

REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

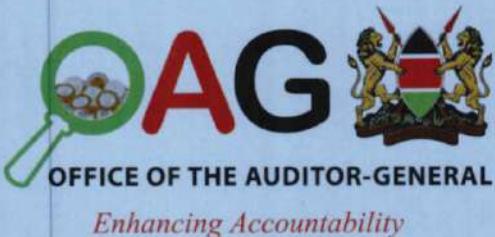
ON

COUNTY EXECUTIVE OF KIAMBU

**FOR THE YEAR ENDED
30 JUNE, 2024**

REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF KIAMBU FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

- A. Report on 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 the 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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- 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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Executive of Kiambu set out on pages 1 to 72, which comprise the statement of assets and liabilities as at

30 June, 2024 and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the County Government of Kiambu as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

1.1 Compensation of Employees

The statement of receipts and payments and as disclosed in Note 3 to the financial statements reflects compensation of employee expenditure totalling Kshs.7,890,419,502. However, review of records provided revealed the following;

1.1.1 Variances in Compensation of Employees

Computation of employee cost from the Integrated Payroll Personnel Database (IPPD) revealed staff costs totalling Kshs.7,876,820,240 resulting to an unreconciled variance of Kshs.13,599,262 relating to personal allowances paid as part of salary for drivers. No explanation was provided as to why the payment was made outside the payroll.

1.1.2 Inaccuracies in Consolidated Earnings and Use of a Manual Payroll

Included in the compensation of employees amount of Kshs.7,890,419,502 as disclosed in Note 3 to the financial statements is total cost of the manual payroll for the six-month period; July, 2023 to December, 2023 amounting to Kshs.65,254,713. It was noted that the County processed payrolls using both the Integrated Payroll and Personnel Database (IPPD) and a manual payroll system. The manual payrolls processed an average of 250 staff per month while IPPD had an average of 6,200 employees. Review of the manual payroll for the six (6) months revealed that earnings and deductions were not itemized by individual allowances or respective deductions making it difficult to confirm the accuracy of the earnings and deductions in the affected payrolls.

Further, it was noted that the amount totalling Kshs.165,307,862 paid as wages and emoluments though the manual payroll exposes the County to the practice of claiming

salaries on behalf of ghost employees through workers who have died, retired or deserted their duties.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2. Irregular Payments Under Use of Goods and Services

The statement of receipts and payments and as disclosed in Note 4 of the financial statements reflects use of goods and services expenditure totalling Kshs.2,426,202,984. However, review of records provided revealed the following anomalies;

2.1 Meal Allowance

Included in use of goods and services expenditure totalling Kshs.2,426,202,984 is an amount of Kshs.96,116,280 relating to domestic travel and subsistence out of which sampled payments vouchers under the expenditure revealed payment of meal allowances amounting to Kshs.2,248,568 to officers. However, the duties performed and for which the allowances were based were the ordinary duties for which the officers are employed to carry out. Justification on why staff were getting extra payments for performing their normal duties within their workstations was not provided.

2.2 Extraneous Allowance

Included in use of goods and services expenditure totalling Kshs.2,426,202,984 is an amount of Kshs.96,116,280 relating to domestic travel and subsistence. Review of payment vouchers provided revealed that the County Executive paid extraneous allowances amounting to Kshs.854,400 to officers through payment vouchers yet extraneous allowance is a payroll function and should be subjected to taxation at applicable rates as per Income Tax Act. In addition, the payments were not as per the respective job group extraneous allowance rate, rather all the officers were paid a constant amount of Kshs.15,000 per month.

2.3 Drivers' Allowances

Included in the expenditure totalling Kshs.96,116,280 relating to domestic travel and subsistence was extraneous allowances of Kshs.3,483,300 paid to various drivers attached to the Executive Offices. These payments were not made through the payroll system and were not subjected to taxation at applicable rates as per the Income Tax Act. Further, the payments were not aligned per job group and the rate used could not be verified. It was not clear as to why the drivers are compensated twice for their normal duties as per their job description through their basic salaries and allowances drawn.

2.4 Allowances to Members of the County Assembly

Review of payments for domestic travel and allowances revealed that the County Executive paid an amount of Kshs.6,712,000 to members of Kiambu County Assembly as subsistence and travel allowance to attend a consultative workshop in Nakuru and discussion of Early Childhood and Development Education (ECDE) Bill. However, the

above expenditure was not budgeted in the financial year under review. Further, the allowances were not recorded as imprest or surrendered or accounted for. In addition, no explanation was provided as to why the activities of the County Assembly were funded by the County Executive, yet they have their own budget.

2.5 Subscriptions to Council of Governors

The statement of receipts and payments and as disclosed in Note 4 to the financial statements reflect use of goods and services balance of Kshs.2,426,202,984 which includes payments for other operating expenses totalling Kshs.356,772,437. Analysis of payments under other operating expenses revealed that payments totalling Kshs.6,573,000 were paid to Council of Governors and KICOSCA as subscriptions made by the County Government of Kiambu that ought to have been paid by the National Government.

2.6 Allowances for Revenue Enhancement Activities

Review of the documents provided for audit revealed that the County Executive incurred an expenditure of Kshs.1,699,060 for the facilitation of revenue enhancement. It was not clear as to why the officers drew allowances for their normal duties and the hire of equipment to cater for the meetings yet the County has several County offices across the twelve (12) sub-counties.

2.7 Unreconciled Payables

Disclosed in other important disclosures under Note 20 to the financial statements is pending payables totalling to Kshs.6,620,512,229 comprising of pending accounts payables Kshs.4,613,807,818, pending staff payables Kshs.25,138,460 and other pending payables Kshs.1,981,565,951. However, reported in Thika Level 5 Hospital is customer refundable deposits of Kshs.1,379,179 which were not disclosed as payables in the County Executive of Kiambu books of account as outstanding payables.

In the circumstances, the accuracy and completeness of the pending accounts payable could not be confirmed.

3. Issuance of Multiple Imprest and Unsurrendered Imprest

The statement of assets and liabilities reflects a balance of Kshs.801,440 in respect of outstanding imprests and advances as disclosed in Note 14 to the financial statements. Review of sampled payment vouchers revealed an expenditure totalling Kshs.790,700 incurred in bursary cheque payments under Kabete. Further, it was noted that the County Executive had a budget of Kshs.2,460,230 for the inaugural of Boy Child Day on 26 February, 2024. Included in the budget amount was payments of Kshs.625,000 and Kshs.663,000 used for transport cost and the other drawn for celebration of the same event held on 5 April, 2024 respectively. There was no approval for the transport cost or evidence of the same.

The irregular use of imprest increases the risk of misappropriation and accounted for funds.

4. Misclassification of Expenditure Under Acquisition of Assets

The statement of receipts and payments and Note 9 to the financial statements reflects an amount of Kshs.3,295,484,480 under acquisition of assets. Included in the amount is Kshs.204,987,634 which relates to purchase of specialized plant, equipment and machinery. Review of documents provided for audit revealed that the County Executive made payments amounting to Kshs.6,246,246 as extraneous allowances paid to various members of staff attached in the executive office. These payments were not made through the payroll system and subjected to taxation at the applicable rates as per the Income Tax Act.

In the circumstances, the County did not adhere to the standard chart of accounts approved by The National Treasury and approved budget and therefore, the accuracy and completeness of Kshs.3,295,484,480 under acquisition of assets could not be confirmed.

5. Unsupported Expenditure under Acquisition of Assets

The statement of receipts and payments and Note 9 to the financial statements reflects acquisition of assets amounting to Kshs.3,295,484,480. Review of records provided revealed the following;

5.1 Payment for Unbudgeted Supplies

The expenditure of Kshs.3,295,484,480 under acquisition of assets includes an amount is Kshs.12,875,728 which relates to purchase of household furniture and institutional equipment. Payment Vouchers provided for audit revealed that this amount related to the supply and delivery of litter bins and skip bins material through the Department of Water, Environment, Energy and Natural Resources. However, the items were not in the budget and procurement plan.

5.2 Irregular Payment of Pending Bill

The County Expenditure under the Department of Roads paid an amount of Kshs.71,816,015 as pending bills. Included in the amount is Kshs.24,887,028 which was paid without verification or audited to confirm their authenticity. It was therefore not possible to establish if the bills were eligible for payment. Further, the Department had more pending bills that had been audited and recommended for payment but they were not paid.

In the circumstances, Management was in breach of law and the propriety of the expenditure totalling Kshs.37,762,756 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the County Executive of Kiambu Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe

that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.21,458,869,952 and Kshs.17,709,147,271 respectively, resulting in under-funding of Kshs.3,749,722,681 or 17% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totaling to Kshs.21,458,869,952 and Kshs.17,557,270,125 respectively, resulting to under absorption of Kshs.3,901,599,827 or 18% of the budget.

The underfunding and under absorption of approved budget is an indication that all activities and projects in the annual work-plan were not implemented by the County Executive which may have negatively impacted on the delivery of services to the public.

2. Late Exchequer Releases

The statement of receipts and payments reflects transfers from County Revenue Fund in form of Exchequer releases amounting to Kshs.16,439,984,407. Review of revenue records provided for audit revealed that funds amounting to Kshs.2,139,821,678 or 19% of the Exchequer releases were received during the month of June, 2024, an indication of delayed disbursements of funds by The National Treasury.

Late disbursement of Exchequer releases by The National Treasury impacted negatively on service delivery to the citizens of Kiambu County.

3. Low Absorption of Development Expenditure

The statement of receipts and payments reflects total payments amounting to Kshs.17,557,270,125 and the summary statement of appropriation - development reflects actual development expenditure amounting to Kshs.3,444,526,534 which represents 20% of the total expenditure for the year contrary to Regulation 25(1)(g) of the Public Finance Management (County Governments) Regulations, 2015 which requires the County Executive to spend at least 30% of the actual expenditure on development purposes.

4. High Rate of Contingent Liabilities

Annex 8 to the financial statements reflects contingent liabilities relating to Court cases against the County Executive of Kiambu amounting to Kshs.517,322,175. Unless the contingent liability is prudently addressed, there are likelihood of unforeseen risks against the County.

My opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Prior Year Audit Issues

In the audit report of the previous year, several matters were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. Appendix II on progress on follow up of prior year Auditor's recommendations indicate that the issues are under discussion in the Assembly. However, Management has not provided evidence on how the resolution was arrived at. Therefore, the matters remain unresolved.

Other Information

The Management is responsible for the other information set out on page i to xciv which comprise of, Key Entity Information and Management, Governance Statement, Forward by the CECM Finance and Economic Planning, Statement of Performance against County Predetermined Objectives, Environmental And Sustainability Reporting, Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the County Executive of Kiambu financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information and I am required to report that fact. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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. Irregularities in Human Resource Management

1.1 Non-Compliance with Fiscal Responsibility Principles

Note 3 to the financial statements reflects compensation of employee expenditure totalling Kshs.7,890,419,502. The amount represents approximately 48% of the total revenue of Kshs.16,439,984,407. Therefore, the County Executive contravened Regulation 25(1)(a) and (b) of the Public Finance Management County Government Regulations, 2015 which requires that the expenditure set should not exceed thirty-five (35) percent. The County Executive is in breach of the law and the high wage bill may not be sustainable on long term period.

1.2 Late Remittance of Statutory Deductions

Analysis of the payroll data provided for audit revealed that the County Executive had deducted staff NSSF and NHIF statutory which were remitted late contrary to the requirement of NHIF act and NSSF Act as summarized on the table below;

NHIF		
Month	Amount (Kshs)	Pay Date
Jul-23	8,157,450	10 August, 2023
Dec-23	8,055,700	31 January, 2024
Jan-24	Spilt Amount	19 February, 2024
Apr-24	7,547,350	13 May, 2024

NSSF		
Month	Amount (Kshs)	Pay Date
Jul-23	10,865,140	11 August, 2023
Dec-23	8,702,520	31 January, 2024
Jan-24	Spilt Amount	19 February, 2024
Apr-24	8,513,880	15 May, 2024

Late remittance of NSSF and NHIF deduction is contrary to Section 20(1A) of the National Social Security Fund (NSSF) Act, 2013 and Section 18(1) of the National Hospital Insurance Fund (NHIF) Act, 2012 respectively and the County Executive may be liable to penalty and interests due to late payment of deducted statutory deductions.

1.3 Unapproved Payroll Data

The County Executive maintains both Integrated Personnel and Payroll Database (IPPD) and a manual payroll for employees not yet included in the data base. An interaction with the Human Resource Management revealed that payroll data was not reviewed and approved by the Accounting Officers for the various Departments before the salary payments were processed. This was contrary to Section 148(1) of the Public Finance Management Act, 2012 which states that the County Executive Committee Member for

Finance shall, except as otherwise provided by law, in writing designate Accounting Officers to be responsible for managing the finances of the County Government entities as is specified in the designation.

1.4 Non-Compliance with National Ethnic Diversity

Review of the County Executive Integrated Payroll Personnel Database (IPPD) revealed that the Executive had six thousand, one hundred and forty-seven (6,147) members of staff as at 30 June, 2024. Analysis of the staff register for the month of June, 2024 revealed that five thousand, five hundred and thirty-six (5,536) representing 85% of total staff were from domicile community yet the County is a cosmopolitan in nature. Therefore, the County Executive contravened Section 7(1) and (2) of National Cohesion and Integration Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community.

1.5 Officers Earning less than Third Basic Pay

Analysis of the payroll data provided for audit revealed that there were one thousand, five hundred and seventy-five (1,575) employees being paid a net salary that is less than a third (1/3) of their basic pay during the year thus over committing their salary contrary to the provisions of the Human Resource Policies and Procedures Manual for the Public Service, 2016 Part C.1 (3) which stipulates that public officer shall not over-commit their salaries.

1.6 Failure to Follow Career Progression Guidelines

An analysis of the IPPD payroll data shows that twenty-nine (29) staff members had skipped more than one job group within a year. According to the Human Resource Policy, staff can only progress to the next job group after serving a minimum of three years in a given job group. Therefore, the progression of these twenty-nine (29) staff members was contrary to Section 120(3) of the Public Finance Management (County Governments) Regulations, 2015 states that at least once every month, the accounting officer shall certify the correctness of the payroll.

1.7 Employment of Revenue Officers on a Casual Basis

The revenue unit of the County Executive had a total of six hundred and seventy-seven (677) staff members. It was observed that there were two hundred and forty-three (243) revenue officers who were employed on a casual basis, although their work was continuous and amounting to the equivalent of at least one month which contravene the Employment Act of 2007, that defines a “casual employee” as an individual whose engagement terms stipulate daily payment and who is not engaged for more than twenty-four hours at a time.

The casual nature of this employment arrangement could lead to inconsistencies in revenue collection practices, resulting in inefficiencies and challenges in accurately tracking and reporting revenue. Further, the absence of long-term employment relationships may increase the risk of unethical behavior, such as corruption or

mismanagement, as casual workers may feel less accountable for their actions. This contravened Section 9(1)(a) of the Employment Act, 2007 which state that a contract of service for a period or a number of working days which amount in the aggregate to the equivalent, of three months or more; shall be in writing.

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

2. Irregular Procurement

2.1 Procurement of Medical Waste Transportation Truck

The County Executive purchased medical waste transportation truck from Isuzu East Africa Ltd using framework contracting amounting to Kshs.6,210,000. However, it was not clear why the County Executive used framework contracting method to procure as the medical waste transportation truck is definable and determinable at the beginning of the procurement process.

2.2 Payment for Supply and Delivery of General Office Stationaries

The County Executive awarded a local company a contract for supply and delivery of general office stationeries for the Department of Roads, Transport, Public Works and Utilities for an amount of Kshs.1,558,066. The supplier was notified on the award of the tender on 23 April, 2024 and the contract entered into 6 days after the award on 29 April, 2024 which was before fourteen days required by Section 135 of the Public Procurement and Assets Disposal Act, 2015.

Further, the County Executive entered into a contract with the same company on 29 April, 2024 for supply and delivery of general office stationeries at a cost of Kshs.1,558,066. Review of the procurement records and payment voucher revealed that the contract was awarded to the lowest bidder, despite their quoted price being higher than the requisition quoted price of Kshs.1,489,066 hence overpricing the contract by Kshs.69,000.

2.3 Procurement of Repair and Maintenance of Motor Vehicles

The County Executive awarded a contract to a local company to carry out service and repairs of two motor vehicles; 22CG284A and GKA 577P amounting to Kshs.368,899 and Kshs.903,209 respectively. Review of supporting documents revealed that the pre-inspection reports attached for both vehicles were done by the County Transport Manager who may not have the right skills to recommend the repairs to be carried out. However, though the Management provided a post inspection report, the report did not clearly communicate the individual works done and assessments of whether the repairs done met the expected standards. In absence of prior proper authorizations and lack of a detailed post inspection report value for money from the expenditure may not have been realized.

2.4 Procurement of Construction of a Perimeter Wall at Ruiru Hospital

A local company was contracted to construct a perimeter wall at Ruiru Hospital, Biashara Ward in Kiambu County at a contract sum of Kshs.12,183,714. However, it was noted that the supplier was notified of the award of the contract on 7 December, 2023, and the

contract entered into on the same date contrary to Section 135(3) of the Public Procurement and Assets Disposal Act, 2015 which states that, the written contract shall be entered into within the period specified in the notification but not before fourteen days have elapsed following the giving of that notification provided that a contract shall be signed within the tender validity period.

In addition, the timeline for completion of works was 60 days from the date the County hands over the site for works which should not exceed 14 days. Review of records provided for audit revealed that the project implementation team held their 2 meeting on 28 May, 2024 recommending the final payment to the contractor which was 160 days later indicating a delay in completion of the project and also Management did not recover the liquidated damages. Works completion certificate or inspection and acceptance committee report of the works was not provided.

2.5 Procurement in School Feeding Programme

2.5.1 Supply and Distribution of Long-Life Milk to various ECDEs

The County Executive entered into a contract with a local supplier for the supply and delivery of long-life milk for Kshs.20,765,472. From the professional opinion issued on 22 January, 2024 one local contractor was not responsive at the preliminary stage due to lack of a valid certified copy of food hygiene license but was awarded the tender for the supply of uji at a contract price of Kshs.25,101,120. This was after the successful bidder having met all the mandatory requirements which included a valid certified copy of food hygiene license.

In view of this, it's not clear why the procurement process of the two contracts was flawed in order to favour the winning bidder contrary to Article 227(1) of the Constitution of Kenya, 2010 which states that, a public entity shall enter into a contract shall do so in accordance with a system that is fair, equitable, transparent, competitive and cost-effective.

2.5.2 Supply and Delivery of Ujimix

The County Executive entered into a contract with a supplier for the supply and delivery of Ujimix for Kshs.25,101,120. From the professional opinion issued on 1 March, 2024 one local supplier was not responsive at the preliminary stage due to lack of a valid KEBS certificate. However, the supplier was awarded the supply of fortified uji flour at Kshs.5,723,412 despite being not responsive at the preliminary stage.

In view of this, it's not clear as to why the procurement process of the two contracts was flawed in order to favour the winning bidders.

2.6 Award of Contract for Repairs and Servicing of Motor Vehicles

A local garage was awarded a contract CGK/QTN/REV/VOL.1/23/003 of an amount of Kshs.1,825,736 for service and repair of two motor vehicles, KBZ 415D and KBY 819C through request for quotations. Examination of supporting documents revealed that the tender was advertised on 29 January, 2024 with a closing date of 5 February, 2024. One of preliminary evaluation criterions for the three suppliers was availing a copy of a valid

tax compliance certificate. However, the attached copy for the garage from the company that was awarded the tender was dated 09 April, 2024 which is 3 months after the closing date. Management did not support or explain how the supplier passed the preliminary evaluation stage with an invalid tax compliance certificate. Further, the two vehicles that went through service and repairs were not included in consolidated asset register as part of the vehicles owned by the County Executive.

