

COUNTY ASSEMBLY OF EMBU

*DPLCS
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2/2/20*



SECOND ASSEMBLY : THIRD SESSION

REPORT OF THE PUBLIC ACCOUNTS AND INVESTMENTS COMMITTEE
ON THE AUDITOR GENERAL'S REPORT ON THE FINANCIAL
STATEMENTS OF COUNTY EXECUTIVE OF EMBU FOR THE YEAR
ENDED 30TH JUNE 2018.

SUBMITTED TO THE COUNTY ASSEMBLY FOR ADOPTION

Office of the Clerk
Clerk of the County Assembly
P.O. Box 140-60100
EMBU

*C.C.A
For further directions
DPLCS
2/2/2020*

NOVEMBER, 2020

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ACRONYMS AND ABBREVIATIONS

AG	-	Auditor General
AGM	-	Annual General Meeting
AGPO	-	Access to Government Procurement Opportunities
AIE.	-	Authority to Incur Expenditure
API	-	Application Programming Interface
CA	-	County Assembly
Cap.	-	Chapter
CECM	-	County Executive Committee Member
CRF	-	County Revenue Fund
DANIDA	-	Danish International Development Agency
DCI	-	Directorate of Criminal Investigation
EACC	-	Ethics and Anti-Corruption Commission
Hon.	-	Honorable
IAS	-	International Accounting Standards
IFMIS	-	Integrated Financial Management Information System
IPSAS	-	International Public Sector Accounting Standards
IPPD	-	Integrated Payroll and Personnel Database
KSG	-	Kenya School of Government
KEMSA	-	Kenya Medical Supplies Agency
KERRA.	-	Kenya Rural Roads Authority
LAIFOMS	-	Local Authorities integrated Financial Operations and Management System
MCA	-	Member of County Assembly
MEDBOSS	-	Medical health care software
NCA	-	National Construction Authority
NLC	-	National Land Commission
NYS	-	National Youth Service
OAG	-	Office of Auditor General
PAIC	-	Public Accounts and Investments Committee
PFM	-	Public Finance Management
PSASB	-	Public Sector Accounting Standards Board

EXECUTIVE SUMMARY

The Public Accounts and Investments Committee is a select Committee established under the County Assembly of Embu Standing Order No. 199 and is responsible for the examination of the working of public investments. The Committee was constituted by the Assembly on 19th September, 2017 pursuant to Standing Order 199 of the County Assembly Embu (2nd Edition).

The Report of the Auditor General on the Financial Statements of the County Executive for the year ended 30th June 2018 was tabled in the County Assembly on 13th March 2019 and subsequently committed to the Committee on Public Accounts and Investments (PAIC) for examinations, interrogation and making of appropriate recommendations. It was discussed by the Committee on various dates where witnesses were invited to make submissions and representations on the matters that had been raised by the Auditor General and on issues identified by the Committee.

During the interrogation of the matters raised in the Auditor General's report, the Committee was assisted by the Office of the Auditor General to verify and analyze the evidence presented by witnesses.

In examining the audited financial statements, the Committee's primary approach was to analyze background information as to why particular courses of actions were or were not taken, keeping in mind the relevant financial management principles and attendant regulations. This was the foundation of the Committee's observations and recommendations.

The PAIC was concerned that for several years the county executive reports on their financial statements had received adverse opinion from the Office of Auditor General. The same was obtaining in the report for the financial year 2017/2018. The Auditor had opined that the report was adverse based on *Key Audit matters* which included, among others: Accuracy of the Financial Statements, Unsupported Cash and Bank Balances, Prior Year Adjustments, Revenue, Use of Good and Services, Unsupported Payment of salaries to Casual Employees, Fixed Assets Register and Grounded Vehicles Pending Bills and Budgetary Control and Performance.

On the *Report on Lawfulness and Effectiveness in Use of Public Resources*, the Auditor General had concluded that public resources had not been applied lawfully and in an effective way. The basis for this conclusion was premised on several issues which among them includes; query on Value for money on acquisition of Revenue Collection system (JamboPay), Failure to operationalize the Embu Revenue Authority, Irregular Expenditure on Legal fees, Unsupported Expenditure on 2nd Investors' Conference, Human Resources Management issues, Imprest management and Ethnic

Report of the Committee on PAIC on the Auditor General's Report on the Financial Statements of the Embu County Executive for the year ended 30th June, 2018.

Balance. On Acquisition of Assets the Auditor cited the Construction of Rupingazi Bridge, Rehabilitation of Kibugu Road, Construction of Kavutiri Coffee Factory Road, and Upgrading to Bitumen Standards of some three roads in the County.

Under the *Report on Effectiveness of Internal Controls, Risk Management and Governance*, it was the finding of the Auditor that internal controls, risk management and governance were not effective citing lack of Audit committee, lack of independence in Internal Audit and insecurity and unreliability of county data under the information, Communication and Technology (ICT) environment.

The Committee held several sittings principally with the CECM for Finance and Economic Planning who is the head of county treasury and bears huge responsibility in providing responses to audit queries. Other witnesses were also invited.

The committee also visited some projects which had been mentioned in the report to verify and confirm the issues raised by the Auditor and further receive clarifications from concerned officers.

Admittedly, the Committee's work plan was affected by the advent of the 2019 novel coronavirus pandemic (Covid 19) which has continued to ravage countries and by extension legislatures. The Committee resorted to use of online platforms to hold meetings which were not very effective when it came to perusal of voluminous documents as is the norm with the PAIC.

However the Committee has been able to consider the Auditor General Report on the Financial Statements of the County Executive for the year ended 30th June 2018 and pronounced itself on the queries raised in the report.

PAIC was concerned that over the years the County Executive has continued to receive adverse opinions on its financial statement. The committee urges the head of County Treasury to manage County resources prudently and to endeavor to improve on overall reporting of the Financial Statements. Laxity and lack of professionalism were also singled as contributing to dismal performance.

Further, the Committee was concerned about the accuracy of financial statements which was attributed to poor record keeping, non-submission of documents and information for purposes of carrying out an audit, and failure to institute strong internal control mechanisms.

The committee made appropriate recommendations on various items as queried by the Auditor which included adherence to relevant laws of the land, surcharge of those found culpable for nonsurrender of imprest, further investigations by relevant authorities on areas where propriety for use of public funds was queried and no relevant supporting documents were produced.

1.0 BACKGROUND

The Auditor General has the mandate under Article 229 of the Constitution to audit and report on the accounts of the National and County Governments, corporations and all the public bodies and entities/Funds ran by public funds.

The CECM for Finance and Economic Planning in the County Government is responsible for the preparation and forwarding of financial statements in accordance with the International Financial Reporting Standards (IFRS) and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

The audit of the Financial Statements of the county executive took into account transactions during the financial year 2017/2018. The audit review included some of the areas named below and verifications and confirmations of transactions in respect but not limited to the same areas;

1. **Under Key Audit Matters: Accuracy of the Financial Statements, Unsupported cash and Bank Balances, Unsupported Receipts, Un-Reconciled Receipts, Unsupported Payment of salaries to Casual Employees, Unsupported expenditure on Fuel, Oil and Lubricants, training and workshop, advertisements, Facilitation of Survey and planning for Mwea Settlement Scheme, Fixed Assets Register and Grounded Vehicles, pending Bills among other items.**
2. *Report on Lawfulness and Effectiveness in Use of Public Resources*, the Auditor General had concluded that public resources had not been applied lawfully and in an effective way. The basis for this conclusion was premised on several issues which among them includes; query on value for money on acquisition of Revenue Collection system(JamboPay), Un-collected House and Stall rent, Failure to operationalize the Embu Revenue Authority, Irregular Payment of Allowances on Foreign Travel, Irregular Expenditure on Legal fees, Unsupported Expenditure on 2nd Investors' Conference, Human Resources Management issues, imprest management, non-operationalization of Emergency fund, Operation of Unauthorized Bank Accounts. Under Acquisition of Assets the Auditor cited; Construction of Rupingazi Bridge, Rehabilitation of Kibugu Road, construction of Kavutiri Coffee Factory Road, upgrading to Bitumen standard Uchumi-Mini Inn, Kiritiri Town and Mbiruri-Nduuri Roads among other items.
3. Under the *Report on Effectiveness of Internal Controls, Risk Management and Governance*, it was the finding of the Auditor that internal controls, risk management and governance were not effective citing lack of audit committee, lack of independence in Internal Audit and insecurity and unreliability of county data under the information, Communication and Technology (ICT) environment.

In the report under review, the Committee held several sittings to interrogate the Auditor General report on Financial Statement of the Executive for the year ended 30th June 2018 and to also receive information from the invited witnesses from the Executive.

The CECM for Finance and Economic Planning led the teams from the Executive to make submissions on issues raised in the report.

During these sessions, the Committee closely examined and heard evidence from the witnesses and also reviewed various documents as submitted.

While receiving and evaluating the evidence, the Committee was guided by the existing procedures and guidelines on finances as per the PFM Act, 2012, Constitution of Kenya, 2010; Embu County Assembly Standing Orders, Commonwealth Parliamentary practices, rulings and directives of the Chair.

In particular the Committee noted the provision of Article 226 (1) (5) of the Constitution of Kenya, 2010 which stipulates that:-

“If the holder of a public office, including a political office, directs or approves the use of public funds contrary to law or instructions, the person is liable for any loss arising from that use and shall make good the loss, whether the person remains the holder of the office or not.”

The PAIC further noted that in pursuance of Section 226(1) (5) of the Constitution of the Republic of Kenya, Section 74 of the Public Finance Management Act, 2012 gives Accounting Officers powers to discipline errant officers under their jurisdiction. The same section of the Act also gives the Appointing Authority of Accounting Officers powers to discipline errant Accounting Officers. Section 74(3) of the Act empowers the Appointing Authority to revoke appointment of errant Accounting Officers.

1.2 MANDATE OF THE COMMITTEE

The Committee on Public Accounts and Investments has made the following report pursuant to Standing Order No 199(2), of Embu County Assembly which defines functions of the Committee as being:

- a) Examine the reports and accounts of the public investments;
- b) Examine the reports, if any, of the Auditor General on the public investments;
- c) Examine, in context of the autonomy and efficiency of the public investments, whether the affairs of the public investments are being managed in accordance with sound financial or business principles and prudent commercial practices.

The Committee shall however not examine:-

- a) Matters of major Government policy as distinct from business or commercial functions of the public investments;
- b) Matters of day-to-day running and
- c) Matters for the consideration of which machinery is established by any special statute under which a particular public investment is established.

1.3 COMMITTEE MEMBERSHIP

The Committee on Public Accounts and Investments is composed of the following members:

Name:	Position
1. Hon. Philip Kinyutu Nzangi, MCA	- Chairperson
2. Hon. Edith Wanjira Nyaga, MCA	- V/Chair
3. Hon. Nathan Kariuki Mwari, MCA	- Member
4. Hon. Masters Leonard Mwaniki, MCA	- Member
5. Hon. Salesio Njeru Kimaru, MCA	- Member
6. Hon. Edna Kanini. Muisyo, MCA	- Member
7. Hon. Sicily Warue Mbugi, MCA	- Member
8. Hon. Harrison Sammy Muturi, MCA	- Member
9. Hon. Agnes Wanjiru Gakungu, MCA	- Member

1.4 PROBLEM STATEMENT

The report of the Auditor General on Financial Statements of the Embu County Executive for the period ended 30th June 2016 was tabled in the Assembly on 13th March 2019 and Committee got seized of it in accordance with the Article 229 (8) of the Constitution of Kenya, 2010. The Committee was therefore required to interrogate the report and make necessary recommendations for tabling to the Assembly. Article 229 (8) of the Constitution of Kenya 2010, provides that within 3 (three) months after receiving an audit report, Parliament or the County Assembly shall debate and consider the report and take appropriate action. Article 226(2) of the Constitution of Kenya 2010 vests accountability of public funds to the national assembly in case of a national public entity, and County Assembly on a county public entity.

It is against this background that the Committee set out to inquire, scrutinize the audit report with a view of informing itself whether the matters raised were within the law, efficient and effectively done as per the PFM Act 2012.

1.5 OBJECTIVES/ TERMS OF REFERENCE

1. To inquire, investigate and examine the queries raised by the Auditor General in his Audit report of the Financial Statements and operations of Embu County Executive for the year ended 30th June 2018.
2. Consider the responses provided by the County Executive Committee Members on each of the issues raised by the Auditor General and other matters raised by the members of the PAIC with a view of verifying whether the expenditure incurred was done lawfully, effectively and efficiently and report to the County Assembly.
3. Make appropriate recommendations for consideration by the County Assembly.

1.6 TOOLS OF REFERENCE

The Committee, in the execution of its mandate, was guided by the following provisions of Act, Laws and documents;

- i. The Constitution of Kenya, 2010
- ii. The Public Audit Act, 2017
- iii. The Public Finance Management Act, 2012
- iv. The Public Finance Management (Embu County Youth Trust) Fund Regulations 2015
- v. The Public Finance Management (Embu County Education Support) Fund Regulations 2015
- vi. Written submissions from summoned officers
- vii. International Financial Reporting Standards (IFRS)
- viii. The Kenya Accountants Act, 2008
- ix. PFM (County Government) Regulations, 2015

1.7 ACKNOWLEDGEMENT

The Committee appreciates the Office of the Speaker and the Office of the Clerk of the County Assembly of Embu, the Honorable members, and the Committee secretariat for the role each played and the support given to the Committee during the whole process of preparation of this report.

The Committee further wishes to appreciate officers from the Office of the Auditor General and the Office of the Clerk to County Assembly for their exemplary advisory services.

Indeed it is the commitment and dedication of everyone to duty that made the work of Committee and production of this report possible.

Further, the Committee also wishes to record its appreciation to the County Executive Members, Chief Officers and other Officers who appeared and adduced evidence before it.

SIGNATURE..........DATE..........

HON. PHILLIP NZANGI KINYUTU, MCA

CHAIRPERSON,

PUBLIC ACCOUNTS AND INVESTMENTS COMMITTEE

2.0 COMMITTEE PROCEEDINGS, FINDINGS AND OBSERVATIONS

The discussion, interrogation and deliberations of the Auditor General's report on the Financial Statement of Embu County Executive for the Financial Year 2017/ 2018, were held in several sittings where CECMs and Accounting Officers of respective departments were invited and given opportunity to respond to the audit issues.

Further the committee retreated from 9th to 12th November 2020 to compile this report.

A. General Observations.

- i. **THAT** the County executive had in the years 2013/2014, 2014/2015, 2015/2016 2016/2017 and also in 2017/2018 received adverse opinions on the financial statements from the Auditor General. This was attributed to lack of adherence to the regulations, laxity and lack of commitment by officers and failure to implement recommendation of the Auditor General and various resolutions of the county Assembly.
- ii. **THAT** the accuracy of financial statements was a recurring query in all the Auditor General's reports. The Committee averred that there was poor record keeping and failure to institute strong internal control mechanisms.
- iii. **THAT** the management had failed to include in their response actions taken on the resolutions of the County Assembly on the reports of the Auditor General on the financial statements of the county executive for the years 2013/2014, 2014/2015, 2015/2016, 2016/2017.
- iv. **THAT** non-submission of documents and information to the Auditor General for purposes of carrying out an audit was prevalent in all the reports and also in the Auditor General's report for the year ended 30th June 2018. The Committee noted that this was an affront to section 62 of the Public Audit Act, 2015.
- v. **THAT** there was delay in submitting information and evidence to the Committee on PAI by the County Executive departments which hampered the consideration of OAG reports by the Committee in time.

B. Responses on specific issues raised by the OAG

2.1 RESPONSES BY THE MEMBERS OF COUNTY EXECUTIVE COMMITTEE

The County Executive Committee Members and other officers who appeared before the Committee and adduced evidenced on various dates are as shown on the *Schedule of Invitation* in this report.

2.2 Accuracy of the Financial Statements

2.2.1 Variances between Financial Statements and Integrated Financial Management Information System (IFMIS) figures

The financial statements for the year under review reflects balances that were at variance with those reflected in the IFMIS as summarized below;

Table 1: Variances between Financial Statements and Integrated Financial Management Information System (IFMIS) figures

Item	Financial Statements (Kshs)	IFMIS Amount (Kshs)	Variance (Kshs)
Receipts			
Proceeds From Domestic and Foreign Grants	115,698,201	143,381,603	-27,683,402
Transfers From Other Government Entities	516,247,805	163,688,186	352,559,619
Receipts- Exchequer releases	5,642,866,231	2,732,162,936	2,910,703,295
Total Receipts	6,274,812,237	3,039,232,725	3,235,579,512
Payments			
Acquisition of Assets	1,162,459,948	1,077,916,853	84,543,095
Compensation of Employees	2,669,486,849	2,532,434,251	137,052,598
Other Grants and Transfers	215,065,510	79,600,500	135,465,010
Social Security Benefits	22,567,264	-	22,567,264
Transfers to Other Government Units	485,937,461	191,345,282	294,592,179
Use of Goods and Services	738,857,449	754,423,194	-15,565,745
Other Payments	-	2,304,730	-2,304,730
Total Payments	5,294,374,481	4,638,024,810	656,349,671
Statement of Assets and Liabilities			
Accounts Payables - Deposits and Retentions	83,742,122	17,072,559,835	-16,988,817,713
Accounts Receivables - Outstanding Imprest	82,040,660	-366,900,297	448,940,957
Bank Balances	358,563,651	3,601,546,942	-3,242,983,291
Cash Balances	916,082	15,188,974,567	-15,188,058,485
Fund Balance B/fwd	478,049,978	77,847,881	400,202,097
Prior year Adjustments	470,689,569	-	470,689,569
Payments	5,290,053,388	4,960,760,065	329,293,323
Cash and Bank	287,302,926	11,863,594,153	-11,576,291,227
Receivables	82,040,660	-208,187,684	290,228,344
Payables	9,170,335	17,542,739,408	-17,533,569,073

The County Executive has not explained or reconciled the variances in the two documents for the year ended 30 June 2018.

Consequently, the accuracy of the financial statements balances for the year ended 30 June 2018 could not be ascertained.

Response

Embu county government received a total of Ksh. 6, 274,812,237 in the financial year 2017 /2018. This amount consist of domestic and foreign grants amounting to Ksh. 115,698,201, transfer from other government entities amounting to Ksh. 516, 247,805 and exchequer releases amounting to Ksh. 5,642,866,231. The item receipts in Financial Statements are based on actual receipts as per the CBK CRF statement. The financial statements was prepared using IFMIS generated Ledgers.

The variances in receipts between Financial Statements and IFMIS amount as noted by the Auditor was occasioned by omission in posting receipts in IFMIS system since the Accounts Receivable Module was not fully operational. However, the necessary adjustments have been made by posting the revenues in IFMIS which have cleared the variances as indicated below.

Table 2: Showing adjustments to the IFMIS figures to correct the Variances

1	2	3	4	5	6
Payments	Financial Statements	IFMIS Amount	IFMIS Adjustments	Corrected IFMIS Amount (3+4)	Annexes verified by the C'tee
Acquisition of Assets	1,162,459,948	1,077,916,853	84,543,095	1,162,459,948	Journal Entry No. 1
Compensation of Employees	2,669,486,849	2,532,434,251	137,052,598	2,669,458,849	Journal Entry No. 2
Other Grants and Transfers	215,065,510	79,600,500	135,465,010	215,065,510	Financial Statement Note 9
Social Security Benefits	22,567,264	-	22,567,264	22,567,264	Trial Balance
Transfers to Other Government Units	485,937,461	191,345,282	294,592,179	485,937,461	CRF statement and Schedule Analysis
Use of Goods and Services	738,857,449	754,423,194	-15,565,745	738,857,449	Journal Entry No. 3
Total Payments	5,294,374,481	4,638,024,810	656,349,671	5,294,374,481	
Statement of Assets and Liabilities					

Accounts Payables - Deposits and Retentions	83,742,122	17,072,559,835	- 16,988,817,713	83,742,122	List of unpaid retention
Accounts Receivables - Outstanding Imprest	82,040,660	-366,900,297	448,940,957	82,040,660	Trial Balance
Bank Balances	358,563,651	3,601,546,942	-3,242,983,291	358,563,651	Note 12A of Financial Statements
Cash Balances	916,082	15,188,974,567	- 15,188,058,485	916,082	Copies of Board of survey
Fund Balance B/fwd	478,049,978	77,847,881	400,202,097	478,049,978	Note 15 Financial Statement
Prior year Adjustments	470,689,569	-	470,689,569	470,689,569	Note 16 of Financial Statement
Payments	5,290,053,388	4,960,760,065	329,293,323	5,290,053,388	IFMIS T.. Balance
Cash and Bank	287,302,926	11,863,594,153	- 11,576,291,227	287,302,926	
Receivables	82,040,660	-208,187,684	290,228,344	82,040,660	
Payables	9,170,335	17,542,739,408	- 17,533,569,073	9,170,335	

Committee Observation

- **THAT** several annexes namely (a) County Revenue Fund statement, (b) Schedule of exchequer releases from National Treasury and (c) Journal Entries were attached to the response to indicate action taken after the query was raised.
- **THAT** there was no sufficient explanation why such information and evidence was not furnished to the Auditor during the audit period.
- **THAT** the issues raised in the query were a pointer to poor internal controls which was responsible for inaccurate financial statement.

2.2.2 Variances between the Financial Statements and Supporting Schedules Figures

The financial statements for the year under review reflects total payments of Kshs.5,294,374,481 as at 30 June 2018 which included Kshs.3,729,020,245 spent on seven items. However, the respective supporting schedules reflect a total figure of Kshs.3,234,765,437 resulting into a variance of Kshs.494,254,808 as shown below;

Table 3: Showing comparison of financial statement balance and schedule balance

Item	Financial Statements Balance (Kshs.)	Schedule Balance (Kshs.)	Expenditure overstatement (Kshs.)
Purchase of certified seeds, breeding stock and live animals (Note 11)	2,191,626	1,883,846	307,780
Construction of Roads (Note 11)	243,331,067	65,501,116	177,829,951
Outstanding Imprest (Note 13)	82,040,660	35,988,623	46,052,037
Transfer to other Gov't entities (Note 8)	485,937,461	459,909,489	26,027,972
Compensation of employees (Note 6)	2,669,486,849	2,621,943,256	47,543,593
Accounts payables –Deposits and retentions (Note 14)	83,742,122	9,170,335	74,571,787
Acquisition of Land (Note 11)	162,290,460	40,368,772	121,921,688
TOTAL	3,729,020,245	3,234,765,437	494,254,808

The County Executive has not reconciled or explained the cause of the variances.

