019 - 2020
	KShs	KShs
Deposits and retentions	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. FUND BALANCE BROUGHT FORWARD

Description	2020 - 2021	2019 - 2020
	KShs	KShs
Bank accounts	3,906,103	1,006,896
Cash in hand	-	-
Accounts Receivables	665,586	-
Accounts Payables	-	(-)
Total	4,571,689	1,006,896

17. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted ** Balance b/f FY 2020/2021
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	(266,620)	-	-
Cash in hand	-	-	-
Accounts Payables-deposit & retention	3,800,000	-	-
Receivables	-	-	-665,586
Totals	3,533,380	-	-665,586

18. CHANGES IN RECEIVABLE

Description	2020-2021	2019-2020
	KShs	KShs
Opening Account Receivables as at 1 st July 2020	-	29,883,688
Closing Account Receivables as at 30 th June 2021	-	29,218,102
Change in Account Receivables	-	665,586

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. CHANGES IN ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Opening Accounts Payables as at 1 st July 2020	-	-
Closing Accounts payables as at 30 th June 2021	-	-
Deposit and retention as at 1 st July 2020	-	-
Deposit and retention held during the year	-	3,800,000
Change in Accounts payables	-	3,800,000

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

OTHER DISCLOSURES

1. PENDING ACCOUNTS PAYABLE (See Annex 1)

	Balance b/f FY 2019/2020	Additions for the period	Paid during the year	Balance c/f FY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Construction of buildings	-	2,807,017	(2,807,017)	-
Construction of civil works	-	-	-	-
Purchase of Furniture	-	-	-	-
Supply of goods	15,022,791	11,049,469	(15,022,791)	11,049,469
Supply of services	15,093,325	8,113,602	(15,093,325)	8,113,602
Total	30,116,116	21,970,089	32,923,133	19,163,072

2. PENDING STAFF PAYABLES (See Annex 2)

	Balance b/f FY 2019/2020	Additions for the period	Paid during the year	Balance c/f FY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Senior management	1,368,300	802,200	(1,368,300)	802,200
Middle management	744,630	1,194,468	(744,630)	1,194,468
Unionisable employees	-	-	-	-
Others	1,034,080	2,842,500	(1,034,080)	2,842,500
Total	3,147,010	4,839,168	(3,147,010)	4,839,168

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. OTHER PENDING PAYABLES (See Annex 3)

	Balance b/f FY 2019/2020	Additions for the period	Paid during the year	Balance c/f FY 2020/2021
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government entities	-	-	(-)	-
Amounts due to County Government entities	-	-	(-)	-
Amounts due to third parties	-	-	(-)	-
Total	-	-	(-)	-

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

4. EXTERNAL ASSISTANCE

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
External assistance received in cash	-	-
External assistance received as loans and grants	-	-
External assistance received in kind- as payment by third parties	-	-
Total	-	-

a) External assistance relating loans and grants

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
External assistance received as loans	-	-
External assistance received as grants	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

b) Undrawn external assistance

	Purpose for which the undrawn external assistance may be used	FY 2020/2021	FY 2019/2020
Description		Kshs	Kshs
Undrawn external assistance - loans		-	-
Undrawn external assistance - grants		-	-
Total		-	-

c) Classes of providers of external assistance

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

d. Non-monetary external assistance

Description	FY 2020/2021	FY 2019/2020
	Kshs	Kshs
Goods	-	-
Services	-	-
Total	-	-

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

N/B: Disclose the basis on which the value of goods and services were determined (This may be by : depreciated historical cost of physical assets, price attached on the goods, an assessment of value by the management of transferor, recipient on Third Party, Fair value measurement.

e. Purpose and use of external assistance.

PAYMENTS MADE BY THIRD PARTIES		FY 2020/2021	FY 2019/2020
Description		Kshs	Kshs
Compensation of Employees		-	-
Use of goods and services		-	-
Subsidies		-	-
Transfers to Other Government Units		-	-
Other grants and transfers		-	-
Social Security Benefits		-	-
Acquisition of Assets		-	-
Finance Costs, including Loan Interest		-	-
Repayment of principal on Domestic and Foreign borrowing		-	-
Other Payments		-	-
TOTAL		-	-

N/B The above sub-classification will be adopted based on the purpose of the external assistance and how the external assistance was used.