2.7 Inconsistencies in Repairs and Servicing of Motor Vehicles

The County awarded a contract to a local company for provision of service and repair of various County motor vehicles an amount of Kshs.2,497,941. Included in the amount was Kshs.1,811,651 incurred to carry out repairs for a Ford Everest registration number 22CG0074A. The following anomalies were noted:

- i. The pre-inspection report indicated that the gear box was okay. However, bill of quantities provided had the gear box replaced for an amount of Kshs.685,000.
- ii. Other minor repairs were undertaken that were not part of the approved pre inspection report which made it difficult to verify the whole amount paid for the repairs and service undertaken for the Ford Everest.
- iii. A Subaru Forester registration Number 22CG 366A which was part of the repaired and serviced vehicles could not be traced as part of the vehicles from the County Executive consolidated asset register and thus it was not possible to verify if the repair cost related to the County's assets.

Further, the County awarded the same company a contract for servicing and repairing of various motor vehicles in the Finance and Economic Planning Department totalling Kshs1,319,689. The payment was made on 07 June, 2024. However, the following anomalies were observed:

- i. There were two notifications of award with two different dates provided. The notification of award to the company was issued on 28 April, 2024. However, the company had provided the letter of acceptance on 3 April, 2024. It was not clear why supplier accepted the contract even before the notification to award.
- ii. The contract was signed on 13 April, 2024 and the LPO issued on the same date however the company issued an invoice on 13 March, 2024 which is before the award was done and the LPO issued.
- iii. The payment voucher was not supported by the opening tender register and further the post inspection report provided did not have details of the works which were done.

In the circumstance, the value for money may not have been realised.

2.8 Irregularities in Partitioning of 3 Floor Boardroom

The County Executive awarded a local contractor the contract for rehabilitation and repartitioning of existing offices totalling Kshs.4,984,600. Included is a payment of Kshs.681,000 that was paid to partitioning of an existing boardroom to two separate boardrooms. The following anomalies were noted.

- i. According to bill a of Kshs.600,000 paid for partitioning works, inspection of works done revealed that the contractor used aluminum frames with 4 mm glass panels instead of a 9mm thick MDF solid panel set out in the Bills of Quantity hence it was not possible to ascertain the works done meet value for money.
- ii. Bill B of Kshs.69,000 was paid for aluminum doors with 2 lever mortise lock, however, the contractor installed a 1-lever mortise lock.
- iii. Bill C of Kshs.12,000 was paid for installation of a fixed sun control film frosted colored 2mm thick window panes however, it was not possible to confirm status since the rooms had the windows that have been in existence. Therefore, the works may not have been done but were paid for.

In the circumstances, Management was in breach of procurement law and value for money may not have been obtained from the procurements.

2.9 Irregular Expenditure

2.9.1 Supply, Installation and Commissioning of Streetlights

Examination of payment vouchers provided for audit revealed that the County Executive floated quotations to five (5) suppliers for the supply, installation and commissioning of streetlights 25*150W LED along Gituamba-Gwa Karechu road in Uthiru ward at an amount of Kshs.3,996,780. This was contrary to Legal Notice No.69 of Public Procurement and Assets Disposal Regulations 2020 that sets the maximum level of expenditure for request for quotation method as Kshs.3,000,000. Further, the officers who were appointed to the adhoc opening committee also performed the evaluation of the quotations which is contrary to the law.

2.9.2 Supply of Gravel to Burugu - Kinale Level 3 Hospital

Examination of payment vouchers provided for audit revealed that a local company was awarded a tender for the supply of gravel to Burugu -Kinale Level 3 Hospital, crusher slums and maternity access road in Lari, Kirenga ward at an amount of Kshs.5,247,120. From the professional opinion issued, it was noted that, the number of bids received were two and the quoted amount from the unsuccessful bidder was not made known to the accounting officer.

In view of this, the professional opinion was misleading to the Accounting Officer in the award of the tender.

2.9.3 Supply, Installation and Commission of Streetlights in Tingángá Ward

Examination of payment vouchers provided for audit revealed that the County Executive floated quotations to three (3) suppliers for the supply, installation and commission of 25 No of streetlights in Tingángá ward for Kshs.3,999,680. This was contrary to Legal Notice No.69 of Public Procurement and Assets Disposal Regulations 2020 that sets the maximum level of expenditure for request for quotation method as Kshs.3,000,000. . Further, there was no report from the evaluation adhoc committee, the professional opinion or a notification of award provided for audit.

2.9.4 Supply, Installation and Commission of Streetlights Karai Ward

Examination of payment vouchers provided for audit revealed that the County Executive floated quotations to five (5) suppliers for the supply, installation and commission of streetlights with 25*150W LED in Karai Ward for Kshs.3,999,674. This was contrary to Legal Notice No. 69 of Public Procurement and Assets Disposal Regulation 2020 that sets maximum level of expenditure allowed for quotation method of goods and services in Class A entity to be Kshs.2,000,000. Further, there was no report from the evaluation adhoc committee, professional opinion or a notification of award provided for audit.

2.9.5 Rehabilitation of Gwa Kimani - Disciple Road in Ngewa Ward

Examination of payment vouchers provided for audit revealed that the County Executive floated quotations to three (3) suppliers for the rehabilitation of Gwa Kimani - Disciple Road in Ngewa ward at Kshs.3,900,449. This was contrary to Legal Notice No.69 of Public Procurement and Assets Disposal Regulations 2020 that sets the maximum level of expenditure for request for quotation method as Kshs.3,000,000. . Further, the report from the evaluation adhoc committee, the professional opinion and the notification of award were not provided for audit.

In the circumstances, Management was in breach of procurement law and value for expenditure totalling Kshs.17,543,703 may not have been obtained from the works.

3.0 Unfair Award of Contracts

The Department of Finance incurred a total expenditure of Kshs.18,596,141 for motor vehicle routine maintenance. It was however noted from review of sampled payment vouchers amounting to Kshs.12,860,147 that the supplier was awarded almost 70% of the total cost. The County had a pre-qualified list of suppliers under the category of provision of motor vehicle garages and suppliers of spare parts for vehicles, plant and machinery. However, it was not clear why only one supplier got most of the works.

Further, the same company was awarded contracts totalling Kshs.4,434,638 by the Health Services Department. Review of the documents provided revealed that in all instances, only three bidders were requested to submit quotations. However, the awarded supplier consistently emerged as the lowest bidder and therefore the winner which

indicates a lack of bidder rotation in request for quotation. This undermines the spirit of competition and transparency.

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

4.0 Inconsistencies in Procurement Documents

The County Executive floated quotations to registered suppliers for the repair of vehicle registration no. 22CG067A. Examination of documents provided for audit revealed that three suppliers submitted their bid. A payment of Kshs.546,690 was made to the winning bidder and the following inconsistencies were noted. From the evaluation report, the second bidder did not proceed to the financial evaluation but was offered a notification of intention to award. The third bidder was also offered a notification of intention to award yet the evaluation report detailed that the quotation be issued to the first bidder and the notifications of the intention to award were dated the 23 February, 2023. This is a year before the bid documents were opened nor the professional opinion given.

Further, the winning bidder, accepted the notification of award on 9 February, 2024. This was before the invitation of bids which was done on the 13 February, 2024. There was no job card provided for the repair works performed and the post inspection report provided did not include the works done vis a vi the defects shown in the pre inspection report. In light of the highlighted issues, the professional opinion was misleading to the Accounting Officer contrary to Regulation 134(3) of the Public Procurement and Asset Disposal Regulations, 2020.

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

5.0 Irregular Variation of Contract

A contractor was awarded a contract for the construction of drainage channels at Joseph the Worker Catholic Church Mwihoko and construction of Mwenjera slopes at Mwenjera Kambi ya Ihii shopping centre road at a contract sum of Kshs.8,326,970. The contract was varied upwards by Kshs.6,445,884. In addition, the following anomalies were noted:

- i. There was no handover of site reports from the contractor.
- ii. The contract was varied upwards within twelve months of signing the contract.
- iii. The quantity of works to be done was varied at Kshs.6,445,884 translating to seventy-seven percent (77%) thus exceeded twenty percent (20%) of the original contract.
- iv. The variations resulted in an increment of the contract price by more than twenty-five percent (25%) and such variations were not tendered for separately as required by the law.

In the circumstances, it was not certain as to why the contract was varied given the time period and why the new works were not tendered for separately contrary to Section 139(3) of the Public Procurement and Asset Disposal Act, 2015.

6. Irregular Procurement in Health

6.1 Procurement of Supply and Delivery of Pharmaceuticals and Drugs

Review of the payments made for the supply and delivery of pharmaceuticals amounting Kshs.51,704,394 by Kenya Medical Supplies Authority (KEMSA) revealed that the tender document was not issued to the supplier and requisition, advertisement, confirmation of the availability of funds, evaluation, professional opinion, negotiation or market survey and contract for supply of the pharmaceuticals was not done. Therefore, requisitions by the end users, receipts and inspection of pharmaceuticals could not be confirmed.

Further, KEMSA also was issued with LPO No. 4116893 of amount Kshs.42,071,365 and supplied medical drugs of Kshs.40,664,764 resulting to an unexplained variance of drugs worth Kshs.1,406,601 not supplied. In addition, requisition of the drugs was not supported by the end user requests, tender document and negation, vote book confirmation of the availability of funds, professional opinion, evaluation committee decision on direct procurement. The procurement plan indicated that drugs were to be procured through request for quotations, however, Management applied direct procurement. Inspection report for the drugs supplied to the facilities were not provided for the confirmation of drugs received.

6.2 Award of Contract for the Serialization of Oxygen Cylinders

A local company was awarded a contract for the serialization of oxygen cylinders through a request for quotations at a contract price of Kshs.1,152,000. However, the tender opening committee members proceeded to tender evaluation contrary to Public Procurement and Asset Disposal Act, 2015, Section 78(1) which provides that at least one of the members shall not be directly involved in the processing or evaluation of the tenders. Further, confirmation of evaluation minutes was signed by a member who was not part of the committee and the contract was not provided for audit review.

6.3 Construction of a Level III Health Facility in Gitothua Ward

The County Executive entered into a contract with a local contractor for the construction of a Level III health facility in Gitothua Ward for a contract sum of Kshs.46,154,350. However, the following irregularities were noted.

- i. There was no evidence that the County Executive handed over the facility to the contractor after 14 days of signing the contract contrary to Section 4.2 of the contract.
- ii. Review of the project procurement file revealed that the County did not provide the engineers architectural design for the health facility, the bills of quantities and the engineers estimate.
- iii. Review of the acceptance letter dated 9 May, 2023 revealed that the County signed the contract on 8 September, 2023 and no reasons were provided on why the it took long to sign the contract.

There were no payment vouchers and progress report from the project implementation team provided for audit to therefore it was not possible to ascertain amount paid and works done during the year.

In the circumstances, Management is in breach of law and the validity of the expenditure could not be confirmed.

6.4 Irregular Procurement and Variation of Contracts

6.4.1 Proposed Construction of Model Twin ECDE Classroom with Offices and Toilet Block at Ngewa Primary in Githothua Ward Kiambu County

A local contractor was awarded quotation for proposed construction of model twin ECDE Classroom with offices and toilet block at Ngewa Primary in Githothua Ward Kiambu County at a contract sum of Kshs.2,943,627. The contract was entered into on 3 April, 2023. However, on 1 February, 2024, the contract was varied upwards by Kshs.703,000 to a revised contract sum of Kshs.3,646,627 which was 10 months from when the contract was signed contrary to the Public Procurement and Asset Disposal Act, 2015. Further, there was no report of varied contract that was done to the authority as per the law.

6.4.2 Proposed Construction of Model Twin ECDE Classroom with Offices and Toilet Block at Uthiru Primary in Ngecha Ward Kiambu County

A local contractor was awarded quotation for proposed construction of model twin ECDE Classroom with offices and a toilet block at Uthiru Primary in Ngecha Ward Kiambu County a contract sum of Kshs.2,946,150. The contract was entered into on 5 May, 2023 however on 1 February, 2024, the contractor varied the contract upwards by Kshs.647,500 which is 9 months from when the contract was signed contrary to the Public Procurement and Asset Disposal Act, 2015.

6.4.3 Construction of Level IV Hospital at Gachororo

Examination of the payment voucher for the first certificate for construction of level IV Hospital at Gachororo whose contract price is Kshs.196,899,815 revealed that an amount of Kshs.37,174,395 was paid to the contractor as per certificate issued. Review of the works certified and the bill of the quantities revealed that the engineer certified substructure works amounting to Kshs.35,339,395 while the bill of quantities for works certified and paid totalled to Kshs.22,641,795 leading to unexplained variance of Kshs.12,697,600. Further, review of the minutes of the Contract Implementation Committee of 23 February, 2024 revealed that the committee approved extra works without the bill quantifying the extra works, evaluation committee reviews and head of procurement recommendations. The management paid Kshs.14,532,600 in excess of the amount quoted in the bill of quantities.

In the circumstances, the Management is in breach of procurement laws on variation of contracts.

6.4.4 Unclear Terms of Agreements

Audit of sampled procurement contracts during the year under review revealed a contract for construction of ECD classes and TVC in various parts of the County for a contract sum of Kshs.363,309,066. However, there was no contract that was signed between the County Executive and the contractor stipulating clearly the format as prescribed in the Public Procurement and Assets Disposal Act, 2015. The signed paper was a one-page document that could not be classified as a contract. Therefore, the County Executive incurred the expenditure irregularly contrary to Section 135(6) of the Public Procurement and Asset Disposal Act, 2015.

6.4.5 Procurement, Supply and Delivery of Play Stations - Education

The contract to supply and deliver play stations; single slide, six-seater merry go round and three-seater swing in various ECD Centres was awarded to a local contractor at a contract price of Kshs.15,400,000 on 15 May, 2024. Review of the evaluation report indicated that the Company had no experience in similar work contrary to the information provided in the tender document under tenderer's eligibility (8) which the tenderer stated the nature of business to be construction of building hence need for due diligence on delivery of the supplies. The supplies were received in the stores on 18 June, 2014 and had not been issued to the users as the counter issue voucher, acknowledgements and distribution list were not provided.

6.5. Structuring of Procurement Process to Favour Winning Bidders

6.5.1 Construction of Workshop, Offices and Fencing at Kanyoni VTC

Examination of payment vouchers provided for audit revealed that the County Executive floated quotations to three (3) suppliers and entered into a contract with one of the suppliers at a contract sum of Kshs.3,642,340 dated 31 March, 2016. This was contrary to Legal Notice 106 of 18 June, 2013 that sets maximum level of expenditure allowed for quotation method of works in Class A entity to be Kshs.3,000,000. Further, it was noted that the project had not been listed as an ongoing project, stalled projects or as a pending bill. In addition, the pending bill was originally budgeted for in the financial year 2015/2016, however the payment records had not been audited and the County Executive had made the payment in the year under review.

6.5.2 Advance Payments made for Supply and Delivery of Triple Litter Dustbins

A local contractor was awarded a contract via request for quotations at a contract sum of Kshs.2,949,909 on 29 May, 2023. On 5 June, 2023, the supplier requested an extension of 60 days and a 100% advance payment so as to begin commencement of manufacturing of the goods. The County Executive accepted the 100% advance payment and paid the supplier in full on 25 September, 2023. However, the payment was more than the 20% threshold acceptable in the Public Procurement and Asset Disposal Act, 2015.

Further, the contract provided did not include the relevant terms and conditions required to communicate important details such as scope of works, commencement of contracts and stipulated timeframes, contract price, variations (if any), contract documents, obligation to the parties, warranties and liabilities, Indemnity, confidentiality, force majeure, disputes, termination of contracts and notices.

6.5.3 Procurement and Implementation in Ngoliba Water Project

The County Executive floated quotations for the supply and delivery of pipes and fittings for Ngoliba water project. A local contractor was awarded at a contract sum of Kshs.2,445,800. It was noted that during payment, half the price was charged to the vote of water supplies and sewerage while the other half charged to payables from previous period. Further, the bids were opened on 7 February, 2024 thus the works could not have been a pending bill.

6.5.4 Supply and Delivery of Material for the Proposed Construction

A local supplier was contracted for supply and delivery of material for the proposed construction of boda boda shed at a cost of Kshs.2,995,186. However, the following was noted;

- i. The bidder requested for 100% advance payment via a letter dated 5 June, 2023.
- ii. The standard quotation document for the winning bidder was not provided for audit, hence it was not possible to ascertain if the awarded bidder submitted his quotation document.
- iii. The County paid the bidder however there was no invoice and delivery note provided for audit.

6.6 Irregular Procurement of Refurbishment of Ambulances

The County Executive on 24 October, 2023 awarded a contract to a local company for the refurbishment of Advanced Life Support ambulance cabins, installation and commissioning of appropriate equipment and maintenance- health services at a contract sum of Kshs.42,399,630. On 18 April, 2024, the contract was varied upwards by Kshs.3,720,584 which is five months from signing of the contract contrary to the Public Procurement and Asset Disposal Act, 2015.

Further, the contract agreement stipulated that the supplier shall within two weeks from the date of receipt of the LPO deliver the total number of specified ambulances. The LPO was issued on 24 October, 2023, and the supplier invoiced the County on 23 November, 2023, however inspection and acceptance was carried out on 26 June, 2024 which is 8 months from issuance of the LPO. It was not clear when the deliveries were done and why the ambulances took that long to be inspected. In addition, the inspection and acceptance committee indicated that one Ambulance, 22CG303A was not worked on but was replaced with GKA 557P though this vehicle was part of the 14 ambulances that

needed the refurbishments. The County did not also provide the performance security of Kshs.4,239,936.

In absence of the supporting documents and explanation, it was not possible to confirm the validity of contract variation and whether refurbishments actually needed to be done on 22CG303A and the value for money may not have been realized.

6.7 Overpayment for Rehabilitation Works at Gachika Dispensary

The County Executive awarded a local contractor a contract for the rehabilitation works at Gachika Dispensary at Kshs.9,998,230. The contractor agreed to perform the said works and subsequently signed a letter of acceptance and entered into a contract on 20 February, 2024. However, review of the project documents revealed that there was delay in implementation of the project as documented in the contract implementation team minutes indicated that the project commenced on 27 May, 2024, three (3) months after the signing of contract. Further, there was overpayment of Kshs.4,816,495 for the bill of quantities items. No justification for the overpayment was provided by Management casting doubt on the value for money paid hence exposing the County to financial loss.

6.8 Irregular Procurement of Chicks

The County Executive directly procured 150,000 one-month old chicks at a contract sum of Kshs.45,000,000. The contract had no contract number and was dated 8 March, 2024 with Kenya Agricultural and Livestock Research Organization. However, no evidence was provided indicating that Management reported to the Authority the direct procurement within fourteen days after the notification of the award of the contract exceeding Kshs.500,000 contrary to Regulation 90(1)(b) of the Public Procurement and Asset Regulations of 2020.

Further, Article 2 of the contract agreement stated that the supplier shall supply and deliver the 4,000 chicks per week after receiving the Local Purchase Order. A local purchase order number 4165754 was issued on 11 March, 2024. However, as at the time of audit in the month of November, 2024 the supplier had delivered only 64,000 chicks out of 150,000 chicks worth Kshs.19,200,000 out of the amount of Kshs.45,000,000 paid. No explanation was given as to why the supplier did not supply the remaining 86,000 chicks.

6.9 Direct Procurement of Seedlings and Napier Grass

The County Executive procured seedlings and super napier grass cuttings of Kshs.6,120,000. The supply included grafted mango, pawpaw and orange seedlings and super napier grass cuttings. Review of documents provided for audit revealed that the goods were directly procured from JKUAT Enterprise Ltd contrary to the procurement law. Further, the County Executive after issuing the notification of award did not notify the regulatory authority of the direct procurement undertaken as prescribed by the law. In addition, Management used the direct method of procurement without justification

contrary to the provisions of Section 103 of the Public Procurement and Asset Disposal Act, 2015 on when direct procurement may be used.

In the circumstances, Management was in breach of law.

7.0 Non - Implementation of Annual Procurement Plan Reports

The Head of the Procurement Unit did not maintain quarterly reports on the implementation of the annual procurement plan as prescribed by the law. This was contrary to Regulation 40(6) of the Public Procurement and Asset Disposal Regulations, 2020.