In the circumstances, the validity and accuracy of the figures amounting to Kshs. 3,729,020,245 as reflected in these financial statements for the year ended 30 June 2018 could not be confirmed.

Response

The financial statements have been reviewed and reflects a total payments of Kshs. 5,294,481 as at 30th June 2018. This includes Kshs. 3,729,020,245 spent on seven items identified by auditors and the supporting schedules are provided for audit review as follows:

Table 4: Showing the Corrections between the supporting schedules and expenditure overstatement and the final corrected Amount.

1	2	3	4	5	6
Item	Financial Statements Balance (Kshs)	Supporting Schedule Balance (Kshs.)	Expenditure overstatement (Kshs.)	Corrected Amount (3+4)	Annexes- the committee perused and verified the annexes
Purchase of certified seeds, breeding stock and live animals (Note 11)	2,191,626	1,883,846	307,780	2,191,626	Trial Balance
Construction of Roads (Note 11)	243,331,067	65,501,116	177,829,951	243,331,067	Journal Entry verified
Outstanding Imprest (Note 13)	82,040,660	35,988,623	46,052,037	82,040,660	Trial Balance verified
Transfer to other Govt entities (Note 8)	485,937,461	459,909,489	26,027,972	485,937,461	CRF Statement was reviewed
Compensation of employees (Note 6)	2,669,486,849	2,621,943,256	47,543,593	2,669,486,849	Journal Entry of Un-posted salary deduction-
Accounts payables – Deposits and retentions (Note 14)	83,742,122	9,170,335	74,571,787	83,742,122	List of unpaid retention-verified
Acquisition of Land (Note 11)	162,290,460	40,368,772	121,921,688	162,290,460	Journal Entry
TOTAL	3,729,020,245	3,234,765,437	494,254,808	3,729,020,245	

Committee Observations

- **THAT** corrections as contained in the journal entries and supporting annexures indicated that for the County Assembly, the transfers for the year under review was done in four tranches of Ksh 53,347,594.00, Ksh 140,369,968, Ksh 153,869,696 and Ksh 138,350,202.80 for the 1st, 2nd, 3rd and 4th quarter respectively totaling to Ksh 485,937,461.00.
- **THAT** the correction of the error amounting to Ksh 470,689,568, as a result of prior year adjustment for year 2016-2017 had cleared the variance and restated the net financial position in the financial statement for year 2017-2018.
- **THAT** perusal of some journal entries submitted by the Management and statement generated by the Central Bank of Kenya confirmed the figures as provided by the Management.
- **THAT** the issues raised in the query were a pointer to poor internal controls which was responsible for inaccurate financial statement.

2.2.3 Accuracy of the Net Financial Position Balance

The statement of Assets and Liabilities reflects net financial position of Kshs. 357,778,271 during the year under review. However, the source of the Kshs. 357,778,271 could not be ascertained as a manual addition of the respective components of the statement of assets and liabilities (fund balance, prior year adjustments and surplus of Kshs.478,049,978, Kshs.470,689,568 and Kshs.350,417,862) respectively gave a total of Kshs.1,299,157,408 and not Kshs.357,778,271 leading to a variance of Kshs.941,379,138.

In the circumstances, the accuracy of the net financial position of Kshs. 357,778,271 as at 30 June 2018 could not be confirmed.

Response

The variance cited by the Auditor was as a result of prior year adjustment for year 2016-2017 amounting to Kshs. 470,689,568 which was erroneously added instead of deduction. The correction of the error cleared the variance and restated the net financial position as indicated in the financial statement for year 2017-2018.

Multiplication of prior year adjustment amount of Kshs 470,689,568 by the auditor resulted to Kshs. 941,379,138. In view of this there was no variance as reported by the Auditor and as can be seen from the table below.

Table 5: showing the final Statement of Assets and Liabilities

		2017-2018	2016-2017
	Notes	Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	12A	358,563,651	521,436,911
Cash Balances	12B	916,082	984,524
Total Cash and cash equivalent		359,479,733	522,421,435
Accounts receivables – Outstanding Imprests	13	82,040,660	14,546,909
TOTAL FINANCIAL ASSETS		441,520,393	536,968,344
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	14	83,742,122	58,918,366
NET FINANCIAL ASSETS		357,778,271	478,049,978
REPRESENTED BY			
Fund balance b/fwd	15	478,049,978	1,213,228,100
Prior year adjustments, 2016-2017	16	(470,689,569)	(1,205,982,839)
Surplus/Deficit for the year		350,417,862	470,804,717
NET FINANCIAL POSITION		357,778,271	478,049,978

Committee remarks and Observations

The Committee was provided with an extract of the **Corrected Statement of Assets and Liabilities** showing the net financial position for 2017/2018 at Ksh 357,778,271.

- That the differences between the manual addition and what was reflected in the financial statements was a pointer to lack of professionalism and commitment on the side of the staff and their supervisors.

2.2.4 Inconsistencies in Budget Execution Report

The budget uploaded in the IFMIS reflects a total budget execution by programmes and sub-programmes of Kshs.6,205,791,902 while note 5.7 of the financial statement under budget execution by programmes and sub-programmes reflects a total of Kshs.6,176,296,987 thus leading to a variance of Kshs.29,494,915.

In addition, the budget execution by programmes and sub-programmes reflects actual payments of Kshs. 5,062,193,144 while the statement of receipts and payments reflects total actual payments of Kshs. 5,294,374,481 leading to an un-explained variance of Kshs. 232,181,337.

In the circumstances, the budgeted figure reported in the financial statements for the Financial Year ending 30 June 2018 could not be confirmed.

Response;

The inconsistencies in Budget Execution Report was occasioned by un-posted items in the IFMIS system. However, the items have been posted and reconciled thereby clearing the variances. The CECM attached an annex of the Budget Execution by Programmes and Sub-programmes to back the response.

Committee Observation

- **THAT** reconciliation which had been occasioned by un-posted items in the IFMIS system had been corrected and therefore the inconsistencies and variances in the Budget Execution Report had consequently been cleared.

2.2.5 Presentation and Disclosure of Financial Statements

The financial statements preparation template issued by the Public Sector Accounting Standards Board (PSASB) requires that an Inter-Entity Transfers/Bank Reconciliation Report be included at Annex 6 to the financial statements. However, this report was not included in the financial statements for the year under review.

In the circumstances, the presentation and disclosure of the financial statements for the year ended 30 June 2018 did not comply with the prescribed format.

Response

During the year under review Inter entity transfers and bank reconciliation statements were not fully disclosed in the financial statements. However disclosures in the preceding years have been done as per PSASB and availed for Audit review.

Committee Observations

- That from the submitted Annexes, there was no evidence of an Inter –Entity Transfer/Bank Reconciliation Report.
- That the Management may not have used the prescribed template in the preparation of the Financial Statements.

- That there was poor internal controls which was responsible for poor budgetary controls
- That the Management had not indicated sufficiently why the documents were not availed in time for audit review.

2.3 Unsupported Cash and Bank Balances

Note 12A and 12B to the financial statements for the year under review reflects a cash and cash equivalents balance of Kshs.359,479,733 comprising of a bank balance of Kshs.358,563,651 held in thirty-two (32) main Bank Accounts and other unspecified DANIDA Accounts and a cash in hand balance of Kshs.916,082. However, 28 cash books, 26 bank reconciliations statements and 6 bank confirmation certificates were not availed for audit review. In addition, the financial statements presented for audit review reflected a cash and cash equivalents balance of Kshs.359,479,733 which included an amount of Kshs.72,176,807 whose documentary evidence were not availed for audit review as at 30 June 2018. Further, a Central Bank of Kenya Bank confirmation Certificate availed for Audit review incorporating nine (9) accounts reflected Embu County Polytechnic Project GR Account which was not disclosed in the financial statements as part of the bank accounts held by the Executive. Also, no Board of Survey Certificate was availed to support the cash in hand balances of Kshs. 916,082.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs. 359,479,733 reflected in the financial statements as at 30 June 2018 could not be confirmed.

Response:

During the Financial year under review the bank balance was Kshs. 358,563,651 and cash in hand balance of Kshs. 916,082 totaling to Ksh 359,479,733 as per the financial statement. However, cashbooks for Bank Accounts, Bank reconciliation reports, bank confirmation certificates and Board of survey reports confirming cash balances were availed for audit review.

Embu County government had opened Embu County Polytechnic Project grant account at CBK. The account was not operational and had zero balance as at 30th June 2018, thus erroneously omitted.

Committee Remarks and Observation.

The Committee perused through various reports on Board of Survey 2017/2018 from various departments and certificates of balances from various banks where the county executive runs accounts. It was subsequently observed;

- **THAT** the response did not indicate why a Central Bank of Kenya Bank confirmation Certificate availed for Audit review incorporating nine (9) accounts reflected Embu County Polytechnic Project GR Account which was not disclosed in the financial statements as part of the bank accounts held by the Executive.
- **THAT** Board of Survey Certificate was availed to support the cash in hand balances of Kshs. 916,082.

2.4 Prior Year Adjustments

Included in the statement of assets and liabilities is a prior year adjustments balance of Kshs.470,689,569 which appeared more like a balancing figure in the financial statements as the respective supporting documentary evidence were not availed for audit review. This is contrary to Regulation 103(2) of the Public Finance Management (County Governments) Regulations, 2015 which requires adjustments to be supported by sufficient explanations, authorizations and documentation. The treatment is also not in accordance with the requirements of paragraph 1.5 of the International Public Sector Accounting Standard (Cash Basis Standard) which requires proper disclosure of the error and re-statement of comparative figures.

In the circumstances, the validity and accuracy of the Kshs. 470,689,569 adjustments reflected in the financial statements as at 30 June 2018 could not be confirmed.

Response

Prior year adjustments amounting to Kshs. 470,689,569 was treated as per Regulation 103(2) of the PFM (County Governments) Regulations, 2015 which was supported by the relevant documents comprising of opening balances for bank and cash, accounts payables and receivables.

The figure of Kshs. 470,689,569 was erroneously captured by the auditor as positive instead of negative as explained in response no. 1.3 above.

The CECM attached an extract of the Financial Statements for the year 2017/2028 which was authenticated by the Committee.

Committee Observation

- **THAT** the Prior Year Adjustments were not fully supported by sufficient explanations, authorizations and documentation as per Regulation 103(2) of the Public Finance Management (County Governments) Regulations, 2015.
- **THAT** the executive had failed to follow Regulation 103(2) of the PFM Act 2012 and had also not adhered to paragraph 1.5 of IPSAS(Cash basis standard)

2.5 Revenue

2.5.1. Unsupported Receipts

The statement of receipts and payments for the year under review reflects receipts of Kshs. 468,262,521 in respect to returned County Revenue Fund (CRF) issues. However, no supporting documents including bank statements were availed for audit review in support of the same.

In the circumstances, the accuracy and authenticity of the returned CRF issues balance of Kshs. 468,262,521 for the year ended 30 June 2018 could not be confirmed.

Response

Bank balances as at 30th June 2018 were Kshs. 468, 262,521 as confirmed by the bank statements.

Committee Observations

The Committee was concerned whether the management has full custody of the supporting documents and whether the management was aware whether poor internal controls could lead to loss of funds. The committee was concerned that the relevant documents including a statement from the Central Bank of Kenya was not availed in time for audit. The Committee noted that the submitted statement period was from 30/6/2018 to 31/7/2019 and was dated 10/09/2020 and had a balance of Ksh 320,896,343.90. An extract of Certificates of balances from various bank accounts Ksh 358,563,651 while cash in hand amounted to Ksh 916,082. It was observed that relevant documents were not produced in time to the auditor.

2.5.2 Un-Reconciled Receipts

The separate summary statement of appropriation recurrent and summary statement of appropriation development reflects total actual receipts of Kshs.5,644,792,343 and Kshs.5,644,792,343 respectively both totaling to Kshs.11,289,584,686. However, the statement of receipts and payments reflects total actual receipts of Kshs. 5,644,792,343 leading to an un-explained variance of Kshs. 5,644,792,343.

Further, the separate summary statement of appropriation recurrent and summary statement of appropriation development reflects budgeted receipts of Kshs.6,176,292,987 and Kshs.6,176,292,987 respectively all totaling to Kshs12,352,585,974. However, the combined summary statement of appropriation recurrent development reflects total budgeted receipts of Kshs. 6,176,292,987 leading to an un-explained variance of Kshs. 6,176,292,987.

In the circumstances, the accuracy of the balances reflected in the various statements of appropriation for the year ended 30 June 2018 could not be confirmed.

Response

The County had not apportioned receipts received between development and recurrent statement of appropriation account for the period under review. However the Department had reviewed the financial statement for year 2017-2018 and apportioned accordingly which now reflects the true statement of receipts.

Further the CECM for Finance and Economic Planning attributed the underperformance of local revenue to the prolonged political environment witnessed from July 2017.

Observation

- **THAT** perusal of the submitted extract of the *Apportioned Statement of Appropriation for Recurrent and Development* indicated that revenue collection was improving and the CECM for Finance expected good results in FY 2018/2019.
- **THAT** the Management did not demonstrate how the general elections of 2017 affected revenue collection in the County yet the county Revenue Collectors were not involved in the electioneering activities.

2.6 Unsupported Payment of Salaries to Casual Employees

Note 6 to the financial statements reflects compensation of employees' balance of Kshs.2,669,486,849 which included Kshs.14,984,974 paid to casual employees during the year under review. However, no supporting documents including the master roll was availed in support of the Kshs. 14,984,974.

In the circumstances, the accuracy and propriety of the Kshs. 14,984,974 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

RESPONSE

Embu County government made Payment of Salaries to Casual Employees amounting to Ksh. 14,984,974. However document to support the payment are available for audit review and confirmation.

Remarks by Committee

The committee perused through the submitted copies of Master Roll and Payment Schedules for General casual employees/contracted workers and guards, contracted nurses, Skilled Contracted Workers in Embu Level 5 Hospital, but it was however observed;

- ❖ That the master roll did not show the amount of money paid per day for different categories
- ❖ The PAYE deducted for some workers was different despite them earning the same amount of money.
- ❖ That the NHIF deducted for some workers earning the same amount was different for some people despite earning the same amount
- ❖ That the county executive has been flouting Regulation of Wages (General) (Amendment) Order, 2018 on minimum wage

2.7 Use of Goods and Services

2.7.1 Unsupported Expenditure on Fuel, Oil and Lubricants

Note 7 to the financial statements reflects use of goods and services figure of Kshs.738,857,449 which included Kshs. 33,712,332 in respect to fuel, oil and lubricants. However, included in this amount is fuel worth Kshs. 19,352,325 whose records on usage including the fuel register for all departments, suppliers' reconciliation statements and other relevant supporting documents were not availed for audit review.

In the circumstances, the regularity and accountability of the Kshs. 19,352,325 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

During the year under review Embu county Government incurred fuel, oil and oil and lubricants amounting to Ksh 19,352,325. However the supporting documents on usage of fuel, oil and lubricant expenditure are available for audit review and confirmation as attached.

Committee Observation

The Committee perused through an annexure which after reconciliation could not add up to the amount of Ksh 19,352,325 which had been queried by the Auditor. The committee analyzed the following documents;

- The Committee analyzed a report from CECM for Public Service Administration and Devolution Ref.no. ECG/CECM-PSA&D/CAE/VOL.1/ (143) dated 23rd September 2020 *{see Annex IV}*, and noted that county departments have been assigned vehicles as follows;

Table 6: Showing the number of vehicles distributed per department and their status.

	Department	No. of vehicles	Status (Operational or Grounded)
1.	Governor's Fleet	8no	<ul style="list-style-type: none"> • 5no.-Operational • 3no- Grounded.
2.	Administration	12no.	<ul style="list-style-type: none"> • 5no. - Operational • 7no -Grounded.
3.	Gender	1no.	Grounded- CMC Nairobi
4.	Trade	2no	1no. - Operational 1no. -Grounded
5.	Finance	11no.	8no. – Operational 3no. -Grounded
6.	County Assembly	1no.	1no. Operational
7.	Education	16no.	1no. – Operational 15no- Grounded
8.	Lands	1no.	• Grounded
9.	Youth	1no	• Operational
10.	Infrastructure	15no	7no –Operational 8no. –Grounded
11.	Health	49	23no.- Operational 26no. – Grounded
12.	Agriculture	41no	16no – Operational 25no. –Grounded
13.	CEC vehicles	11no.	5no – Operational 6no.- Grounded
14.	TOTALS	169no.	81no.- Operational 88no Grounded

- **Suppliers Statement and invoices.**

Fuel statement from 1st July 2017 to 30th June 2018 from Quick Kobil service station.

The Committee observed;

1. **THAT** the fact that 88no vehicles had been grounded, gave credence to the doubts that regularity and accountability of the Kshs. 19,352,325 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.
2. **THAT** a copy of the fuel register, did not adhere to a standard template. It was manually kept and had no analysis of the expenditure on fuel and lubricants by the respective departments.
3. The County reconciliation statement on consumption of fuel was not submitted as alleged by the CECM for Finance and Economic planning.

2.7.2 Unsupported Expenditure on Training and Workshop

Included in the use of goods and services balance of Kshs.738,857,449 is Kshs.28,802,361 for training expenses which further included Kshs.6,839,020 paid to various service providers for provision of training and whose supporting documents including attendance registers, certificates of attendance, approvals and invitation letters were not availed for audit review.

In the circumstances, the regularity and accountability of the Kshs. 6,839,020 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

The supporting documents in relation to training and workshops amounting to Kshs. 6,839,020 reflected in the financial statements as noted by the auditor are available for audit review.

Committee Observations

- That the Department had attached some documents which were not provided to the auditor as required.
The following items were attached as evidence;
 - i. An undated Admission of letter for 18no officers to Kenya School of Government for skills improvement Course.
 - ii. Minutes of Finance and Economic Planning Department Committee on Human Resource dated 1st February 2017.
 - iii. Minutes of the Advisory Committee Members on Staff Promotions for Youth Empowerment and Sports dated 20th April 2017.- Minutes were adjudged as not being relevant to the query by the Auditor General
 - iv. Minutes of the DHRMAC for education department where an officer had been recommended for proficiency course of two weeks at KSG-Embu.

- v. Several admission letters for officers to attend training at KSG-EMBU
 - vi. A nominal roll for Ward Administrators and other senior officers who attended Senior Management Course at KSG- EMBU from 7th November 2016 to 2nd December 2016 was attached. The Committee noted it was not relevant for the period under review.
 - vii. 5no certificates of participation for the Skill Improvement Course held on 20th February 2017 to 17th March 2017 were attached. It was observed that the certificates did not relate to the period 2017/2018 which was the period under question.
2. That the supplied documents did not have invoices to support the payment of ksh 6,839,020
 3. That no documents were availed to show how the participants were identified or a training needs assessment report

2.7.3 Unsupported Expenditure on Advertisements

Included in the use of goods and services balance of Kshs.738,857,449 is Kshs.7,899,830 for printing, advertising and information supplies and services which further included Kshs.2,287,786 paid to various suppliers for advertisement. However, needs assessment, invoices and copies of the advertisements were not availed for audit verification.

In the circumstances, the propriety and value for money of Kshs. 2,287,786 expenditure for the Financial Year ended 30 June 2018 could not be confirmed.

Response

The CECM for Finance informed the committee that the relevant documents required in support of the expenditure incurred on advertising services amounting to Kshs. 2,287,786 were available for audit review.

Committee Observations

- That some advertising space orders and the advertisements themselves related to years not relevant to the issues under consideration. For example an advertising space order from the Nation Media Group was dated 12th May 2015 for an advert which appeared the following day.
- That relevant documents including needs assessments from departments to necessitate the advertisements were not attached.

2.7.4 Facilitation of Survey and Planning for Mwea Settlement Scheme

Included in the use of goods and services balance of Kshs.738,857,449 is Kshs.41,436,231 for domestic travel and subsistence which further included Kshs.22,960,000 paid as allowances to officers carrying out the survey and planning of Mwea Settlement Scheme. However, letters of appointment for the surveyors, dates the programme was to run, report of the survey and approvals for the process to commence were not availed for audit verification. Scrutiny of the bank statements revealed that the Kshs. 22,960,000 was paid in cash to three individuals at a rate of Kshs. 9,968,000, Kshs. 6,608,000 and Kshs. 6,384,000 respectively. However, it was not clarified who the payees were and reasons why the funds were not transferred to the specific officers' bank accounts.

Report of the Committee on PAIC on the Auditor General's Report on the Financial Statements of the Embu County Executive for the year ended 30th June, 2018.

In the circumstances, it was not possible to ascertain that the Kshs. 22,960,000 expenditures reflected in the financial statements for the year ended 30 June 2018 was a proper charge to public funds and that it had an equivalent value for money.

Response

That Embu County Government spent Kshs. 22,960,000 as allowances to officers carrying out the survey and planning of Mwea Settlement Scheme. The scheme is approximately 17,831 Ha. located in the lower part of Embu. The survey exercise was conducted by Surveyors and Planners from the National and County Government of Embu. The officers were not defined in the IFMIS System hence their allowances were paid through the accounts of the three field officers as rightly stated by the auditor. The CECM informed the committee that the CECM for Lands could provide further information.