TAITA TAVETA COUNTY ASSEMBLY
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

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

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

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

This relates to payments done directly to supplier on behalf of the county governments such as; national government may fund the operation of health or education program, a donor may pay directly for construction of a given market etc.

Classification by Source

	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
National government	-	-
Multilateral donors	-	-
Bilateral donors	-	-
International assistance organization	-	-
NGOs	-	-
National Assistance Organization	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Classification of payments made by Third Parties by Nature of expenses

PAYMENTS MADE BY THIRD PARTIES	FY 2020/2021	FY 2019/2020
Description	Kshs	Kshs
Compensation of Employees	-	-
Use of goods and services	-	-
Subsidies	-	-
Transfers to Other Government Units	-	-
Other grants and transfers	-	-
Social Security Benefits	-	-
Acquisition of Assets	-	-
Finance Costs, including Loan Interest	-	-
Other Payments	-	-
TOTAL	-	-

6. RELATED PARTY DISCLOSURES

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

The following comprise of related parties to the County Assembly:

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

TAITA TAVETA COUNTY ASSEMBLY
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Related party transactions:

	FY 2020/2021	FY 2019/2020
	Kshs	Kshs
Compensation to Key Management		
Compensation to the Speaker, Deputy Speaker and the MCAs	-	-
Key Management Compensation (Clerk and Heads of departments)	-	-
Total Compensation to Key Management	-	-
Transfers to related parties		
Transfers to other County Government Entities such as car and mortgage schemes	-	7,500,000.00
Transfers to County Corporations	-	-
Transfers to non reporting entities e.g ECD centres, welfare centres etc	-	-
Total Transfers to related parties	-	7,500,000.00
Transfers from related parties		
Transfers from the County Executive- Exchequer	569,038,638	587,000,000
Payments made on behalf of the County Assembly by other Government Agencies	-	-
Payments made on behalf of County Assembly	22,374,523	-
Total Transfers from related parties	591,413,161	587,000,000

7. Contingent Liabilities

Contingent liabilities	2020-2021	2019-2020
	Kshs	Kshs
Court case against the entity	-	-
Bank guarantees in favour of subsidiary	-	-
contingent liabilities arising from PPPs	-	-
Total	-	-

(Give details- Update ANNEX 6 Contingent liabilities register)

TAITA TAVETA COUNTY ASSEMBLY
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8. PROGRESS ON FOLLOW ON PRIOR YEAR AUDITOR’S RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
3.0	Unsupported Expenditure	All expenditures are supported	Resolved	

Guidance Notes:

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



Sign.....
 CPA Gadiel Mnyambo Maghanga
 ICPAK NO: 24552
 Clerk of the County Assembly
 Date 20/01/2022

TAITA TAVETA COUNTY ASSEMBLY
 Reports and Financial Statements
 For the year ended June 30, 2021

ANNEXES

ANNEX 1 – ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Date Contracted	Original Amount	balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
			a	b	c	d=a+b-c	
Construction of buildings							
1.							
2.							
3.							
Sub-Total							
Construction of civil works							
4.							
5.							
Sub-Total							
Supply of goods							
Bahari Filing Station	18/11/2020	499,999.80				499,999.80	
Dekimm	13/11/2020	849,655.10				849,655.10	
Dolack Pharmaceutical Ltd	4/12/2020	119,750.00				119,750.00	
Dolack Pharmaceuticals Ltd	14/12/2020	123,650.00				123,650.00	
Francil Agencies	3/3/2021	247,000.00				247,000.00	
Gracious Tents	3/8/2020	849,800.00				849,800.00	
Imagine Brands Limited	30/06/2021	4,787,000.00				4,787,000.00	
Interzone web café	18/06/2021	297,660.00				297,660.00	
Jumejo	22/02/2021	96,000.00				96,000.00	
Litez Computers & Stationery	22/04/2021	376,000.00				376,000.00	
Litez Computers & Stationery	22/04/2021	463,000.00				463,000.00	
Steve Ventures	12/3/2021	481,000.00				481,000.00	
Tagho Dairy Farmers Co-operative Society	13/10/2020	33,400.00				33,400.00	