In the circumstances, Management was in breach of law.

8.0 Irregular Operation of Bank Accounts in Commercial Banks

Review of the register for the bank accounts maintained revealed that the County Executive operated a total of two hundred and seventy-six (276) bank accounts with commercial banks. This is contrary to the Public Finance Management (County Governments) Regulation, 2015 that only exempts imprest bank, petty cash and revenue collection bank accounts to be maintained in commercial banks.

In the circumstances, Management was in breach of law.

9.0 Enterprise Resource Planning System

9.1 Irregular Expenditure

The County Executive entered into a contract with a firm for the development, installation, testing, training, commissioning and support services of an Enterprise Resource Planning System (ERP) on the 28 of April, 2023 with a completion date of 30 November, 2023 at a contact sum of Kshs.230,000,000. The following observations were noted:

- i. From the interaction with the system at the time of audit, the deliverables are at milestone two (2) thus Kshs.92,000,000 is owed to the contractor. However, from the payment details only Kshs.38,007,500 had been paid to date.
- ii. An extension of the contract was done on February 28, 2024 and the contract provided did not include the new timelines against key deliverables, the scope of work described or retained or the contract sum revised or retained. Further, the contract was not valid hence an extension could not be done on a non - existent contract. Therefore, the payment of Kshs.15,007,500 done after the extension was based on a non-existent contract.
- iii. The County Executive had entered into a contract with a consultancy firm on the development of an integrated revenue management system for a period of three

years on the 4 November, 2021. The contract sum was Kshs.60,025,000 upon inception and Kshs.117,500,000 being the annual recurrent cost. However, the County Executive did not close out the contract yet entered into a new contract with another supplier for a new system against the law. The County Executive owes the former service provider a total amount of Kshs.412,525,000 together with damages charged for not closing out the contract.

9.2 Payment of Staff Training on Enterprise Resource Planning System (ERP)

The County Executive issued imprest to various officer to facilitate for staff training on the use of Enterprise Resource Planning System (ERP) at a cost of Kshs.2,354,815 as per clause 2.6 of the contract agreement. The second supplier was required to provide training and maintenance to the users of ERP system hence this may have resulted to double payment on training since the contract has the provision for training use.

In the circumstances, delay in implementation of the ERP system would affect the service delivery and exposed the County Executive to loss of funds totalling to Kshs.2,354,815 which was avoidable.

10. Inconsistencies in Paying for Monthly Internet and Secure SDWAN Solutions

The County Executive paid Kshs.53,155,262 to a local supplier which included an amount of Kshs.23,321,319 for monthly internet and secure Software Defined Wide Area Network (SDWAN) solutions.

Examination of payment vouchers revealed that the payment was not in line with the agreed price schedule of Kshs.3,341,032 per month amounting to Kshs.40,092,384 annually. Further, the County Executive did not make payments for five (5) months in September, January, February, March and June amounting to Kshs.16,771,064.

In the circumstances, failure to pay Kshs.16,771,064 would have led to the Interruption of Software Defined Wide Area Network (SDWAN) services which would have exposed the County's networks to potential security vulnerabilities, increasing the risk of cyber-attack.

11. Irregular Procurements in the Roads

11.1 Rehabilitation Works in Kiamburu, Mwihoko and Kwa Maiko Stage Tender

The tender was an open tender advertised on 13 September, 2023 via the County Executive website. The tender opening was done on 22 September, 2023 and the evaluation done on 23 September, 2023. However, the evaluation committee carried out the exercise on 29 September, 2023. No explanation has been issued regarding the anomaly. Only two contractors responded to the advert. They were evaluated and contract awarded to the lowest evaluated bidder. Notification of a ward was issued on 4 October, 2023 and contract signed on 31 October, 2023. The execution was to take 91 days from commencement date of 7 November, 2023. On 24 January, 2024 the

contractor invoiced the County Executive an amount of Kshs.2,007,600 having completed part of contract. However, the works inspection sheet dated 29 January, 2024 was not signed by inspection clerk but the sub-county engineer approved the works contrary to Section 48(4) of the Public Procurement and Asset Disposal Act, 2015

Further, the project did not have progress report, or hand over report or certificate and, there was no site inspection of the project, The value for money could not be established as there was no provision for partial payment of the contract as per article 5.1 of the contract, Additionally, Article 5.3 of contract retention was 10% of work done on the contract price, however, no retention was done on this payment and there was no evidence of material testing.

11.2 Signing of Contract

The County Executive contracted a local company for dumping in Kabete sub-county, through a contract sum of Kshs.7,275,000. The professional opinion was issued on 29 September, 2023, and award letter issued to the contractor on 11 October, 2023. However, contrary to procurement laws where after award one should wait for a minimum of 14 days before signing of the contract, the contract was signed two days later thus on 13 October, 2023 contrary to Public Procurement and Asset Disposal Act, 2015, Section 135(3).

11.3 Payment for Construction and Rehabilitation of Kimunyu – Thirika Access Road

The County Executive entered into a contract with a local company and paid an amount of Kshs.3,984,200 for construction and rehabilitation of Kimunyu - Thirika access road that was paid under pending bills. However, review of the payment revealed that;

- i. Works were awarded on 12 October, 2018 and the LPO issued on 22 October, 2018.
- ii. The works were to be done within 90 days. However, the works were not done till 29 July, 2021 when the inspection and acceptance certificate was issued.
- iii. The pending bill was originally budgeted in the year 2018/2019 however, the pending bill had not been audited and the County Executive had made the payment in the year under review. Further, the payment was not supported with interim payment certificate.
- iv. It is not clear how the works were done while the contract had expired in two years. The County Executive did not provide a justification that there was no other work that were done on the same road within the two years period. The invoicing and delivery note were dated 27 July, 2021 while the inspection and acceptance was done 29 July, 2021 casting doubts on whether the due process was followed. Further, and as at the time of payment the contractor did not have a valid tax compliance certificate.

11.4 Rehabilitation of Isiolo, Bamako Langata Roads

Review of Payment voucher No. 24 dated 15 September, 2023 shows that a contractor was paid an amount of Kshs.2,308,400 for rehabilitation of Isiolo, Bamako Langata Roads in Kamenu Ward under pending bills of the year 2018/2019. The contract period was 30 days. However, the tender was evaluated on 25 May, 2018 and notification of award done on 30 May, 2018. However, the LPO was issued on 13 June, 2019 via LPO no.1683762 more than a year later and the delivery note was issued on 21 June, 2019 while the invoice was undated but it was received on 26 August, 2022.

In addition, the completion certificate was issued on 28 June, 2019 but the inspection and acceptance was done on 10 November, 2020. It was not clear why the payment had not been audited as a pending bill and was paid before the other payments that had been audited and recommended for payments and as at the time of payment the contractor did not have a valid tax compliance certificate.

11.5 Supply, Installation and Commission of Streetlights at Senior Chief Koinange, Kanjiku Road, Thimbigua, Njoro and Kiogora Shopping Centre

Review of Payment Voucher dated 02 January, 2024 paid to a local contractor for an amount of Kshs.3,897,020 for supply, installation and commission of streetlights at Senior Chief Koinange, Kanjiku Road, Thimbigua, Njoro and Kiogora Shopping Centre was paid under pending bills of the year 2018/2019. The contract period was 30 days. However, the tender was awarded on 12 November, 2018 and the contract duration was one week. The contractor was said to have commenced the works on 18 November, 2018 and completed the works on 28 December, 2018 according to the completion certificate. The inspection and acceptance was done on 17 January, 2020, however the certificate of completion was issued on 18 March, 2019 an indication of falsified documents and as at the time of payment the contractor did not have a valid tax compliance certificate.

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 effect of the matters described in the Basis for Conclusion on the 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 governance were not effective.

Basis for Conclusion

1. Lack of ICT Steering Committee

The County Executive did not have in place information technology steering committees. The function of the information technology steering committee is to carry out the IT strategy and perform the day-to-day activities. Its responsibilities include managing spending, architecture and engineering of IT solutions, allocation of resources, project management and giving feedback to the board about the strategy. It was noted that the County Executive had gaps in information technology governance that might affect information technology management dispensing the department's mandate.

In the circumstances, there is potential risk of breaching data security and regulatory compliance requirements due to the lack of coordination between the information technology-led elements of projects and County Management of the associated business change.

2. Unapproved ICT Policy

Review of the Information Communication Technology (ICT) environment revealed that Kiambu County did not have an approved ICT Policy in place. The policy would have included data security and disaster recovery plans. Further, formally documented and approved processes to operationalize the draft ICT policy had not been documented and an ICT Strategic Plan to formulate policies and advice on ICT investment priorities.

Without an approved IT security policy, data confidentiality, integrity and availability could be compromised. Further, the IT operations may not be effectively managed and aligned to support the operations of the County Government.

3. Lack of Independence of the Internal Audit Function

A review of the County Executive's internal audit unit during the year under review revealed that the department lacks functional independence since it is under the finance. The Management has not let the audit function be independent and therefore the independence and integrity of the Audit Department may be compromised contrary to Section 155(1) of the Public Finance Management (County Governments) Regulations, 2015.

Further, internal audit department had an approved workplan and the resources allocated for the implementation. However, from the interview conducted with the Director Internal Audit and the audit reports provided from the department, revealed that the workplan was not implemented. Internal audit report showed no audit was carried out in the Departments of Education, Gender, Culture and Social Services, Youth Affairs, Sports and Communication, Health services and Administration and Public Services. However, they were in work plan. Instead, the audit identified that the internal audit department carried out 6 special audits without the requests and approval.

In the circumstances, effectiveness of the internal controls put in place could not be confirmed.

4. Non-Compliance with Statutory Meeting Frequency by the Audit Committee

Examination of the audit committee meeting minutes during the year under review revealed that the audit committee met for only two (2) times in October, 2023 and March, 2024. Further, there were no annual reports from the committee on the review of the independence, performance and competency of the internal audit unit.

In the circumstances, effectiveness of the internal controls put in place could not be confirmed.

5. Weaknesses in Garbage Collection Management

Garbage Management in the County is centrally done at Kang'oki dumpsite which stands on land size of 200 acres. Currently, the dumpsite is encroached and only 100 acres of land is left for the dumpsite and the County has not made any effort to reclaim the land for the dumpsite. Further, the County Management decommissioned all dumpsites in the County except Kang'oki putting pressure on the dumpsite as the only dumpsite in the County. In addition, the dumpsite is not fenced and the trucks are tipping at any point without control in the dumpsite making the County lose revenue related to dumping and littering the surrounding leading to health hazards of the inhabitants around the area.

Further, the County Executive had not installed a weighbridge at the Kangoki dumpsite hence there was no basis for determining the weights of the lorries which should be commensurate with the amount charged. This may greatly affect the revenue collected from the dumpsite.

In the circumstances, the revenue collected from the site could not be confirmed.

6. Unapproved ICT Policy

Review of the Information Communication Technology (ICT) environment revealed that Kiambu County did not have an approved ICT Policy in place. The County Executive also lacked an ICT Steering Committee and an ICT Strategic Plan to formulate policies and advice on ICT investment priorities.

In the circumstances, the County Government has inadequate ICT governance structures to safeguard public resources.

7. Assets Management

7.1 Failure to Identify, Verify and Validate Assets of Defunct Local Authorities

The County constituted the Assets and Liabilities Committee on 3 April, 2023 for the identification, verification and validation of the assets and liabilities of the County Executive. However, there was no evidence that the committee had carried out the

process of identifying, verifying and validating the assets since assets inspection reports were not provided for audit. Further, committee minutes showing deliberations made towards execution of the committee mandate were not provided for review. This was contrary to gazette notice no.2701 of the Intergovernmental Relations Act, 2012 which states that (1) each County Assets and Liabilities Committee shall be responsible for the identification, verification and validation of the assets and liabilities of the defunct local authorities as on the 27 March, 2013.

In the circumstances, the existence of effective internal controls to safeguard the assets from Defunct Local Authorities could not be confirmed.

7.2 Lack of Assets Management Unit in the County

Review of County Executive operations revealed that there was no asset management unit within the County charged with the responsibility of ensuring that there are adequate systems and processes to plan, procure, account, maintain, store and dispose of assets, including an asset register that is current, accurate and available to the relevant County Treasury or the Auditor-General contrary to Section 149(2)(o) of the Public Finance Management Act, 2012.

In the absence of the assets management unit, it may not be possible to confirm the different categories of assets in the County and whether appropriate officers are tasked with asset movement monitoring and control. This may result to procurement of assets not needed, loss of assets through theft or mismanagement by assigned staff/officers and keeping of assets not in usable condition.

In the circumstances, optimal asset management may not be achieved.

7.3 Lack of Fleet Management System

Interviews carried out with the Management revealed that the County Executive did not have a fleet management system to plan the usage of fleets within the County and monitor and track the movement. Review of procurement documents provided for audit revealed that an advertisement was made in the local dailies in the month of September, 2022 for the procurement of a County fleet management system. However, no explanation was provided as to why the County had not procured a fleet management system.

In the absence of the fleet management system, it may not be possible to plan and monitor the usage of the fleet within the County.

7.4 Land Without Ownership Documents

Review of the asset register provided for audit revealed that 2,762 parcels of land were indicated as owned by the Kiambu County Executive. However, land title deeds to prove ownership of the parcels of land were not provided for audit. In addition, 29 title deeds provided for audit were not in the name of the County, 4 title deeds were in the name of individuals while 25 title deeds were under municipalities. No explanation was provided

on why the land title deeds had not been transferred to the County. Contrary to Regulation 132(1) of the Public Finance Management Act, 2015 which states that the Accounting Officer of a County Government entity shall take full responsibility and ensure that proper control systems exist for assets

In the circumstances, ownership of land could not be confirmed and the Management was in breach of the law.

8.0 Implementation of E- Procurement System

Examination of County Executive E-procurement system revealed that the contracts and tenders awarded to the various suppliers were not in the e-procurement. All ongoing contracts entered into prior thereto, and to which finalization of expected works, supplies or services pending completion and final payment were not in the e procurement system contrary to Executive order No. 6 2016 and No. 2 of 2018.

In the circumstances, transparency and efficient management of procurement system may not effectively achieved.

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

In preparing the financial statements, Management is responsible for assessing the County Executive's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-general-responsibilities-for-audit/>. This description forms part of my auditor's report.



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 December, 2024

KIAMBU COUNTY EXECUTIVE
Annual Report and Financial Statements
For the year ended June 30 2024

9. Statement of Receipts and Payments for the year ended 30th June 2024

		FY 2023/2024	FY 2022/2023
Description	Notes	Kshs	Kshs
Receipts			
Transfers from the CRF to County Executive	1A	16,439,984,407	11,695,560,079
Miscellaneous receipts	2A	0	1,796,487
Appropriation in Aid - Health Facility Improvement Fund (AIA - FIF)	2B	1,237,688,895	1,182,161,856
Total Receipts		17,677,673,302	12,879,518,423
Payments			
Compensation of employees	3	7,890,419,502	7,864,014,565
Use of goods and services	4	2,426,202,984	2,005,432,642
Subsidies	5	0	0
Transfers to other government entities	6A	2,653,152,641	951,971,640
Appropriation in Aid - Health Facility Improvement Fund (AIA - FIF)	6B	1,237,688,895	1,182,161,856
Other grants and transfers	7	0	0
Social security benefits	8	54,321,623	105,240,967
Acquisition of assets	9	3,295,484,480	764,867,560
Finance costs, including loan interest	10	0	0
Repayment of principal on domestic & foreign Borrowing	11	0	0
Other payments	12	0	0
Total payments		17,557,270,125	12,873,689,230
Surplus		120,403,177	5,829,193

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 20th November, 2024 and signed by:

Name: CPA William Kimani
 Chief Officer – Finance and Economic Planning
 ICPAK M/No. 6066

Name: CPA Solomon Waweru
 Head of Accounting Unit
 ICPAK M/No. 14406

KIAMBU COUNTY EXECUTIVE
Annual Report and Financial Statements
For the year ended June 30 2024

10. Statement of Assets and Liabilities as at 30th June 2024

		FY 2023/2024	FY 2022/2023
	Notes	Kshs	Kshs
Financial assets			
Cash and cash equivalents			
Bank balances	13A	405,650,594	184,338,850
Cash balances	13B	0	0
Total cash and cash equivalents		405,650,594	184,338,850
Outstanding imprests and advances	14	801,440	10,630,360
Total financial assets		406,452,034	194,969,210
Financial liabilities			
Deposits and retentions	15	254,574,889	151,924,640
Net financial assets		151,877,145	43,044,570
Represented by			
Fund balance b/fwd.	16	43,044,570	38,887,972
Prior year adjustments	17	(11,570,603)	(1,672,595)
Surplus/deficit for the year		120,403,177	5,829,193
Net financial position		151,877,145	43,044,570

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 20th November, 2024 and signed by:

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Chief Officer – Finance and Economic Planning
ICPAK M/No. 6066

.....
Name: CPA Solomon Waweru
Head of Accounting Unit
ICPAK M/No. 14406

KIAMBU COUNTY EXECUTIVE
Annual Report and Financial Statements
For the year ended June 30 2024

11. Statement of Cash Flows for the period ended 30th June 2024

		FY 2023/2024	FY 2022/2023
	Notes	Kshs	Kshs
Receipts from operating income			
Transfers from the CRF	1A	16,439,984,407	11,695,560,079
Miscellaneous receipts	2A	0	1,796,487
Appropriation in Aid - Health Facility Improvement Fund (AIA - FIF)	2B	1,237,688,895	1,182,161,856
Total receipts from operating income		17,677,673,302	12,879,518,423
Payments for operating expenses			
Compensation of employees	3	7,890,419,502	7,864,014,565
Use of goods and services	4	2,426,202,984	2,005,432,642
Subsidies	5	0	0
Transfers to other government entities	6A	2,653,152,641	951,971,640
Appropriation in Aid - Health Facility Improvement Fund (AIA - FIF)	6B	1,237,688,895	1,182,161,856
Other grants and transfers	7	0	0
Social security benefits	8	54,321,623	105,240,967
Finance costs, including loan interest	10	0	0
Other payments	12	0	0
Total payments for operating expenses		14,261,785,645	12,108,821,670
Net receipts/ (payments) from operations		3,415,887,657	770,696,753
Adjusted for:			
Prior year adjustments	17	(11,570,603)	(1,672,595)
Decrease/(increase) in outstanding imprests & advances	18	9,828,920	(9,603,740)
Increase/(decrease) in deposits and retentions	19	102,650,249	7,586,920
Net cash flow from operating activities		3,516,796,223	767,007,338
Cash flow from investing activities			
Acquisition of assets	9	(3,295,484,480)	(764,867,560)
Net cash flows from investing activities		(3,295,484,480)	(764,867,560)
Cash flow from Financing activities			
Repayment of principal on domestic and foreign Borrowing	11	0	0
Net cash flow from financing activities		0	0
Net increase in cash and cash equivalents		221,311,744	2,139,778
Cash and cash equivalents at beginning of the year		184,338,850	182,199,072

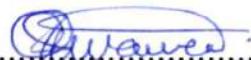
KIAMBU COUNTY EXECUTIVE
Annual Report and Financial Statements
For the year ended June 30 2024

Cash and cash equivalents at end of the year		405,650,593	184,338,850
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The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 20th November, 2024 and signed by:



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Name: CPA William Kimani
Chief Officer – Finance and Economic Planning
ICPAK M/No. 6066



.....
Name: CPA Solomon Waweru
Head of Accounting Unit
ICPAK M/No. 14406

KIAMBU COUNTY EXECUTIVE
Annual Report and Financial Statements
For the year ended June 30 2024

12. Statement of Comparison of Budget & Actual Amounts (Recurrent and Development Combined) for the year ended 30th June 2024

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% Of Utilization
	A	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Transfers from the CRF to County Executive	17,905,233,441	1,986,748,109	19,891,981,550	16,439,984,407	3,451,997,143	83%
Miscellaneous receipts	0	0	0	0	0	0%
Other receipts - Appropriation in Aid - Health Facility Improvement Fund (AIA - FIF)	2,096,339,890	(560,039,890)	1,536,300,000	1,237,688,895	298,611,105	81%
Opening balance for Non-refundable bank balances in special purpose deposits accounts	0	30,588,402	30,588,402	31,473,969	(885,567)	103%
Total Receipts	20,001,573,331	1,457,296,621	21,458,869,952	17,709,147,271	3,749,722,681	83%
Payments						
Compensation of employees	7,602,769,459	372,517,718	7,975,287,177	7,890,419,502	84,867,675	99%
Use of goods and services	2,693,960,031	(127,762,904)	2,566,197,127	2,426,202,984	139,994,143	95%
Subsidies	0	0	0	0	0	0%
Transfers to other government units	1,783,614,747	2,201,924,884	3,985,539,631	2,653,152,641	1,332,386,990	67%
Appropriation in Aid - Health Facility Improvement Fund (AIA - FIF)	2,096,339,890	(560,039,890)	1,536,300,000	1,237,688,895	298,611,105	81%
Other grants and transfers	0	0	0	0	0	0%
Social security benefits	125,104,624	(60,920,890)	64,183,734	54,321,623	9,862,111	85%

KIAMBU COUNTY EXECUTIVE
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For the year ended June 30 2024

Acquisition of assets	5,699,784,580	(368,422,297)	5,331,362,283	3,295,484,480	2,035,877,803	62%
Finance costs, including loan interest	0	0	0	0	0	0%
Repayment of principal on borrowings	0	0	0	0	0	0%
Other payments	0	0	0	0	0	0%
Total payments	20,001,573,331	1,457,296,621	21,458,869,952	17,557,270,125	3,901,599,827	82%
Surplus/(Deficit)	0	0	0	151,877,146	(151,877,146)	

Under-realization of transfers from the CRF at 83% was occasioned by non-receipt of June 2024 equitable share of Kshs. 978,204,195 and poor national government grant performance where planned Kshs. 715,399,362 was not received as well as overall poor performance of OSR. This had a negative impact of overall receipt at 83%.