Committee remarks and Observations

The Committee invited the CECM for Lands on Tuesday 22nd October, 2019 who stated the following on the survey and planning for the Mwea Settlement Scheme;

The following were the responses;

- ✦ *That, planning for the survey of the scheme was done in the year 2014 and since the department did not have technical staff to undertake the exercise therefore, the department requested for assistance from the National Land Commission (NLC) and National Government with the technical staff to undertake the exercise. In support of this, the CECM submitted correspondences between the county Government and the National Government.*
- ✦ *That planning, survey and geo-referencing activities were done by the officers seconded by the NLC and the staff from the county government department of Lands.*
- ✦ *The officers were to be paid applicable per Diem allowances and which was paid in tranches.*
- ✦ *That these allowances were requested and processed in favour of the following Embu County Government Officers who then paid the allowances to the NLC officers.*

1. *Isaac Mutati Kyalo*
2. *David Mbogo*
3. *Daniel Keya Mbai*

From the responses the committee observed that;

1. **That**, some payment vouchers and surrender schedules were missing. That original documents were not submitted as requested by the Committee.
2. **That** there were no work plans submitted to as evidence of the duration and period when the works in question were to be done.
3. **That** the total amount as reflected in the payment Vouchers and surrender schedules did not tally with the amount in the auditor' report of Ksh 22,960,000. The Committee analyzed the payments as follows;

Table 7: Showing the total amount paid to staff as per the surrender schedules

	Period worked (signed list)	Month	Amount	Total
1	5 th to 30 th September 2016 - (20 days)	September 2016	Payment to District Surveyor, Embu on behalf of 15 officers x 8400 per day for 20 days per officer	Ksh 2,520,000
2	Not stated	February 2018	Payment to Daniel Keya Mmbai on behalf of staff who worked during the surveying of Mwea Settlement Scheme (list of officers and amount each was paid is not included)	Ksh 3,360,000
	Signed list for the period 1/5/2016 - 28/5/2016 (20 days)	May	Payment to David Mbogo Njagi on behalf of staff who worked during the surveying of Mwea Settlement Scheme (signed list of officers and amount received is indicated)	Ksh 3,864,000
3	1 st – 31 st July 2016 (20 days)	July 2016	Payment to Isaac Mutati Kyalo on behalf of 23no. officers x Sh 8400 per day for 20 days per person	Ksh 3,864,000
4	23 RD Oct - 6 th November 2017(24days)	May/June 2017	10 officers x sh 7000 per day for 24 days per person	Ksh 1,680,000
5	23 RD Oct - 6 th November 2017(24days)	May/June 2017	10 officers x Sh 7000 per day for 24 days per person	Ksh 1,680,000
7	5 th to 30 th September 2016 - (20 days)	September 2016	*NOTE: this is a replica of no. 1 above apart from the signatures which appear different upon close scrutiny.	Ksh 2,520,000
8	1 st -31 st March 2016 (20 days)	March 2016	Payment to Daniel K Mmbai on behalf of 28 Officers by Ksh 4900 per day for 20days	Ksh 2,744,000
			Total	22,232,000

From the signed list the Committee noted that there were two payment vouchers with similar amount both dated September 2016 for Ksh 2,520,000 each containing the same recipients but there were discrepancies of signatures. (See Annex I A&B). On enquiring from the CECM for Lands, he indicated that the matter was active in court and therefore he could not comment on it. The Committee wrote to the District Lands Surveyor Embu, the Payee, who indicated that the subject matter would best be handled by the District Lands Office, Mbeere South clearly evading the issue since he was the payee (See Annex II A&B)

The Committee wrote to the Regional Lands Office to direct the relevant officer to appear before the Committee and extended invitation for him to appear before the Committee. In his reply, the Officer indicated that all payment schedules were duly prepared, signed and submitted to the County Government. (See Annex III A&B).

2.7.5 Payment of Unsupported Penalty

Included in the use of goods and services balance of Kshs. 738,857,449 is Kshs. 249,475,379 for other operating expenses which further included Kshs. 5,265,809 in respect to payment of outstanding amount for provision of security services. The services were provided at various stations during the period 1 July 2015 to 30 March 2016 as per the agreement renewal dated 2 February 2015. According to the analysis schedule supporting the payment, an amount of Kshs. 2,016,103 was in respect to a 20% penalty on the outstanding amount which was allegedly stipulated by Clause 8 of the agreement. However, no documents were availed in support of this penalty as the availed renewal agreement did not have the said clause while the original agreement was not availed for audit review.

In the circumstances, the accuracy and value for money of the Kshs. 2,016,103 expenditure for security services reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

Embu County Government incurred expenditure of penalty amounting to Ksh.2, 016,103. This debt incurred by various department before the County recruited own guards. The payment was paid as per the agreement in respect of 20% penalty on outstanding amount.

Committee Observation

The CECM for Finance and Economic Planning attached original agreement dated 9/10/2015 and the renewal Agreement dated 1/2/2016 between the Embu County Government and *Up County Guards and Allied Services*.

The agreement did not have a "Clause on payment of 20% penalty" as queried by the Auditor. However upon scrutiny of the bundle of documents provided it was noted that the 20% penalty was based non-payment of the decreed by the Magistrate's Court.

Further the non-execution of the court order occasioned the penalty of Ksh Ksh.2, 016,103 against the county government.

2.8 Fixed Assets

2.8.1 Fixed Assets Register and Grounded Vehicles

Annex 5 to the financial statements reflects various assets with a historical cost of Kshs. 7,963,523,931 as at 30 June 2018. However, an updated fixed assets register was not maintained. Further, as reported in the previous year, twenty-six (26) unserviceable vehicles whose values could not be determined, had been grounded and were continuously depreciating through wear and tear and no explanation was given as to why the vehicles had not been boarded and disposed. Also, assets taken over from the defunct local authorities had not been incorporated in the asset register.

Consequently, it was not possible to ascertain the accuracy, security, valuation and location of fixed assets worth Kshs. 963,523,931 reflected in the financial statements for the year ended 30 June 2018.

Response

Verification of Assets and Liabilities for defunct local authorities had not been finalized during the financial year under review. However, the exercise has now been finalized and the report submitted to Inter Governmental Relations Technical Committee (IGRTC). This shall form the basis for updating the Asset Register.

Committee Remarks and Observation

The committee perused through a response by CECM for Administration and Public Service dated 23rd September 2020 sent vide ECG/CECM-PSA&D/CAE/VOL.I/(143) (*See Annex IV*)

- ❖ That there were about 11no. vehicles which had been distributed to the CECMs
- ❖ That there were about 81no.vehicles which had been grounded in various locations in Embu while others were outside Embu County. .
- ❖ That the county had about 79no designated drivers. Some drivers were reportedly assigned in more than two departments.
- ❖ That the grounded vehicles were from the following departments;
- ❖ That the County government did not avail an up to date Fixed Assets Register.

Table 8: Showing vehicles distributed and the no. of grounded in respective departments/ units.

	Department	No. of vehicles	Status (Grounded)
1	Governor's Fleet	8no	• 3no- Grounded.
2	Public Service and Administration	12no.	• 7no -Grounded.
3	Gender, Culture and Social services	1no.	• Grounded
4	Trade, Tourism Industrialization & Investment	2no	• 1no. -Grounded
5	Finance and Economic planning	11no.	• 3no. -Grounded
6	Education, science and Technology	16no.	• 15no- Grounded
7	Lands, water, Physical Planning	1	• Grounded
8	Youth Empowerment and Sports	1no	• None
9	Infrastructure, Public works, Housing and Energy	15no	• 8no. -Grounded
10	Health	49	• 26no. - Grounded
11	Agriculture, Livestock and Fisheries	41no	• 25no. -Grounded
12	CECM vehicles	11no.	• 6no.- Grounded
13	TOTALS	169no.	88no Grounded

2.8.2 Unsupported Acquisition of Strategic Stocks and Commodities

Included in the acquisition of assets balance of Kshs. 1,162,459,948 is Kshs. 36,020,209 for acquisition of strategic stocks and commodities. However, no supporting schedules and Ledgers were availed for Audit review.

In the circumstances, the accuracy and propriety of the Kshs. 36,020,209 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

During the financial year under review, Embu County Government incurred Kshs. 36,020,209 under acquisition of acquisition of strategic stocks and commodities. The Expenditure was in respect of purchase of school milk for ECDE feeding program to cater for all pupils enrolled on ECDE program across the County. However we have attached milk deliveries and distribution schedule for audit review.

Committee observation

There were no supporting schedules and Ledgers as claimed by the CECM for Finance and Economic Planning.

2.9 Pending Bills

Included in paragraph 1 of the other important disclosures to the financial statements for the year under review was a balance of Kshs.1,216,891,482 in respect to pending accounts payables which increased by Kshs.275,916,524 (29.3%) from Kshs.940,974,958 as at June 2017 to Kshs.1,216,891,482 as at 30 June 2018. Scrutiny of supporting documents availed for audit verification revealed that pending bills amounting to Kshs.949,482,371 were not supported by invoices, local purchase orders (LPO's), delivery notes and inspection and acceptance minutes while the creditor's ledgers and registers were not maintained. Further, included in the pending bills is Kshs. 23,284,482 in respect to the Kenya Medical Supplies Agency (KEMSA). However, a statement from KEMSA reflected a balance of Kshs. 10,672,646 resulting to un-reconciled variance of Kshs. 12,711,836. In addition, the statements of Assets and Liabilities reflects an unsupported balance of Kshs.83,742,122 in respect to accounts payables (deposits and retentions) while the respective note 14 reflects a balance of Kshs.85,668,234 resulting again to a variance of Kshs.1,926,112.

In the circumstances, it has not been possible to confirm the existence, completeness and accuracy of the pending bills balance of Kshs.1,216,891,482 and Kshs.83,742,122 both totaling to Kshs.1,300,633,584 reflected in the financial statements as at 30 June 2018.

Response

The reported pending bills of Ksh 1,216,891 482 were supported by invoices, Local Purchase Orders and Local Service Orders, contract agreements, award letters and works completion certificates.

However pending bills were verified and the report was forwarded to County Government.

The balances owed to KEMSA as at 30th June 2018 was in respect of Embu Level 5 Hospital of Kshs.8,517,780 and balances owed by Embu Level 4 Hospitals was Kshs. 14,766,690 respectively totaling to Kshs. 23,284,482. The same was verified.

Committee Observation

- The committee noted that that the attached schedule did not provide complete information to satisfy the query by the Auditor. A list of all pending bills was not provided and some of the pending bills were not supported by Local Purchase Orders/Local Service Orders and contract agreements as alleged.
- Further the Committee requested for a copy of a *Special Report of the Auditor -General on Pending Bills of the County Government as at 30th June 2018* which specified both eligible and ineligible bills.
- That Office of the Auditor General had determined that out of the actual list of pending bills of Ksh 1,362,958,792, the eligible Bills as at 30th June 2018 amounted to Ksh 435,114,432 and ineligible ones amounted to Ksh 927,844,360

Key Audit Matters

The Committee noted that the Auditor had determined that there that there were no other key audit matters to communicate in his report except for the matters described in the Basis for Adverse Opinion section.

Other Matter

2.10 Budgetary Control and Performance

2.10.1 Revenue Analysis

The combined summary statement of appropriation recurrent and development reflects an approved total revenue budget of Kshs. 6,176,292,987. However, only Kshs.5,644,792,343 was realized resulting to a net revenue short fall of Kshs.531,504,644 comprising of an over-collection and under-collection of Kshs.52,383 and Kshs.531,557,027 respectively. The revenue analysis for the year is as shown below;

Table 9: Showing budgeted receipts against the Actual Receipts and Percentage of performance

Item	Budget (Kshs)	Actual (Kshs)	Excess Receipts (Kshs)	Shortfall (Kshs)	Percentage
Proceeds from Domestic and Foreign Grants	137,698,201	115,698,201	-	(22,000,000)	84%
Exchequer Releases	4,107,200,000	4,107,200,000	-	-	100%
Transfer from Other Government Entities	516,195,422	516,247,805	52,383		100%
Reimbursements & Refunds	522,421,435	468,262,521	-	(54,158,914)	90%
Other Receipts (Local Revenue)	892,781,929	437,383,816	-	(455,398,113)	49%
Total	6,176,296,987	5,644,792,343	52,383	(531,557,027)	

The Kshs. 52,383 over collection may be a pointer to inefficient budgeting process while the Kshs. 531,557,027 under collection translates to planned activities which were never met and projects that were not undertaken for the benefit of the people of Embu County. It was noted that most of the Kshs.531,557,027 under collection was from Local Revenue which had a budgeted revenue of Kshs.892,781,929 and actual receipts of Kshs.437,383,816 resulting to revenue shortfall of Kshs.455,398,113 (51%). There is need therefore for the County Executive to re-work its budgeting mechanism to only focus on priority areas and also tighten the internal controls systems on possible revenue leakages.

Response

During the financial year under review, Embu county government had targeted a total revenue of Ksh 6,176,296,987 which is comprised of exchequer releases, grants and local revenue. However the amount budgeted under exchequer releases and grants were fully realized during the year. The county budget for own local revenue amounting to Kshs. 892,781,929 of these only Ksh 437,383,816 was realized leading to a shortfall of Ksh 455,398,113 in the year under review.

Table 10: Indicating an analysis of targeted revenue and actual revenue collection by stream.

REVENUE STREAMS	BUDGET	ACTUAL	VARIANCE
Single Business Permit	87, 526,388	79,314,460	8,211,928
House Stalls	11,030,490	18,880,885	(7,850,365)
Market Fee	74,021,421	20,248,139	53,773,282
Bus Park	28,583,910	17,129,187	11,454,723
Building Approval	7,919,530	4,687,350	3,232,180
Cess	93,923,460	49,080,449	44,843,011
Land Rates	161,882,545	16,641,005	145,241,540
Enforcement	1,912,480	999,940	912,540
Parking	64,040,650	12,702,213	51,338,437
Administration Fee	2,053	1,000	1,053
Advertisement Fee	11,760,891	21,775,255	(10,014,364)
Slaughter fees	1,199,098	913,800	285,298
Miscellaneous	22,276,902	3,246,992	19,029,910
Stock Fees	6,084,586	689,880	5,394,706
Water Charges	630,100	40,960	589,140
Tech. Fee			-
			-
Total Own source Revenue	572,794,504	246,351,485	326,443,019

Appropriation in Aid			-
Ministry of Trade, Weight and Measures	5,257,396	202,280	5,055,116
Survey Fee	17,225,579	1,484,690	15,740,889
Physical Planning	2,774,421	349,500	2,424,921
Ministry of Livestock	2,802,643	3,647,570	(844,927)
Ministry of Agriculture(Agriculture Mechanization Services)	2,173,745	1,699,236	474,509
Embu County Alcoholic	26,525,805	20,345,788	6,180,017
Embu Level 5 Hospital	183,191,576	129,435,940	53,755,636
Runyenjes Hospital	13,012,341	6,804,097	6,208,244
Siakago Hospital	10,162,289	7,395,765	2,766,524
Ishara Hospital	16,353,132	8,948,505	7,404,627
Kianjokoma Hospital	6,365,009	2,718,995	3,646,014
Ministry of Agriculture-Fisheries	1,669	550	1,119
Ministry of Culture and Gender Empowerment	1,000,000	44,000	956,000
Ministry of Youth and Sports	5,000,000		5,000,000
Karurumo Hospital	1,349,087	1,197,165	151,922
Kiritiri Hospital	623,557	505,600	117,957
Embu Water and Sewerage Company	-		-
Public Health- Mbeere South	2,621,824	1,855,700	766,124
Public Health-Runyenjes	2,528,686	1,543,600	985,086
Public Health-Manyatta	873,527	2,377,450	(1,503,923)
Public Health-Mbeere North	145,139	475,900	(330,761)
Infrastructure	20,000,000	-	20,000,000
TOTALS	319,987,425	191,032,332	128,955,094
G.TOTALS	892,781,929	437,383,816	455,398,113

The Embu County executive realized revenue short fall of Ksh 455,398, 113 which was occasioned by unfavorable economic political environment and non-remittance of targeted grant by donors during this period the county was highly volatile as a result of highly protracted gubernatorial elections and subsequent petitions by the loser that lasted for almost two years. The rate/tax payer became polarized and deviant in most parts of the county especially the lower side (Mbeere North and South Sub-counties) where the petitioner commanded a large following, quite a number of revenue streams were adversely affected thus making the county not to achieve its revenue targets as noted in the above Table.

Committee Observations.

- That this was a pointer to the inefficiency of the ECRA, a body that was formed to help in collection of Own Source Revenue
- That it was evident that the executive has been setting unrealistic revenue projections in the budget having failed to collect at least half of the budgeted amount

2.10.2 Development Expenditure Analysis

The summary statement of appropriation development reflects development budget of Kshs.1, 838,033,435 while only Kshs. 1,162,459,948 (63%) was utilized resulting to an under expenditure of Kshs. 675,573,487 as follows;

Table 11: Showing the Absorption of the Budgeted amount for Development Expenditure and the variance between the Actual and the Budget per department

Department	Budget (Kshs)	Actual (Kshs)	Variance (Kshs)	Absorption %
Finance and Economic Planning	84,500,000	47,850,597	36,649,403	57%
Education, Science, Technology and ICT	128,991,186	88,814,641	40,176,545	69%
Health	148,489,442	81,955,856	66,533,586	55%
Infrastructure, Public Works, Housing and Energy	694,609,665	443,378,149	251,231,516	64%
Youth Empowerment and Sports	84,649,912	55,731,216	28,918,696	66%
Trade, Tourism, Investment and Industrialization	53,614,974	37,750,761	15,864,213	70%
Agriculture, Livestock, Fisheries and Co-operative Development	89,067,427	53,252,238	35,815,189	60%
Lands, Water, Environment and Natural Resources	281,042,513	182,406,503	98,636,010	65%
Public Service and Administration	2,500,000	903,500	1,596,500	36%
Gender, Culture, Children and Social Services	53,795,970	39,333,114	14,462,856	73%
Embu Level 5 Hospital	216,772,346	131,083,373	85,688,973	60%
Total	1,838,033,435	1,162,459,948	675,573,487	63%

The under expenditure of Kshs.675,573,487 represents planned development projects that were not implemented for the benefit of people of Embu County in spite of the County Executive having cash at bank of Kshs.358,563,651 as at 30 June 2018.

Response

During the year under review Embu County Government development expenditure budget was Kshs 1,838,033,435. However as noted by the auditor, the under expenditure of Kshs 675,573,487 was a result of some planning challenges such as failure to achieve planned revenue as targeted during the year. Although Embu County Government expected all exchequer releases by end of financial year, there was delay in exchequer release by the national treasury occasioning under absorption of Kshs 358,563,651, additionally there were other challenges occasioned by IFMIS system failure leading to delay in procurement processes.

Committee Observation

THAT the reasons given were not backed by evidence to explain the under absorption to the tune of 63%.

THAT the County Executive had not streamlined its procurement plans to budget and which made execution of plans difficult.

2.10.3 Recurrent Expenditure Analysis

The summary statement of appropriation recurrent reflects final expenditure budget of Kshs.4,338,263,552 against an actual expenditure of Kshs.4,131,914,533 resulting to an under expenditure of Kshs.206,349,019 as follows;

Table 12: Showing the percentage of under expenditure between the budgeted amount and the Actual expenditure

Item	Budget (Kshs)	Actual (Kshs)	Under expenditure (Kshs.)	Percentage %
Compensation of Employees	2,686,986,235	2,669,486,849	17,499,386	99%
Use of goods and services	837,108,567	738,857,449	98,251,118	88%
Transfers to other Government units	510,937,461	485,937,461	25,000,000	95%
Other grants and transfers	274,032,681	215,065,510	58,967,171	78%
Social Security Benefits	29,198,608	22,567,264	6,631,344	77%
Total	4,338,263,552	4,131,914,533	206,349,019	

The under absorption of Kshs. 206,349,019 is an indication of planned activities that were never implemented for the benefit of people of Embu County. Furthermore, the County Executive had cash at bank of Kshs. **358,563,651** at the close of the Financial Year.

Response

During the year under review Embu County Government development expenditure budget was Ksh 4,338,263,552. However as noted by the auditor, the under expenditure of Ksh 206,349,019 was a result of some planning challenges such as; failure to achieve planned revenue as targeted during the year. Although Embu County Government expected all exchequer releases by end of financial year, there was a delay in exchequer release by national treasury occasioning under absorption of Ksh 358,563,651, additionally there were other challenges occasioned by IFMIS system failure leading to delay in procurement processes.

Committee Observation

The explanation by the CECM was not convincing since similar query had been raised in previous Audit reports. There was no evidence submitted to support the claim by the CECM for Finance. The committee observed that the County Executive had carried out poor budgeting and there was weakness in control of Budget performance.

2.10.4 Failure to Prepare the Financial Statements for Various Funds of the County Executive

Included in other grants and other payments figure of Kshs.215,065,510 under note 9 of the financial statement is Kshs.25,465,010, Kshs.79,600,500 and Kshs.110,000,000 in respect to Embu Youth Trust Fund, Scholarship Fund, and Car loan and Mortgage Schemes respectively. Although the four (4) Funds are independent funds which ought to have prepared separate fund accounts, the respective fund financial statements were not prepared and submitted for audit review contrary to the requirements of Section 116 (7) (a) of the Public Finance Management Act, 2012 and Section 47 of the Public Audit Act, 2015 respectively.

Further, the County Executive transferred Kshs. 25,465,010 to Embu Youth Trust Fund account at Equity Bank Embu branch in respect to Youth Fund Loan disbursements. A review of the financial statements revealed that the County spent Kshs. 22,656,850 being 88.97% of the budgeted amount leaving out an unspent balance of Kshs. 2,808,159.

In the circumstances, the Executive is in breach of the law.

RESPONSE

During the year under review Embu County Government had four funds that were operational. However the fund statements on respective fund accounts were prepared and submitted for audit review and confirmation as attached. Youth Trust Fund had unspent funds balance of Ksh 2,808,159. The balance was spent in the preceding years as per the attached list of distribution.

Committee Observation

- The Committee interrogated the Financial Statements for the Embu Education Support Fund for the year ended 30th June 2018 which had been submitted to OAG (Embu Hub) on 25th March 2019.
- The financial statements of the Embu County Youth Trust Fund for the Year Ended 30th June 2018 were submitted for auditing.
- That the submissions of Financial Statements for the funds was done late. However the OAG representative that currently all the three County Fund Statements had been prepared and audited.

2.11 Report on Lawfulness and Effectiveness in Use of Public Resources

Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of the Auditor General's report, based on the audit procedures performed, the Auditor confirmed that public resources had not been applied lawfully and in an effective way. He provided the following basis for this conclusion.

2.11.1 Revenue Collection Systems

During the year under review, the County Executive used various systems to account for and record revenue. The systems were; Local Authorities Integrated Financial Operations Management System (*L AIFOMS*), electronic-revenue (*E-Revenue*), Medical Business and Office System Solutions (*MEDBOSS*), Jambo Pay and manual systems. Jambo Pay was acquired at a cost of Kshs. 79,905,162 during the financial year under review while the *E-Revenue* that was acquired in the year 2015/2016 at a cost of Kshs. 18,092,530 was discontinued due to failure to meet its objectives including failure to have real time transactions and cashless revenue collection as per the management explanation. However, management did not indicate why a system that was acquired at Kshs. 18,092,530 failed to take off including who was to be responsible for the failure which led to the Kshs. 18,092,530 expenditure that had no value for money.