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Supplier of Goods or Services	Date Contracted	Original Amount	balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
Trade Magnet	15/03/2021	662,942.00				662,942.00	
Zipak	17/05/2021	499,999.80				499,999.80	
Zipak	30/06/2021	36,332.60				36,332.60	
Zipak	15/06/2021	626,280.00				626,280.00	
Sub-Total		11,049,469				11,049,469	
Supply of services							
AAR		422,134.00				422,134.00	
Cavan Insurance Agency Ltd	10/5/2021	759,885.00				759,885.00	
John Bwire	27/07/2020	514,999.24				514,999.24	
K.S.G Embu	5/3/2021	132,500.00				132,500.00	
K.S.G Mombasa	23/03/2021	97,440.00				97,440.00	
K.S.G Mombasa	3/3/2021	313,200.00				313,200.00	
Kate Ventures	23/02/2021	139,000.00				139,000.00	
KISM	20/04/2021	304,950.00				304,950.00	
Lavender Hotels Ltd	29/07/2020	42,000.00				42,000.00	
Lavender Hotels Ltd	6/10/2020	36,000.00				36,000.00	
Lavender Hotels Ltd	11/3/2021	18,000.00				18,000.00	
Lavender Hotels Ltd	24/03/2021	187,000.00				187,000.00	
Lavender Hotels Ltd	14/04/2021	165,000.00				165,000.00	
Lavender Hotels Ltd	23/02/2021	54,000.00				54,000.00	
MFI	19/09/2019	46,400.00				46,400.00	
Mombasa Beach Hotel	19/09/2019	112,000.00				112,000.00	
Mombasa Beach Hotel	20/02/2020	228,500.00				228,500.00	
Mombasa Beach Hotel	28/02/2020	54,450.00				54,450.00	
Mombasa Beach Hotel	30/09/2020	112,000.00				112,000.00	
Mombasa Beach Hotel	4/11/2020	187,900.00				187,900.00	
Mombasa Beach Hotel	16/02/2021	91,000.00				91,000.00	
Mombasa Beach Hotel	21/04/2021	291,550.00				291,550.00	
Mombasa Beach (VSL)	6/10/2020	94,000.00				94,000.00	
Mombasa Beach Hotel	15/03/2021	151,500.00				151,500.00	

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Supplier of Goods or Services	Date Contracted	Original Amount	balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
Mombasa Beach Hotel	15/03/2021	200,800.00				200,800.00	
Mombasa Beach Hotel	14/04/2021	66,000.00				66,000.00	
Mombasa Beach Hotel	2/6/2021	305,000.00				305,000.00	
Mombasa Beach Hotel	26/05/2021	298,600.00				298,600.00	
Mombasa Beach Hotel	31/05/2021	232,000.00				232,000.00	
Mzewake Investments	17/03/2021	599,100.00				599,100.00	
Panlis Resort	18/09/2020	30,000.00				30,000.00	
Panlis Resort	25/09/2020	32,000.00				32,000.00	
Ryal Suppliers	17/06/2021	775,000.00				775,000.00	
Sagala Lodge	14/06/2021	77,000.00				77,000.00	
Sagala Lodge	23/06/2021	94,000.00				94,000.00	
Sagala Lodge	11/6/2021	88,000.00				88,000.00	
Shades of Africa	30/11/2020	352,000.00				352,000.00	
Shades of Africa	22/12/2020	5,500.00				5,500.00	
Taita Rocks	25/01/2021	55,500.00				55,500.00	
Taita Rocks	4/2/2021	112,450.00				112,450.00	
Tsavo Insurance Agency	26/08/2020	235,244.00				235,244.00	
Sub-Total		8,113,602				8,113,602	
Grand Total		19,163,072				19,163,072	
Note: Pending bills comprise goods and services rendered and invoiced but not yet settled and does not include commitments							

TAITA TAVETA COUNTY ASSEMBLY
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ANNEX 2 – ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
		A	b	C	d=a-c		
RENSON MAMBARIA		59,800.00	20/02/2020		59,800.00		
JOSEPH WADUU		59,800.00	28/02/2020		59,800.00		
JOSEPH WADUU		17,800.00	30/09/2020		17,800.00		
WILLIAM SOWA		17,800.00	4/11/2020		17,800.00		
JOSEPH WADUU		34,600.00	16/02/2021		34,600.00		
PHELIS MWAMBERE		59,500.00	21/04/2021		59,500.00		
JAMES MWANG'OMBE		25,000.00	6/10/2020		25,000.00		
GADIEL MAGHANGA		22,000.00	10/5/2021		22,000.00		
WILLIAM SOWA		26,200.00	27/07/2020		26,200.00		
FREDRICK MWABILI		26,200.00	5/3/2021		26,200.00		
GADIEL MAGHANGA		73,200.00	23/03/2021		73,200.00		
FREDRICK MWABILI		62,000.00	3/3/2021		62,000.00		
PHELIS MWAMBERE		90,000.00	23/02/2021		90,000.00		
GADIEL MAGHANGA		106,800.00	29/07/2020		106,800.00		
JOSEPH WADUU		90,000.00	6/10/2020		90,000.00		
GADIEL MAGANGA		31,500.00	11/3/2021		31,500.00		
Sub-Total		802,200.00			802,200.00		