The poor performance in overall receipt led to poor budget in discretionary budget lines in acquisition of assets, (62%), transfer to other government entities (67%) and overall absorption at 82%. The non-discretionary costs such as compensations of employees were not affected.

The approved budget of Appropriation-in-Aid - FIF was Ksh. 1,536,300,000 where Kshs. 1,237,688,895 was realized. The poor performance was mainly attributed to a doctor's strike during the reporting period which paralyzed operation in the health facility

Budgetary Changes: There were two supplementary budgets approved during the financial year to budget for the prior year unspent balances and reduce the initial planned budget on OSR.

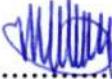
There is a variance of Kshs. 31,473,969 between receipts in the statement of receipts and payment and statement of comparison of budget and actual amounts which is reconciled as per table below;

KIAMBU COUNTY EXECUTIVE
Annual Report and Financial Statements
For the year ended June 30 2024

Reconciliation Between Receipts Recognized under Statement of Receipts and Payments and Statement of Comparison of Budget and Actual Amounts

<i>Description</i>	<i>Kshs</i>
<i>Receipts recognized in statement of Budget Comparison</i>	<i>17,709,147,271</i>
<i>Receipts recognized in statement of receipts and payments</i>	<i>17,677,673,302</i>
<i>Variance - Opening balance for Non-refundable bank balances in special purpose deposits accounts</i>	<i>31,473,969</i>

The County Executive's financial statements were approved on 20th November, 2024 and signed by:



.....
Name: CPA William Kimani
Chief Officer – Finance and Economic Planning
ICPAK M/No. 6066



.....
Name: CPA Solomon Waweru
Head of Accounting Unit
ICPAK M/No. 14406

KIAMBU COUNTY EXECUTIVE
Annual Report and Financial Statements
For the year ended June 30 2024

13. Statement of Comparison of Budget & Actual Amounts – Recurrent for the year ended 30th June 2024

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% Of Utilization
	A	B	c=a+b	d	e=c-d	f=d/c %
Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	
	Transfers from the CRF to County Executive	11,239,433,733	1,814,150,748	13,053,584,481	12,869,683,881	183,900,600 99%
	Miscellaneous receipts	0	0	0	0	0% 0%
	Other receipts - Appropriation in Aid - Health Facility Improvement Fund (AIA - FIF)	1,617,623,125	(81,323,125)	1,536,300,000	1,237,688,895	298,611,105 81%
	Opening balance for Non-refundable bank balances in special purpose deposits accounts	0	30,588,402	30,588,402	30,589,160 (758)	100% 100%
	Total Receipts	12,857,056,858	1,763,416,025	14,620,472,883	14,137,961,936	482,510,947 97%
	Payments					
Compensation of employees	7,602,769,459	372,517,718	7,975,287,177	7,890,419,502	84,867,675	99%
Use of goods and services	2,536,960,031	(152,224,840)	2,384,735,191	2,309,514,914	75,220,277	97%
Subsidies	0	0	0	0	0	0% 0%
Transfers to other government units	358,486,875	1,722,961,627	2,081,448,502	2,058,644,754	22,803,748	99%
Appropriation in Aid - Health Facility Improvement Fund (AIA - FIF)	1,617,623,125	(81,323,125)	1,536,300,000	1,237,688,895	298,611,105	81%
Other grants and transfers	0	0	0	0	0	0% 0%
Social security benefits	125,104,624	(60,920,890)	64,183,734	54,321,623	9,862,111	85%
Acquisition of assets	616,112,744	(37,594,465)	578,518,279	562,153,902	16,364,377	97%

KIAMBU COUNTY EXECUTIVE
Annual Report and Financial Statements
For the year ended June 30 2024

Finance costs, including loan interest	0	0	0	0	0	0%
Repayment of principal on borrowings	0	0	0	0	0	0%
Other payments	0	0	0	0	0	0%
Total payments	12,857,056,858	1,763,416,025	14,620,472,883	14,112,743,591	507,729,292	97%
Surplus/(Deficit)	0	0	0	25,218,345	(25,218,345)	

The overall receipts and payments absorption rate in this class were at 97% despite the poor performance of the combined budget as majority of these costs were non-discretionary. The poor performance on FIF was mainly attributed to a doctor's strike during the reporting period which paralyzed operations in the health facility.

Budgetary Changes: There were two supplementary budgets approved during the financial year to budget for the prior year unspent balances and reduce the initial planned budget on OSR.

The County Executive's financial statements were approved on 20th November, 2024 and signed by:

.....
Name: CPA William Kimani
Chief Officer – Finance and Economic Planning
ICPAK M/No. 6066

.....
Name: CPA Solomon Waweru
Head of Accounting Unit
ICPAK M/No. 14406

KIAMBU COUNTY EXECUTIVE
Annual Report and Financial Statements
For the year ended June 30 2024

14. Statement of Comparison of Budget & Actual Amounts: Development for the year ended 30th June 2024

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% Of Utilization
	A	B	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Transfers from the CRF to County Executive	6,665,799,708	172,597,361	6,838,397,069	3,570,300,526	3,268,096,543	52%
Miscellaneous receipts	0	0	0	0	0	0%
Other receipts - Appropriation in Aid - Health Facility Improvement Fund (AIA - FIF)	478,716,765	(478,716,765)	0	0	0	0%
Opening balance for Non-refundable bank balances in special purpose deposits accounts	0	0	0	884,809	(884,809)	
Total Receipts	7,144,516,473	(306,119,404)	6,838,397,069	3,571,185,335	3,267,211,734	52%
Payments						
Compensation of employees	0	0	0	0	0	0%
Use of goods and services	157,000,000	24,461,936	181,461,936	116,688,070	64,773,866	64%
Subsidies	0	0	0	0	0	0%
Transfers to other government units	1,425,127,872	478,963,257	1,904,091,129	594,507,887	1,309,583,242	31%
Appropriation in Aid - Health Facility Improvement Fund (AIA - FIF)	478,716,765	(478,716,765)	0	0	0	0%
Other grants and transfers	0	0	0	0	0	0%
Social security benefits	0	0	0	0	0	0%
Acquisition of assets	5,083,671,836	(330,827,832)	4,752,844,004	2,733,330,578	2,019,513,426	58%

KIAMBU COUNTY EXECUTIVE
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Finance costs, including loan interest	0	0	0	0	0	0%
Repayment of principal on borrowings	0	0	0	0	0	0%
Other payments	0	0	0	0	0	0%
Total payments	7,144,516,473	(306,119,404)	6,838,397,069	3,444,526,534	3,393,870,535	50%
Surplus/(Deficit)	0	0	0	126,658,801	(126,658,801)	

There was poor performance in budget realization as presented in the statement of appropriation combined (recurrent and development) which negatively affected the development class with budget realization at 52% and absorption rates at 50% respectively.

Budgetary Changes: There were two supplementary budgets approved during the financial year to budget for the prior year unspent balances and reduce the initial planned budget on OSR.

The County Executive's financial statements were approved on 20th November, 2024 and signed by:

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KIAMBU COUNTY EXECUTIVE
Annual Report and Financial Statements
For the year ended June 30 2024

15. Budget Execution by Programmes and Sub-Programmes for the year ended 30th June 2024

Programme/Sub-Programme		Original budget	Adjusted budget	Final Budget	Actual on comparable basis	% Budget utilization
		FY 2023/2024	2023/2024			
		Kshs	Kshs	Kshs	Kshs	Kshs
General Administration, Planning and Support Services						
104014060	General administration and support services	202,649,501	19,509,245	222,158,746	172,736,873	78%
Sub-Total		202,649,501	19,509,245	222,158,746	172,736,873	78%
106004060						
106014060	Land and Crop management	983,996,063	(36,585,389)	947,410,674	712,973,890	75%
Sub-Total		983,996,063	(36,585,389)	947,410,674	712,973,890	75%
107004060						
107014060	Livestock Diseases Management and Control	375,771,696	(9,929,184)	365,842,512	298,357,556	82%
Sub-Total		375,771,696	(9,929,184)	365,842,512	298,357,556	82%
108004060						
108024060	Cooperative Development	63,000,000	12,000,000	75,000,000	33,256,260	44%
Sub-Total		63,000,000	12,000,000	75,000,000	33,256,260	44%
109004060						

KIAMBU COUNTY EXECUTIVE
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109024060	Sp9.2 Water supply infrastructure development	191,000,000	46,000,000	237,000,000	152,997,459	65%
Sub-Total		191,000,000	46,000,000	237,000,000	152,997,459	65%
110004060						
110024060	Sp 10.2 Forest management and Landscaping	25,000,000	(7,500,000)	17,500,000	12,788,720	73%
Sub-Total		25,000,000	(7,500,000)	17,500,000	12,788,720	73%
111004060						
111014060	Sp11.1 County environmental monitoring and management	94,580,000	0	94,580,000	66,968,206	71%
111034060	Environmental compliance and enforcement	0	6,409,867	6,409,867	3,527,209	55%
Sub-Total		94,580,000	6,409,867	100,989,867	70,495,415	70%
112004060						
112024060	Sp12.2 Climate Actions	168,617,867	135,443,825	304,061,692	74,553,052	25%
Sub-Total		168,617,867	135,443,825	304,061,692	74,553,052	25%
113004060						
113014060	Administration services	419,262,457	(6,130,731)	413,131,726	348,323,047	84%
Sub-Total		419,262,457	(6,130,731)	413,131,726	348,323,047	84%
114004060						
114054060	County Infrastructure Project	95,281,719	137,807,063	233,088,782	224,850,324	96%
Sub-Total		95,281,719	137,807,063	233,088,782	224,850,324	96%

KIAMBU COUNTY EXECUTIVE
Annual Report and Financial Statements
For the year ended June 30 2024

115004060						
115014060	Urban Areas Administration and Management	311,952,608	(137,168,608)	174,784,000	143,934,710	82%
115034060	Building Urban Resilience through Adaptation and Mitigation of	50,000,000	(50,000,000)	0	0	0%
Sub-Total		361,952,608	(187,168,608)	174,784,000	143,934,710	82%
116004060						
116014060	Land Administration Services	20,000,000	4,734,363	24,734,363	19,834,767	80%
116024060	Survey & GIS Services	40,000,000	11,232,051	51,232,051	21,264,660	42%
116044060	County Valuation & Rating Services	16,000,000	(16,000,000)	0	0	0%
116074060	County physical and land use planning	132,543,092	(68,843,092)	63,700,000	8,400,230	13%
Sub-Total		208,543,092	(68,876,678)	139,666,414	49,499,657	35%
202004060						
202014060	General Administration and Support services	0	0	0	0	0%
202024060	Sp2 Administration services	510,828,021	238,281,500	749,109,521	694,521,020	93%
Sub-Total		510,828,021	238,281,500	749,109,521	694,521,020	93%
203004060						
203014060	Sp3.1 Infrastructure Development	2,033,648,652	(53,500,000)	1,980,148,652	1,078,810,756	54%
Sub-Total		2,033,648,652	(53,500,000)	1,980,148,652	1,078,810,756	54%

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204004060						
204014060	Sp4.1 Fire Rescue services	25,000,000	(18,500,000)	6,500,000	0	0%
Sub-Total		25,000,000	(18,500,000)	6,500,000	0	0%
302004060						
302024060	Trade Promotion	311,620,916	(47,133,550)	264,487,366	138,107,906	52%
Sub-Total		311,620,916	(47,133,550)	264,487,366	138,107,906	52%
303004060						
303024060	Infrastructural Development	560,000,000	(25,805,161)	534,194,839	76,354,354	14%
Sub-Total		560,000,000	(25,805,161)	534,194,839	76,354,354	14%
304004060						
304014060	Tourism Promotion and Marketing	16,500,000	(16,500,000)	0	0	0%
Sub-Total		16,500,000	(16,500,000)	0	0	0%
305004060						
305014060	Investment Promotion and Facilitation	5,098,576	(2,682,572)	2,416,004	2,416,003	100%
Sub-Total		5,098,576	(2,682,572)	2,416,004	2,416,003	100%
306004060						
306014060	Administration Services	103,453,607	7,600,000	111,053,607	54,265,176	49%
Sub-Total		103,453,607	7,600,000	111,053,607	54,265,176	49%
401004060						
401014060	General administration and support services	0	0	0	0	0%

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401034060	Preventive and promotional health services	1,037,900,000	(254,555,000)	783,345,000	565,714,482	72%
Sub-Total		1,037,900,000	(254,555,000)	783,345,000	565,714,482	72%
402004060						
402014060	General Administration and Support Services	4,788,380,635	145,670,661	4,934,051,296	4,825,257,762	98%
Sub-Total		4,788,380,635	145,670,661	4,934,051,296	4,825,257,762	98%
403004060						
403014060	Community Health Services	0	0	0	0	0%
Sub-Total		0	0	0	0	0%
404004060						
404024060	SP2 County hospital services	1,740,259,606	839,220,925	2,579,480,531	2,324,586,205	90%
404054060	SP5 Rehabilitation services	124,723,404	(124,723,404)	0	0	0%
Sub-Total		1,864,983,010	714,497,521	2,579,480,531	2,324,586,205	90%
405004060						
405014060	SP1 Pharmaceutical Environment	120,000,000	0	120,000,000	88,972,433	74%
Sub-Total		120,000,000	0	120,000,000	88,972,433	74%
502004060						
502014060	General Administration and support Services	802,193,881	211,759,187	1,013,953,068	921,549,979	91%
Sub-Total		802,193,881	211,759,187	1,013,953,068	921,549,979	91%
503004060						

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503014060	Early Childhood Development	676,688,453	405,747,822	1,082,436,275	872,616,748	81%
Sub-Total		676,688,453	405,747,822	1,082,436,275	872,616,748	81%
504004060						
504014060	Culture, Gender and Social services	57,500,000	(4,500,000)	53,000,000	22,623,831	43%
Sub-Total		57,500,000	(4,500,000)	53,000,000	22,623,831	43%
702004060						
702014060	General Administration and support services	0	0	0	0	0%
Sub-Total		0	0	0	0	0%
706004060						
706014060	General Administration Planning and Support Services	2,148,566,391	240,129,920	2,388,696,311	2,281,116,800	95%
Sub-Total		2,148,566,391	240,129,920	2,388,696,311	2,281,116,800	95%
711004060						
711024060	Sp11.2 Legal services	37,086,506	15,608,230	52,694,736	49,771,895	94%
Sub-Total		37,086,506	15,608,230	52,694,736	49,771,895	94%
712004060						
712014060	Sp12.1 Accounting, Financial Standards and Reporting	62,500,000	(2,000,000)	60,500,000	46,208,666	76%
712044060	Sp12.4 Internal Audit services	4,143,000	(98,000)	4,045,000	3,862,973	95%

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712064060	Sp12.6 Budget formulation, coordination and management	28,224,547	8,000,000	36,224,547	35,445,812	98%
712074060	Sp12.7 Revenue mobilization and management	410,500,000	(63,000,000)	347,500,000	276,219,596	79%
Sub-Total		505,367,547	(57,098,000)	448,269,547	361,737,047	81%
713004060						
713014060	ICT infrastructure	272,966,018	(128,000,000)	144,966,018	76,302,840	53%
Sub-Total		272,966,018	(128,000,000)	144,966,018	76,302,840	53%
714004060						
714014060	Rehabilitation, intervention programs and Research on alcohol	82,000,000	(40,000,000)	42,000,000	32,000,000	76%
Sub-Total		82,000,000	(40,000,000)	42,000,000	32,000,000	76%
715004060						
715024060	Sp15.2 Human Resource Development	108,982,471	4,027,000	113,009,471	84,048,488	74%
Sub-Total		108,982,471	4,027,000	113,009,471	84,048,488	74%
903004060						
903014060	Administration services	88,476,534	(4,831,707)	83,644,827	73,715,714	88%
Sub-Total		88,476,534	(4,831,707)	83,644,827	73,715,714	88%
904004060						
904014060	County talent development and promotion	61,000,000	(54,657,000)	6,343,000	6,262,121	99%
Sub-Total		61,000,000	(54,657,000)	6,343,000	6,262,121	99%

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905004060						
905014060	Development and management of sports facilities	136,071,184	(10,080,429)	125,990,755	85,089,638	68%
905034060	Sports training and competitions	38,000,000	12,500,000	50,500,000	49,877,600	99%
Sub-Total		174,071,184	2,419,571	176,490,755	134,967,238	76%
906004060						
906014060	Public Relations	7,930,000	10,975,401	18,905,401	10,705,617	57%
Sub-Total		7,930,000	10,975,401	18,905,401	10,705,617	57%
1002004060						
1002014060	General Administration and Support Services	411,675,926	127,363,388	539,039,314	486,078,746	90%
Sub-Total		411,675,926	127,363,388	539,039,314	486,078,746	90%
Grand Total		20,001,573,331	1,457,296,621	21,458,869,952	17,557,270,125	82%

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16. Significant Accounting Policies

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

a) 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 receivables and payables are disclosed in the Statement of Assets and Liabilities. The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the County Executive 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.

b) Reporting entity

The financial statements are for the Kiambu County Executive. The financial statements encompass the reporting entity as specified under section 164 of the PFM Act 2012.

c) Recognition of receipts and payments

i) Recognition of receipts

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

ii) Transfers from the County Revenue Fund (CRF)

Transfer from CRF 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 a notification received by the entity.