Further, the combined statement of appropriation reflects budgeted own generated receipts of Kshs.892,781,929 and an actual collection of Kshs.437,383,816 and therefore no major achievements were noted in terms of increased revenue collection attributable to Jambo Pay - a system that was bought at Kshs.79,905,162.

In the circumstances, the County Executive may not have obtained value for money for the Kshs.79, 905 162 expenditure.

Response by CECM for Finance

During the year under review various system were in use namely L AIFOMS, E-Revenue, MEDBOSS and Jambo Pay. The four systems were meant to collect revenue on different areas such MEDBOSS was specifically for collecting revenue at Embu Level 5 Hospital and other Level 4 Hospitals while L AIFOMS was being used in collection of

land rates and single business permit fees. However E-Revenue system was discontinued during the year since it failed to achieve the desired revenue automation objective across the County due to its inability to have real time transactions and cashless revenue collection modules.

The county in its effort to automate all revenue streams acquired Jambo Pay system which had proved efficient in other Counties, however the system was acquired at a cost of Kshs 79,905,162, the system was able to automate various modules as per the attached system progress report. Further during the year under review the system implementation was still ongoing and revenue for the year increased from Kshs .391,406,940 in financial 2016/17 to Kshs 437,383,816 in the year under review and Kshs .627 Million the subsequent year 2017/18.

Response were received from the CECM-Finance, Web Tribe Kenya Limited and CEO, ECRA as follows;

a) The CECM for Finance and Economic Planning

That during the year under review various revenue systems were in use namely LAIFOMS, E-Revenue, MEDBOSS and Embu pay. E-Revenue system was discontinued for the reasons the auditor has correctly stated above namely failure to have real time transactions and cashless revenue collection.

MEDBOSS is specifically for collecting revenue at Embu Level 5 Hospital and other Level 4 Hospitals which is still in use.

LAIFOMS is being used for collection of land rates and single business permit fees. This system is to be integrated with Jambo Pay. Implementation of Jambo Pay is still ongoing.

b) CEO, -Web Tribe

On the various issues raised by the committee, the representative of Web Tribe responded as follows;

✦ *That the contract between the County Government of Embu and Web Tribe Limited was duly executed on 6th April 2018, and a further addendum to the contract entered into on 20th May 2019. The contract was effective from the date of the agreement, and remains in force for a period of 5 years, and is renewable on mutual consent at the end of the contract duration. (The copies of the contract and the addendum were forwarded to the committee).*

✦ *That the services of Web Tribe Limited were procured following the due process whereby the company responded to a Request for Proposal (RFP), by submitting a technical and financial proposal. The company was awarded the contract, following internal processes by the County, and was given a notification of award letter dated 21st March 2018. (Copies of the Request for Proposal and the Notification of award were provided)*

✦ **On the scope of works, Web Tribe said this was provided in the RFP as follows;**

1. Provider of an authentic system that will facilitate payment and secure funds collection.

2. The system should allow Embu county residents to have a choice to use their preferred payment option such as mobile money, plastic cards or cash through a system that is secure and suggested by the consultant.

3. The revenue collection system should capture services that include but not limited to parking, land rates payments, licensing, market fees, house rents, building plan approvals, cess fee, bus park fee, medical fee, service charges etc.;

4. Provide guidance and support on any pre-implementation activities that County needs to undertake in readiness for the roll out of the solution
5. Implementation of a Revenue Management Systems meeting the unique requirements of Embu County as provided for in the Embu County Finance Act and other revenue laws.
6. Identifying areas where the Revenue Management System will need to integrate with existing systems and carrying out of such integration (eg. LAIFOMS and the Hospital Management System).
7. Training of key stakeholders with respect to use of the system on use and management of the solution.
8. Detailed Support and maintenance of the solution such that support request are handled within at most four working hours.
9. The system should have the following modules; (a) Security (b) Administration and configuration (c) Services and packages (d) Electronic payment gateway (e) Cashier (f) Electronic Wallet System (g) Card Management System (h) Backend (i) Enforcement module (j) Performance Management Module (k) Performance Dashboard (l) Inquiries and Reports (m) Settlements and clearance
10. The payment channels should include but not limited to; (a) Point of Sale Terminals (b) Online internet portal (c) Kiosk (d) Mobile Payments, etc.
11. The system should be able to give reports on revenue collected and able to validate information automatically;

⚡ **The components that were to be operationalized/implemented as per the agreement include;**

- (a) Security (b) Administration and configurations (c) Services and packages
- (d) Electronic payment gateway (e) Cashier (f) Electronic Wallet System (g) Card Management System (h) Backend (i) Enforcement module (U) Performance Management Module (k) Performance Dashboard (l) Inquiries and Reports (m) Settlements and clearance

- A list of members of staff who were incorporated as members of Joint Committee from the Web Tribe was provided to the committee whereby four (4) members were incorporated in the Steering Committee, and four (4) others in the Implementation Committee. (Copies of minutes of meetings held and Project Implementation Status Report as at 31st July 2018 were attached)

6. Security of the System and hosting Security of the Revenue Data of the County

The system is secured with Transport Layer Security 1 (TLS1) end to end encryption. This means the system is designed to provide communications security within various networks, providing privacy and data integrity between interacting applications.

The connection is private (or secure) by generating keys uniquely for each connection referred to as TLS handshake.

Number of Servers

The system is hosted at Web Tribe Ltd Data Centre private cloud and runs in 8no. servers, primarily (Application server & Database servers) ensuring maximum data security and efficiency as well as 24/7

Data Backup. The company also has an alternative Disaster Recovery site, with 4 servers, where it replicates all data in real time.

Web Tribe is committed to upholding data privacy and compliance to data protection laws, and data retention procedures in line with the Kenya Information and Communications Act (2009).

7. Fate of the assets at contract end

All assets supplied to the County as per contract, belong to the county and shall remain with the county, at the end of the contract or upon termination of the contract.

The following hardware were supplied to the County as per contract;

No.	Item Description	Quantity
1.	<i>Hand held Android revenue Collection Devices</i>	-200
2.	<i>Monitoring Screens for system performance and dashboard</i>	- 5
3.	<i>Server</i>	-1

8. Perceptible and Discernible benefits that the system has contributed in revenue collection for the County

Benefits

- i. Increased transparency in revenue collection.*
- ii. Increased convenience to user, by providing self-service channels that are user friendly.*
- iii. Provided robust reporting capabilities including real time reports, on-demand reports, automated end-of-day reports and executive dashboards with info- graphics and extensive use of data analytics.*
- iv. Revenue has increased in the already automated streams.*
- v. Provided in-built enforcement modules, audit trails and capability to allow for real time revenue collection monitoring.*

9. Have all the revenue streams been automated?

The status of implementation of automation for the different revenue streams is as per attached Roll Out Progress Report - Appendix 5.

10. Automation of revenue collection in devolved units.

The status of implementation of automation for the different revenue streams is as per attached report - Appendix 5.

11. List of staff and TOTs trained at the County Executive

Please refer to Appendix 6 for the training attendance registers for different user's trainings.

12. Who owns the system and where is it domiciled?

The system is owned by the County of Embu. It is presently hosted at Web Tribe's Private Cloud servers, but Web Tribe supplied servers to the County to enable full running of the system, on their own servers, upon commissioning and hand-over.

13. Percentage of work completed;

The company has completed 89% of the project, as per the attached roll out progress report. Refer to Appendix 5

14. Challenges encountered in implementation of the Revenue Collection System

- 1. Frequent change of requirements during implementation of the project. e.g Request for change of the SBP application, within a one-week timeline. This affects the other modules under development.*
- 2. Unclear communication on the user requirements from the client, or verbal communication without use of official change request forms. At times when the service provider asks guidance on a module we do not receive clear information leading to back and forth, which results to delay of implementation.*
- 3. Data Integrity- Unavailability of data from the previous system, and poor state of data that necessitated intensive clean-up and data entry at our own cost.*
- 4. Un-availability of API, from the third party service provider of the County, with respect to the Hospital Management Information System, leading to delay in implementation -hence the 0% roll-out progress.*
- 5. Completed modules awaiting approval - Many times it takes a long time for completed modules to be successfully tests and approved, leading to delay in deployment. Another challenge is when we are doing tests we find only one or two people available for the tests session, and we consequently never get all the recommendations. When the system module is finally taken live, other users bring-up new areas of improvements or suggestions that results in roll-back of deployment, and more delay in implementation.*

15. Payments received as per contract

Web Tribe Limited has received 80% of the contracted amount, for milestones delivered as per contract.

16. Any other information you may wish to share with the committee

- The company averred that it had deployed a robust solution complete with an enforcement module which if fully utilized by the County Government, would greatly increase revenue as well as eliminate any loopholes currently within the County's payments ecosystem. The role of enforcement for revenue collection the onus of the County Government. JamboPay was an efficient tool that would assist to streamline all its payment and curb payment non-compliance.*
- The Company took cognizance of issue raised by the County Government, during implementation and explained that it continuously strove to improve its services in line with Industry standards as well as emerging Client needs and would continue to do so.*
- The County Executive, the steering and implementation committee, and the users of the system have been very supportive of the system and the roll-out. The company was also pleased with the reception of the system by the people of Embu County, and the support they had shown during the implementation. Web Tribe said it was presently finalizing on a few areas in conjunction with the County staff, to ensure full implementation, delivery and hand-over of the system.*
- The Company hoped that the information provided would be sufficient to dispel any doubts on their engagement with the County, and the capabilities and capacity of the Revenue Management System.*

c) Embu County revenue Authority

The Authority submitted as follows;

- i. Provide the current status of the contract between the county government and Web Tribe company on the development of the e – revenue system.
 - The contract was signed on 6th of April 2018 and runs for a period of 5 years.
- ii. Comparatively has the county benefited from the implementation of the system?
 - Yes, the revenue growth since inception of the project has been a very positive indicator as well as ease of monitoring the revenue collectors through the system
- iii. As an authority do you own the system? The hardware and the software?
 - The system is owned by County Government of Embu for a period of 5 years.
 - The hardware (devices, phones and server) are fully owned by the county.
- iv. How many components have been operationalized/implemented by the Web Tribe Limited?
 - Thirteen (13) namely :
 - a) Street Parking: b) Bus park c) Market d) Cess e) Single business permit f) Property Rates g) House Rent and Stalls h) Reports i) Enforcement application i) Unstructured Supplementary Service Data (USSD) k) (*407#) l) Integration to bank and Mpesa m) Modular reports
- v. Who were the members of the joint committee that was formed to oversee the implementation?

The committee is comprised of the 4 sub-county revenue officers, ICT and Web Tribe
See attached reports
- vi. How secure is the Revenue data for the county? How many servers does this system have and where is the data hosted? Is cloud hosting private, hybrid or public

The system data is securely hosted in Webtribe cloud servers with 8 back up and recovery servers. The provider supplied one data server as part of the hardware deliverables in the contract.
- vii. What will be the fate of the assets, hardware after the contract between the county Government and Webtribe ltd is terminated?
 - The assets remain property of the county government after termination/end of the contract.

Table 13: Showing the items that were procured to be used in the Jambopay system

No.	Item	Quantity
1.	TV Screens for revenue monitoring	5
2.	POS devices	200
3	Enforcement phones	20
4	Data server	1

- viii. Has the company performed as per the terms and conditions of the contract?
 - Yes
- ix. Who is the administrator of the USSD?

- *Web Tribe. The code the property of the Embu county but the administration and update of the application remains responsibility of the provider.*
- x. **To what extent was the county ICT department involved in the implementation of the system**
- *The county ICT department has and continues to be fully engaged in the system implementation process. The project lead is one of the ICT officers in the county.*
- xi. **Who owns the system and where is it domiciled?**
- *The system is owned by the county Government of Embu. It's currently hosted at Web Tribe cloud servers.*
- xii. **Are all revenue systems integrated into the system?**
- *No. Hospital management system (MEDBOSS) is not integrated.*
 - *Documents to demonstrate how Web tribe was contracted were attached.*

Committee Observations

- 1) That the County Executive has been operating several revenue collection systems namely LAIFOMS, E-Revenue MEDBOSS Jambo Pay and Manual.
- 2) That the county executive procured E-revenue system Ksh 18,092530, which they did not use thus no value for money
- 3) That the County Executive procured Jambo pay system at a cost of Ksh 79,905,162.75 to improve revenue collection. However no tangible and discernible improvement has been recorded.
- 4) That the County Executive does not own the MEDBOSS system and no contract was availed on the same yet it is being used at Embu level 5 Hospital
- 5) That major milestones that could make the Jambo Pay system fully operational had not been operationalized/implemented. Failure to implement alluded to "*some technicalities as is the norm with any other system implementation*". However it was reported that the Contractor had requested for more time to complete the automation process and to ensure that all revenue streams are automated by 31st March 2019.
- 6) That the county government may not have received value for money for Ksh 79,905,162.75 expenditure.

2.11.2 Un-Collected House and Stall Rent

Note 4 to the financial statements reflects Kshs.18, 880,855 in respect to rent receipts for the year ended 30 June 2018. However, the Executive's revenue return records made available for audit review reflects Kshs. 337,918,970 uncollected rents from houses and stalls belonging to the County Executive. The rents have remained outstanding from the four (4) Sub Counties since the year 2015 and no measures appeared to have been undertaken by the County Executive in collecting the arrears.

In the circumstances, the recoverability of the amount could not be confirmed.

Response

Embu County Government had an accumulated House and Stall Rent totaling to Ksh 337,918,970 for the year under review. The County has enhanced enforcement on rent by automating revenue streams to ensure all rent in arrears are cleared before issuing relevant clearance and business permits.

Committee remarks and Observation

The Committee perused through a schedule of rent debtors that was provided by the Management where it was noted the following among others;

- a. That the total uncollected house and stall rents stood at Ksh 13,380,433.00
- b. Some stalls in Kianjokoma with a standing rent of Ksh 500 per month had been left to accumulate to over Ksh 31,000, while others at open air market (WMS series) in Embu town with standard rent of Ksh 1000 had been left to accumulate to 107,000.
- c. Many stalls in Nairobi Bus Park had a lot of arrears with several stalls accumulating rent arrears amounting to Ksh 81,000
- d. Many houses in Blue Valley had accumulated rent arrears ranging from Ksh 55,000 to Ksh 295,000.00

The committee was not satisfied with the explanation since the Executive did not explain what measures it was willing to institute to recover Kshs. 337,918,970 in unpaid house and stall rent.

2.11.3 Failure to Operationalize the Embu Revenue Authority

The Embu County Revenue Authority was enacted into law on 13 April 2017 by the Embu County Assembly. The Authority once operationalized is to assess, collect and account for all revenues in accordance with the County and National laws related to revenue. The commencement period was supposed to be on 5 May 2017. The Governor subsequently appointed an implementation committee on 12 September 2017 comprising of 7 members to look into ways and means of implementing the Authority and the team was to be in office until a board for the Authority was put in place. However, the board had not been put in place as at 30 June 2018.

In the circumstances, the County Executive's failure to operationalize the authority may lead to the County Executive not improving its revenue collections.

Response.

Embu revenue authority has been operationalized during the financial year under review since the board was appointed and inaugurated.

Committee observation

The Committee perused through the letters of appointment of the Directors of ECRA and noted that the letters were done on 28th December 2018 six months after the end of financial year. It was also observed that the Appointment letter for the Chairperson was not availed.

2.11.4 Irregular Payment of Allowances on Foreign Travel

Note 7 to the financial statements reflected use of goods and services expenditure of Kshs. 738,857,449 which included Kshs. 14,018,464 in respect to foreign travel and subsistence.

Records made available reflected an additional foreign travel expenditure of Kshs. 1,962,960 incurred by the County Executive on behalf of the County Assembly thereby increasing the foreign travel to Kshs. 15,981,424. The Kshs. 15,981,424 was spent by fifty three (53) persons from both the County Executive and Assembly while on a seven days County budget process course, induction and bench marking in Arusha, Tanzania.

However, the supporting documents including copies of stamped passports, work tickets/boarding passes, signed attendance list and certificates of attendance were not made available for audit review. Further, no explanation was given as to why the County Executive facilitated the MCAs who were supposed to be catered for by the County Assembly. In addition, it was not clear why the induction was held in Arusha while the same would have been undertaken in Embu Town.

In the circumstances, the regularity and value for money for the Kshs. 14,018,464 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

During the Financial year under review, Embu County Government executive incurred Ksh 15,981,424 on training. The expenditure included Ksh 1,962,960 incurred by the County Executive on behalf of the County Assembly MCAs. The Expenditure was necessary for inducting newly elected MCAs on county Government operations and planning processes and on Executive priority projects and programs. The training was conducted by the Executive who invited the MCAs which was necessary for inducting newly elected MCAs on Executive priority projects and programs.

Committee remarks and observation

The Committee perused through the evidence that was provided and noted the following;

- a. A response from Eastern and Southern African Management Institute (ESAMI) dated 15th January 2018 inviting fifty three participants for County Budget Process course from 23rd to 24th January 2018.
- b. A programme from ESAMI
- c. Attendance List for the County Budget Process course for 15th and 16th February 2018.
- d. Signed list for payments of per diems
- e. Photographs of participants receiving certificates
- f. Copies of passports indicating the dates the participants travelled.
- g. Sample Certificates from ESAMI
- h. Report of the benchmarking tour of the county leadership held at Arusha , Tanzania on 14th -21st February 2018 and a programme of the induction Course held at Imara Hotel- Arusha

The Committee observed that the query had been responded exhaustively. However the Committee was concerned that the requisite documents were not availed in time for audit review.

2.11.5 Irregular Expenditure on Legal Fees

Included in the use of goods and services balance of Kshs.738,857,449 is Kshs.249,475,379 for other operating expenses which further includes Kshs.74,751,870 for legal fee paid to law firms

who were appointed to represent the County Executive in various cases during the year. However, included in the figure of Kshs. 74,751,870 was Kshs. 13,209,560 paid to a law firm that had not been prequalified. Further, there were no instructions from the County Executive to the firm to represent it in the various cases. In addition, a review of the staff establishment showed that the Executive had a County Attorney, County legal officer, a legal advisor to the Governor and a Legal Panel appointed by the Governor to deal with legal matters. However, it was not possible to ascertain their role including why they could not represent the Executive on legal issues.

In the circumstances, the County Executive did not obtain value for money for the Kshs. 74,751,870 expenditure.

Response

The County Government Legal Officers deals with advice on Legal matters, documents and contracts.

The Committee perused through the evidence that was presented by the Management and noted a schedule showing information on legal fees pending for Financial Year 2017/2018.

Committee Observations

1. **THAT** some of the Advocates awarded legal Cases were not part of the list of pre-qualified suppliers for the year 2016-2018 contrary to the requirements of the Public Procurement and Asset Disposal Act namely;
 - (i) Ileri and Company Advocates- Ksh 14,355,500
 - (ii) R.M Mugo and Company Advocates- Ksh 6,207,000
 - (iii) Momanyi Gichuki & Company Advocates- Ksh 580,000
2. **THAT** there were no instructions issued to the firms to represent the County Government in various cases. Only One law firm had instructions out of the thirty (30) cases presented.
3. **THAT** the Office of the County Attorney did not have adequate number of staff to handle all legal matters in –house.

2.11.6 Unsupported Expenditure on 2nd Investors' Conference

Included in the use of goods and services balance of Kshs. 738,857,449 is Kshs. 249,475,379 for other operating expenses which further included Kshs. 6,498,720 spent on preparation of the 2nd Investors' conference. However, out of this, an expenditure of Kshs.2,600,000 in respect to the Disk Jockey (DJ), sound system, photography, department documentary, event management and coordination did not have supporting documents including attendance list of the participants and inspection and acceptance reports.

In the circumstances, the regularity and value for money of the Kshs.2, 600,000 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

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The County Government of Embu incurred expenditure of Ksh 2,600,000 million on 2nd Investors Conference. The Expenditure was mainly to facilitate the conference on Disk Jockey (DJ), sound system, photography, department documentary, event management and coordination. The department has attached relevant documents on 2nd Investors conference such as county report, documentary produced, inspection and acceptance report and attendance list of participants are available for audit review.

Committee remarks and Observations

The Committee scrutinized the evidence that was attached by the management and noted the following;

- An unsigned report on the 2nd Embu National and International Conference held from 12th to 14th April 2018.
- There was no evidence that the report was presented before the CEC for adoption.
- Correspondences between the County executive and Kenya School of Government where the investment conference was held.
- List of attendance by participants.
- Letter on Appointment of Inspection and Acceptance committee on 11th April 2018, Inspection and Acceptance report on conference deliverables for the 2nd Investors Conference.

The Committee observed that the OAG was satisfied with the evidence and supporting documents that were produced.

2.12 Human Resource Management

2.12.1 Chief Officers without Professional Registration Documents

During the financial year under review, the County Public Service Board for Embu Executive advertised vacancies for chief officers in its various departments. In the advertisement, one of the key requirements for the appointment was that the applicants must have been members of professional bodies relevant to the position applied for and in good standing. However, a review of personal files for two chief officers for Planning and Health departments respectively revealed that no certificates of registration to any professional body were attached as required.

In the circumstances, the County did not comply with the recruitment requirements as per the advertisement during the year and therefore it was not possible to confirm whether the best employees were recruited.

Response

It was an error in the advert by County Public Service Board requirement for applicants to be registered members of professional bodies. Requirements for the appointment of Chief Officers to be members of a professional body was a mistake.

Committee Observations

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The Committee noted the explanation.

2.12. 2 Operations without an approved Staff Establishment

The County Executive's Staff Establishment reflects 1,554 employees as at 30 June 2018, which excludes employees in the departments of Health whose number and other personnel details were not made available for audit. Further, the Integrated Payroll and Personnel database (IPPD) reflected a total of 3,115 employees as at 30 June 2018 leading to an unexplained variance of 1,561 employees. This is contrary to the requirements of Section 59 (1) (a) of the County Government Act, 2012 which states that the County Public Service Board shall on behalf of the County Government establish and abolish offices in the County Public Service.

In the circumstances, the County Executive is in breach of the law.

Response

The County Executive of Embu operates under a duly approved staff establishment which was approved on 28th January 2015 by the Cabinet, Min. No. 186/CEC/2015 and the county public service board approval letter dated 8th January 2020.

Committee Observations

The Committee went through the staff establishment as attached and the minutes of the County Executive approving the same. Letter from the County Public service Board approving the County Staff Establishment dated 2nd September 2020.