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MARY AMBI	33,600.00	20/02/2020	33,600.00		
MCHIKIRWA NDELEJAI	28,000.00	28/02/2020	28,000.00		
MARGARET MWANGUO	76,000.00	30/09/2020	76,000.00		
MARGARET MWANGUO	90,000.00	4/11/2020	90,000.00		
YUSTINA KUNDERI	59,800.00	16/02/2021	59,800.00		
MARY AMBI	62,000.00	21/04/2021	62,000.00		
MARGARET MWANGUO	42,000.00	6/10/2020	42,000.00		
MARGARET MWANGUO	51,400.00	15/03/2021	51,400.00		
MARGARET MWANGUO	10,668.00	14/04/2021	10,668.00		
JENTAH MWARUMA	56,400.00	2/6/2021	56,400.00		
MARGARET MWANGUO	56,400.00	26/05/2021	56,400.00		
MARY AMBI	34,600.00	31/05/2021	34,600.00		
JENTAH MWARUMA	16,800.00	17/03/2021	16,800.00		
MARGARET MWANGUO	16,800.00	18/09/2020	16,800.00		
JEMIMA WUGHANGA	16,800.00	25/09/2020	16,800.00		
YUSTINA KUNDERI	34,600.00	17/06/2021	34,600.00		
YUSTINA KUNDERI	16,800.00	14/06/2021	16,800.00		
MARY AMBI	16,800.00	23/06/2021	16,800.00		
MARGARET MWANGUO	33,600.00	11/6/2021	33,600.00		
MWAKE GITHINJI	47,600.00	30/11/2020	47,600.00		
JOHN NJORE	16,800.00	31/05/2021	16,800.00		
JOHN NJORE	14,000.00	20/02/2020	14,000.00		
MARY AMBI	15,000.00	28/02/2020	15,000.00		
YUSTINA KUNDERI	26,200.00	30/09/2020	26,200.00		
MARY AMBI	26,200.00	4/11/2020	26,200.00		
MWAKE GITHINJI	10,000.00	16/02/2021	10,000.00		
MARY AMBI	62,000.00	21/04/2021	62,000.00		
JOHN NJORE	21,000.00	6/10/2020	21,000.00		
MCHIKIRWA NDELEJAI	21,000.00	14/06/2021	21,000.00		
JOHN NJORE	22,400.00	23/06/2021	22,400.00		
YUSTINA KUNDERI	34,600.00	31/05/2021	34,600.00		