Significant Accounting Policies (Continued)

iii) Proceeds from sale of assets

Proceeds from the sale of assets are recognized in the statement of receipts and payments when the related monies from the sale are received by the entity.

d) Recognition of payments

The County Executive recognizes all expenses when the event occurs, and the related cash has been paid out.

i) Compensation of employees

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

ii) Use of goods and services

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

iii) Interest on borrowing

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.

iv) Repayment of borrowing (principal amount)

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made.

v) 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

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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.

e) In-kind contributions

In-kind contributions are donations that are made to the County Executive 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 County Executive 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.

f) Third Party Payments

This relates to payments done directly to supplier on behalf of the county Executive 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 Executive is detailed in the notes to these financial statements.

g) 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

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party deposits. As at 30th June 2024, this amounted to KShs 254,574,889 compared to KShs 151,924,640 in prior period as indicated on note 15.

h) Imprests and Advances

For the purposes of these financial statements, imprests and advances to authorized 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.

i) Third Party Deposits and Retention

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

j) 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 County Executive's fixed asset register a summary of which is provided as a memorandum to these financial statements.

k) 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 County Executive at the end of the year. Pending bills

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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.

l) 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 recognized 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 County Executive 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. Other Important Disclosure (9) and Annex 8 of this financial statement is a register of the contingent liabilities in the year.

m) Contingent Assets

The County Executive 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 County Executive in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

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Significant Accounting Policies (Continued)

n) Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County Executive's budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on 13th June 2023 for the period 1st July 2023 to 30 June 2024 as required by law. There were two supplementary budgets passed in the year. A high-level assessment of the County Executive's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

o) Comparative figures

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

p) Subsequent events

Events subsequent to submission of the financial year end financial statements to the National Treasury and other stakeholders with a significant impact on the financial statements may be adjusted with the concurrence of National Treasury.

q) Prior Period Adjustment

During the year, errors that have been corrected are disclosed under note 17 explaining the nature and amounts.

r) Related Party Transactions

Related party means parties are related if one party has the ability to:

- a) Control the other party or
- b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Relates party transaction is a transfer of resources or obligations between related parties regardless of whether a price is charged.

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17. Notes to the Financial Statements

1. Transfer from the CRF

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Total exchequer releases for quarter 1	2,706,889,790	1,878,813,113
Total exchequer releases for quarter 2	4,137,963,338	2,736,080,302
Total exchequer releases for quarter 3	2,933,096,330	2,625,416,222
Total exchequer releases for quarter 4	6,662,034,949	4,455,250,442
Total	16,439,984,407	11,695,560,079

These are funds transferred from the County Revenue Fund to County Executive operations accounts. Transfers from the CRF in the current financial year were comparatively higher than the prior period due to enhanced OSR, better performance on grants and higher opening balances of prior unspent balances for the reporting period in the CRF fund.

2. Miscellaneous Receipts

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Tender Fees received	0	0
Other Receipts	0	1,796,487
Total	0	1,796,487

There were no miscellaneous receipts for the year ended 30th June 2024

2B. Other receipts (Appropriation in Aid-FIF)

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Other receipts - Appropriation in Aid - Health Facility Improvement Fund (AIA - FIF)	1,237,688,895	1,182,161,856
Total	1,237,688,895	1,182,161,856

These are funds that were collected under FIF and accounted for under AIA. These amounts didn't pass through the CRF account refunded in SPA Health & Primary Health Care accounts in the current financial year. They were credited in the County Executive Operations accounts.

3. Compensation of Employees

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Basic salaries of permanent employees	6,741,276,653	7,188,725,545

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Basic wages of temporary employees	628,366,292	317,748,035
Personal allowances paid as part of salary	13,599,262	16,500,000
Personal allowances paid as reimbursements	0	0
Personal allowances provided in kind	0	0
Employer Contribution to compulsory National Social Schemes	502,877,295	341,040,985
Employer Contribution to Compulsory National health Insurance Schemes	4,300,000	0
Pension and other social security contributions	0	0
Social benefit schemes outside government	0	0
Other personnel payments	0	0
Total	7,890,419,502	7,864,014,565

The County adopted stringent measures in recruitment of new staffs despite the natural attrition in order to mitigate the ballooning wage bill leading to a decrease of basic salaries. However, the basic wages of temporarily employees increased due to additional casuals employed to deal with the unclogging of drainages during the heavy rain seasons.

In addition, there were misclassifications in prior year under Employer Contributions to Compulsory National Social Security Schemes and Employer Contributions to Compulsory Health Insurance Schemes.

4. Use of Goods and Services

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Utilities, supplies and services	176,714,794	123,400,452
Communication, supplies and services	55,758,102	54,219,604
Domestic travel and subsistence	96,116,280	114,144,855
Foreign travel and subsistence	798,534	1,063,253
Printing, advertising and information supplies & services	94,101,642	50,640,448
Rentals of produced assets	25,493,942	24,397,060
Training expenses	55,450,547	61,005,480
Hospitality supplies and services	108,836,515	71,201,900
Insurance costs	399,013,752	448,138,250
Specialized materials and services	427,763,834	510,916,502

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Office and general supplies and services	52,584,078	52,473,917
Fuel, oil and lubricants	355,889,238	201,934,764
Other operating expenses (including bank charges)	356,772,437	142,010,080
Routine maintenance – vehicles and other transport equipment	119,647,433	58,702,826
Routine maintenance – other assets	101,261,858	91,183,252
Total	2,426,202,984	2,005,432,642

There was late exchequer releases in the financial year ended 30th June 2023 where Kshs. 2.5billion was not utilized and formed part of the funding component during the reporting period. This led to enhanced payments under the various categories of goods and services such as Utilities, Supplies and Services, Printing, Advertising and Information Supplies and Services, Hospitality Supplies and Services, Fuel Oil and Lubricants, Other Operating Expenses, and Routine Maintenance – Vehicles

The county continued to institute strict measures on foreign travel which led to reduction during the reporting period.

There was improved performance of the FIF fund and level 4 and 5 hospitals were able to procure their own Specialised Materials hence the decline under the county treasury funding.

5. Subsidies

Description	FY 2023/2024		FY 2022/2023	
	KShs	KShs	KShs	KShs
Subsidies to Public Corporations	0		0	
Subsidies to Private Enterprises	0		0	
Total	0		0	

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6. Transfer to other Government entities

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Transfers to County Government entities		
Other Current Transfers, Grants and Subsidies	2,058,644,754	370,937,922
Other Capital Grants and Trans	594,507,887	581,033,718
Transfers to Other Counties	0	0
Transfers to National Government entities	0	0
Transfer to the Council of Governors	0	0
Transfer to others	0	0
TOTAL	2,653,152,641	951,971,640

These are transfers to county established funds and other grants which are self-reporting entities either under the PFM act 2012 and (or) other requirements from donor funding.

There was increased allocation of 3 folds in bursary allocation and other funds as Emergency fund.

In the prior year, the county had only managed to appropriate Kshs. 15M towards the emergency fund which was less than 0.5% of the county budget against the emergency act. This was enhanced to Kshs. 50 million as the county tried to comply with the emergency acts and regulations.

6B. Other Transfers (Appropriation in Aid-FIF)

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Other payments - Appropriation in Aid - Health Facility Improvement Fund (AIA - FIF)	1,237,688,895	1,182,161,856
Total	1,237,688,895	1,182,161,856

These are health facility fees that were accounted under facility improvement fund

7. Other Grants and Transfers

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Scholarships and other educational benefits	0	0
Emergency relief and refugee assistance	0	0
Subsidies to small businesses, cooperatives, and self employed	0	0
Total	0	0

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Notes to the Financial Statements (Continued)

8. Social Security Benefits

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Government Pension and Retirement Benefits	54,321,623	105,240,967
Social security benefits	0	0
Employer Social Benefits	0	0
Total	54,321,623	105,240,967

The expense refers to staff cost attributed to retirement and were paid to Laptrust and Lap-Fund. There were budget mis-classification in prior period hence the higher figure reported during that period.

9. Acquisition of Assets

Non- Financial Assets	FY 2023/2024	FY 2022/2023
	KShs	KShs
Purchase of Buildings	0	0
Construction of Buildings	951,683,190	12,723,807
Refurbishment of Buildings	16,618,439	0
Construction of Roads	518,291,335	18,395,363
Construction and Civil Works	432,213,394	28,626,785
Overhaul and Refurbishment of Construction and Civil Works	0	0
Purchase of Vehicles and Other Transport Equipment	196,243,813	21,449,338
Overhaul of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	12,875,728	0
Purchase of Office Furniture and General Equipment	108,876,454	11,284,713
Purchase of Specialized Plant, Equipment and Machinery	204,987,634	25,031,673
Rehabilitation and Renovation of Plant, Machinery and Equip.	0	0
Purchase of Certified Seeds, Breeding Stock and Live Animals	273,229,769	81,864,400
Research, Studies, Project Preparation, Design & Supervision	14,836,348	22,129,600
Rehabilitation of Civil Works	1,994,720	0
Acquisition of Strategic Stocks and commodities	0	0
Acquisition of Land	0	0
Acquisition of Intangible Assets	0	0
Other Domestic Accounts Payables	563,633,656	543,361,880
Total acquisition of non- financial assets	3,295,484,480	764,867,560

The significant increase of acquisition of assets by Kshs.2,530,616,920 in the current financial year is due to late exchequer release in the prior period which resulted to CRF closing balance of Kshs. 2,546,549,135. This led to poor absorption of the development projects which have been implemented in the current period as per the work plan.

Other Domestic Accounts Payables refer to pending bills paid during the year.

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Under acquisition of assets, the prior year balances of kshs. 2.5billions enabled the county to honour its obligations on development budget. This is evidenced where the overall absorption development budget improved from Kshs.1,462,905,257 to Kshs.3,444,526,534 in financial year 2022/2023 and Kshs. 2023/2024 respectively

10. Finance Costs, including Loan Interest

Description	FY 2023/2024		FY 2022/2023	
	KShs	KShs	KShs	KShs
Interest Payments on Foreign Borrowings	0		0	
Interest Payments on Guaranteed Debt Taken over by Govt	0		0	
Interest on Domestic Borrowings (Non-Govt)	0		0	
Interest on Borrowings from Other Government Units	0		0	
Total	0		0	

11. Repayment of Principal on Domestic Lending and On-Lending

Description	FY 2023/2024		FY 2022/2023	
	KShs	KShs	KShs	KShs
Repayments on Borrowings from Domestic	0		0	
Principal Repayments on Guaranteed Debt Taken over by Government	0		0	
Repayments on Borrowings from Other Domestic Creditors	0		0	
Repayment of Principal from Foreign Lending & On – Lending	0		0	
Total	0		0	

12. Other Payments

Description	FY 2023/2024		FY 2022/2023	
	KShs	KShs	KShs	KShs
Budget Reserves	0		0	
Civil Contingency Reserves	0		0	
Total	0		0	

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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	Account Type	FY 2023/2024	FY 2022/2023
			KShs	KShs
CBK- Kiambu County Recur-Kes	10000170409	Recurrent	779,027	1,690
CBK- Kiambu County Devt. -Kes	10000170457	Development	5,500,744	938,553
CBK - Kiambu County-Road Maint. Levy Fund-Kes	10000250836	Development	879,657	879,657
CBK -Kiambu County Special Purp. Health-Kes	1000336358	Recurrent	26	626
CBK- Kiambu County Special Purpose Educ-Kes	1000368648	Recurrent	5,148	5,148
CBK- Kiambu County Spec Purp Agricul-Kes	1000365919	Recurrent	2	1
CBK- Kiambu County Ke Urban Support Prog-Kes	1000370718	Development	4	4
CBK- Kiambu County Nutritional Intern. Project-Kes	1000533528	Recurrent	14,055,225	16,605,435
CBK- Kiambu County Primary Health Care-Kes	1000561262	Recurrent	130	130
CBK - Kiambu County Deposit	10000299142	Deposit	254,574,889	151,924,641
Kiambu County Grant Deposit	1000319755	Development	0	0
Kiambu county Agric Sec Dev S.Pro II	1000365908	Development	0	0
Kiambu County Climate Change SPA	1000543574	Development	129,855,741	13,982,967
CBK- Kiambu County Nat Agri Val Chain Dev-Kes	1000718811	Development	1	1
CBK- Kiambu County Aggreg and Ind Parks-Kes	1000735333	Development	0	0
Total			405,650,594	184,338,851

13 B Cash in Hand

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Cash in Hand – Held in domestic currency	0	0
Cash in Hand – Held in foreign currency	0	0
Total	0	0

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Cash in hand should also be analysed as follows:

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Location 1	0	0
Location 2	0	0
Total	0	0

14. Outstanding imprests and advances

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Government Imprests	801,440	10,630,360
Salary Advance	0	0
Clearance accounts	0	0
Total	801,440	10,630,360

The County Treasury enhanced control measures around imprest management hence the substantial decline on outstanding imprest at the end of the financial year.

Breakdown of imprest and salary advance per department	FY 2023/2024	FY 2022/2023
Imprest	KShs	KShs
County Executive	0	1,770,400
County Public Service Board	0	0
Finance, ICT and Economic Planning	140,000	385,400
Water, Energy, Environment and Natural Resources	310,000	1,371,700
Health Services	0	73,000
Roads, Transport and Public Works	0	1,429,440
Administration and Public Service	68,550	114,700
Agriculture Livestock and Cooperatives	0	23,580
Education Gender Culture and Social Services	232,490	798,730
Youth Affairs, Sports and Communication	50,400	0
Lands, Housing, Physical Planning, Municipal Administration and Urban Development	0	3,895,050
Trade Tourism Industrialization and Investment	0	768,360
Sub-Total	801,440	10,630,360
Salary advance		
Nil	0	0
Nil	0	0
Sub-Total	0	0

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Grand Total	801,440	10,630,360
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There were no salary advances during the year

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

15. Deposits and Retention

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Deposits	0	0
Retention monies	254,574,889	151,924,640
Total	254,574,889	151,924,640
Ageing analysis: (deposits and retentions)	FY 2023/2024	% of the Total
Under one year	113,111,165	44%
1-2 years	15,913,877	6%
2-3 years	21,769,411	9%
Over 3 years	103,780,436	41%
Total	254,574,889	100%

16. Fund Balance Brought Forward

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Bank accounts	184,338,850	182,199,073
Cash in hand	0	0
Outstanding Imprests and advances	10,630,360	1,026,620
Deposits and Retentions	(151,924,640)	(144,337,720)
Total	43,044,570	38,887,973

The fund balances brought forward refers to the previous financial year's closing balances

17. Prior Year Adjustments

A prior period adjustment really applies to the correction of an error in the financial statements of a prior period.

Description Of the Error	Balance b/f from Previous FY as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted **Balance b/f For previous FY
	Kshs	Kshs	Kshs

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Bank account Balances	184,338,850	(940,243)	183,398,608
Cash in hand	0	0	0
Outstanding imprests and advances	10,630,360	(10,630,360)	0
Deposits and retentions	0	0	0
Others	0	0	0
Total	194,969,210	(11,570,603)	183,398,608

Bank accounts balances' adjustments refer to closing bank balances in respective years that were transferred back the CRF accounts and have been accounted under return to CRF issues in the CRF statement. These funds were part of the CRF transfer in the current reporting period. The receivables for prior years were adjusted accordingly to reflect the cash basis of reporting as guided by the PSASB. These will have an overall effect of adjusting the fund balance brought forward accordingly for the reporting periods

18. Increase/ (Decrease) in Outstanding Imprests and Advances

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Imprest and Advances as at 1 st July (A)	10,630,360	1,026,620
Imprest and Advances as at the end of the period (B)	801,440	10,630,360
Increase)/ Decrease in Imprest and Advances (C=(B-A))	9,828,920	(9,603,740)

19. Increase/ (Decrease) in Deposits and Retention

Description	FY 2023/2024	FY 2022/2023
	KShs	KShs
Deposits and Retention s as at 1 st July (A)	151,924,640	144,337,720
Deposits and Retention as at the end of the period (B)	254,574,889	151,924,640
Increase)/ Decrease in Imprest and Advances (C=(B-A))	102,650,249	7,586,920

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20. Other Important Disclosures

1. Pending Accounts Payable (See Annex 2)

	Balance b/f	Adjustment for 2023/2024 Bills	Adjustment for additional Bills	Adjustment for unsupporte d Bills	Adjustment for Duplicates	Adjusted Bal b/f	Additions for the period	Paid during the period	Balance c/f
	FY 2022/2023								
Description	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Construction of buildings	108,498,868	6,284,560	17,837,295	18,154,973	-	101,896,631	103,968,960	31,075,902	174,789,688
Construction of civil works	2,115,949,731		3,506,996	311,348,127	6,397,455.89	1,801,711,144	193,723,477	244,081,895	1,751,352,726
Supply of goods	675,398,450	68,551,461	36,959,675	72,409,720	2,257,690.00	569,139,254	350,470,511	161,655,256	757,954,509
Supply of services	1,099,814,441	92,095,138	45,007,684	135,651,340	7,499,748.00	909,575,899	1,146,955,598	126,820,603	1,929,710,895
Total	3,999,661,490	166,931,159	103,311,650	537,564,159	16,154,894	3,382,322,928	1,795,118,546	563,633,656	4,613,807,818

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2. Pending Staff Payables (See Annex 3)

	Balance b/f FY FY 2022/2023	Adjustment for 2023/2024 Bills	Adjustment for additional Bills	Adjustment for unsupported Bills		Adjusted Bal b/f	Additions for the period ended June 2024	Paid during the period ended June 2024	Balance c/f in the ended June 2024
Description	Kshs						Kshs	Kshs	Kshs
Senior management	0		0	-	0	-	-	-	-
Middle management	0		0	-	0	-	-	-	-
Unionisable employees	0		0	-	0	-	-	-	-
Others	21,396,440		0	2,984,835	11,524,915	6,886,690	18,251,770	-	25,138,460
Total	21,396,440		0	2,984,835	11,524,915.00	6,886,690	18,251,770	-	25,138,460

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3. Other Pending Payables (See Annex 4)

Description	Balance b/f FY 2022/2023 Kshs	Bal b/f Adjustment				Adjusted Bal b/f (a)	Additions year ended June 30, 2024 (b)	Paid during year ended June 30, 2024 (c)	Balance c/f (d = a+b-c)
		2023/202 4 Bills	Additional Bills	Unsuppo rted Bills	Duplicates				
Amounts due to National Government entities	0	0	0	0	0	0	0	0	0
Amounts due to County Government entities	1,981,565,951	0	0	0	0	1,981,565,951	0	0	1,981,565,951
Amounts due to third parties		0	0		0				
Total	1,981,565,951	0	0	0	0	1,981,565,951	0	0	1,981,565,951

The balance carried forward for financial year 2022/2023 had various errors that led to adjustment of the balance brought forward as follows:

- ✓ **Adjustment for 2023/2024 bills:** These are bills that relate to financial year 2023/2024 and were erroneously included in the pending bills list as at 30th June 2023. They included Pending Accounts Payable of Kshs. 166,931,159.
- ✓ **Adjustment for Additional Bills:** These are bills that relate to prior financial years but were not disclosed as pending bills as at June 30, 2023. They include Pending Accounts Payable of Kshs. 103,311,650 which were disclosed and paid.
- ✓ **Adjustment for Unsupported Bills:** These bills were disclosed as pending bills at the end of financial year 2022/2023, but they did not have adequate documentation support. They included Pending Accounts Payable of Ksh.537,564,159 and Pending Staff Payable of Kshs. 2,984,835.
- ✓ **Adjustment for Duplicates:** These are duplicated bills that were included in the pending bills master list at the close of financial year 2022/2023. They Included Pending Accounts Payable of Kshs. 16,154,894 and Pending Staff Payable of Kshs. 11,524,915

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Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
External Assistance received in Cash	0	0
External Assistance received as Loans and Grants	0	0
External Assistance received In Kind- as Payment by Third Parties	0	0
Total	0	0

a) External assistance relating to loans and grants

Description	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
External Assistance received as Loans	0	0
External Assistance received as Grants	0	0
Total	0	0

b) Undrawn external assistance

Description	Purpose for which the undrawn external assistance may be used	FY 2023/2024	FY 2022/2023
		Kshs	Kshs
Undrawn External Assistance – Loans		0	0
Undrawn External Assistance – Grants		0	0
Total		0	0

c) Classes of providers of external assistance

Description	FY 2023/2024	FY 2022/2023

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	Kshs	Kshs
Multilateral Donors	0	0
Bilateral Donors	0	0
International Assistance Organization	0	0
NGOs	0	0
National Assistance Organization	0	0
Total	0	0

d) Non-monetary external assistance

Description	Period ended June 2024		Period ended June 2023	
	Kshs	Kshs	Kshs	Kshs
Goods	0		0	
Services	0		0	
Total	0		0	

e) Purpose and use of external assistance.