Committee noted that key position like Key internal audit had not been filled.

2.12.3 Payment of Salaries by Use of Manual Payroll

Note 6 to the financial statements reflects compensation of employees balance of Kshs.2,669,486,849 which includes Kshs.20,803,232 paid to various officers through the manual payroll instead of the Integrated Payroll and Personnel Database (IPPD). However, management explanation that newly recruited employees normally experience delays in obtaining personal numbers was not supported.

In the circumstances, it was not possible to ascertain that the Kshs. 20,803,232 paid through manual payroll during the year ended 30 June 2018 was paid to genuine employees and therefore the propriety of the expenditure could not be ascertained.

Response

The payment of Ksh. 20,803,232 paid through manual payroll is properly supported with payment schedules, contracts and other necessary authorities and the amount was paid to staff without personnel numbers and top-up allowances for security officers seconded to the County government. The Manual payment was occasioned by delay in obtaining personal numbers. The casuals are mostly deployed to support Embu Level 5 hospital, Level 4's,

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dispensaries and health centers. They include cleaners, security officers and other support staff. Documents for audit verification and confirmation were attached.

Committee Observations

In a statement dated 29th September 2020, the department of Health explained the circumstances under which employees were paid through manual payroll as follows;

- Mix-up after IPPD indicated an officer had retired yet the Public Service Commission forms (PSC) 2 indicated the officers was to retire later in the year.
- Staff who passed on having worked part of the month and had to be deleted from the payroll on account of death. The days for the day worked were processed manually for the next of kin.
- Employees whose contracts had been terminated but the court ruled in their favour necessitating payment of gross monthly arrears.
- Employees, some being of higher cadre, who had not obtained IPPD numbers.

The Committee perused the manual payroll staff without payroll number numbers and observed;

- That some payrolls lacked proper authentication.
- That the County government was running two payrolls which implied poor internal controls.

2.12.4 Imprest Management

Note 13 to the financial statements reflect imprests totaling Kshs. 82,040,660 that were outstanding for more than 6 months contrary to Regulation 93 (5) of the Public Finance Management (County Governments) Regulations, 2015 which requires imprest to be surrendered within 7 working days. The recoverability of these imprests is in doubt as no measures had been put in place to have the imprests surrendered as at 30 June 2018. Further, the accuracy of the Kshs. 82,040,660 could not be ascertained as the imprest were not analyzed and no imprest register was availed for audit review.

Consequently, the County Executive was in breach of the law.

Response

The imprests were surrendered by the responsible officers as per the requirement and in IFMIS System leaving Ksh 3,354,074 being unsurrendered as per the imprest register attached for audit verification. However due to system failure at the close of the year it proved difficult to clear surrender in the system.

Committee Observations

- THAT the county executive does not have imprest register.
- THAT Ksh 3,354,074 which had not been surrendered and no evidence was produced to show that recovery of the same had been instituted.
- THAT the non-surrender led to loss of public funds.

2.13 Non-Operationalization of Emergency Fund

As reported in the previous year (2016/2017) the County Executive budgeted for an expenditure of Kshs.2,500,000 during the year under review in respect to Emergency Fund as required by the Public Finance Management Act, 2012 Section 110 (1) and also as approved by the regulations that govern the Fund. However, the Fund was not operationalized by setting aside funds and opening a separate bank account as required by Section 111 (2) of the Public Finance Management Act, 2012.

In the Circumstance, the County Executive is in breach of the law.

Response

Embu county government could not operationalize the emergency funds since regulations were being considered by the County Assembly for approval during the period of Audit. However the regulations were approved and are attached for audit verification and confirmation.

Committee Observations

The Committee noted that the Public Finance Management Act (Emergency Fund) Regulations had been approved. However the regulations have been operationalized.

2.14 Operation of Unauthorized Bank Accounts

Note 12 A to the financial statements for the year ended 30 June 2018 reflects a balance of Kshs.358,563,651 held in thirty-two (32) main bank accounts and other various unspecified DANIDA accounts. However, out of the thirty-two (32) main bank accounts, twenty (20) were commercial bank accounts comprising of five (5) accounts in Kenya Commercial Bank and fifteen (15) accounts in Co-operative Bank of Kenya. The twenty accounts in commercial banks were opened and operated contrary to the requirements of Section 82(1) (b), (2) of the Public Finance Management (County Government) Regulations, 2015 which requires all County's accounts to be operated in Central Bank of Kenya except the imprest account.

In the circumstance, the County Executive is in breach of the law.

Response

The County Government of Embu operated several commercial bank accounts as noted by the auditor, this was occasioned by donor funds conditions and local revenue collection since there is no central bank branch in Embu County. One of the conditionality of the DANIDA funds is for the beneficiary health facilities to open an operation account with commercial banks where funds are transferred from county revenue fund, to grant Account at CBK and finally to commercial Bank accounts of the respective health facilities. These accounts were opened in line with PFMA Section 82(10(b) which allows CECM Finance to authorize opening of bank accounts.

Committee Observations

THAT there was no letter from the CECM For finance for opening the Bank Accounts queried by the auditor general in line with PFMA Section 82(10(b)

2.15 Acquisition of Assets

2.15.1 Construction of Rupingazi Bridge

Included in the acquisition of assets balance of Kshs. 1,162,459,948 is Kshs. 174,669,114 for construction of civil works which further includes Kshs. 17,810,295 paid to a contractor for the construction of Rupingazi Bridge. A physical verification carried out in the month of October 2018 revealed that although the works had been completed, an un-quantified number of guard rails of undetermined value on a section of one side of the bridge was not done. Further, no inspection and acceptance report and taking over certificate were availed for audit review.

In the circumstances, the value for money for the Kshs. 17,810,295 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

It is true that at the time of audit the guard rails were not erected as the site was not yet handed over to the county and upon completion the guard rails were erected and photos are attached for verification.

Committee Observation

The Committee visited the project on 28th October 2019 accompanied by members of the department of Infrastructure and noted that the workmanship was above average. The committee perused the photos which had been taken after installation of the guard rails, minutes of inspection and acceptance report and certificate of practical completion.

That the physical visit, explanation by the officers by the county executive and the perusal of documents confirmed that the guard rails were erected after the site was handed over by the contractor. The committee noted that some guard rails had been destroyed after an accident.

2.15.2 Rehabilitation of Kibugu Road

Included in the acquisition of assets balance of Kshs.1,162,459,948 is Kshs.243,331,067 for construction of roads which further includes Kshs.3,828,000 paid for the rehabilitation of Kibugu road to Rupingazi bridge which had been awarded in the previous year at a contract sum of Kshs.45,739,793. A review of the procurement process revealed that the tenders were not advertised in at least two dailies of nationwide circulation as required by Section 96(2) of the PPAD Act, 2015. Further, although the tender document required the bidders to attach certified financial statements for three years and certified copies of log books for current lease agreements of appropriate equipment and tender security, the documents were not attached. Also, costed works, provisional sums and payment certificates in support of the Kshs. 3,828,000 were not availed for audit review.

In the circumstances, the County Executive was in breach of the law and value for money for the Kshs. 45,739,793 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response-

The CECM for Finance and Economic Planning responded;

The tender was advertised as required by Public Procurement and Assets Disposal Act 2015 Sec96 (2) which provides that you can advertise in two daily newspapers and or through county website. The tender for the winning firm had all the attachments which were mandatory in the criteria in the bidding documents. These said documents which were said to be missing are attached for audit confirmation.

The provision of sum of Ksh 3,828,000 were provided I the final account which is attached to confirm the costed works and provisional sum.

Committee Observation.

The Committee made a tour of Kibugu Road on 28th October 2019 where it confirmed that Kibugu road at Nthambo area was water logged pointing to poor workmanship on the drainage and silting on part of the bridge was evident.

The Committee perused through copy of advertisement in the Star newspaper, Screenshot of the advertisement on the web, Final accounts, copies of the Financial Statements, lease agreements for equipment and tender security for the winning bidder.

The Committee was satisfied with the explanation on procurement for the rehabilitation of Kibugu Road.

2.15.3 Construction of Kavutiri Coffee Factory Road

Included in the acquisition of assets balance of Kshs.1,162,459,948 is Kshs. 243,331,067 for construction of roads which further includes Kshs.9,971,364 being the contract sum paid to a contractor for the construction of Kavutiri coffee factory road vide contract agreement dated 3 May 2018. A physical verification done in the month of October 2018 revealed that the construction had stalled as the contractor was not on site and it was not possible to confirm the percentage of works done as no certificate of completion was availed for audit review in support of the Kshs.9,971,364. Further, it was observed that out of the three bidders who responded, two did not attach any documents that were required, one of whom had won other contracts with the County Executive where the firm had attached the necessary documents. It was therefore not clear why the firm failed to attach the necessary documents while bidding for the contract which may suggest a possible collusion between the bidders.

In the circumstances, value for money for the Kshs. 9,971,364 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

The road was opened on 24th of September 2018 for a period of two weeks, to allow for the chippings to be spread evenly after sealing of the road. After traffic has been permitted to run on the surface dressing for a period of at least two weeks and when instructed by the Engineer, all loose chippings shall be swept and taken away. This is in accordance to clause 1509c of the standard specification for roads and bridges.

Construction of Kavutiri Coffee Factory Road was procured through the open tender method which invited all interested contractors to bid and the county was limited in controlling the received submissions from the contractors

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and therefore there was no option other than to evaluate received bids both technically and financially the award was made to the most advantageous evaluated contractor M/s Melly and Lelly General Contractors Ltd.

Committee Remarks and Observations

The Committee toured the project accompanied by officers from the Infrastructure Department. The workmanship was noted to be above average. At the request of the Committee, the bid documents for the other two unsuccessful bidders were provided. It was noted that Deira Engineering and Construction Limited (Bidder no.3) and Mutahi Engineering Services Limited (Bidder NO.1) had tendered for Ksh 10,433,095.68 and Ksh 11, 099, 767.98 respectively. The Committee was concerned that the Bidder 1 was disqualified for not attaching valid business permit, current year tax compliance certificate, certificate of incorporation, pin/vat certificate, NCA certificate category 6 among many other mandatory requirements. The other bidder was subjected to financial evaluation but was unsuccessful.

Members noted that the failure by Bidder no. 1 to provide necessary requirements could not possibly be tied to collusion between the contractors although the same bidder, Mutahi Engineering Services had won similar tenders in the county after being evaluated competitively. The Director, Supply Chain Management Unit in his letter to the Committee Refno. EBU/EC/PROC/18/8 dated 23rd January 2020 noted that the collusion as stated by the Auditor General was not evidenced in the bidding process, which was conducted through open tender where interested bidders were given opportunity to bid where the opening and evaluation committee conducted the evaluation as per the criteria provided in the tender document. The award was therefore procedural. The Committee observed that the explanation and evidence adduced were sufficient for dropping the query.

2.15.4 Upgrading of Uchumi-Mini Inn Road to Bitumen Standard

Included in the acquisition of assets balance of Kshs.1,162,459,948 is Kshs.243,331,067 for construction of roads which further includes Kshs.19,248,663 for the upgrading of Uchumi-Mini Inn road to bitumen standard vide contract agreement dated 4th May 2018. A physical verification done in the month of October, 2018 revealed that the works were on going. However, it was not possible to ascertain the distance of the road that was to be upgraded as it was not indicated in the tender documents.

In the circumstances, value for money for the Kshs. 19,248,663 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

In the tender document bill no. 3 clearly indicates the distance of the road which is 600m or 0.6km. The distance in Km was also provided as an addendum during pre-bid meeting.

Committee observations

The Committee was concerned that the dates appearing in the documents provided for perusal were contradicting. The forwarding page of the Tender document for tender no. EBU/CNT/T/09/2017-2018 was dated February 2018, while the supposed Addendum Notice Correcting the tender document, was dated 19th January 2018 which was referring to an advertisement dated 21st March 2018. The addendum is stamped 19th January 2018.

The documents presented did not adhere to the Public Procurement and Asset Disposal Act 2015

2.15.5 Upgrading to Bitumen Standards of Mbiruri Nduuri Junction Road

Included in the acquisition of assets balance of Kshs. 1,162,459,948 is Kshs. 243,331,067 for construction of roads which further includes Kshs. 19,684,040 for the upgrading to bitumen standards of Mbiruri Nduuri Junction road. The contract had been awarded to a contractor in the previous year at a contract sum of Kshs.54,944,049 while the engineer's estimate was Kshs.47,723,610 leading to a variance of Kshs.7,220,439 (15%). No documents were made available to show why the contract was awarded at a sum above the engineer's estimate. Further, the advertisements were carried in one newspaper instead of the required two as per Section 96 of the Public Procurement and Asset Disposal Act, 2015. There was no documentary proof of submission of the mandatory conditions which included 3 years certified financial statements, copies of log books for equipment and tender security but which were indicated as submitted in the evaluation exercise.

In the circumstances, the County Government was in breach of the law and the value for money for the Kshs. 54,944,049 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

The figure indicated as engineer's estimate of Ksh. 47,723,610 in the Audit report and the allocation at the time of requisition was Ksh 55,000,000 and the awarded amount was Ksh 54,944,049.50 which was within the budgetary provisions, however the engineer's estimate was not considered as a criteria in the Tender document hence value for money was realized through the preferred method of open tender which was competitive.

Committee observations

Further the Committee visited the project on 28th October 2019 accompanied by members of the department of Infrastructure and noted that the workmanship was above average.

The Committee confirmed that an "extract from the budgetary provision for tarmacking the roads, (106 Kms) as provided by the CECM for Finance was for Ksh 351,000,000 where it was explained that it contained some Ksh 47,723,610 meant for the road in question.

The committee perused the following documents as submitted;

- *Tender no.EBU/CNT/T/013/2016-2017 for the proposed upgrading of Mbiruri-Nduuri (part) road to Bitumen standards.*
- *Extract of Budgetary Allocation of Ksh 351,000,000*
- *The Financial statements of the contractor*

The committee observed

1. That the contract awarded was over and above the engineers estimate by 15% which amounted to ksh 7,220,439
2. That the advertisement was carried in one newspaper contrary to section 96 of the public procurement and asset disposal Act 2015
3. That the financial statements availed to the committee were for two years instead of the three years as required in the tender conditions

4. The evaluation of the tender documents was not done as per the terms of advertisement of the tender

2.15.6 Maintenance of Muraru- Kanyariri Road

Included in the acquisition of assets balance of Kshs. 1,162,459,948 is Kshs. 243,331,067 for construction of roads which further includes Kshs. 3,867,089 spent on the maintenance of Muraru-Kanyariri Road in Mbeti South Ward. However, the quotation availed for audit review reflected Gachoka Gachuriri Road while the invoice was for Muraru-Kanyariri road. It was not clear when and why the contract was changed and whether the specifications were the same. The change was not supported by a supplementary budget or a reallocations approval. The inspection certificate was for Gachoka - Gachuriri road and the inspection was done by two officers instead of at least three as per the requirements of Section 48 (2) of the Public Procurement and Assets Disposal Act, 2015. The works included provision and erecting of 2 signboards, heavy grading, light grading and gravelling. However, it was not possible to ascertain where the light grading, heavy grading and gravelling started and ended in the absence of physical marking on the site by the contractor.

In the circumstances, the regularity and value for money for the Kshs. 3,867,089 expenditure reflected in the financial statements for the year ended 30th June 2018 could not be confirmed.

Response

The contract for the Gachoka-Gachuriri road had been awarded when the County Government learnt that the same road had been earmarked for maintenance by KERRA.

On consultation with the community, the department relocated the project to Muraru-Kanyariri and Meka – Mbita - Minuri roads in the same ward maintaining the contract sum and activities. However the inspection and acceptance fully signed four members.

Committee Observations

The Committee noted that there was a letter from the area Member of the County Assembly confirming that the community had agreed to relocate the project to Muraru-Kanyariri road. Other documents the committee perused include

- ✦ Letter to CECM for Finance requesting for budgetary reallocation
- ✦ An unsigned list confirming Public participation
- ✦ Instruction letter to the contractor explaining the changes
- ✦ Inspection and acceptance report.

The explanation and evidence were found to be sufficient

2.15.7 Hire of Equipment for the Maintenance of Mavuria Ward Roads

Included in the acquisition of assets balance of Kshs. 1,162,459,948 is Kshs. 243,331,067 for construction of roads which further includes Kshs. 6,000,000 spent on hire of equipment for the maintenance of Mavuria ward roads. However, no procurement documents were availed for audit review. Further, Kshs. 487,200 was paid for a water bowser but the relevant supporting documents were not availed. In addition, physical verification could not be carried out as the specific roads maintained by the hired machinery were not individually identified.

In the circumstances, the propriety and value for money of the Kshs. 6,000,000 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

During the year under review the County Government of Embu incurred expenditure of Ksh 6,000,000 as per the Auditor's report. However Hire of equipment was done through government to government procurement since they were hired from National Youth Service (NYS) on a predetermined Government rates vide dated MTB/TPT/3/5/378 (29) of 18TH January 2018. Further Ksh 487,200 that was paid for water bowser has been provided and the document to support are available for review.

Committee Observation

The following documents were submitted to the Committee;

- Letter from National youth service on quotation on hire of equipment
- List of county roads graded in Mavuria ward
- Desilting of dams
- THAT the method of procurement used was direct method of procurement as per section 103(2) (e) of the Public Procurement and Asset Disposal Act 2015

The committee was satisfied with the explanation and the documents availed

2.15.8 Upgrading to Bitumen Standards of Kiritiri Town Roads

Included in the acquisition of assets balance of Kshs.1,162,459,948 is Kshs.243,331,067 for construction of roads which further includes part payment of Kshs.3,610,186 for the upgrading to bitumen standards of Kiritiri town roads whose contract sum was Kshs.18,353,346. A review of the procurement process revealed that tenders were advertised in one newspaper on 7 December 2016 instead of 2 newspapers of nationwide circulation as required by Section 96(2) of the Public Procurement and Assets Disposal Act, 2015. Further, the contractor's certified financial statements for three years, certified copies of log books for current lease agreements of appropriate equipment and minimum average annual construction works for the last five years' worth Kshs.75,000,000 which were mandatory conditions in the advertisement were not availed for audit verification. In addition, variations amounting to Kshs. 3,112,230 were awarded escalating the project cost to Kshs. 21,465,576 but the same were neither signed by the project engineer nor authorized by the tender processing committee. Further, the bill of quantities had a contingency sum of Kshs.1,438,350 whose supporting documents were not availed for audit review. An inspection and acceptance committee meeting was held on 17th January 2017 and signed in the month of January 2018 while the contract was to start on 27 January 2017.

The contractor had been paid a total of Kshs. 20,523,290 comprising of 3 certificates totaling to Kshs. 19,301,126 and an additional payment of Kshs. 1,222,164 that was not supported by a completion certificate. Further, the status of the project was indicated as on-going but the contractor was not on site at the time of physical verification done on 3rd October 2018. In addition, sign boards totaling Kshs.100,000, a walk way costing Kshs.1,123,200 and maintenance of sign barriers and lights at a cost of Kshs.30,000 all totaling Kshs.1,253,200 were not done as per the bill of quantities.

In the circumstances, the propriety and value for money of Kshs. 20,523,290 expenditure reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

The Inspection and Acceptance Committee vide EBU/CNT/013/2016-2017 dated 17th January 2017 was erroneous. It was later corrected to 17th January 2018 as attached inspection and acceptance minutes.

In the Bill of Quantities for this project, there is a sum of Kshs. 1,438,350 under contingencies where Kshs. 1,253,200 was charged. However the variation of Kshs. 3,112,230 was caused by heavy rains which swept away the drift connecting Kiritiri to Karie town which was right at the end of the project road. i.e. it connects residents from Karie to Kiritiri market. This prompted the variation of the project in order to ensure the area was passable.

During the Audit review done on 3rd October 2018 where the contractor was not on site because the box culvert was within the period of curing and the contractor was still executing the project. Above all, the entire project is fully completed and sign barriers were only used/ necessary during construction period.

The committee perused through the following documents that were provided by the County Executive

- ✦ *Advertisement contained in the Star Newspaper*
- ✦ *Screenshot of the advertisement on the website*
- ✦ *Copy of certified financial statement and logbook*
- ✦ *Site instructions and Bill of quantities for the variation works from the project engineer.*
- ✦ *Approval of contingencies and schedule of activities.*
- ✦ *Snapshots showing the signboards had been erected before they were vandalized.*
- ✦ *The corrected (date) inspection and acceptance report.*

Committee findings and observations

- a. That the tender were advertised in newspaper and the county government website
- b. That the executive provided contractor's certified Financial statements for three years which was a mandatory requirement in the advertisement.
- c. That certified copies of log books for current lease agreements of appropriate equipment and minimum average annual construction works for the last five years' worth Kshs.75,000,000 were availed to the committee.
- d. That the payment completion certificate of Ksh 1,222,164.40 was availed to the committee
- e. That an inspection and acceptance report was availed to the committee
- f. The committee was certified with the explanation and the documentation availed before them.

2.15.9 Maintenance of Gitumbi VCT – Kiandundu Access Road

Included in the acquisition of assets balance of Kshs.1,162,459,948 is Kshs.243,331,067 for construction of roads which further includes Kshs.2,388,166 for the maintenance of Gitumbi VCT- Kiandundu access road and which included erection of 2 sign boards at Kshs.30,000 each,

heavy grading, gravelling, installation of culverts and dozing for 80 hours. Records made available showed that on 19th June 2018, the contractor requested for works inspection which was undertaken the same day. However, the hand writing on the two documents (request for inspection and inspection report) was similar and were signed by the same people who are County officials whereas the request letter ought to have been written by the contractor. Letters appointing the members of the inspection and acceptance committee were not made available. Further, the contractor's financial statements which should have been part of the tender documents were not availed for audit review. A physical verification done in the month of October 2018 revealed that the two (2) sign boards at a total cost of Kshs. 60,000 were not erected.

In the circumstances, the propriety and value for money for the expenditure of Kshs. 2,388,166 reflected in the financial statements for the year ended 30 June 2018 could not be confirmed.

Response

It is confirmed that the contractor requested for inspection. The Inspection and Acceptance Committee was appointed and the inspection was undertaken the same day. During the execution of the contract, the sign boards were in place and this was confirmed by inspection committee.

The tender was targeting the reservation group (AGPO) where the mandatory requirement i.e. financial statement was exempted as criteria in the appendix to instructions to tenders in the bid document, preliminary requirement no. 15 on financial audited accounts was not applicable.