TAITA TAVETA COUNTY ASSEMBLY

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MARGARET MWANGUO	90,000.00		18/11/2020	90,000.00	
MARY AMBI	34,600.00		13/11/2020	34,600.00	
Sub-Total	1,194,468.00		4/12/2020	1,194,468.00	
STANLEY MWAKIO	28,000.00		14/12/2020	28,000.00	
ESTHER MCHIGHANI	28,000.00		3/3/2021	28,000.00	
REBECCA GATUMI	16,800.00		3/8/2020	16,800.00	
ESTHER MWAKINA	37,500.00		30/06/2021	37,500.00	
BEATRICE KIWINGA	62,000.00		18/06/2021	62,000.00	
REBECCA GATUMI	31,500.00		22/02/2021	31,500.00	
WILFRED MSENGETI	22,000.00		22/04/2021	22,000.00	
ESTHER MWAKINA	22,000.00		22/04/2021	22,000.00	
RAMADHAN ITAMBO	36,000.00		22/04/2021	36,000.00	
SHEILA KAMANZI	22,000.00		20/02/2020	22,000.00	
ROBERT MWAISAKA	73,200.00		28/02/2020	73,200.00	
DENNIS KICHIKIRO	43,800.00		30/09/2020	43,800.00	
RAMADHAN ITAMBO	50,000.00		4/11/2020	50,000.00	
GODWIN MACHILA	20,000.00		16/02/2021	20,000.00	
ALLAN MWASHUMBE	20,000.00		21/04/2021	20,000.00	
SHEILA KAMANZI	20,000.00		6/10/2020	20,000.00	
FLORENCE SHAKE	50,800.00		10/5/2021	50,800.00	
KENNETH MCHARO	22,000.00		27/07/2020	22,000.00	
JOSEPH MWAKISHA	22,000.00		5/3/2021	22,000.00	
ROBERT MWAISAKA	22,000.00		23/03/2021	22,000.00	
BASHIR RAMADHAN	13,600.00		3/3/2021	13,600.00	
PRISCAH MWANDOE	35,000.00		23/02/2021	35,000.00	
SHANNEL MACHU	39,600.00		23/02/2021	39,600.00	
FLORENCE SHAKE	39,600.00		23/02/2021	39,600.00	
SIBLINA MWASHIGHADI	39,600.00		20/02/2020	39,600.00	
PAULINE MWABILI	39,600.00		28/02/2020	39,600.00	
PRISCAH MWANDOE	39,600.00		30/09/2020	39,600.00	
RODGERS MAGHANGA	39,600.00		4/11/2020	39,600.00	
NELLY MANGA	24,900.00		16/02/2021	24,900.00	
GRACE MWALUGHWA	14,000.00		21/04/2021	14,000.00	
STANLEY MWAKIO	14,000.00		6/10/2020	14,000.00	

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KENNEDY OYUGI	14,000.00	25/09/2020	14,000.00		
STANLEY MWAKIO	14,000.00	17/06/2021	14,000.00		
SHANNEL MACHU	29,000.00	14/06/2021	29,000.00		
ALLAN MWASHUMBE	14,000.00	20/02/2020	14,000.00		
JONATHAN MWAKACHOLA	14,000.00	28/02/2020	14,000.00		
STANLEY MWAKIO	22,400.00	30/09/2020	22,400.00		
JOSEPH MWAKISHA	14,000.00	4/11/2020	14,000.00		
ZUHURA REHEMA	14,000.00	16/02/2021	14,000.00		
WILSON MNYAMWEZI	14,000.00	21/04/2021	14,000.00		
SIBLINA MWASHIGHADI	28,000.00	6/10/2020	28,000.00		
FLORENCE SHAKE	28,000.00	15/03/2021	28,000.00		
BENJAMIN MWASHUMBE	28,000.00	14/04/2021	28,000.00		
SHANNEL MACHU	29,000.00	2/6/2021	29,000.00		
PAULINE MWABILI	29,000.00	26/05/2021	29,000.00		
BENJAMIN MWASHUMBE	21,000.00	31/05/2021	21,000.00		
ANTHONY WARIGHE	76,000.00	17/03/2021	76,000.00		
PRISCAH MANDOE	66,000.00	18/09/2020	66,000.00		
GRACE MEALUNGWA	8,000.00	25/09/2020	8,000.00		
PAULINE MWABILI	35,000.00	17/06/2021	35,000.00		
SIBLINA MWASHIGHADI	35,000.00	14/06/2021	35,000.00		
PAUL MWANDIMA	21,000.00	23/06/2021	21,000.00		
JONATHAN MWAKACHOLA	35,000.00	11/6/2021	35,000.00		
KENNETH MCHARO	50,800.00	30/11/2020	50,800.00		
ZUHURA REHEMA	62,000.00	23/02/2021	62,000.00		
FLORENCE SHAKE	11,200.00	25/09/2020	11,200.00		
BENJAMIN MWASHUMBE	47,600.00	17/06/2021	47,600.00		
GABRIEL ZAI	22,400.00	14/06/2021	22,400.00		
PRISCAH MWANDOE	25,000.00	23/06/2021	25,000.00		
NELLY MANGA	20,000.00	11/6/2021	20,000.00		