Description	Period ended June 2024		Period ended June 2023	
	Kshs	Kshs	Kshs	Kshs
Compensation of Employees	0		0	
Use of Goods and Services	0		0	
Subsidies	0		0	
Transfers to Other Government Entities	0		0	
Other Grants and Transfers	0		0	
Social Security Benefits	0		0	
Acquisition of Assets	0		0	
Finance Costs, including Loan Interest	0		0	
Repayment of Principal on Domestic & Foreign Borrowing	0		0	

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Other Payments	0	0
Total	0	0

f) External Assistance paid by Third Parties on behalf of the County Executive by Source

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
National Government	0	0
Multilateral Donors	0	0
Bilateral Donors	0	0
International Assistance Organization	0	0
NGOs	0	0
National Assistance Organization	0	0
Total	0	0

5. Payments by Third Party on Behalf of the County Executive

This relates to payments made directly to supplier on behalf of the county Executive. For example, the national government may fund the operations of health or education program, a donor may pay directly for construction of a given market etc.

5.1 Classification by Source

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
National Government	0	0
Multilateral Donors	0	0
Bilateral Donors	0	0
International Assistance Organization	0	0

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NGOs	0	0
National Assistance Organization	0	0
Other County Entities	0	0
Others	0	0
Total	0	0

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

Description	Period ended June 2024	Period ended June 2023
	Kshs	Kshs
Compensation of employees	0	0
Use of goods and services	0	0
Subsidies	0	0
Transfers to other government units	0	0
Other grants and transfers	0	0
Social security benefits	0	0
Acquisition of assets	0	0
Finance costs, including loan interest	0	0
Repayment of principal on domestic & foreign borrowing	0	0
Other payments	0	0
Total	0	0

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 Executive:

- i) Key management personnel that include the Governor, the Deputy Governor, CECs and Chief Officers for various County Ministries and Departments.

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- ii) County Ministries and Departments.
- iii) The National Government.
- iv) Other County Governments Entities and
- v) State Corporations and Semi-Autonomous Government Agencies.

Related party transactions

	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Key Management Compensation (Governor, Deputy Governor, CEC Members and COs)	105,869,549	108,500,128
Transfers To Related Parties		
Transfers to Other County Government Entities	511,578,726	277,660,000
Transfers to Development Projects	554,356,317	581,033,718
Transfers to County Water Service Providers	40,151,570	40,000,000
Other Current Transfers, Grants and Subsidies	1,547,066,028	668,509,414
Expenses paid on Behalf Of County Water Service Providers	0	0
Total Transfers To Related Parties	2,653,152,641	1,567,203,132
Transfers From Related Parties		
Transfers From the CRF	16,439,984,407	11,695,560,079
Transfers From National Government MDAs	0	0
Transfers From SCs And SAGAs - National Government	0	0
Total Transfers From Related Parties	16,439,984,407	11,695,560,079

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Other Important Disclosures

7. Establishment of other County Government Entities

The PFM Act, 2012 section 182 enables the County Government to establish and dissolve County Corporations/ entities. For purposes of follow up on financial reporting, audit and disclosure, outlined below is a list of entities established by the County Government since inception.

Entity	Date Established/Date taken over	Location	Accounting Officer responsible
County Revenue Fund	2013	Kiambu county	Nancy Kirumba - C.E.C.M Finance, ICT & Economic Planning
Kiambu Bursary Fund	19th May, 2014	Kiambu county	Ms. Emilly Nkoroi
Kiambu Alcoholics Drinks Control Fund	9 th March, 2018	Kiambu county	Mr. Charles Njuguna Gikonyo
Kiambu County Executive staff Mortgage Scheme Fund	4th Feb 2016	Kiambu county	Mr. David Kiiru, Head Asset and Liabilities Accounting Services
Kiambu County Jiinue Fund		Kiambu county	Maryanne Njeri Kahuno Chief Officer Youth Affairs & Sports

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Kiambu County Emergency Fund	20th Dec. 2013	Kiambu county	Nancy Kirumba - C.E.C.M Finance & Economic Planning
Kiambu County Facility Improvements Funds	19 th April 2019	Kiambu County	Dr. Patrick Nyaga, CO Health Services
The Kiambu County Climate Change	2nd November, 2021	Kiambu County	Hannah Wanjiru Muchai Director Monitoring & Evaluation
Thika Water & Sewerage Company Ltd	8th July 2009	Thika Sub County	Moses Kinya - MD
Ruiru Juja Water & Sewerage Company Ltd	6-Mar	Ruiru Sub County	Simon Mwangi - MD
Kiambu Water & Sewerage Company Ltd	20th September 2004	Kiambu Sub County	Boniface Mbugua - Ag. MD
Limuru Water & Sewerage Company Ltd	13th March 2006	Limuru Sub County	Margaret Maina - MD
Kikuyu Water Company Ltd	10th March 2006	Kikuyu Sub County	Jane Murage - MD

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Gatundu Water & Sanitation Company Ltd	8th October 2014	Gatundu South Sub County	Patrick Mwangi - MD
Githunguri Water & Sanitation Company Ltd	24th April 2007	Githunguri Sub County	Charles Wahogo - Ag. MD
Karuri Water & Sanitation Company Ltd	24th April 2007	Kiambaa Sub County	John Kariuki - MD

8. Leasing of Medical Equipment

Amounts relating to leased medical equipment is included in the County Allocation Revenue Act and is budgeted for by the Counties. This amount is deducted at source and therefore not included in the exchequer. Since this is not a cash item, it is not included in the statement of receipts and payments In the current financial year ,amounts relating to leased medical equipment was Kshs 0 and Kshs 0 for the comparative Financial year.

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Contingent Liabilities	FY 2023/2024	FY 2022/2023
	Kshs	Kshs
Court Cases Against the Entity	517,322,175	140,848,275
Bank Guarantees In Favour Of Subsidiary	0	0
Contingent Liabilities Arising from PPPs	0	0
Total	517,322,175	140,848,275

The County had not fully updated its contingent liabilities in prior period. This was done during the reporting period hence the substantial increase as evidenced from reported figure of Kshs. 140,848,275 in FY 2022/2023 to Kshs. 517,322,175 in the year under review as per annex 8.

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10. Program for Results (PforR) Disclosure

Expenditure Details	Opening Cumulative for Previous FYs		Current FY		Total Cumulative	
	Budget	Actual	Budget	Actual	Budget	Actual
Program code	0	0	0	0	0	0
Sub-program	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0
Program code	0	0	0	0	0	0
Sub-program	0	0	0	0	0	0
Sub-total	0	0	0	0	0	0
Total	0	0	0	0	0	0

11. Progress On Follow-Up on Prior Year Auditor's Recommendations

The following is the summary of issues raised by the external auditor and management comments that were provided to the auditor.

Reference No. on the external audit report	Observations from Auditor	Management comments	Status:	Time frame:
1.1 Variances Between Financial Statements and Supporting Ledgers	<p>The statement of receipts and payments reflects an expenditure of Kshs.2,005,432,642 under use of goods and services which, as disclosed in Note 4 to the financial statements, includes amounts of Kshs.114,144,855 and Kshs.71,201,900 in respect of domestic travel and subsistence, and hospitality supplies and services. However, the amounts of Kshs.114,144,855 and Kshs.71,201,900 differs from the corresponding ledger balances of Kshs.114,068,855 and Kshs.71,101,900 resulting to an unreconciled variance of Kshs.76,000 and Kshs.100,000 respectively.</p>	<p>We wish to clarify that the correct amounts are as observed in the financial statements.</p> <p>(i) The variance of kshs.76,000 occurred due to inherent IFMIS errors.</p> <p>(ii) The variance under hospitality supplies of Kshs.100,000 -The correct figure is Kshs. 71,201,900 as per the financial statement which is also supported by the Trial balance. This is supported by the audited ledger of Kshs.71,101,900 and Kshs.100,000 which was populated as 'default non-programmatic' as evidenced in the statement of budget execution.</p>	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same
1.2 Variances Between Financial Statements and IFMIS Trial balance	Review of the financial statements and IFMIS trial balance submitted for audit revealed variances between the two set of records.	The management has explained each variance as observed by the auditor and is in the process of reconciling the variances between the two sets with the help of the National treasury	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same

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1.3.1 Related Party Transactions	<p>The statement of receipts and payments reflects an amount of Kshs.951,971,640 being transfers to other Government entities which, as disclosed in Note 6A to the financial statements, includes other current transfers, grants and subsidies and other capital grants and transfers amounting to Kshs.370,937,922 and Kshs.581,033,718 respectively. However, Note 6 to the financial statements on other important disclosures reflects total transfers to related parties amounting to Kshs.1,567,203,132 resulting to an unreconciled variance of Kshs.615,231,492.</p>	<p>The variance of Kshs.615,231,492 related to CRF transfers to special purpose account of Kshs.575,231,492 and Kshs.40,000,000 that were paid as a grant to various water companies through the department of Water Environment, Energy and Natural Resources.</p>	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same
1.3.2 Summary of Non-Current Asset Register	<p>The statement of receipts and payments reflects an expenditure of Kshs.764,867,560 under acquisition of assets as disclosed in Note 9 to the financial statements. However, Annex 6 - summary of non-current asset register reflects assets acquired during the year amounting to Kshs.331,007,210. The resultant variance of Kshs.433,860,350 was not reconciled or explained.</p>	<p>The variance of Kshs.433,860,350 relates to acquisition of non-tangible assets and other assets which are not recorded in the non-current asset register example- purchase of certified seeds, purchase of fertilizer, fingerlings, semen's etc</p>	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same
1.4 Misclassification of Expenditure	<p>Review of the financial statements presented for audit revealed expenditure totalling to Kshs.273,080,785 charged to the incorrect expenditure. In the circumstances, the accuracy and completeness of the financial statements for the year ended 30 June, 2023 could not be confirmed.</p>			

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1.4.1 Basic Salaries for Permanent Employees	<p>The statement of receipts and payments and Note 3 to the financial statements reflects a payment of Kshs.7,864,014,565 in respect to compensation of employees out of which an amount of Kshs.7,188,725,545 was for basic salaries for permanent employees. Analysis of the ledger balances revealed that Kshs.21,953,031 was misclassified as it relates to wages for casuals.</p>	<p>We wish to clarify that the budget for casual wages was exhausted thus leading to charging them to the said line item which is a related line item.</p>	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same
1.4.2 Employer Contribution to Compulsory National Social Scheme	<p>The statement of receipts and payments and Note 3 to the financial statements reflects a payment of Kshs.7,864,014,565 in respect of compensation of employees out of which an amount of Kshs.341,040,985 relates to employer contribution to compulsory national social schemes. Analysis of the ledger provided revealed that an amount totaling to Kshs.131,852,289 and Kshs.6,909,661 totaling to Kshs.138,761,950 was misclassified as it relates to payment to KRA and basic salaries for permanent employees respectively.</p>	<p>This payment relates to PAYE deductions for county staff and other staff salaries as observed and since it is salaries related it was charged to the above line item which had funds at that time.</p>	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same
1.4.3 Domestic Travel and Subsistence	<p>The statement of receipts and payments and Note 4 to the financial statements reflects a payment of Kshs.2,005,432,462 in respect of use of goods and services out of which an</p>	<p>We wish to note that the expenditures were erroneously charged under budget line items 2210303,2210302 and 2210304 instead of 2210403,2210402 and 2210404.</p>	Not Resolved	Waiting for County Assembly Public Account and investment committee to

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	amount of Kshs.114,144,855 was for domestic travel and subsistence. Analysis of the ledger revealed that an amount totaling to Kshs.691,072 was misclassified as it relates to payments of foreign travel and subsistence.			meet and deliberate on the same
1.4.4 Hospitality Supplies and Services	The statement of receipts and payments and Note 4 to the financial statements reflects a payment of Kshs.2,005,432,462 in respect of use of goods and services out of which an amount of Kshs.71,201,900 was in respect to hospitality supplies and services. Analysis of the ledger revealed that Kshs.460,800 was misclassified as it relates to payment of communication, supplies and services.	We wish to note that the expenditures were erroneously charged under hospitality supplies instead of being charged to payment of communication supplies and services.	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same
1.4.5 Specialized Materials and Services	The statement of receipts and payments and Note 4 to the financial statements reflects use of goods and services expenditure amounting to Kshs.2,005,432,642 which includes specialised materials and services expenditure of Kshs.510,916,502. Analysis of the ledger for specialised materials and services revealed payments totalling to Kshs.9,935,667 were included in the account for specialised materials and services yet they related to standing imprests and allowances to staff on duty.	The expenditures were charged under other budget line items owing to exhaustion of allocated budgetary funding that necessitated utilization of the same.	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same

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1.4.6 Other Operating Expenses	<p>The statement of receipts and payments and Note 4 to the financial statements reflects use of goods and services expenditure amounting to Kshs.2,005,432,642 which includes other operating expenses amounting to Kshs.142,010,080. Analysis of the ledger provided for audit revealed that a total amount of Kshs.7,448,749 which includes transfer of funds to operations, casual wages, gratuity, statutory deductions including PAYE, NHIF and NSSF and training fees amounting to Kshs.5,344,107, Kshs.134,657, Kshs.694,964, Kshs.541,022 and Kshs.734,000 respectively were incorrectly charged under other operating expenses instead of charging them to the correct codes as per chart of accounts approved by The National Treasury.</p>	<p>The expenditures were charged under other budget line items owing to exhaustion of allocated budgetary funding that necessitated utilization of the same.</p>	Not Resolved	<p>Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same</p>
1.4.7 Transfers to Other Government Entities	<p>The statement of receipts and payments and Note 6A to the financial statements reflects transfer to other Government entities amounting to Kshs.951,971,640 which includes other current transfers, grants and subsidies and other capital grants and transfers amounting to Kshs.370,937,922 and Kshs.581,033,718 respectively. Analysis of other capital grants and transfers ledger provided for audit revealed that an amount of</p>	<p>The payments relate to expenditure in special purpose account which are held in the Central Bank. Such payments are processed through IFMIS as per the approved work-plan. Activities in the approved work-plan included payment of daily subsistence allowances and other recurrent expenditures.</p>	Not Resolved	<p>Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same</p>

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	<p>Kshs.32,027,856 was incorrectly charged to this account code instead of the correct account codes as the payments related to surrender of imprests, travel and subsistence allowances, construction and rehabilitation works and utilities supplies and services.</p> <p>Further, review of other current transfers, grants and subsidies ledger revealed that an amount of Kshs.22,412,566 relating to imprest surrenders and allowances paid to officers was also incorrectly charged under the item instead of charging to the correct account codes as per the chart of accounts provided by The National Treasury.</p>		
1.4.8 Construction and Civil Works	<p>The statement of receipts and payments and Note 9 to the financial statements reflects acquisition of assets expenditure amounting to Kshs.764,867,560 which includes construction and civil works amounting to Kshs.28,626,785. Review of the ledger provided for audit revealed a total amount of Kshs.975,300 which includes construction of sheds and surrender of imprest amounting to Kshs.810,000 and Kshs.165,300 which were included in the incorrect account</p>	<p>We wish to clarify that the amount of Kshs.975,300 were used for repairs of various sheds thus capitalized and charged to the construction and civil works line item.</p>	<p>Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same</p> <p>Not Resolved</p>

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	code instead of being charged to the correct codes as per the chart of accounts approved by The National Treasury.			
1.4.9 Purchase of Vehicles and Other Transport Equipment	<p>The statement of receipts and payments and Note 9 to the financial statements reflects a payment of Kshs.764,867,560 in respect of acquisition of assets out of which an amount of Kshs.21,449,338 was for purchase of vehicles and other transport equipment. Analysis of the ledger revealed that out of this amount, Kshs.16,918,000 relates to rentals of produced assets since it was payment for hire of ambulance, hence a misclassification.</p>	<p>At the commencement of the financial year under review, the county budgeted for hire of ambulances under economic item rentals of produced assets. During the year the county opted to purchase the ambulances thus necessitating budget reallocation from rentals of produced assets to purchase of vehicles and other transport Equipment. There was delay in finalization of procurement of the new ambulances and the county continued to hire the ambulances to avoid disruption of critical health services.</p> <p>The payment of this program was paid under the available budgeted item of the purchase of vehicles and other equipment.</p>	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same
1.4.10 Research Studies, Project Preparation, Design and Supervision	<p>The statement of receipts and payments and Note 9 to the financial statements reflects acquisition of assets expenditure amounting to Kshs.764,867,560 which includes research studies, project preparation, design and supervision amounting to Kshs.22,129,600. Analysis of the ledger provided for audit revealed that an amount of Kshs.18,000,000 which was incurred for purchase of one-month old chicks was incorrectly charged to</p>	<p>The expenditures were charged under other budget line items owing to exhaustion of allocated budgetary funding that necessitated utilization of the same since they relate to the same economic expenditure category.</p>	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same

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	research studies instead of purchase of certified seeds, breeding stock and live animals.			
1.4.11 Communication, Supplies and Services	The statement of receipts and payments and Note 4 to the financial statements reflects a payment of Kshs.2,005,432,462 in respect of use of goods and services out of which an amount of Kshs.54,219,604 relates to communication, supplies, and services. Review of the ledger and payment vouchers provided for audit revealed that a total amount of Kshs.3,037,594 was wrongly charged to items that do not correspond to the chart of accounts and relates to current year but was however charged under payables account as pending bills.	The expenditures were charged under other budget line items owing to exhaustion of allocated budgetary funding that necessitated utilization of the same.		Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same
1.4.12 Printing, Supplies and Information Services	The statement of receipts and payments and Note 4 to the financial statements reflects a payment of Kshs.2,005,432,462 in respect of use of goods and services out of which an amount of Kshs.50,640,447 relates to printing, advertising, and information services expenditure. However, review of payment vouchers provided for audit revealed that an amount of Kshs.458,200 was wrongly charged to other domestic accounts payable item.	The expenditures were charged under other budget line items owing to exhaustion of allocated budgetary funding that necessitated utilization of the same.	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same
2. Unsupported Balances				

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2.1 Pending Payables	<p>Note 20 to the financial statements on other important disclosures reflects pending payable balance of Kshs.6,002,623,881 which includes pending accounts payables, pending staff payable and other pending payables balances of Kshs.3,999,661,490, Kshs.21,396,440 and Kshs.1,981,565,951 respectively. However, the pending bills listing provided for audit revealed pending bills amounting to Kshs.5,835,692,306 resulting to an unreconciled variance of Kshs.166,931,575. Further, review of the pending bills listing revealed that pending bills amounting to Kshs.748,971,917 related to 2017/2018 and earlier years. It was not clear why the pending bills did not a form first charge on the County Revenue Fund in the subsequent years. This may result in the County Government incurring nugatory costs arising from interest payments on overdue amounts.</p> <p>In addition, Note 20 to the financial statements indicates that pending payables totaling Kshs.660,709,445 were paid during the year under review. On the other hand, Note 9 to the financial statements reflects pending bills amounting to Kshs.543,361,880 as</p>	<p>Pending payable balance of Kshs.6,002,623,881 was a consolidation from departments as at 30th June 2023, these bills were further physically verified and observed that pending bills worth Kshs.166,931,575 did not qualify to be categorized as pending bills as they related to current bills of FY 2023.24</p> <p>Pending bills amounting to Kshs.748,971,917 relating to 2017/2018 and earlier years had not been verified and therefore were not considered for payment</p> <p>The total pending bills paid during the year were Kshs.660,709,445 where Kshs.543,361,880 were paid from budget line-item payables from previous years and Kshs.117,347,565 were paid from other current year budgeted line items.</p>	<p>Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same</p>	<p>Not Resolved</p>
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	<p>having been paid during the year. The resultant variance of Kshs.117,347,565 was not explained or supported.</p> <p>Further, pending bills amounting to Kshs.172,893,412 were sampled for review. However, out of the sampled amount, pending bills amounting to Kshs.36,930,039 were not supported by authentic and verifiable source documents and schedules clearly indicating the goods or services supplied, contracted amount, the amount paid during the year and the outstanding balances at the end of the year.</p>		
2.2 Unsupported Expenditure on Use of Goods and Services	<p>The statement of receipts and payments reflects an expenditure of Kshs.2,005,432,642 in respect of use of goods and services as disclosed in Note 4 to the financial statements. Review of the expenditure revealed the following anomalies;</p>		
2.2.1 AIE Expenditure to Sub-Counties	<p>The expenditure of Kshs.2,005,432,642 on use of goods and services includes amounts of Kshs.50,640,448 and Kshs.142,010,080 relating printing, advertising and information supplies and services and other operating expenses respectively. Review of documents provided for audit in respect of printing, advertising and information supplies and services and other operating expenses revealed that amounts of Kshs.716,945 and Kshs.7,600,000 respectively all</p>	<p>The AIEs were issued to sub-counties and were budgeted for in the department of finance, ICT & Economic Planning.</p> <p>We wish to clarify that AIEs issued to sub counties were expensed as per the approved budget. The expenditure returns are archived at the sub-county registry and are available for verification at the Subcounty Offices.</p>	<p>Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same</p> <p>Not Resolved</p>