Committee Observation

The Committee was provided with a copy of Appointment letter of the Inspection and Acceptance Committee dated 22nd March 2019. The following documents were also attached for perusal by the Committee

- ❖ *Letter appointing the members of the inspection and acceptance committee (Ref, FIN/EC/PRO/PLAN/1/35/36 Dated 22nd March 2018)*
- ❖ *Request by the contractor for inspection dated 19th June 2018*
- ❖ *Unclear Snapshot showing the signboards had been erected before they were vandalized.*
- ❖ *Certificate of registration for AGPO dated 6th December 2015 in respect to Wanczer Contractors Ltd.*

The Committee subsequently observed;

- That the explanation by the County Executive was sufficient however it was noted that some documents availed to the Committee were not availed to the Auditor.

2.16 Ethnic Balance

A scrutiny of members of staff appointed by the County Executive in the financial year under review revealed that out of the total 338 recruited employees in the financial year, 254 employees were from the dominant ethnic community translating to 75% contrary to Section 65(1) of the

County Government Act No. 17 of 2012 which stipulates that not more than 70% of the employees shall be from one ethnic community in the County.

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.

Response

Embu county government made representation of various communities on recruitment made during the financial year under review as shown in the table below.

Table 14: Showing the Ethnicity of the 338 employees employed in 2017/2018.

	<i>Ethnicity</i>	<i>Number recruited</i>	<i>Percentage per tribe</i>
1	<i>Embu</i>	<i>162</i>	<i>48</i>
2	<i>Mbeere</i>	<i>92</i>	<i>27</i>
3	<i>Giriama</i>	<i>1</i>	<i>0</i>
4	<i>Kalenjin</i>	<i>4</i>	<i>1</i>
5	<i>Tharaka</i>	<i>4</i>	<i>1</i>
6	<i>Somali</i>	<i>2</i>	<i>1</i>
7	<i>Non.Kenyan</i>	<i>1</i>	<i>0</i>
8	<i>Meru</i>	<i>12</i>	<i>4</i>
9	<i>Kikuyu</i>	<i>35</i>	<i>10</i>
10	<i>Luo</i>	<i>3</i>	<i>1</i>
11	<i>Kisii</i>	<i>3</i>	<i>1</i>
12	<i>Kamba</i>	<i>19</i>	<i>6</i>
	<i>Total</i>	<i>338</i>	<i>100</i>

Committee Observation

- That the Committee was not convinced from the explanation since no evidence was adduced to back the tabulation by the executive.

2.17 Report on Effectiveness of Internal Controls, Risk Management and Governance

Conclusion

As required by Section 7 (1) (a) of the Public Audit Act, 2015, because of the significance of the matters discussed in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

2.17.1 Lack of Audit Committee

During the year under review, the County Executive did not have an audit committee in place as required by Section 167 (1) and 172 (1) of the Public Finance Management (County Government) Regulations, 2015 which states that each County Government entity shall establish an audit committee and the audit committee shall meet at least once in every three months.

The audit committee would have ensured existence of effective internal controls. In the circumstances, the County Executive is in breach of the law.

Response

Embu county government has an audit committee properly constituted as per the PFM (Act) of 2015 Section 167(1) and 172(1) and the regulations.

Committee Observation

- That, through a Gazette notice dated 23rd October 2018 the following members had been appointed as members of County Internal Audit Committee; Mr. Peter Nyaga Githendu, Miriam Gichovi, Eudicas Munyaka Mwaniki, Moses Mbogo Njue (Chairman) and Philip Muringe.
- That no evidence was adduced to indicate that the County Internal Audit Committee had ever had a meeting raising queries whether internal controls were functioning properly.

2.17.2 Lack of Independence in Internal Audit

A review of the County Executive's Internal Audit unit during the year revealed that the department lacks independence due to the absence of an Audit Committee. Further, the unit is part of finance department functionally and does not have an Internal Audit Charter, Risk Assessment Processes, Risk Register and adequate resources including budget line and staffing. In the circumstances, it was not possible to ascertain that the internal controls were functioning properly.

RESPONSE

Embu county government has internal audit department with officers who are assigned internal audit functions and work independently with section head in charge. The department reports to Audit Committee as required by Section 167 (1) and 172 (1) of the Public Finance Management (County Government) Regulations, 2015.

Committee Observation

- That, through a Gazette notice dated 23rd October 2018 the following members had been appointed as members of County Internal Audit Committee; Mr. Peter Nyaga Githendu, Miriam Gichovi, Eudicas Munyaka Mwaniki, Moses Mbogo Njue (Chairman) and Philip Muringe.
- That a copy the Internal Audit Unit Charter that was submitted for review had not been signed. The Executive had not prepared the Risk Assessment Processes and Risk Register as required by law raising queries whether internal controls were functioning properly

2.17.3 Information, Communication and Technology (ICT) Environment

Review of the County Executive's ICT environment revealed that there is no formal approved ICT policy in place as at 30 June 2018 which should have included data security policy and

disaster recovery plan. Further, the ICT organization structure was not made available for audit review.

In the circumstance, the security and reliability of the County data including its Management Information System could not be ascertained.

RESPONSE

The County was in the process of developing an ICT policy to manage the County Executive in order to achieve reliable and secure data. The draft policy has now been developed and different stakeholders are reviewing it before adoption.

Committee Remarks

The Committee took issue with the Executive since the draft ICT policy had remained as a draft since it was first drafted by a former CECM and signed on 21st December 2015.

3.0 COMMITTEE RECOMMENDATIONS

After evaluation and analysis of the written responses presented to the Committee and further interrogation of the witnesses in line with the Report of The Auditor –General on the Financial Statements of Embu County Executive for the Year Ended 30 June 2018, the Committee came up with recommendations as highlighted hereunder. However, the Committee wishes to draw the attention of CECM Members, Chief Officers, Fund Managers and Accounting Officers on the provision of Section 53 of the Public Audit Act, 2015 on Implementation of Reports by an Accounting Officer.

General Recommendations

- 1) **THAT** the CECM for Finance and Economic Planning, as the head of County Treasury, should ensure prudent management of the County resources and that the county Executive improves on the overall reporting of the Financial Statements.
- 2) **THAT** the CECM for Finance and Economic Planning should institute strong internal control mechanisms to ensure proper, accurate and reliable records are kept and that financial statements are free from material misstatements, whether due to fraud or error.
- 3) **THAT** the CECM for Finance and Economic Planning should, within sixty days from the date of adoption of this resolution, report to the County Assembly actions taken on the resolutions of County Assembly contained in the Office of the Auditor General's report on financial statements of the County executive for the years 2013/2014, 2014/2015, 2015/2016, 2016/2017.
- 4) **THAT** CECM for Finance and Economic Planning should ensure that all records, documents and information required for audit purposes are provided in time to the Auditor General otherwise the respective CECM and Accounting Officer would be cited for contravening section 62 of the Public Audit Act 2015.
- 5) **THAT** the Head of County Treasury should draw the attention of other CECMs and Accounting Officers to the provision of the **Constitution of Kenya 2010, Article 195 (1&2 (b))** which provides, *A County assembly or any of its committees has power to summon any person to appear before it for the purpose of giving evidence or providing information. Clause 2 (a) further provides that; For the purpose of clause (1), an assembly has the same powers as the High Court to compel the production of documents.*

Accuracy of the Financial Statements

Variations between Financial Statements and Integrated Financial Management Information System (IFMIS) figures

- 6) **THAT** the county executive trains and capacity builds its staff in the IFMIS department to be able to implement all relevant IFMIS components to enhance the reliability and accuracy of the financial statements.

Variations between the Financial Statements and Supporting Schedules Figures

- 7) **THAT** the county executive maintains proper records and books of accounts in order to enhance the quality of the financial statements.

Accuracy of the Net Financial Position Balance

- 8) **THAT** the county executive trains and capacity builds its staff in the IFMIS department to be able to implement all relevant IFMIS components to enhance the reliability and accuracy of the financial statements.

Inconsistencies in Budget Execution Report

- 9) **THAT** the County Executive Committee Member for Finance and Economic Planning takes administrative action on officers who display low levels of professionalism and negligence in preparation of books of accounts and financial statements.

Presentation and Disclosure of Financial Statements

- 10) **THAT** the capacity of staff in charge of preparation of financial statements be enhanced by being retrained on International Public Sector Accounting Standards (IPSAS) and adoption of relevant reporting templates.

Unsupported Cash and Bank Balances

- 11) **THAT** in future the County Executive should constitute proper board of survey in time and request for all bank confirmation certificates for full disclosure in the financial statement as per the IPSAS.

Prior Year Adjustments

- 12) **THAT** the CECM for Finance and Economic Planning should ensure that Prior Year Adjustments are done as per Regulation 103(2) of the Public Finance Management (County Governments) Regulations, 2015 and paragraph 1.5 of IPSAS(Cash basis standard).

Revenue

• Unsupported Receipts

- 13) **THAT** the Accounting Officer should provide relevant and timely information and documents to the Auditor to facilitate audit of financial statements as required by law.

Un-Reconciled Receipts

- 14) **THAT** in future the accounting officers do undertake proper Board of Survey exercises with all the supporting documents and ensure proper recording and accounting of all receipts.

Unsupported Payment of Salaries to Casual Employees

- 15) **THAT** the County Executive implements the recommendations of Capacity Assessment and Rationalization Programme (CARPS) on rationalisation of staff.
- 16) **THAT** the Accounting Officer should carry out verification of the master roll certified by the Payroll Manager, Internal auditor, Human resource officer and Chief Finance Officer before payments are made in order to identify any errors or miscalculations in PAYE deductions.
- 17) **THAT** the CECM for Finance to ensure that all pay-outs be done through the IPPD system.
- 18) **THAT** the Accounting Officer should strictly adhere to the Regulation of Wages (General) (Amendment) Order, 2018 on minimum wage.

Use of Goods and Services

- **Unsupported Expenditure on Fuel, Oil and Lubricants**

19) **THAT** the EACC and DCI investigates the possible loss of Ksh 19,352,325 where suppliers were paid without fuel consumption statements/invoices for fuel supplied.

Unsupported Expenditure on Training and Workshop

20) **THAT** the County Executive do develop a Training Needs Assessment Policy to help identify the specific knowledge and skills that employees need to become more productive, efficient and innovative in their jobs

Unsupported Expenditure on Advertisements

21) **THAT** in future the county executive follows the Public Procurement and Asset Disposal Act 2015 in the procurement of advertisement services.

Facilitation of Survey and Planning for Mwea Settlement Scheme

22) **THAT** the EACC and DCI investigates the responsible officers for the possible loss of public funds amounting to Ksh 22,960,000 with a view to recovery of the funds and prosecution for breach of law.

Payment of Unsupported Penalty

23) **THAT** in future the County Executive should ensure that Service agreements avoid clauses on penalties for non-payment, otherwise respective Accounting Officers will be held responsible where penalties will be meted against the County Government.

24) **THAT** the CECM for Finance and Economic Planning that the unsupported penalty amounting to Ksh 2,016,103 is recovered from the responsible Accounting officer who authorised the payment.

Fixed Assets

- **Fixed Assets Register and Grounded Vehicles**

25) **THAT** the County Executive moves with speed to dispose the twenty-six (26) unserviceable vehicles whose values could not be determined, and which had been grounded and were continuously depreciating.

26) **THAT** the County Executive follow up the Inter-Governmental Relations Technical Committee (IGRTC) to ensure that the Report of Verification of Assets and Liabilities for defunct Local Authorities is addressed with a view to getting it approved for updating of the Fixed Assets Register.

Unsupported Acquisition of Strategic Stocks and Commodities

27) **THAT** the DCI and EACC do further investigations to ascertain that the Expenditure of Kshs. 36,020,209 was in respect of purchase of school milk for ECDE feeding program.

Pending Bills

28) **THAT** the CECM for Finance and Economic Planning ensures that all eligible pending bills form the first charge in the County Budget of the successive financial years.

29) **THAT** the CECM for Finance and Economic Planning should ensure preparation and regular updating of Creditors Ledgers and Registers to track genuine creditors/suppliers owed money by the county government.

Budgetary Control and Performance

- **Revenue Analysis**

30) **THAT** Embu County Revenue Authority (ECRA) should institute innovative revenue collection mechanisms and employ effective controls to avoid revenue leakages.

31) **THAT** the CECM for Finance and Economic Planning in preparation of the County Budget should ensure that the budget proposals contains realistic local revenue projections for all Revenue streams.

Development Expenditure Analysis

32) **THAT** the CECM for Finance and Economic Planning should ensure that the Annual Procurement Plan for the County Government is streamlined to the Budget to avoid delay in execution and implementation of planned programmes.

Recurrent Expenditure Analysis

33) **THAT** the CECM for Finance and Economic Planning should ensure timely preparation and submission of Budget Estimates as per the PFMA.

Failure to Prepare the Financial Statements for Various Funds of the County Executive.

34) **THAT** in future the CECM for Finance and Economic planning should ensure that responsible Fund Managers comply with the respective Fund Regulations and Section 116 of PFMA on preparation of financial statements.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

The Committee, based on the Audit procedures performed by the Auditor and the interrogation of witnesses and perusal of evidence adduced, concurs fully with the OAG, that public resources had not been applied lawfully and in an effective way.

- **Revenue Management**

Revenue Collection Systems

35) **THAT** the Head of County Treasury should ensure that the County Executive adopts one revenue collection system to maximize on efficiency in collection and management of revenues.

36) **THAT** the County Executive should consider terminating its continued relationship with Webtribe Ltd (JamboPay) given that the Collection of revenue was dwindling and was tending to manual system despite spending a colossal amount to acquire the system on top of other charges that the county government pays to Webtribe Ltd.

Un-Collected House and Stall Rent

37) **THAT** Embu County Revenue Authority fast tracks the Collection of House and Stall rent amounting to Kshs. 337,918,970 and make a report to the assembly within (ninety) 90 days after the adoption of this report.

Failure to Operationalize the Embu Revenue Authority

38) **THAT** the CECM for Finance and Economic Planning should ensure that ECRA is fully operationalized and that it enjoys the independence that is necessary for effective performance.

- **Irregular and Wasteful Expenditure**

Irregular Payment of Allowances on Foreign Travel

39) **THAT** in future the CECM for Finance and Economic Planning should provide all documents required for audit review in time as per the provision of Section 62 of the Public Audit Act, 2015.

Irregular Expenditure on Legal Fees.

40) **THAT** the County Government adhere to the requirements of the Public Procurement and Asset Disposal Act, 2015.

41) **THAT** the County Secretary should in future ensure that all advocates are engaged by issuance of proper instructions in writing.

42) **THAT** the CEC and the CPSB Planning should ensure that the office of the County Attorney is well facilitated with adequate levels of staffing to be able to undertake all litigation matters involving the County Government without having to engage external counsels as per the Office of the County Attorney Act, 2020.

- **Human Resource Management**

Operations without an approved Staff Establishment.

43) **THAT** the County Public Service Board moves with speed to fill key vacant position, like the Director of Internal Audit.

Payment of Salaries by Use of Manual Payroll.

44) **THAT** the CECM for Finance and Economic Planning puts strong internal control systems by having one payroll system under the Integrated Payroll and Personnel Database (IPPD).

Imprest Management

45) **THAT** the Accounting Officer recovers the unsurrendered imprest amounting to Ksh 3,354,074 as per Regulation 93 (5),(6) and (7) of the Public Finance Management (County Governments) Regulations, 2015

Non-Operationalization of Emergency Fund

46) **THAT** the County Executive Committee Member for Finance and Economic Planning moves fast to operationalize the Public Finance Management (Embu County Emergency Fund) Regulations, 2020.

Operation of Unauthorized Bank Accounts

47) **THAT** the County Treasury fully complies with Section 82 of the PFMA (County Government) Regulations on opening and operating Bank accounts.

- **Acquisition of Assets**

Construction of Kavutiri Coffee Factory Road

48) **THAT** the County executive should be on the look out to disqualify any Contractors/Bidders who might be found colluding to win tenders.

Upgrading of Uchumi-Mini Inn Road to Bitumen Standard

49) **THAT** the EACC and DCI investigates the possible loss of Ksh 19,248,663 with a view to recovery and prosecution of those found culpable.

Upgrading to Bitumen Standards of Mbiruri Nduuri Junction Road

50) **THAT** the EACC and DCI investigates the flagrant noncompliance with the Public Procurement and Asset Disposal Act, 2015 for the possible loss of Ksh 54,944,049 with a view to recovery and prosecution of the concerned parties.

Maintenance of Muraru- Kanyariri Road.

51) **THAT** the query was responded to sufficiently, after it was confirmed that the road was relocated in the same ward and public participation was done.

Hire of Equipment for the Maintenance of Mavuria Ward Roads

52) **THAT** the County executive should ensure that hiring of equipment from National Youth Service, a government agency, as a system of procurement of goods and services is cost - effective.

Upgrading to Bitumen Standards of Kiritiri Town Roads

53) **THAT** the County Executive should ensure that relevant documents are availed to the Auditors as and when required for audit purposes, otherwise the query was sufficiently responded to with relevant documents being produced.

Maintenance of Gitumbi VCT – Kiandundu Access Road

54) **THAT** the County Executive should ensure that relevant documents are availed to the Auditors as and when required for audit purposes otherwise the query was sufficiently responded to with relevant documents being produced.

Ethnic Balance

- 55) **THAT**, in all future recruitments, the Embu County Public Service Board adheres to Section 65 (1) (e) of the County Government Act no.17 of 2012.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE.

The Committee, based on the Audit procedures performed by the Auditor and the interrogation of witnesses and perusal of evidence adduced, concurs with the OAG, that *Effectiveness of Internal Controls, Risk Management and Governance* were not effective.

Lack of Audit Committee

- 56) **THAT** the CECM for Finance and Economic Planning should ensure that the Audit Committee is properly facilitated to become operational.

Lack of Independence in Internal Audit








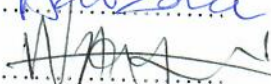
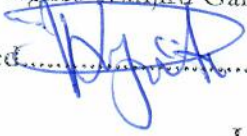
- 57) **THAT** the CECM for Finance and Economic Planning fast tracks the approval of the Internal Audit Unit Charter.

Information, Communication and Technology (ICT) Environment

- 58) **THAT** the CECM for Administration, Public Service and Devolution should fast track the approval and implementation of the ICT policy which should include Data Security Policy and Disaster Recovery Plan among other items.
- 59) **THAT** the CECM for Administration, Public Service and Devolution should prepare an ICT organization structure and fast track its approval by the relevant authorities.

4.6 CONCLUSION AND ADOPTION OF THE REPORT

We, the members of the Public Accounts and Investments Committee have, pursuant to Standing Order 193 of the County Assembly of Embu, adopted this report and hereby affix our signatures to affirm our approval and further urge the assembly to adopt the recommendations herein.

Name	Signature
Hon. Edith Wanjira Nyaga	- V/Chair 
Hon. Nathan Kariuki Mwari	-Member 
Hon. Masters Leonard Mwaniki	-Member 
Hon. Salesio Njeru Kimaru	-Member 
Hon. Edna Kanini. Muisyo	-Member 
Hon. Sicily Warue Mbugu	-Member 
Hon. Harrison Sammy Muturi	-Member 
Hon. Agnes Wanjiru Gakungugu	-Member 
Signed 	Date <u>24/11/2020</u>

HON. PHILIP KINYUTU NZANGI, MCA
CHAIRPERSON
PUBLIC ACCOUNTS AND INVESTMENTS COMMITTEE

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To the Sub - Accountant at Passed for payment*
 District Surveyor Embu P.O. Box 150 - 60100
 Please pay Sub - Accountant

~~ANNEX I A~~ ANNEX I A

In respect of wages of the following persons for the month of SEPTEMBER 2016 (Name and, if to be sent by post, address)
 -November-December-January and February-

No	Name	Period if not Full month (20days)		Rate per Month (day)	Salary	C.O.L.A	Total	Payee's receipt
		From	To					
1	Emily K. Kirimi	5/09/2016	30/09/2016	8400	168000	00	168000	PNo.
2	Beatrice Wamuge	5/09/2016	30/09/2016	8400	168000	00	168000	Signature
3	Augusta K Njoroge	5/09/2016	30/09/2016	8400	168000	00	168000	19920056160
4	Beth W. Muriithi	5/09/2016	30/09/2016	8400	168000	00	168000	1991091086
5	Elizabeth Mutua	5/09/2016	30/09/2016	8400	168000	00	168000	1996069521
6	Martin Irungu	5/09/2016	30/09/2016	8400	168000	00	168000	2012007548
7	Rufus N. Njeru	5/09/2016	30/09/2016	8400	168000	00	168000	2012030918
8	Ephraim Gichobi	5/09/2016	30/09/2016	8400	168000	00	168000	2006047092
9	David Mutuma	5/09/2016	30/09/2016	8400	168000	00	168000	1984065529
10	Michael Njiru M.	5/09/2016	30/09/2016	8400	168000	00	168000	2012005668
11	Paul Karuma	5/09/2016	30/09/2016	8400	168000	00	168000	1981095403
12	Monica Kamoni	5/09/2016	30/09/2016	8400	168000	00	168000	1971027883
13	Jackson Njiru N.	5/09/2016	30/09/2016	8400	168000	00	168000	1997011403
14	Pauline Waithanie	5/09/2016	30/09/2016	8400	168000	00	168000	2003568924
		5/09/2016	30/09/2016	8400	168000	00	168000	1997405627
								1997111948

I CERTIFY that the amount Sh Two million, five hundred twenty thousand only NIL
 Is correct and due to the person named above who have been employed during the period stated at the specified and
 That it has been entered in my Vote Book/Ledger and should be charged as under.

Date 20.....
 Head
 B-HEAD
 EM
 Signature
 Designation I B

Account No.	Dept Vch.No.	STATION VOUCHER NO.			D.W.No	Amount	
		Station	Voucher No.	Date		Sh	cts
1399 0301	Lands	Embu		25/01/2017		2,520,000	00

Date of payment on reverse.
 *For paying office use only.

1948 8/12 - A. J. ...