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STANLEY MWAKIO	16,800.00	14/04/2021	16,800.00
ABIGAEEL MATHAYO	15,000.00	2/6/2021	15,000.00
KENNETH MCHARO	15,000.00	26/05/2021	15,000.00
BEATRICE KIWINGA	15,000.00	31/05/2021	15,000.00
REBECCA GATUMI	6,000.00	26/05/2021	6,000.00
JONES MWAILONGO	8,400.00	15/03/2021	8,400.00
GABRIEL ZAI	14,000.00	14/04/2021	14,000.00
JOSEPH MWAKISHA	22,000.00	2/6/2021	22,000.00
ZUHURA REHEMA	22,000.00	26/05/2021	22,000.00
KENNETH MCHARO	22,000.00	31/05/2021	22,000.00
WILSON MNYAMWEZI	22,000.00	17/03/2021	22,000.00
RODGERS MAGHANGA	9,000.00	18/09/2020	9,000.00
ZUHURA REHEMA	9,000.00	25/09/2020	9,000.00
GEORGE MZUNGU	5,700.00	17/06/2021	5,700.00
ZUHURA REHEMA	50,800.00	14/06/2021	50,800.00
KERINE MZAE	31,200.00	23/06/2021	31,200.00
RODGERS MAGHANGA	50,800.00	11/6/2021	50,800.00
JONES MWAKISHA	25,200.00	30/11/2020	25,200.00
GALTON KIJANA	44,800.00	25/09/2020	44,800.00
THOMAS MWAKABA	25,200.00	17/06/2021	25,200.00
ZUHURA REHEMA	21,000.00	14/06/2021	21,000.00
KENNEDY OYUGI	21,000.00	23/06/2021	21,000.00
BRIAN MWANDATA	21,000.00	11/6/2021	21,000.00
ZUHURA REHEMA	73,200.00	14/04/2021	73,200.00
RODGERS MAGHANGA	73,200.00	2/6/2021	73,200.00
STANLEY MWAKIO	67,200.00	26/05/2021	67,200.00
WILSON MNYAMWEZI	73,200.00	31/05/2021	73,200.00
MELITA MENING'ISHO	12,600.00	17/03/2021	12,600.00
GILAD MKALA	12,600.00	18/09/2020	12,600.00
STANLEY MWAKIO	22,400.00	25/09/2020	22,400.00
KENNETH MCHARO	29,000.00	17/06/2021	29,000.00
JOSEPH MWAKISHA	29,000.00	14/06/2021	29,000.00
ZUHURA REHEMA	29,000.00	23/06/2021	29,000.00
WILSON MNYAMWEZI	29,000.00	11/6/2021	29,000.00

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			30/11/2020			
CHRISPIN KIJANA		21,000.00	18/09/2020		21,000.00	
GABRIEL ZAI		21,000.00	25/09/2020		21,000.00	
JONES MWAILONGO		12,600.00	17/06/2021		12,600.00	
THOMAS LOMBOLA		8,400.00	14/06/2021		8,400.00	
THOMAS LOMBOLA MWAKABA		20,100.00	23/06/2021		20,100.00	
Sub Total		2,842,500.00	-	-	2,842,500.00	
Grand Total		4,839,168			4,839,168	

TAITA TAVETA COUNTY ASSEMBLY
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ANNEX 3 – ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2020/2021	Outstanding Balance 2019/2020	Comments
			a	b	c=a-b		
Amounts due to National Govt Entities							
1.							
2.							
3.							
Sub-Total							
Amounts due to County Govt Entities							
4.							
5.							
6.							
Sub-Total							
Amounts due to Third Parties							
7.							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total							

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ANNEX 4 – SUMMARY OF NON-CURRENT ASSET REGISTER

Asset class	Historical Cost b/f (KShs) 2019/20	Additions during the year (KShs)	Disposals during the year (KShs)	Transfers in/(out)	Historical Cost c/f (KShs) 2020/2021
Land					
Buildings and structures	87,266,681	2,807,017			90,073,698
Transport equipment	11,865,234				11,865,234
Office equipment, furniture and fittings	859,064	-			859,064
ICT Equipment	9,792,955	1,565,047			11,358,002
Machinery and Equipment					
Biological assets					
Infrastructure Assets					
Heritage and cultural assets					
Intangible assets					
Work In Progress					
Total	109,783,935	4,372,064			114,155,998

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

TAITA TAVETA COUNTY ASSEMBLY
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ANNEX 5 – ANALYSIS OF ACCOUNTS RECIVABLES

(a) Government Imprest

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>KShs</i>	<i>KShs</i>	<i>KShs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
<i>Name of Officer or Institution</i>	dd/mm/yy	-	-	-
Total				-

(b) Salary Advance

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



TAITA TAVETA COUNTY ASSEMBLY
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ANNEX 6: CONTINGENT LIABILITIES REGISTER

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

TAITA TAVETA COUNTY ASSEMBLY
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ANNEX 7 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Reports from IFMIS)