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	totalling to Kshs.8,316,945 was paid as Authority to Incur Expenditures (AIEs) to sub-counties and expensed. However, supporting documents including expenditure returns from the sub-counties indicating the AIEs issued and whether they were spent as per the approved budget were not provided for audit.			
2.2.2 Domestic Travel and Subsistence Allowances	The expenditure of Kshs.2,005,432,642 on use of goods and services further includes domestic travel and subsistence allowances amounting to Kshs.114,144,855 out of which an amount of Kshs.5,687,750 was paid as meal allowances and facilitation allowances to officers for working beyond normal working hours while carrying out different assignments in various departments. However, justification on why staff were getting extra payments for performing their normal duties within their workstations was not provided. Further, an additional amount of Kshs.3,258,000 was paid in respect of rapid results initiative to inspectorate staff at the rate of Kshs.2,000 per person per day to all participants taking part in the inspection despite having different job group ranks.	The payment relates to special assignment that officers were facilitated for working beyond normal working hours. These cases are approved by the Accounting Officers. In other cases, approval was advised by the CPSB. The RRI exercise was a multi-disciplinary and multi sectorial approach where various and differentiated cadre and persons were engaged. Therefore, it was found fair, reasonable and right to a standardized pay rate for a purpose of uniformity given the complexities of the exercise.	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same
2.2.3 Allowances to Players, Team	The expenditure of Kshs.2,005,432,642 on use of goods and services also	The County participated in the 9 th edition KICOSCA games held in Kisumu between	Not Resolved	Waiting for County Assembly

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Managers and Coaches for KIKOSCA Games	<p>includes other operating expenses amounting to Kshs.142,010,080 out of which an amount of Kshs.12,730,000 was paid as allowances to players, team managers and coaches for the 9th edition of KICOSCA games in Kisumu County from 15 to 21 January, 2023. However, the payment was not supported with proof of travel such as, work tickets, back-to-office reports, attendance register, certificate of participation in the KICOSCA games and evidence of registration of teams and players hence it was not possible to confirm those who attended the event. Further, the allowances paid were directly expensed before surrender hence the allowances issued were not accounted for.</p> <p>Further, the other operating expenses of Kshs.142,010,080 includes an amount of Kshs.1,287,720 paid to various officers under the Office of the Governor and Deputy Governor in respect of allowances for extraneous duties such as working early morning, lunch and late evening. However, the extraneous allowances payments were not supported with prior approvals, acknowledgements of receipt of such payments by the officers, or attendance registers.</p>	<p>15th to 21st January 2021 following an invitation from the KICOSCA secretary general which is an annual event.</p> <p>The payment relates to special assignments that officers are facilitated. These cases are approved by the accounting officers. In other cases, approval was advised by the CPSB. The extraneous allowance were paid to the officers individual bank accounts.</p>	Public Account and investment committee to meet and deliberate on the same
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2.3 Payment of Salary Arrears	<p>The statement of receipts and payments reflects an expenditure of Kshs.7,864,014,565 in respect of compensation of employees as disclosed in Note 3 to the financial statements. Analysis of staff payroll data for the year revealed frequent payment of salary arrears totaling Kshs.102,746,443. Further, twenty (20) officers were paid arrears of Kshs.500,000 and above totalling to Kshs.20,022,099. However, the basis for the payment of the salary arrears was not explained and supporting schedules for the payments with individual breakdown of the arrears indicating total salary in arrears, amount paid and balance as at 30 June, 2023 were not provided for audit.</p>	<p>We wish to clarify that arrears paid in the payroll are well narrated in the employee datasheet as provided in the appendix of screen shot (appendix query 9.4) The Auditor figure is from the ledger which has summarized the total not indicating which earning is been affected.</p> <p>Arrears are non- recurrent payments and are explicit earnings paid one time. Usually, it consists of belated amounts of implicit earnings accumulated over time. There are arrears that are paid every month for;</p> <ul style="list-style-type: none"> ❖ Extraneous Allowance paid to drivers in health services <p>Drivers only deployed in health services are entitled for extraneous Allowance as guided by SRC ref No. SRC/TS/CGOVT/3/61/VOL.III/ (136) on health workers Allowances.</p> <p>Since Drivers can be rotated from time to time, the allowance is not auto generated and every month this allowance is keyed in manually as arrears for them in the health services thus the reason for multiple arrears payment.</p> <ul style="list-style-type: none"> ❖ Extraneous Allowance paid to senior support staff in the Department of Health services <p>The support deployed in health services are entitled for extraneous allowance as guided by SRC ref No.</p>	<p>Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same</p> <p>Not Resolved</p>
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	<p>SRC/TS/CGOVT/3/61/VOL.III/ (136) on health workers Allowances</p> <p>Since support staff can be rotated from time to time, the allowance is not auto generated and every month this allowance is keyed in manually under the code of arrears for them in the health services thus the reason for multiple arrears payment.</p> <ul style="list-style-type: none"> ❖ Gross monthly pay for 7 County Executive Committee Members <p>In 2017 the SRC revised the Gross remuneration pay for the County Executive Committee Members. This pay was configured in the IPPD system. The Counties were enjoined in Kakamega Court Ruling nullifying the revised pay, however this was not effected in the IPPD system. The County Executive Committee in its resolutions approved for payments and since the pay was not auto generated the difference between what was in the system and the earlier retained amount was in every month keyed in manually under the code of arrears and paid as such thus the reason for multiple arrears.</p> <ul style="list-style-type: none"> ❖ Non practicing Allowance for legal officers. <p>The county Executive Committee approved for payment of non-practicing allowances for advocates as per the attached appendix.</p> <p>The Non practicing allowance is only auto generated for doctors in the health services.</p>
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		With the above approval every month the allowance is keyed in manually under the code of arrears for the advocates and paid as such thus the reason for multiple arrears.		
2.4Legal Expenditure	<p>The statement of receipts and payments reflects an expenditure of Kshs.764,867,560 under acquisition of assets which, as disclosed in Note 9 to the financial statements, includes an amount of Kshs.543,361,880 in respect of other domestic accounts payables. The latter balance includes an amount of Kshs.7,367,133 relating to payment for legal services made to two (2) Advocates. However, procurement documents including requisition for the legal services, contract agreements, Tender Opening and Evaluation Committee minutes and evidence on procurement method used in selecting the service providers were not provided for audit.</p> <p>In the circumstances, the accuracy and completeness of the balances totaling to Kshs.6,071,923,888 could not be confirmed.</p>		Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same	
3.Cash and Cash Equivalents	The statement of assets and liabilities reflects a balance of Kshs.184,338,850 in respect of cash and cash equivalents, as disclosed in Note 13 to the financial statements. Review of cash and bank records provided for audit revealed the following anomalies;	The instructions to engage them came from the legal department and the charges were within the remuneration order.	Not Resolved	

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<p>3.1 Unsupported Cash and Cash Equivalents</p>	<p>The County Government of Kiambu provided an approved list of one hundred and thirty-one (131) bank accounts maintained in various banks. However, review of the records provided for audit revealed that out of the one hundred and thirty-one (131) bank accounts listed, forty-seven (47) did not have cashbooks, bank statements and bank reconciliation statements. Further, Management did not present bank reconciliation statements for every month to the County Treasury and the Office of the Auditor-General as required by Regulation 90(1) of the Public Finance Management 'County Government, Regulation, 2015.</p> <p>In addition, review of the trial balance submitted for audit revealed a cash and cash equivalents balance of Kshs.264,453,336 resulting to an unexplained variance of Kshs.80,114,486.</p> <p>In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.184,338,850 as at 30 June, 2023 could not be confirmed.</p>	<p>Management undertakes the preparation of cashbooks for all accounts maintained by the county government. There was a delay in submitting all cashbooks and their reconciliations for verification. However, going forward management undertakes to submit reconciliations and the cashbooks in time for audit verification. The cash books and reconciliations are available for verification.</p> <p>We wish to clarify that the IFMIS trial balance had errors and therefore did not tally with the books of account which were used to prepare the financial statement.</p>	<p>Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same</p>	<p>Not Resolved</p>
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KIAMBU COUNTY EXECUTIVE

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3.2 Irregularities in Preparation and Maintenance of Cashbooks for Hospitals	<p>Review of cashbooks maintained by Kiambu County Hospitals revealed the following anomalies;</p> <ul style="list-style-type: none"> i. Ten (10) bank accounts presented for audit had their cashbooks maintained in Excel which can easily be manipulated instead of the system-generated cashbooks. ii. Kigumo Level IV Hospital-Operation account maintained in a local commercial bank had a balance of Kshs.407,021 which was not transferred to Facilities Improvement Fund (FIF) Account as of 30 June, 2023. In addition, the cashbook was not balanced off, checked, or verified monthly by a senior officer. iii. Gatundu North Sub County-Revenue account and Gatundu South Sub County Revenue account maintained in a local bank had previous month's balances that were not transferred to the next month. In addition, balancing and closing of the 	<p>Kiambu county institution maintain manual cashbooks for all accounts held by the county institutions. Excel worksheets are maintained as a backup for ease of workings and reduction of errors. Workings are printed to avoid manipulation and errors.</p> <p>The health department undertakes to ensure that all hospital operated accounts maintain a manual cashbook as advised by the auditors.</p> <p>Kigumo level 4 hospital cashbook balance noted by the auditors was an amount of unrepresented cheque that cleared in the month of August.</p> <p>Kiambu level 5 hospital cashbook verification had been done and certified on the bank reconciliation. The same has been noted and will be rectified moving forward. There was an omission in posting of June cash opening balance. This did not affect the cash or reconciliation as the same had been considered in the calculations. Balances at the end of the year were transferred to the FIF fund account as at the beginning of the financial year.</p>	<p>Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same</p> <p>Not Resolved</p>
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	cashbooks and bank reconciliations was not done.	
	<p>iv. Kiambu Level V Hospital's FIF account maintained in a commercial bank had a cashbook which was not balanced off, checked, or verified every month by a senior officer. Further, the cash book for the month of June, 2023 had no opening balance carried forward from May, 2023. In addition, the bank balance of Kshs.29,713,727 as at 30 June, 2023 was not transferred to FIF Account.</p> <p>v. Kiambu Level V Hospital Grant account maintained in a commercial bank had the cashbook prepared and bank reconciliation done monthly. However, unpresented cheques totalling to Kshs.2,137,539 as at 30 June, 2023 had all gone stale and had not been reversed. The stale cheques included an amount of Kshs.930,216 in respect of</p>	

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	unremitted taxes to the Kenya Revenue Authority.		
3.3 Unreconciled Cash and Cash Equivalents	<p>Note 13 to the financial statements reflects cash and cash equivalents balances of Kshs.1690, Kshs.938,553 and Kshs.879,657 in respect of CBK- Recurrent, CBK- Development and CBK- Road Maintenance Levy Fund respectively which differs from the cash book balances of nil for the CBK- Recurrent and Development and Kshs.303,200,584 for CBK Road Maintenance Levy Fund. The variance of Kshs.303,261,170 was not reconciled.</p> <p>In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.184,338,850 as at 30 June, 2023 could not be confirmed.</p>	<p>Recurrent and Development Bank Accounts: Kshs.1,690 and Kshs.938,553 related to closing cash balances for recurrent account and development bank account which were erroneously presented in the cash book as “part of payment”.</p> <p>CBK - Kiambu County-Road Maintenance Levy Fund: We wish to clarify this is a prior year issue. The figure indicated in the comparative audited financial statement is Kshs.879,657 and not Kshs.303,200,584.</p> <p>The figure of Kshs.303,200,584 as presented in the cashbook as at 30th June 2022 was not supported and was corrected during the reporting period.</p>	<p>Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same</p> <p>Not Resolved</p>
4.Payment for Undelivered Goods	<p>The statement of receipts and payments reflects an expenditure of Kshs.764,867,560 under acquisition of assets which, as disclosed in Note 9 to the financial statements, includes an amount of Kshs.81,864,400 relating to purchase of certified seeds, breeding stock and live animals. The latter balance includes an amount of Kshs.16,590,010 paid to a Trading Corporation for supply of 13,063 bags of coffee fertilizers which was not delivered. Further, review of Issue and Receipt Vouchers (S12) provided for audit revealed an unexplained balance of 11,116 bags of fertilisers worth Kshs.14,117,320 which were not issued and was not in store.</p> <p>Further, the County procured semen, liquid nitrogen, plastic socks, hand gloves and paper towels from Kenya Animal Genetic Resources Center in March and June, 2020 through Government-to-Government partnership and paid an amount of Kshs.11,204,000. However, only goods worth Kshs.5,481,670 were supplied leaving a balance of</p>		

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	<p>Kshs.5,722,330 worth of goods not delivered. The County also procured maize seeds valued at Kshs.34,783,000 from Kenya National Trading Corporation. However, the County Government received goods amounting to Kshs.20,323,600 as per counter receipt vouchers which was Kshs.14,459,400 less than the ordered quantity. In addition, based on a local purchase order issued on 15 March, 2023 for supply and delivery of 60,000 chicks, delivery for 12,000 and 10,500 chicks was done in July and August, 2023 respectively totaling to Kshs.22,500 chicks. No explanation was provided as to why the supplier did not supply the remaining 37,500 chicks. The invoice was also not issued by the supplier although the total contract price of Kshs.18,000,000 for the supply and delivery of one-month old chicks was fully paid on 23rd March, 2023 through payment voucher No.3154 including the undelivered 37,500 chicks amounting to Kshs.11,250,000. Further, a review of payment voucher No.3383 amounting to Kshs.18,000,000 for supply and delivery of one-month old chicks revealed that the amount was fully paid on 20 April, 2023, however, the respective 60,000 chicks had not been delivered as at the time of audit.</p> <p>In the circumstances, the regularity and completeness of the payment made for undelivered goods amounting to Kshs.80,139,060 could not be confirmed.</p>		
i) Payment of Kshs.16,590,010 to Trading Corporation for supply of 13,063 bags of coffee fertilizers	36,065 bags of coffee fertilizer were delivered where 15,811 and 20,254 bags were delivered at main store - HQ and Waruhui farm respectively.	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same
ii) Payment of Kshs.11,204,000 for the procurement of semen, liquid nitrogen, plastic socks, hand gloves and paper towels from Kenya Animal	The amount of Kshs.11,204,000 was paid to Kenya Animal Genetic Resources Centre in order to procure semen, liquid nitrogen, plastic socks, hand gloves and paper towels to be supplied on need basis. As at 1 st July, 2023, goods worth Ksh.5,481,670 had already been delivered and are supported by the delivery notes as shown in the table below. KAGRIC had not supplied goods worth Kshs.5,722,330 as at 1 st July 2023. The nature of some of the procured goods e.g. Semen and nitrogen, is that they can only be stored in specialized equipment which are not available in the county and are costly to acquire, therefore its only prudent to request from KAGRIC to hold the inventory on our behalf and as on need basis.	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same

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Genetic Resources Center.	<table border="1"> <thead> <tr> <th colspan="3">RECONCILIATION</th><th>Amount</th></tr> </thead> <tbody> <tr> <td>1</td><td>Value of Items delivered as at 1st July 2023</td><td></td><td>5,481,670.00</td></tr> <tr> <td>2</td><td>Balance with KAGRIC as at 1st July 2023</td><td></td><td>5,722,330.00</td></tr> <tr> <td></td><td>TOTAL</td><td></td><td>11,204,000.00</td></tr> </tbody> </table>	RECONCILIATION			Amount	1	Value of Items delivered as at 1 st July 2023		5,481,670.00	2	Balance with KAGRIC as at 1 st July 2023		5,722,330.00		TOTAL		11,204,000.00																													
RECONCILIATION			Amount																																											
1	Value of Items delivered as at 1 st July 2023		5,481,670.00																																											
2	Balance with KAGRIC as at 1 st July 2023		5,722,330.00																																											
	TOTAL		11,204,000.00																																											
<p>Total deliveries of 57,168 2kg packets of maize have now been received in the county. The surplus packets related to spillages that were replaced. Delivery notes are hereby attached.</p> <p>One bale contained 12 packets. Therefore, 4,764 bales*12 will give a total of 57,168 packets which was more than the requisitioned (56,668) as per the attached requisition memo.</p> <table border="1"> <thead> <tr> <th>Delivery notes no</th> <th>S13 No.</th> <th>Inspection date</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>470305</td> <td>1910587</td> <td>29/03/2023</td> <td>460 bales</td> </tr> <tr> <td>470306</td> <td></td> <td></td> <td>460 bales</td> </tr> <tr> <td>470308</td> <td></td> <td></td> <td>957 bales 4 pkts</td> </tr> <tr> <td>470309</td> <td>1910588</td> <td>30-Mar</td> <td>460 bales</td> </tr> <tr> <td>470310</td> <td></td> <td></td> <td>572 bales 8 pkts</td> </tr> <tr> <td>470311</td> <td></td> <td></td> <td>460 bales</td> </tr> <tr> <td>470312</td> <td></td> <td></td> <td>420 bales</td> </tr> <tr> <td>470313</td> <td>1910589</td> <td>31-Mar</td> <td>899 bales</td> </tr> <tr> <td>470314</td> <td></td> <td></td> <td>75 bales</td> </tr> <tr> <td>Total</td><td></td><td></td><td>4,764 bales</td> </tr> </tbody> </table>			Delivery notes no	S13 No.	Inspection date	Amount	470305	1910587	29/03/2023	460 bales	470306			460 bales	470308			957 bales 4 pkts	470309	1910588	30-Mar	460 bales	470310			572 bales 8 pkts	470311			460 bales	470312			420 bales	470313	1910589	31-Mar	899 bales	470314			75 bales	Total			4,764 bales
Delivery notes no	S13 No.	Inspection date	Amount																																											
470305	1910587	29/03/2023	460 bales																																											
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470314			75 bales																																											
Total			4,764 bales																																											
<p>iii) Procurement of maize seeds valued at Kshs.34,783,000 from Kenya National Trading Corporation.</p>			Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same																																											
<table border="1"> <thead> <tr> <th>Delivery notes no</th> <th>S13 No.</th> <th>Inspection date</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>470305</td> <td>1910587</td> <td>29/03/2023</td> <td>460 bales</td> </tr> <tr> <td>470306</td> <td></td> <td></td> <td>460 bales</td> </tr> <tr> <td>470308</td> <td></td> <td></td> <td>957 bales 4 pkts</td> </tr> <tr> <td>470309</td> <td>1910588</td> <td>30-Mar</td> <td>460 bales</td> </tr> <tr> <td>470310</td> <td></td> <td></td> <td>572 bales 8 pkts</td> </tr> <tr> <td>470311</td> <td></td> <td></td> <td>460 bales</td> </tr> <tr> <td>470312</td> <td></td> <td></td> <td>420 bales</td> </tr> <tr> <td>470313</td> <td>1910589</td> <td>31-Mar</td> <td>899 bales</td> </tr> <tr> <td>470314</td> <td></td> <td></td> <td>75 bales</td> </tr> <tr> <td>Total</td><td></td><td></td><td>4,764 bales</td> </tr> </tbody> </table>		Delivery notes no	S13 No.	Inspection date	Amount	470305	1910587	29/03/2023	460 bales	470306			460 bales	470308			957 bales 4 pkts	470309	1910588	30-Mar	460 bales	470310			572 bales 8 pkts	470311			460 bales	470312			420 bales	470313	1910589	31-Mar	899 bales	470314			75 bales	Total			4,764 bales	Not Resolved
Delivery notes no	S13 No.	Inspection date	Amount																																											
470305	1910587	29/03/2023	460 bales																																											
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Total			4,764 bales																																											
iv) Supply and delivery of 60,000 chicks	<p>These being live animals, adequate procedural preparations had to be put in place before actual supply was affected. The earliest the first batch would be supplied was two months after issuance of local purchase order. Reason behind this is that eggs preparation and incubation take one month and then the hatched chicks had to be reared for one month. Therefore, delivery within 5 days after issuance of local purchase order as indicated in clause 4.2 of the contract agreement was not possible. This was an error as a result of reliance of standard tender document.</p> <p>Supply had been staggered in line with production capacity of the supplier factoring in all sanitary and phyto sanitary requirements in animal breeding and also to allow</p>			Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same																																										
				Not Resolved																																										