3

3

To the Sub - Accountant at Passed for payment* Sub - Accountant
 District Surveyor Embu P.O. Box 150 - 60100

Please pay (Name and, if to be sent by post, address)
 In respect of wages of the following persons for the month of ~~November-December-January and February~~ SEPTEMBER 2016

No	Name	Period if not Full month (20days)		Rate per	Salary	C.O.L.A	Total	Payee's receipt
		From	To	Month (day)				
1	Emily K. Kirimi	5/09/2016	30/09/2016	8400	168000	00	168000	00
2	Beatrice Wamuge	5/09/2016	30/09/2016	8400	168000	00	168000	00
3	Augusta K Njoroge	5/09/2016	30/09/2016	8400	168000	00	168000	00
4	Beth W. Muriithi	5/09/2016	30/09/2016	8400	168000	00	168000	00
5	Elizabeth Mutua	5/09/2016	30/09/2016	8400	168000	00	168000	00
6	Martin Irungu	5/09/2016	30/09/2016	8400	168000	00	168000	00
7	Rufus N. Njeru	5/09/2016	30/09/2016	8400	168000	00	168000	00
8	Ephraim Gichobi	5/09/2016	30/09/2016	8400	168000	00	168000	00
9	David Mutuma	5/09/2016	30/09/2016	8400	168000	00	168000	00
10	Michael Njiru M.	5/09/2016	30/09/2016	8400	168000	00	168000	00
11	Paul Karuna	5/09/2016	30/09/2016	8400	168000	00	168000	00
12	Monica Kamoni	5/09/2016	30/09/2016	8400	168000	00	168000	00
13	Jackson Njiru N.	5/09/2016	30/09/2016	8400	168000	00	168000	00
14	Pauline Wainharje	5/09/2016	30/09/2016	8400	168000	00	168000	00
15	Daniel Mutwiri	5/09/2016	30/09/2016	8400	168000	00	168000	00

Two million, five hundred twenty thousand only NIL

I CERTIFY that the amount Sh
 Is correct and due to the person named above who have been employed during the period stated at the specifical and
 That it has been entered in my Vote Book/Ledger and should be charged as under.

Date 20..... signature
 Head Designation

SUB-HEAD		STATION VOUCHER No.			D.W.No	Amount	
ITEM	Dept Vch.No.	Station	Voucher No.	Date		Sh	cts
	Lands	Embu		25/01/2017	2,520,000	00	

Certificate of payment on reverse. *For paying office use only.



Annex II A

54

27 JAN 2020

REPUBLIC OF KENYA
MINISTRY OF LANDS

All correspondence should be addressed to:-
The District Surveyor Embu
Telephone: 068-31045
FAX: 068-31045
Email: embulands@ardhi.go.ke
When replying please quote
Our Ref. SK/E107/18/243

DISTRICT SURVEYOR EMBU
P.O. Box 150 - 60100
Embu.

27th January, 2020

The Clerk
County Assembly of Embu
P.O. BOX 140-60100
EMBU

RE: CONSIDERATION OF THE AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENTS OF EMBU COUNTY EXECUTIVE FOR THE YEAR ENDED 30TH JUNE, 2018

Reference is made to your letter Ref: CAE/LEG/10/VOL.XVIII (42) dated 20th January, 2020 on the above subject matter.

We would like to bring to your attention that Embu District Comprises of Embu West, Embu East and Embu North Sub-counties and the matter in question is on services provided in Mwea Settlement Scheme which is in Mbeere South Sub-County.

Therefore, the matter being out of our jurisdiction in terms of Survey Services we do not have answers to the questions raised in your above mentioned letter.

D.W. GICHERU
DISTRICT SURVEYOR
EMBU

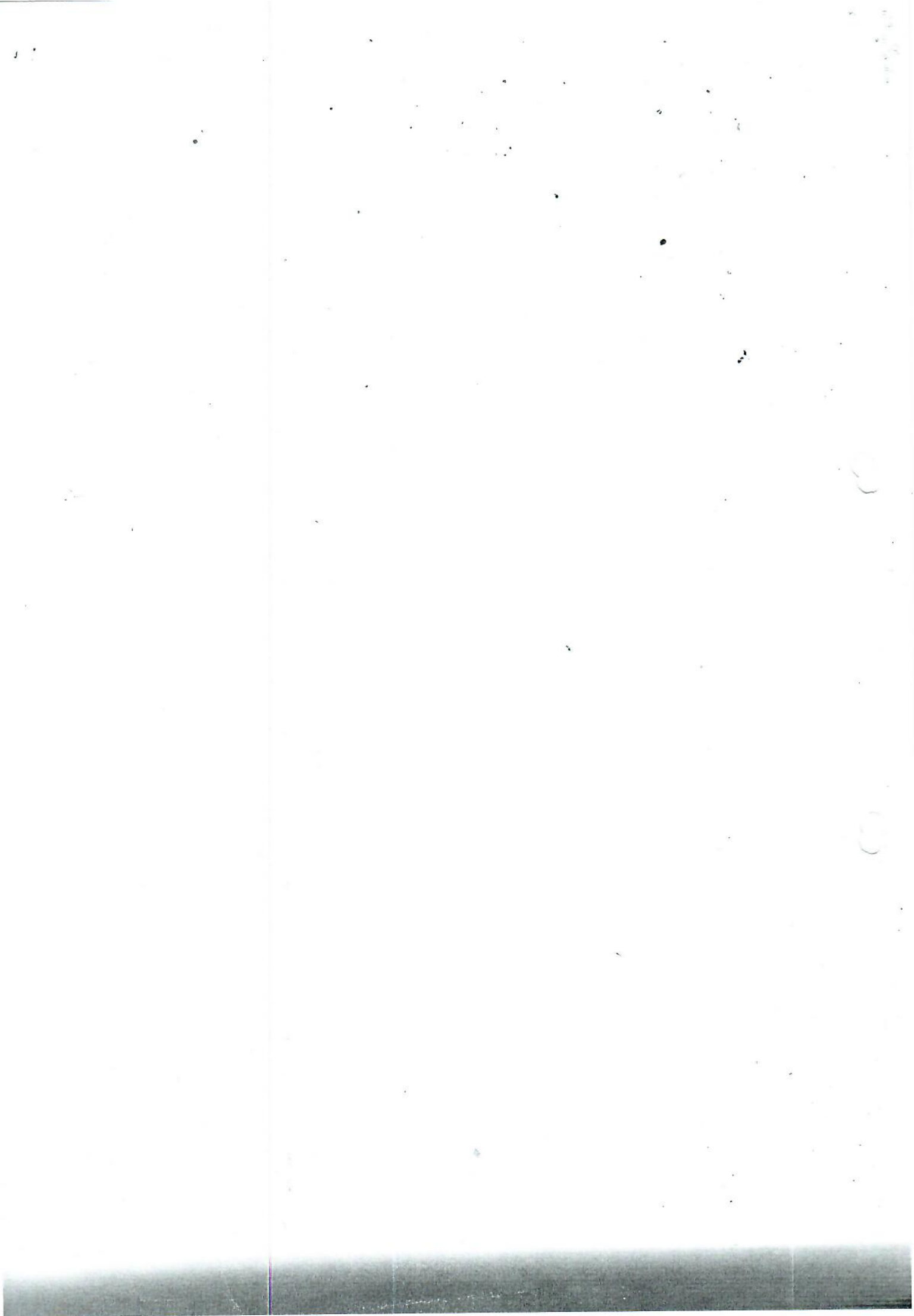
C.C.

REGIONAL SURVEYOR
EASTERN REGION

COUNTY COMMISSIONER
EMBU COUNTY

Wene ile pnc
pls take note and
T.N.A.
20/01/2020
DCEA

Received
19/1/20





CLERK OF THE COUNTY ASSEMBLY

Spring Valley Area
 Along James Nyaga Crescent Road
 Off Embu-Meru Highway
 Opposite faith house

P.O BOX 140-60100
 EMBU
 TEL: 068-2231208

E-mail: countyassemblyofembu@gmail.com

REF: CAE/LEG/10/VOL.XVIII (42)

DATE: 20TH JANUARY, 2020

The District Surveyor
 Ministry of Lands
 Embu County
EMBU.

Dear Sir

RE: CONSIDERATION OF THE AUDITOR GENERAL'S REPORTS ON THE FINANCIAL STATEMENTS OF EMBU COUNTY EXECUTIVE FOR THE YEAR ENDED 30TH JUNE 2018.

The Select Committee on Public Accounts and Investments is established under the provisions of Standing Order 199 of the Embu County Assembly and is mandated amongst other things to conduct and be responsible for;

- (a) the examination of the accounts showing the appropriations of the sum voted by the County Assembly to meet the public expenditure and of such other accounts laid before the County Assembly as the Committee may think fit.
- (b) the examination of the reports, accounts and workings of the County public investments;
- (c) the examination, in the context of the autonomy and efficiency of the County public investments, whether the affairs of the County public investments, are being managed in accordance with sound financial or business principles and prudent commercial practices:

The Committee is examining the Report of the Auditor General on Financial Statements of County Executive for the Year ended 30th June 2018. Your department entered into an agreement with the County Government of Embu to provide services at Mwea Settlement Scheme where the County government spent close to Ksh 22,960,000 to pay allowances to various officers. The said amount was queried by the Auditor General and he averred it was not possible to ascertain that the Kshs. 22,960,000 expenditures reflected in the financial statements for the year ended 30 June 2018 was a proper charge to public funds and that it had an equivalent value for money.

The Committee is in the final stages of compiling its report but before doing so, and on very special consideration, it has decided to offer you an opportunity to appear before it to respond and provide clarification on the above matter as follows;

1. What exactly was your department expected to do in the Mwea Settlement Scheme (Provide copies of correspondences between yourselves and the County government on this matter).
2. How many officers were involved from your department and how many days did they work?- Provide list

3. Did you have any work plans/schedules and were targets set by county government? (Provide evidence).
4. Provide signed schedules to indicate that the right persons received the correct amount they had worked for.
5. Provide a copy of the final report you prepared to the county government.

This letter is therefore to invite you to appear before the Committee on **Thursday 30th January 2020 at 10:00am at the Embu Cultural Centre** to take the committee through your response and offer clarification on the above issues. You may be accompanied by such other officer(s) as you may consider necessary to assist you in responding to the queries in the above mentioned report. You are also required to submit your written responses to the Clerk of the County Assembly on or before **27th January 2020** to afford Committee time to peruse through the responses and facilitate production of copies for members.

Further you are required to familiarize yourself well on the matters raised within the said audit report which can be downloaded from website of the Office of the Auditor General <http://www.oagkenya.go.ke>.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'Jim G. Kauma', with a large circular flourish above the 'i' and a horizontal line below the 'a'.

JIM G. KAUMA
CLERK OF THE COUNTY ASSEMBLY

Annex III A 290

REPUBLIC OF KENYA



MINISTRY OF LANDS AND PHYSICAL PLANNING

All correspondence should be addressed to:
Regional Surveyor
Tel/Fax 068-31425
Email: ps.eastern@gmail.com

REGIONAL SURVEY OFFICE
EASTERN REGION
P.O. BOX 150-60100
EMBU

13 JUN 2020

When replying please quote

Ref. No. A/24/EP/13/61

15TH JUNE, 2020

✓ THE CLERK
COUNTY ASSEMBLY OF EMBU
P O BOX 140-60100
EMBU

RE: CONSIDERATION OF THE AUDITOR GENERAL'S REPORTS ON THE FINANCIAL STATEMENTS OF EMBU COUNTY EXECUTIVE FOR THE YEAR ENDED 30TH JUNE, 2018

Your letter REF:CAE/LEG/10/VOL.XIX/51 dated 8th May, 2020 on the above subject matter refers

It is important to note that most counties do not have the human capacity to undertake any meaningful survey work and, consequently the National Government continues to offer survey services in collaboration with respective County Governments all over the country.

Through the same collaboration and upon request by the County Government of Embu, surveyors were mobilized from all over the region in order to undertake the massive exercise of surveying and geo-referencing within the Mwea Settlement Scheme, an area measuring about 44,000 acres. The result was 7232 parcels of different sizes depicted in 34 Registry Index Maps at a scale of 1:2,500. Consequently 7232 title deeds were prepared at the National Titling Centre for issuance to various individuals and institutions.

Payment of field allowances for the survey team was undertaken by the County Government on whose behalf the survey exercise was being done. Payment schedules were duly prepared, signed and submitted to the County Government for record and audit purposes, and it is only appropriate that the records you seek should be obtained therefrom.

DAVID M. NJAGI
REGIONAL LAND SURVEYOR
EASTERN REGION

COPY
The County Secretary
Embu County

*elene LLC PMIC
forward to the chair person
for consideration by the
committee*

10/06/2020

Received

22/06

EMBU COUNTY GOVERNMENT

~~Annex III~~
Annex IV



**OFFICE OF THE COUNTY EXECUTIVE COMMITTEE MEMBER
FOR PUBLIC SERVICE, ADMINISTRATION AND DEVOLUTION**

Address: P. O. Box 36 – 60100 Embu Town House Web: www.embu.go.ke Tel: 068-2231174/2231175 EXT.189
Email: Info@embu.go.ke

Our Ref No: ECG/CECM-PSA&D/CAE /VOL.1/ (143)

Date: 23rd September, 2020

The Clerk of The County Assembly
County Assemble of Embu
P.O. Box 140 - 60100
EMBU



Dear Sir,

RE: CONSIDERATION OF THE AUDITOR GENERAL'S REPORTS ON THE FINANCIAL STATEMENTS OF EMBU COUNTY EXECUTIVE FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2018

Refer to yours Ref: CAE/LEG/10/VOLXX/ (46) dated 16th September 2020 on the above subject.

Find attached my response to matters raised for your information and necessary action.

Yours faithfully,

**DAVID GIDEON KARIUKI, HSC
COUNTY EXECUTIVE COMMITTEE MEMBER
PUBLIC SERVICE & ADMINISTRATION**

*Clare HC page
forward to the chairperson
for consideration by
the committee
A. Mwangi
24/09/2020*

*RECEIVED
24/09/20*

EMBU COUNTY
LIST OF MOTOR VEHICLES

GOVERNOR'S FLEET

MAKE	MODEL	REG.NO	STATUS	LOCATION	DRIVER
TOYOTA	TOYOTA PRADO	GVN 014 A	OPERATIONAL	COUNTY HQ	PETER NJIRU
TOYOTA	TOYOTA PRADO	KBU 683 T	OPERATIONAL	COUNTY HQ	GEOFFREY KIRINGA
FORD	FORD EVEREST	KBW 951V	GROUNDING	COUNTY HQ	DICKSON NJUE
FORD	FORD EVEREST	KBW 952V	GROUNDING	UPRISING MOTORS	
FORD	FORD EVEREST	KBW 953V	OPERATIONAL	COUNTY HQ	JAMES NJERU
FORD	LAND ROVER	KBW 239V	GROUNDING	UHURU GARAGE	
TOYOTA	TOYOTA PRADO	14CG 004A	OPERATIONAL	COUNTY HQ	PETER REREI
TOYOTA	TOYOTA PRADO	14 CG 030A	OPERATIONAL	COUNTY HQ	PETER NJIRU

ADMINISTRATION

MAN TRUCK	MAN TRUCK	GKB 197 B	OPERATIONAL	COUNTY HQ	JOSEPH KARIUKI
SINOTRUCK	SINOTRUCK	KCD 949G	GROUNDING	COUNTY HQ	EPHANTUS KARIUKI
TOYOTA	TOYOTA HILUX	KBQ 188D	OPERATIONAL	COUNTY HQ	AURTHUR NYAGA
LAND ROVER	LAND ROVER	KAW 779Z	GROUNDING	COUNTY HQ	JOSEPH KARIUKI
TOYOTA	TOYOTA PRADO	KBW 207V	OPERATIONAL	COUNTY HQ	JAMLECK MUNENE
HINO	HINO	KAR 117L	GROUNDING	COUNTY HQ	EPHANTUS KARIUKI
FORD	FORD KUGA	KBZ 311D	OPERATIONAL	COUNTY HQ	IAN MUKUNDI
NISSAN	NISSAN HARDBODY	KAR 134L	OPERATIONAL	COUNTY HQ	WASHINGTON WACHIRA
ISUZU	ISUZU DMAX	KAV 345 E	GROUNDING	UHURU GARAGE	ROBERT KAMAU
FORD	FORD RANGER	KBJ 767U	GROUNDING	COUNTY HQ	AMOS NYAGA
TOYOTA	TOYOTA LC	KAT 515X	GROUNDING	RUNYENJES S/C HQ	
PEUGEOT	PEUGEOT 504	KAB 108Q	GROUNDING	RUNYENJES S/C HQ	

GENDER

FORD KUGA	KUGA	KBY 178 C	GROUNDING	CMC NAIROBI	JIM KINYUA
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TRADE

FORD KUGA	KUGA	KBW 208V	GROUNDING	CMC MERU	JOSEPH MUTINDA
ISUZU DMAX	DMAX	GKA 552T	OPERATIONAL	TRADE OFFICES	

FINANCE

FORD	FORD RANGER	KBW 273V	OPERATIONAL	RUNYENJES HQ	DAVID NJERU
FORD	FORD RANGER	KBW 274V	OPERATIONAL	COUNTY HQ	JOSPETER NJUE
FORD	FORD RANGER	KBW 275V	OPERATIONAL	MBEERE NORTH HQ	GIDEON NJERU
FORD	FORD RANGER	KBW 276V	OPERATIONAL	COUNTY HQ	ROBERT KAMAU
FORD	FORD RANGER	KBW 277V	OPERATIONAL	MBEERE SOUTH HQ	JEREVASIO KARIUKI
TOYOTA	TOYOTA HILUX D/CAB	KAW 665Z	OPERATIONAL	COUNTY HQ	JULIUS MWANIKI
FORD	FORD KUGA	KBZ 305D	OPERATIONAL	COUNTY HQ	CHARLES MWANIKI
FORD	FORD KUGA	KBZ 308D	OPERATIONAL	COUNTY HQ	MOSES NJERU
TOYOTA	TOYOTA LAND CRUISER	KAW 756Z	GROUNDING	UPRISING GARAGE	
PEUGEOT	PEUGEOT	KAB 128Q	GROUNDING	COUNTY HQ	
MITSUBISHI	Mitsubishi L200	KAB 199Q	GROUNDING	COUNTY HQ	

COUNTY ASSEMBLY

TOYOTA	TOYOTA HILUX D/CAB	KAW 704Z	OPERATIONAL		
--------	--------------------	----------	-------------	--	--

EDUCATION

FORD	FORD KUGA	KBZ 307D	OPERATIONAL	EDUCATION HQ	PATRICK NTHIGA
ISUZU	ISUZU DMAX	GKA 645P	GROUNDING	EDUCATION HQ	

LAND ROVER	LAND ROVER	KUL 911	GROUND	NEMBURE VTC
PEUGEOT	PEUGEOT 406	KAB 343Q	GROUND	KANGARU VTC
Toyota	landcruiser	KAB310Q	GROUND	KANJA CTC
BEDFORD	Bedford	KUL 094	Grounded	MAKAWANI
BEDFORD	Bedford	KVF 418	Grounded	TENRI VTC
MITSHUBISHI	MITSHUBISHI-GRADER	KWE 116	GROUND	TENRI VTC
LAND ROVER	L/ROVER	KWE 204	GROUND	TENRI VTC
FORD	FORD	KBJ 773 U	GROUND	TENRI VTC
VOLVO	volvo	KVA 210	GROUND	SIKAGO VTC
ISUZU	ISUZU TIPPER	KUL 320	GROUND	KANGARU VTC
TOYOTA	LAND CRUISER	KVR 236	GROUND	KANJA CTC
LAND ROVER	Land rover	KAN 538U	GROUND	KITHIMU VTC
ISUZU	ISUZU FSR	KAN 046P	GROUND	KANORORI VTC
TOYOTA	Toyota HIUX	KWE 207	GROUND	KARURUMO

LANDS

FORD	FORD KUGA	KBZ 306 D	GROUND	CMC MERU
------	-----------	-----------	--------	----------

YOUTH

FORD	FORD KUGA	KBW 280V	OPERATIONAL	COUNTY HQ
------	-----------	----------	-------------	-----------

INFRASTRUCTURE

MITSHUBISHI	MITSHUBISHI LORRY FN215	GKA 452F	GROUND	INFRASTRUCTURE DEPT. HQ	DESDERIO MWANIKI
FORD	FORD EVEREST	GK A497T	OPERATIONAL	INFRASTRUCTURE DEPT. HQ	AYUB WANGUI
LAND ROVER	LAND ROVER TD5	GK A022U	GROUND	INFRASTRUCTURE DEPT. HQ	CHARLES GATHUKU
MITSHUBISHI	MITSHUBISHI PICKUP	GK A354Z	OPERATIONAL	INFRASTRUCTURE DEPT. HQ	CHARLES GATHUKU
TOYOTA	TOYOTA HILUX D.CABIN	KBL 009M	OPERATIONAL	INFRASTRUCTURE DEPT. HQ	STEPHEN MUNENE
FORD	FORD KUGA	KBW 279V	GROUND	UHURU GARAGE	KENNEDY NDIGA
CASE 865B	CASE- GRADER	KBY 827C	OPERATIONAL	INFRASTRUCTURE DEPT. HQ	HENRY NJERU
CASE 865B	CASE- GRADER	KBY 930C	OPERATIONAL	INFRASTRUCTURE DEPT. HQ	KEVIN MUNENE
CASE 865B	CASE- GRADER	KBY 931C	OPERATIONAL	INFRASTRUCTURE DEPT. HQ	EZEKIEL NGARI
CASE 865B	CASE- GRADER	KBY 932C	OPERATIONAL	INFRASTRUCTURE DEPT. HQ	PETER MUCHIRI
CAT	CAT-GRADER	KWE 216	GROUND	RUNYEJES HQ	
KOMATSU	KOMATSU	KAW 207Z	GROUND	INFRASTRUCTURE DEPT. HQ	
Caterpillar	Caterpillar	KVH 928	GROUND	MBEERE NORTH HQ	
International H.L	International H.L	KWE 205	GROUND	KIANJOKOMA	
NEW HOLLAND	NEW HOLLAND-GRADER	GKA732	GROUND	RUNYEJES HQ	

HEALTH

TOYOTA	TOYOTA PRADO	GKA 453S	OPERATIONAL	COUNTY HEALTH	LEWIS MUNENE
TOYOTA	TOYOTA LAND CRUISER	GKA 409S	OPERATIONAL	COUNTY HEALTH	LUKAS MURAGE
TOYOTA	TOYOTA LAND CRUISER	GKA 407S	OPERATIONAL	COUNTY HEALTH	JOE ERICK NJERU
TOYOTA	TOYOTA HILUX	GKA 214U	OPERATIONAL	COUNTY HEALTH	CLINTON
ISUZU	ISUZU TRACK	KCF 271D	OPERATIONAL	COUNTY HEALTH	BENEDICT
TOYOTA	TOYOTA LAND CRUISER	GKA 381M	OPERATIONAL	GATEGI HEALTH CENTRE	PANUEL
NISSAN	NISSAN HARD BODY	GKA 920L	OPERATIONAL	KIANJOKOMA HOSPITAL	JASON GICOVI
TOYOTA	TOYOTA LAND CRUISER	GKA 368Y	OPERATIONAL	EMBU LEVEL 5 HOSPITAL	JIM NJAGI
TOYOTA	TOYOTA HILUX	GKA 396H	OPERATIONAL	KIRITIRI HOSPITAL	SOLOMON
PEUGEOT	PEUGEOT 504 SALOON	GKA 558F	OPERATIONAL	EMBU LEVEL 5 HOSPITAL	MICHAEL
NISSAN	NISSAN HARD BODY	GKA 700R	OPERATIONAL	EMBU LEVEL 5 HOSPITAL	CHARLES
FORD	FORD RANGER	KBY 150C	GROUND	SIKAGO LEVEL 4 HOSPITAL	
FORD	FORD RANGER	KBY 151C	GROUND	AUTOMODEL GARAGE	
FORD	FORD RANGER	KBY 152C	OPERATIONAL	COMMERCIAL GARAGE	JAMES KIVUTI
FORD	FORD RANGER	KBY 159C	OPERATIONAL	KAVANDA GARAGE	ERICK NDWIGA
NISSAN	NISSAN HARD BODY	GKA 751N	GROUND	KAMWATI AUTO GARAGE	PHILLIP KINYUA
NISSAN	NISSAN URVAN	GK 564P	GROUND	RUNYENJES LEVEL 4	
NISSAN	NISSAN CARAVAN	GKA 496N	OPERATIONAL	ISHIARA LEVEL 4 HOSPITAL	SILAS NJERU
NISSAN	NISSAN CARAVAN	GKA 947R	OPERATIONAL	EMBU LEVEL 5 HOSPITAL	JOHN MUNYI
NISSAN	NISSAN CARAVAN	GKA 647K	GROUND	NEW EMBU UHURU	
TATA	TATA TRUCK	GKA 947B	GROUND	NEW EMBU UHURU	
ISUZU	ISUZU LORRY	KAN 086P	GROUND	NEW EMBU UHURU	

SUZU	ISUZU LORRY	KBG 202G	OPERATIONAL	GARBAGE COLLECTION UNIT	PETER MWANIKI
ISUZU	BIN LOADER	14CG 002	GROUND	KAMWATI AUTO GARAGE	
SINO	SINO TRUCK COMPACTOR	14CG 001	OPERATIONAL	GARBAGE COLLECTION UNIT	JOHN NJERU
NEW HOLLAND	NEW HOLLAND TRACTOR	KCD 144G	OPERATIONAL	GARBAGE COLLECTION UNIT	SILAS GICOVI
TOYOTA	TOYOTA HILUX	GKB 994B	GROUND	COUNTY HEAD QUATERS	
TOYOTA	TOYOTA HILUX	GKT 800	GROUND	COUNTY HEAD QUATERS	
TOYOTA	TOYOTA LAND CRUISER	GKT 103	GROUND	NEW EMBU UHURU	
TOYOTA	TOYOTA HILUX	GKA 752G	OPERATIONAL	ISHIARA LEVEL 4 HOSPITAL	SILAS NJUE
TOYOTA	TOYOTA LAND CRUISER	GKA 375M	GROUND	SIKAGO LEVEL 4 HOSPITAL	
TOYOTA	TOYOTA PICKUP	GKA 097D	GROUND	NEW EMBU UHURU	
TOYOTA	TOYOTA LAND CRUISER	GKU 105	GROUND	EMBU POLICE STATION	
NISSAN	NISSAN PATROL	GK 506B	GROUND	COUNTY HEAD QUATERS	
LAND ROVER	LAND ROVER	GKR 248	GROUND	COUNTY HEAD QUATERS	
LAND ROVER	LAND ROVER PUMA	GKA 696Y	GROUND	AUTO MODEL GARAGE	
NISSAN	NISSAN URVAN	GKA 034E	GROUND	AUTO MODEL GARAGE	
NISSAN	NISSAN URVAN	GKA 865D	OPERATIONAL	SIKAGO LEVEL 4 HOSPITAL	FRANCIS NJIRU
TOYOTA	TOYOTA HILUX	GKB 706U	GROUND	NJERU AUTO MOBILE	
TOYOTA	TOYOTA HILUX	GKA 665Q	GROUND	NEW EMBU UHURU	
NISSAN	NISSAN URVAN	GKA 518P	OPERATIONAL	RUNYENJES LEVEL 4	RICHARD
NISSAN	NISSAN URVAN	GKA 335C	GROUND	EMBU LEVEL 5 HOSPITAL	
NISSAN	NISSAN DOUBLE CABIN	14CG051A	OPERATIONAL	COUNTY HEALTH HEADQUATERS	JOSEPH NYAGA
TOYOTA	TOYOTA LAND CRUISER	GKB 361V	OPERATIONAL	COUNTY HEALTH HEADQUATERS	SILAS NJUE NJERU
TOYOTA	TOYOTA LAND CRUISER	14CG010A	OPERATIONAL	EMBU LEVEL 5 HOSPITAL	DERICK MUNENE
NISSAN	NISSAN URVAN	GKA 125N	GROUND	NEW EMBU UHURU GARAGE	
LAND ROVER	LAND ROVER	GKA 706N	GROUND	SIKAGO LEVEL 4 HOSPITAL	
TOYOTA	TOYOTA LAND CRUISER	GKA 945E	GROUND	AUTO MODEL GARAGE	

AGRICULTURE

FORD	FORD KUGA	KBW 278V	OPERATIONAL	AGICULTURE DEPT HQ	ERIC MACHARIA
NISSAN	NISSAN D/CABIN	GK.B 396D	OPERATIONAL	AGICULTURE DEPT HQ	NYAGA THIRIKWA
NISSAN	NISSAN D/CABIN	GK.A 915K	OPERATIONAL	AGICULTURE DEPT HQ	ANTONY WAMBUA
NISSAN	NISSAN D/CABIN	KAT 568X	OPERATIONAL	AGICULTURE DEPT HQ	KINYUA MOTORA
MITSUBISHI	MISTUBISH PAJERO	GK.A 143M	OPERATIONAL	AGICULTURE DEPT HQ	SAMUEL KARIUKI
TOYOTA	TOYOTA D/CABIN	GK.A 593K	OPERATIONAL	AGICULTURE DEPT HQ	RETIRED
NISSAN	NISSAN D/CABIN	GK.A 580S	OPERATIONAL	AGICULTURE DEPT HQ	SILAS MWAI MURIUKI
NISSAN	NISSAN D/CABIN	GK.A 902T	OPERATIONAL	AGICULTURE DEPT HQ	KAGOMA MURIITHI
TOYOTA	TOYOTA D/CABIN	GK.A 311S	OPERATIONAL	AGICULTURE DEPT HQ	JAMES WACHIRA NJAGI
ISUZU	ISUZU D-MAX	GK.A 106L	OPERATIONAL	AGICULTURE DEPT HQ	MICHAEL KINYUA
TOYOTA	TOYOTA D/CABIN	GK.A 583T	OPERATIONAL	AGICULTURE DEPT HQ	CHARLES NJAGI KIGORO
TOYOTA	TOYOTA D/ CABIN	GK.A343Z	OPERATIONAL	AGICULTURE DEPT HQ	NICHOLUS MWANIKI
TOYOTA	TOYOTA D/ CABIN	GK.B176V	OPERATIONAL	AGICULTURE DEPT HQ	JACKSON NJERU PETER
TOYOTA	TOYOTA D/ CABIN	GK.A659L	OPERATIONAL	AGICULTURE DEPT HQ	DICKSON MUTAHI
TOYOTA	TOYOTA D/ CABIN	GK.B087F	OPERATIONAL	AGICULTURE DEPT HQ	PATRICK KARANI

NISSAN	NISSAN D/CABIN	GK.A 198L	GROUND	AGICULTURE DEPT HQ	RUFAS MURIITHI
NISSAN	NISSAN D/ CABIN	GK.A127R	GROUND	AUTOMODEL GARAGE	NJUE JAMES NJUE
LAND ROVER	LAND ROVER 110	GK.A 687H	OPERATIONAL	TRADE HQ	NJOGU JOSEPH MUTINDA
ISUZU	ISUZU PICK UP	GK. S 149	GROUND	PC HQ	
ISUZU	ISUZU PICK UP	GK.W306	GROUND	AUTOMODEL GARAGE	
TOYOTA	TOYOTA COROLLA	GK.L 011	GROUND	COOPERATIVE	
MITSUBISHI	PAJERO	GK.W728	GROUND	COUNTY HQ	JUSTIN MURIITHI
TOYOTA	TOYOTA PICK UP	GK.A885	GROUND	PC HQ	
TOYOTA	TOYOTA PICK UP	GK.A886	GROUND	MACHANGA	
ISUZU	ISUZU TROOPER	GK.A050B	GROUND	COUNTY HQ	
MITSUBISHI	PAJERO	GK.R 446	GROUND	PC HQ	
ISUZU	ISUZU TROOPER	GK.Q 391	GROUND	RUNYENJES AGRICULTURE OFFICES	
ISUZU	ISUZU 1300	GK.Q 941	GROUND	KIRITITI	
FIAT	FLAT LOWLOADER	GK 454 Y	GROUND	MACHANGA	
TOYOTA	TOYOTA HILUX	GKS 528	GROUND	RUNYENJES AGRICULTURE OFFICES	
ISUZU	ISUZU TROOPER	GK.R 862	GROUND	RUNYENJES AGRICULTURE OFFICES	
MITSUBISHI	PAJERO SWB	GK. W711	GROUND	RUNYENJES AGRICULTURE OFFICES	
ISUZU	ISUZU	GK. U338	GROUND	SIKAGO AGRICULTURE OFFICES	
LAND ROVER	L/ROVER 109	GK. 971U	GROUND	FISHERIES OFFICES	
MITSUBISHI	PAJERO	GK. X644	GROUND	LIVESTOCK OFFICES	
MITSUBISHI	PAJERO	GK. 238	GROUND	KIRITIRI AGRI OFFICES	
LAND ROVER	L/ROVER TD1	GK.A533	GROUND	LIVESTOCK OFFICES	
MITSUBISHI	PAJERO	GK.U110	GROUND	LIVESTOCK OFFICES	
MITSUBISHI	MITSUBISH PICK UP	GK.U919	GROUND	PC HQ	
TOYOTA	TOYOTA D/ CABIN	GK.L 201	GROUND	SIKAGO AGRICULTURE OFFICES	
MITSUBISHI	PAJERO	GK.U 490	GROUND	KIRITIRI AGRI OFFICES	

CEC VEHICLES

Embu County

<u>Model/make</u>	<u>Reg. no.</u>	<u>Condition</u>	<u>location</u>	<u>Name of Driver Assigned</u>	<u>Department</u>
1 FORD KUGA	KBY 178 C	Grounded	CMC NAIROBI	JIM KINYUA	GENDER
2 FORD KUGA	KBW 208V	Grounded	CMC MERU	JOSEPH MUTINDA	TRADE
3 FORD KUGA	KBW 278 V	Operational	COUNTY HQ	ERIC MACHARIA	AGRICULTURE
4 FORD KUGA	KBW 279V	Grounded	UHURU GARAGE	KENNEDY NDIGA	INFRASTRUCTURE
5 FORD KUGA	KBW 280V	Grounded	COUNTY HQ	MALI MBITI	YOUTH AND SPORTS
6 FORD KUGA	KBZ 305D	Operational	COUNTY HQ	CHARLES MWANIKI	FINANCE
7 FORD KUGA	KBZ 307D	Grounded	CMC MERU	PATRICK NTHIGA	EDUCATION
8 FORD KUGA	KBZ 308D	Operational	COUNTY HQ	MOSES NJERU	PLANNING
9 FORD KUGA	KBZ 306 D	Grounded	CMC MERU	IAN MUKUNDI	LANDS AND WATER
10 FORD KUGA	KBZ 311D	Operational	COUNTY HQ	LEWIS MUNENEN	ADMINISTRATION
11 PRADO	GKA 453S	Operational	COUNTY HQ		HEALTH

EMBU COUNTY
LIST OF GROUNDED MOTOR VEHICLES

GOVERNOR'S FLEET

MAKE	MODEL	REG.NO	STATUS	LOCATION
1 FORD	LAND ROVER	KBW 239V	GROUNDED	UHURU GARAGE
2 FORD	FORD EVEREST	KBW 951V	GROUNDED	COUNTY HQ
3 FORD	FORD EVEREST	KBW 952V	GROUNDED	UPRISING MOTORS
<u>ADMINISTRATION</u>				
4 SINOTRUCK	SINOTRUCK	KCD 949G	GROUNDED	COUNTY HQ
5 LAND ROVER	LAND ROVER	KAW 779Z	GROUNDED	COUNTY HQ
6 HINO	HINO	KAR 117L	GROUNDED	COUNTY HQ
7 ISUZU	ISUZU DMAX	KAV 345 E	GROUNDED	UHURU GARAGE
8 FORD	FORD RANGER	KBJ 767U	GROUNDED	COUNTY HQ
9 TOYOTA	TOYOTA LC	KAT 515X	GROUNDED	RUNYENJES SUB-COUNTY HQ
10 PEUGEOT	PEUGEOT 504	KAB 108Q	GROUNDED	RUNYENJES SUB-COUNTY HQ

<u>GENDER</u>				
11 FORD KUGA	KUGA	KBY 178 C	GROUNDED	CMC NAIROBI

<u>TRADE</u>				
12 FORD KUGA	KUGA	KBW 208V	GROUNDED	CMC MERU

<u>FINANCE AND PLANNING</u>				
13 TOYOTA	TOYOTA LAND CRUISER	KAW 756Z	GROUNDED	UPRISING GARAGE
14 PEUGEOT	PEUGEOT	KAB 128Q	GROUNDED	COUNTY HQ
15 MITSUBISHI	Mitsubishi L200	KAB 199Q	GROUNDED	COUNTY HQ

<u>EDUCATION</u>				
16 ISUZU	ISUZU DMAX	GKA 645P	GROUNDED	EDUCATION HQ
17 LAND ROVER	LAND ROVER	KUL 911	GROUNDED	NEMBURE VTC
18 PEUGEOT	PEUGEOT 406	KAB 343Q	GROUNDED	KANGARU VTC
19 Toyota	landcruiser	KAB310Q	GROUNDED	KANJA CTC
20 MITSHUBISHI	MITSUBISHI-GRADER	KWE 116	GROUNDED	TENRI VTC
21 LAND ROVER	L/ROVER	KWE 204	GROUNDED	TENRI VTC
22 FORD	FORD	KBJ 773 U	GROUNDED	TENRI VTC
23 VOLVO	volvo	KVA 210	GROUNDED	SIKAGO VTC
24 ISUZU	ISUZU TIPPER	KUL 320	GROUNDED	KANGARU VTC
25 TOYOTA	LAND CRUISER	KVR 236	GROUNDED	KANJA CTC
26 LAND ROVER	Land rover	KAN 538U	GROUNDED	KITHIMU VTC
27 ISUZU	ISUZU FSR	KAN 046P	GROUNDED	KANORORI VTC
28 TOYOTA	Toyota HIUX	KWE 207	GROUNDED	KARURUMO
29 BEDFORD	Bedford	KUL 094	GROUNDED	MAKAWANI
30 BEDFORD	Bedford	KVF 418	GROUNDED	TENRI VTC

<u>LANDS</u>				
31 FORD	FORD KUGA	KBZ 306 D	GROUNDED	CMC MERU

<u>INFRASTRUCTURE</u>				
32 MITSHUBISHI	MITSHUBISHI LORRY FN215	GKA 452F	GROUNDED	INFRASTRUCTURE DEPT. HQ
33 LAND ROVER	LAND ROVER TD5	GK A022U	GROUNDED	INFRASTRUCTURE DEPT. HQ
34 FORD	FORD KUGA	KBW 279V	GROUNDED	UHURU GARAGE

35 CAT	CAT-GRADER	KWE 216	GROUND	RUNYENJES HQ
36 KOMATSU	KOMATSU	KAW 207Z	GROUND	INFRASTRUCTURE DEPT. HQ
37 Caterpillar	Caterpillar	KVH 928	GROUND	MBEERE NORTH HQ
38 International H.L	International H.L	KWE 205	GROUND	KIANJOKOMA
39 NEW HOLLAND	NEW HOLLAND-GRADER	GKA732	GROUND	RUNYENJES HQ

HEALTH

40 FORD	FORD RANGER	KBY 150C	GROUND	SIAKAGO LEVEL 4 HOSPITAL
41 FORD	FORD RANGER	KBY 151C	GROUND	AUTOMODEL GARAGE
42 NISSAN	NISSAN HARD BODY	GKA 751N	GROUND	KAMWATI AUTO GARAGE
43 NISSAN	NISSAN URVAN	GK 564P	GROUND	RUNYENJES LEVEL 4 HOSPITAL
44 NISSAN	NISSAN CARAVAN	GKA 647K	GROUND	NEW EMBU UHURU GARAGE
45 TATA	TATA TRUCK	GKA 947B	GROUND	NEW EMBU UHURU GARAGE
46 ISUZU	ISUZU LORRY	KAN 086P	GROUND	NEW EMBU UHURU GARAGE
47 ISUZU	BIN LOADER	14CG 002	GROUND	KAMWATI AUTO GARAGE
48 TOYOTA	TOYOTA HILUX	GKB 994B	GROUND	COUNTY HEAD QUATERS
49 TOYOTA	TOYOTA HILUX	GKT 800	GROUND	COUNTY HEAD QUATERS
50 TOYOTA	TOYOTA LAND CRUISER	GKT 103	GROUND	NEW EMBU UHURU GARAGE
51 TOYOTA	TOYOTA LAND CRUISER	GKA 375M	GROUND	SIAKAGO LEVEL 4 HOSPITAL
52 TOYOTA	TOYOTA PICKUP	GKA 097D	GROUND	NEW EMBU UHURU GARAGE
53 TOYOTA	TOYOTA LAND CRUISER	GKU 105	GROUND	EMBU POLICE STATION
54 NISSAN	NISSAN PATROL	GK 506B	GROUND	COUNTY HEAD QUATERS
55 LAND ROVER	LAND ROVER	GKR 248	GROUND	COUNTY HEAD QUATERS
56 LAND ROVER	LAND ROVER PUMA	GKA 696Y	GROUND	AUTO MODEL GARAGE
57 NISSAN	NISSAN URVAN	GKA 034E	GROUND	AUTO MODEL GARAGE
58 TOYOTA	TOYOTA HILUX	GKB 706U	GROUND	NJERU AUTO MOBILE GARAGE
59 TOYOTA	TOYOTA HILUX	GKA 665Q	GROUND	NEW EMBU UHURU GARAGE
60 NISSAN	NISSAN URVAN	GKA 335C	GROUND	EMBU LEVEL 5 HOSPITAL
61 NISSAN	NISSAN URVAN	GKA 125N	GROUND	NEW EMBU UHURU GARAGE
62 LAND ROVER	LAND ROVER	GKA 706N	GROUND	SIAKAGO LEVEL 4 HOSPITAL
63 TOYOTA	TOYOTA LAND CRUISER	GKA 945E	GROUND	AUTO MODEL GARAGE

AGRICULTURE

64 NISSAN	NISSAN D/CABIN	GK.A 198L	GROUND	AGRICULTURE DEPT HQ
65 NISSAN	NISSAN D/ CABIN	GK.A127R	GROUND	AUTOMODEL GARAGE
66 ISUZU	ISUZU PICK UP	GK. S 149	GROUND	PC HQ
67 ISUZU	ISUZU PICK UP	GK.W306	GROUND	AUTOMODEL GARAGE
68 TOYOTA	TOYOTA COROLLA	GK.L 011	GROUND	COOPERATIVE
69 MITSUBISHI	PAJERO	GK.W728	GROUND	COUNTY HQ
70 TOYOTA	TOYOTA PICK UP	GK.A885	GROUND	PC HQ
71 TOYOTA	TOYOTA PICK UP	GK.A886	GROUND	MACHANGA
72 ISUZU	ISUZU TROOPER	GK.A050B	GROUND	COUNTY HQ
73 MITSUBISHI	PAJERO	GK.R 446	GROUND	PC HQ
74 ISUZU	ISUZU TROOPER	GK.Q 391	GROUND	RUNYENJES AGRICULTURE OFFICES
75 ISUZU	ISUZU 1300	GK.Q 941	GROUND	KIRITITI
76 FIAT	FLAT LOWLOADER	GK 454 Y	GROUND	MACHANGA
77 TOYOTA	TOYOTA HILUX	GKS 528	GROUND	RUNYENJES AGRICULTURE OFFICES
78 ISUZU	ISUZU TROOPER	GK.R 862	GROUND	RUNYENJES AGRICULTURE OFFICES
79 MITSUBISHI	PAJERO SWB	GK. W711	GROUND	RUNYENJES AGRICULTURE OFFICES
80 ISUZU	ISUZU	GK. U338	GROUND	SIAKAGO AGRICULTURE OFFICES
81 LAND ROVER	L/ROVER 109	GK. 971U	GROUND	FISHERIES OFFICES
82 MITSUBISHI	PAJERO	GK. X644	GROUND	LIVESTOCK OFFICES
83 MITSUBISHI	PAJERO	GK. 238	GROUND	KIRITIRI AGRI OFFICES
84 LAND ROVER	L/ROVER TD1	GK.A533	GROUND	LIVESTOCK OFFICES
85 MITSUBISHI	PAJERO	GK.U110	GROUND	LIVESTOCK OFFICES
86 MITSUBISHI	MITSUBISH PICK UP	GK.U919	GROUND	PC HQ

87 TOYOTA
88 MITSUBISHI

TOYOTA D/ CABIN
PAJERO

GK.L 201
GK.U 490

GROUND
GROUND

SIKAGO AGRICULTURE OFFICES
KIRITIRI AGRI OFFICES