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	<p>for efficient distribution of the chicks to the intended beneficiaries. We continually monitor the deliveries to ensure the correct quality and quantity. Bulk delivery for chicks is not feasible and a schedule of deliveries is attached. It's important to take note of the sensitivity of the delivery of live animals and agricultural breeding stocks because such cannot be stocked since either they have to be delivered at a naturally unclear climate conditions e.g. rainy season, or distribution can occur only while the product is of a certain age e.g. one month old chick.</p> <p>We wish to confirm that as of to date (5th June, 2024) all the deliveries have been done. (see attached delivery status report, delivery notes, S12 and S13).</p> <p>Proforma invoice reference number NAIV/KALRO/6/21/Vol. 10/532 was issued and has been attached</p> <p>For payment voucher No.3383 amounting to Kshs.18,000,000 We wish to confirm that as of to date (5th June, 2024) all the deliveries have been done.</p>		
Emphasis of Matter			
1.Budgetary Control and Performance	<p>The statement of comparison of budget and actual amounts - recurrent and development combined reflects final budgeted receipts of and actual on comparable basis of Kshs.16,034,027,199 and Kshs.12,983,549,247 respectively resulting to an under collection of Kshs.3,050,477,952 or 19%. Similarly, the statement reflects approved budgeted expenditure of Kshs.16,034,027,199 and actual on comparable basis of Kshs.12,873,689,229 resulting to an</p>	<p>Late exchequer releases particularly where Kshs.2,987,969,059 was released in the month of June 2023 which negatively affected budget absorption since it was not possible to process all payments within the short period. Similarly, missed revenue targets on OSR and non-remittance of some conditional grants by the national government negatively affected the budget absorption.</p>	<p>Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same</p> <p>Not Resolved</p>

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	<p>under-expenditure of Kshs.3,160,337,970 or 20%. The under collection and under absorption of approved budget is an indication that all activities and projects in the annual work-plan were not implemented by the County Executive which may have negatively impacted on the delivery of services to the public.</p>			
2.Late Exchequer Releases	<p>The statement of receipts and payments reflects transfers from County Revenue Fund in form of Exchequer Releases amounting to Kshs.11,695,560,079. Review of revenue records provided for audit revealed that funds amounting to Kshs.2,987,969,059 or 26% of the Exchequer releases were received during the month of June, 2023. Late disbursement of Exchequer releases by The National Treasury impacted negatively on service delivery to the citizens of Kiambu County.</p>	<p>We agree with the auditor's observation's that there were late exchequer releases. This negatively affected service delivery. The county government has been engaging the national government on timely disbursement of exchequers releases through IBEC and the COG</p>	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same
3.Non-Payment for Development of County Integrated Financial Management Systems	<p>A contract for revenue collection and management system was awarded to a local consultancy firm for a contract price of Kshs.60,025,000 for supply and installation and Kshs.117,500,000 or 6.4% of total revenue collected annually for recurrent costs. Review of the pending bills' report for the year ended 30 June, 2023 revealed that the County owed the service provider a</p>	<p>The county government of Kiambu has been committed to the payment of pending bills but has been facing major cash flow constraints occasioned by delayed exchequer release and missed own source revenue targets. The amount owed to Strathmore Research and Consultancy Centre Limited is noted and the county</p>	Not Resolved	Waiting for County Assembly Public Account and investment committee to meet and deliberate on the same

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	total amount of Kshs.281,184,403 which excludes the recurrent cost of Kshs.235,000,000 for the two years of the contract that was not disclosed in the pending bills report. The service provider has been offering the services to enhance revenue collection in the County and the contract is still in force despite the fact that no payments were made in the year under review. Failure to settle pending bills in relation to the revenue management system may affect the revenue collection in the County.	will endeavour to clear the bills accordingly.		
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Ms. Nancy Kirumba

County Executive Committee Member – Finance, ICT and Economic Planning

Date 20th November 2024

KIAMBU COUNTY EXECUTIVE**Annual Report and Financial Statements
For the year ended June 30 2024****18. Annexes****Annex 1 – Analysis of Transfers From the CRF**

FY 2023/2024	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	(Kshs)
County Executive -Rec	2,527,264,381	3,764,381,734	2,511,251,548	4,020,253,518	12,823,151,181
County Executive -Dev	179,625,409	373,581,604	421,844,782	2,137,849,628	3,112,901,423
Agriculture Sector Development Support Project (ASDSP)	0	0	0	2,583,952	2,583,952
Climate Change	0	0	0	129,578,726	129,578,726
Nutrition International	0	0	0	15,923,200	15,923,200
National Agricultural & Rural Inclusive Growth Project (NARIGP)	0	0	0	57,935,042	57,935,042
DANIDA - Universal Healthcare in Devolved Units Programme	0	0	0	30,609,500	30,609,500
National Agricultural Value Chain	0	0	0	204,801,383	204,801,383
Aggregation and Industrial Parks	0	0	0	62,500,000	62,500,000
Total	2,706,889,790	4,137,963,338	2,933,096,330	6,662,034,949	16,439,984,407

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Annex 2 – Analysis Of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Particulars	Date Contracted	Amount Paid To-Date	Outstanding Balance for the period	Outstanding Balance prior year audited
	A		B	C	d=a-c	
Construction of buildings	196,115,956			31,075,902	174,789,688	108,498,868
1.		0	Various		-	
Sub-Total	196,115,956	0	Various	31,075,902	174,789,688	108,498,868
Construction of civil works	1,918,857,301			244,081,895	1,751,352,726	2,115,949,731
2.		0	Various		-	
Sub-Total	1,918,857,301	0	Various	244,081,895	1,751,352,726	2,115,949,731
Supply of goods	868,892,663			161,655,256	757,954,509	675,398,450
3.		0	Various		-	
Sub-Total	868,892,663	0	Various	161,655,256	757,954,509	675,398,450
Supply of services	2,016,743,287			126,820,603	1,929,710,895	1,099,814,441
4.		0	Various		-	
Sub-Total	2,016,743,287	0	Various	126,820,603	1,929,710,895	1,099,814,441
Grand Total	5,000,609,207			563,633,656	4,613,807,818	3,999,661,490

Annex 3 – Analysis Of Pending Staff Payables

Name of Staff	Job Group	Date Payable Contracted	Original Amount (a)	Amount Paid To-Date (b)	Outstanding Balance for the year (c=a-b)	Outstanding Balance prior year audited
			Ksh.	Ksh.	Ksh.	Ksh.
Senior Management	Various	Various	0	0	0	0
Sub-Total			0	0	0	0
Middle Management	Various	Various	0	0	0	0
Sub-Total			0	0	0	0
Unionisable Employees	Various	Various	0	0	0	0
Sub-Total			0	0	0	0
Others	Various	Various	25,138,460	0	25,138,460	21,396,440
Sub-Total			25,138,460	0	25,138,460	21,396,440
Grand Total			25,138,460	0	25,138,460	21,396,440

KIAMBU COUNTY EXECUTIVE
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Annex 4 – Analysis Of Other Pending Payables

Name	Brief Transaction Description	Date Payable Contracted	Original Amount (a)	Amount Paid To-Date (b)	Outstanding Balance for the year (c=a-b)	Outstanding Balance prior year audited
			Ksh.	Ksh.	Ksh.	Ksh.
Amounts due to National Govt Entities			0	0	0	0
Sub-Total			0	0	0	0
Amounts due to County Govt Entities	FIF, NHIF rebates	Various	1,981,565,951	0	1,981,565,951	1,981,565,951
Sub-Total			1,981,565,951	0	1,981,565,951	1,981,565,951
Amounts due to Third Parties			0	0	0	0
Sub-Total			0	0	0	0
Others			0	0	0	0
Sub-Total			0	0	0	0
Grand Total			1,981,565,951	0	1,981,565,951	1,981,565,951

Annex 5 –Analysis Of imprests and Advances

(a) *Government Imprest*

Name Of Officer Or Institution	Amount Taken	Amount Surrendered	Balance as at 30th June 2024
	Kshs	Kshs	Kshs
Samuel Ndungu Ngugi	140,000	0	140,000
Lucia Wambui Ndungu	160,000	0	160,000
Patrick Theuri Wangombe	150,000	0	150,000
Samson Mugo Kagiri	25,200	0	25,200
Martin Gathura Kimani	37,800	0	37,800
Dianah Wambui Maina	37,000	0	37,000
Dianah Wambui Maina	195,490	0	195,490
June Mukami	30,750	0	30,750
Edward Mwaniki Mugo	25,200	0	25,200
Total	801,440	0	801,440

(b) *Salary Advance*

Name Of Officer	Amount Advanced	Amount Recovered	Balance as at 30th June 2024
	Kshs	Kshs	Kshs
N/A	Nil	Nil	Nil
Total	Nil	Nil	Nil

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Annex 6 – Summary of Non-Current Asset Register

Asset Class	Historical Cost b/f FY 2022/2023	Additions during the year	Disposals during the year	Transfers in/(out) during the year	Historical Cost c/f FY 2023/2024
	(Kshs)	(Kshs)	(Kshs)	(Kshs)	(Kshs)
Land	995,175,384	0	0	0	995,175,384
Buildings And Structures	2,426,031,091	968,301,629	0	0	3,394,332,720
Transport Equipment	1,194,271,075	196,243,813	0	0	1,390,514,888
Office Equipment, Furniture And Fittings	222,086,893	121,752,182	0	0	343,839,075
ICT Equipment	126,236,833		0	0	126,236,833
Machinery And Equipment	593,775,015	204,987,634	0	0	798,762,649
Heritage And Cultural Assets	0	0	0	0	0
Biological Assets	0	273,229,769		273,229,769	0
Intangible Assets	290,000,000	0	0	0	290,000,000
Infrastructure Assets- Roads, Rails	4,828,788,750	952,499,449	0	0	5,781,288,199
Work In Progress	0	14,836,348	0	0	14,836,348
Total	10,676,365,041	2,731,850,824	0	273,229,769	13,134,986,096

KIAMBU COUNTY EXECUTIVE

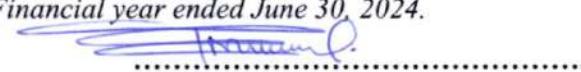
Annual Report and Financial Statements
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Annex 7 – Inter-Entity Transfers

No.	Entity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cumulative amount transferred.	Amount Confirmed as received.	Difference	Explanation
						KShs	KShs		
1	Kiambu County Alcoholic Drinks Control Fund	0	16,000,000	0	16,000,000	32,000,000	32,000,000	0	All funds transferred were received
2	Kiambu County Climate Change Fund	0	0	0	129,578,726	129,578,726	129,578,726	0	All funds transferred were received
3	Kiambu County Education Bursary Fund	200,000,000	0	0	100,000,000	300,000,000	300,000,000	0	All funds transferred were received
4	Kiambu County Emergency Fund	0	0	0	50,000,000	50,000,000	50,000,000	0	All funds transferred were received
Total		200,000,000	16,000,000	0	295,578,726	511,578,726	511,578,726	0	

No funds were transferred to Kiambu County Health Services Facility Improvement Fund, Kiambu County Executive Staff Mortgage

Scheme Fund and Kiambu County Jiinue Fund during the Financial year ended June 30, 2024.

Solomon Waweru

Director Accounting Services
County Executive

Eliud Muchiri

Ag. Director of Finance
County Executive

KIAMBU COUNTY EXECUTIVE
Annual Report and Financial Statements
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Annex 8 – Contingent Liabilities Register

No.	Case Number	Payable to	Currency	Estimated Amount Kshs	Expected date of payment	Remarks
1	Kiambu MCCC E056 OF 2024	Amos Kimani Kiragu T/A Almonds Enterprises VS. CGK	Kshs.	1,625,452	N/A	Ongoing
2	Thika CMCC NO. 688 OF 2016	Handard Murira Kimani VS. Pine Agency & CGK	Kshs.	5,635	N/A	Ongoing
3	Kiambu HCJR NO. E010 OF 2024	Joseph Gathoga Wairegi T/A Gathoga Wairegi VS. CGK	Kshs.	423,787	N/A	Ongoing
4	Arbitration	Samar Construction V County Government Of Kiambu Arbitration	Kshs.	183,988,806	N/A	Ongoing
5	CMCELC No. E070 of 2024	Prof Romanus Odhiambo Otieno Versus Chief Offer Roads And Transport And County Governement	Kshs. –	6,964,672	N/A	Ongoing
6	Cmcc No. E256 of 2024	Brits Freights Lmtd VS. C.G.K	Kshs.	3,912,315	N/A	Ongoing
7	Mc Elc No.38 of 2021	Christopher Kanai VS. C.G.K	Kshs.	14,950,000	N/A	Ongoing
8	Cmcc No. E179 of 2024	Josekah Engineering Lmtd VS. C.G.K	Kshs.	7,965,364	N/A	Ongoing
9	MC.ELRC Cause No.E096 of 2024	James Kimyanjui VS. C.G.K	Kshs.	2,123,700	N/A	Ongoing
10	Scmcc no E320 and E319 of 2023	Joyce Wanjiku Muchiri VS.County Government Of Kiambu	Kshs.	200,319	N/A	Ongoing
11	Cmcc 85 of 2020	Joseph Njoroge VS. C.G.K	Kshs.	414,690	N/A	Ongoing

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12	THIKA ELC PET E001 OF 2023	The Estate Of Elizabeth Gathoni Koinange & Others	Kshs.	10,000	N/A	Ongoing
13	Kiambu HC JR E006 OF 2024	John Kimani Muchiri VS Cs, Cfo, Cecm Finance	Kshs.	7,896,004	N/A	Ongoing
14	Thika ELC PET 10 OF 2022	The Estate Of Edwin Mbiyu Koinange VS The Board Of Directors Senior Chief Koinange & Others	Kshs.	10,000,000	N/A	Ongoing
15	CC 3 OF 2016	Richard Kiamni Charagu VS CGK & Another	Kshs.	44,000	N/A	Ongoing
16	THIKA CMCC NO. 315 OF 2006	Mando Kenneth Maina VS Municipal Council Of Thika	Kshs.	516,555	N/A	Ongoing
17	KIAMBU JR 12 OF 2019	Mando Kenneth Maina & Anor VS Cs, Co,Cec	Kshs.	1,309,665	N/A	Ongoing
18	NAIROBI HC NO. E003/21/1	Geoffrey Muriungi Kiugu VS CGK	Kshs.	1,633,802	N/A	Ongoing
19	NAIROBI HC NRB MISC E099 OF 2021	Kithi & Co Advocates VS CGK (Jr 160/2016)	Kshs.	1,314,428	N/A	Awaiting delivery of judgment
20	NAIROBI HC E100 OF 2021	Kithi & Co Advocates (Jr283/2015)	Kshs.	2,328,477	N/A	Awaiting delivery of judgment
21	NAIROBI HC APP E101/2021	Kithi & Co Advocates(Jr 73/2015)	Kshs.	2,413,559	N/A	Awaiting delivery of judgment
22	NAIROBI HCC E092/2021	Kithi & Co Advocates	Kshs.	7,240,848	N/A	Matter marked as closed
23	NAIROBI ELC 152 OF 2021	Kiungu & Company Advocates VS CGK	Kshs.	2,139,603	N/A	Matter marked as closed
24	NAIROBI NO E127 OF 2021	Geoffrey Muriungi T/A Kiugu VS CGK	Kshs.	1,588,220	N/A	Ongoing

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25	KIAMBU MISCNOE209 OF 2021	Geoffrey Muriungi T/A Kiugu VS CGK	Kshs.	1,158,266	N/A	Ruling to be delivered on notice to the parties
26	NAIROBI ELC NO.E198 OF 2021	Geoffrey Muriungi T/A Kiugu VS CGK	Kshs.	24,283,149	N/A	Matter marked as closed
27	NAIROBI MISCNO.E036OF2021	Kithi & Co Advocates VS CGK	Kshs.	116,489,140	N/A	Ruling to be delivered on notice to the parties
28	GATUNDU CMCCNO.370 OF 2021	Tecjuz Enterprises Ltd VS CGK	Kshs.	379,796	N/A	Ongoing
29	NAIROBI ELRC E137 OF 2022	Geoffrey Kiugu VS CGK	Kshs.	10,095,070	N/A	Ruling to be delivered on notice to the parties
30	NAIROBI JR E139 OF 2022	Republic VS CGK (Kiugu & Co Advocates)	Kshs.	933,926	N/A	Ongoing
31	NAIROBI JR E140 OF 2020	Republic VS CGK (Kiugu & Co Advocates)	Kshs.	621,453	N/A	Ongoing
32	NAIROBI JR MISC E147 OF 2021	CGK VS Kithi & Co Advocates	Kshs.	50,679,133	N/A	Ongoing
33	THIKA CMCC E552 OF 2024	Mwape Guards Services VS CGK	Kshs.	588,000	N/A	ongoing
34	THIKA JR E007 OF 2024	Republic VS CGK &I Other	Kshs.	1,784,341	N/A	Ongoing
35	143 of 2020	Patrick Kariuki Muriithi VS. C.G.K	Kshs.	15,000,000	N/A	ongoing
36	1 of 2023	Clement Kamau Waweru VS C.G.K	Kshs.	1,300,000	N/A	Ongoing
37	E103 OF 2023	Maurice Wanjohi Waithaka VS C.G.K	Kshs.	33,000,000	N/A	Ongoing
			Total	517,322,175		

KIAMBU COUNTY EXECUTIVE**Annual Report and Financial Statements****For the year ended June 30 2024****Annex: 9 Reporting of Climate Relevant Expenditures**

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Kiambu County Climate Change Fund	Staff training expenses & allowances	To enhance Climate resilience	Staff training				9,590,850	GOK/Donor	World Bank
Kiambu County Climate Change Fund	Staff training expenses & allowances	To enhance efficiency	General Office Expenses				4,115,102	GOK/Donor	World Bank
Total							13,705,952		

Reconciliation of transferred to Climate Fund

Item	Amount
Opening Balance	13,982,967
Add: Amount Transferred during the Year (Annexure 7)	129,578,726
Less: Closing Balance	(129,855,741)
Climate Relevant Expenditures	13,705,952

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Annex 10 Reporting on Disaster Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
Administration	Other Current Transfers, Grants and Subsidies	Floods	Preparedness	Transfer to Emergency Fund	16,483,670	Expenditure on El-nino preparedness.
Administration	Other Current Transfers, Grants and Subsidies	Floods	Response	Transfer to Emergency Fund	45,259,996	Expenditure on floods response.
			TOTAL		61,743,666	

Reconciliation of transferred to Emergency fund

Item	Amount
Opening Balance	11,963,757
Add: Amount Transferred during the Year (Annexure 7)	50,000,000
Add: Amount received from Kiambu Water Company (Receivables)	3,073,305
Add: Amount received from Kiambu County (Receivables)	1,000,000
Less: Closing Balance	(4,293,396)
Emergency Fund Expenditures	61,743,666