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**GOVERNMENT OF KENYA  
COUNTY GOVERNMENTS**

**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2020**

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**Prepared in accordance with Cash Basis of International Public Sector Accounting  
Standards (IPSAS)**

**GOVERNMENT OF KENYA  
COUNTY GOVERNMENTS CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020**

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**Glossary of abbreviations**

AIE	Authority to incur expenditure
AS & QA	Accounting Services and Quality Assurance
CARA	County Allocation of Revenue Act
CEC	County Executive Committee
CHAI	Clinton Health Initiative
CRA	Commission on Revenue Allocation
CRF	County Revenue Fund
DANIDA	Danish International Development Agency
FY	Financial Year
HSSF	Health Sector Services Fund
HSSP	Health Sector Support Project
ICT	Information Communication and Technology
IPSAS	International Public Sector Accounting Standards
KDSP	Kenya Devolution Support Programme
KRB	Kenya Roads Board
KShs	Kenya Shillings
MDAs	Ministries, Departments and Agencies
MoH	Ministry of Health
NARIGP	National Agricultural Rural Initiative Growth Programme
NUTRIP	National Urban Transport Improvement Project
OSR	Own Source Revenue
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
RMLF	Roads Maintenance Levy Fund
SAGAs	Semi-Autonomous Government Agencies
SCs	State Corporations
UNICEF	United Nations Children's Fund

## **1. Commentary on the consolidated financial statements**

### **1.1. The legal framework**

#### **1.1.1. Establishment of County Governments**

The promulgation of the Constitution of Kenya, 2010 under Chapter 11 ushered Kenya into a new system of governance, replacing the centralised system with a devolved system of governance. The devolved system of governance consists of the National Government and 47 County Governments. Article 176 of the Constitution of Kenya provides that there shall be a County Government for each County, consisting of a County Assembly and a County Executive. The month of March 2013 marked the official launch of decentralization following the election of the County Government leadership.

#### **1.1.2. Financing of County Governments**

Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Further, Article 203 of the Constitution stipulates that for every financial year, the equitable share of the revenue raised nationally that is allocated to County Governments shall be not less than 15% of all revenue collected by the National Government and that the amount shall be calculated on the basis of the most recent audited accounts of revenue received, as approved by the National Assembly.

Each County Government's equitable share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation (CRA) and approved by Parliament in accordance with Article 217 of the Constitution. The CARA for the financial year 2019/2020, allocated County Governments equitable share of KShs 316,500,000,000 compared to KShs 314,000,000,000 in the previous financial year being approximately 1% increment.

In addition, the CARA also provided for conditional allocations from the National Government revenue and conditional allocation from loans and grants for the financial year 2019/2020 amounting to KShs 13,911,152,184 and KShs 39,089,877,210 respectively. Accordingly, the total allocation in financial year 2018/2019 was KShs 378,485,091,894 compared to KShs 366,201,384,195 allocation for the previous year. However, the amount transferred during FY 2019/2020 was KShs 315,970,821,168 (83% of the funds allocated) compared to KShs 351,256,459,126 released during previous year (96% of the funds allocated). KShs 29,716,406,550 of the undisbursed amounts relates to the equitable share which was a result of shortage of revenues collected arising from the effects of COVID- 19 pandemic on the economy and consequently a reduction in the revenue collected by Government. An additional KShs 32,797,864,176 which was not disbursed relates to conditional grants which require certain conditions to be met before disbursements.

The County Governments are mandated to generate own revenues from rates and other charges that include property rates, entertainment taxes, levies, user fees and licences and any other taxes that a County Government may be authorised to impose within the relevant legislation.

Funds from the National Government are transferred to the County Revenue Fund Account of each of the 47 County Governments in accordance with the disbursement schedule approved by the Senate and published in the Kenya Gazette by the Cabinet Secretary, National Treasury and Planning, as per Section 17 of the Public Finance Management (PFM) Act, 2012.

### **1.1.3. Accountability Framework**

Section 164 of the PFM Act, 2012 requires the Accounting Officer of a County Government entity to, for each financial year, prepare financial statements in respect of the entity and to submit them to the Auditor General with a copy to the Controller of Budget and the Commission on Revenue Allocation within three months after the end of the financial year.

Further, Section 163 of the PFM Act, 2012 requires the County Treasury of the County Government to consolidate the annual financial statements in respect of all the County Government entities and submit them to the Auditor General with a copy to the National Treasury, the Controller of Budget and the Commission on Revenue Allocation within four months after the end of the financial year.

The PFM Act, 2012 requires the County Governments to prepare financial statements in the format prescribed by Public Sector Accounting Standards Board (PSASB). The PSASB was established pursuant to Section 192 of the PFM Act, 2012 and has the mandate to determine the accounting standards that public sector entities should apply. In line with its mandate, the PSASB prescribed the financial reporting standards to be applied in the public sector with effect from 1<sup>st</sup> July 2014. The PSASB also provided reporting templates for County Governments to enable them comply with the standards. The PSASB has since been updating these templates regularly in line with its mandate.

The National Treasury in conjunction with the PSASB has been supporting County Governments to comply with the reporting standards and statutory reporting requirements.

### **1.1.4. Scope of the consolidation**

The consolidated financial statements for the County Governments were prepared based on the Counties consolidated financial statements submitted to the National Treasury by County Treasuries from the 47 County Governments. The County Executive Committee (CEC) Members for Finance assume the overall responsibility in the preparation of financial statements for their respective County Governments.

The consolidated financial statements are for the year ended 30<sup>th</sup> June 2020 and consolidates the County Assembly and County Executive financial statements for the 47 counties. Other County Government entities have not been consolidated as they report under a different accounting standards framework.

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**1.2. Key highlights**

The following are the key highlights for financial statements for County Governments for the FY 2019/2020.

**1.2.1. Overall performance in FY 2019/2020**

The table below provides a summary of the FY 2019/2020 financial statements:

***Table 1: Summary County Governments Consolidated Financial Statements***

Description	FY 2019/2020	FY 2018/2019	Variance	% Variance
	KShs M	KShs M	KShs M	
Consolidated receipts	375,069	409,863	(34,793)	(8)%
Consolidated payments	391,537	389,436	2,101	1%
Bank and cash balances	43,580	66,224	(22,644)	(34)%
Accounts receivable	1,379	1,914	(535)	(28)%
Accounts payable	4,633	3,493	1,140	33%

**1.2.2. Consolidated Receipts**

Consolidation consist of all sources of receipts to County Governments in the FY 2019/2020. The comparatives for the previous year are indicated below.

***Table 2: Consolidated County Governments Receipts***

Description	FY 2019/2020	FY 2018/2019	Variance	% Variance
	KShs M	KShs M	KShs M	
Exchequer releases (Note 36.1)	315,971	342,556	(26,585)	(8)%
Transfers from National Government Entities	15,202	8,699	6,504	75%
Proceeds from Foreign Grants/Development partners	1,451	2,411	(960)	(40)%
Proceeds from domestic borrowings	-	84	-	0%
Proceeds from sale of assets	5	14	(9)	(63)%
Reimbursement and refunds	5	3	2	55%
County own generated receipts	36,071	41,321	(5,250)	(13)%
Returned CRF issues	6,364	14,775	(8,411)	(57)%
<b>Total</b>	<b>375,069</b>	<b>409,863</b>	<b>(34,709)</b>	<b>(8)%</b>

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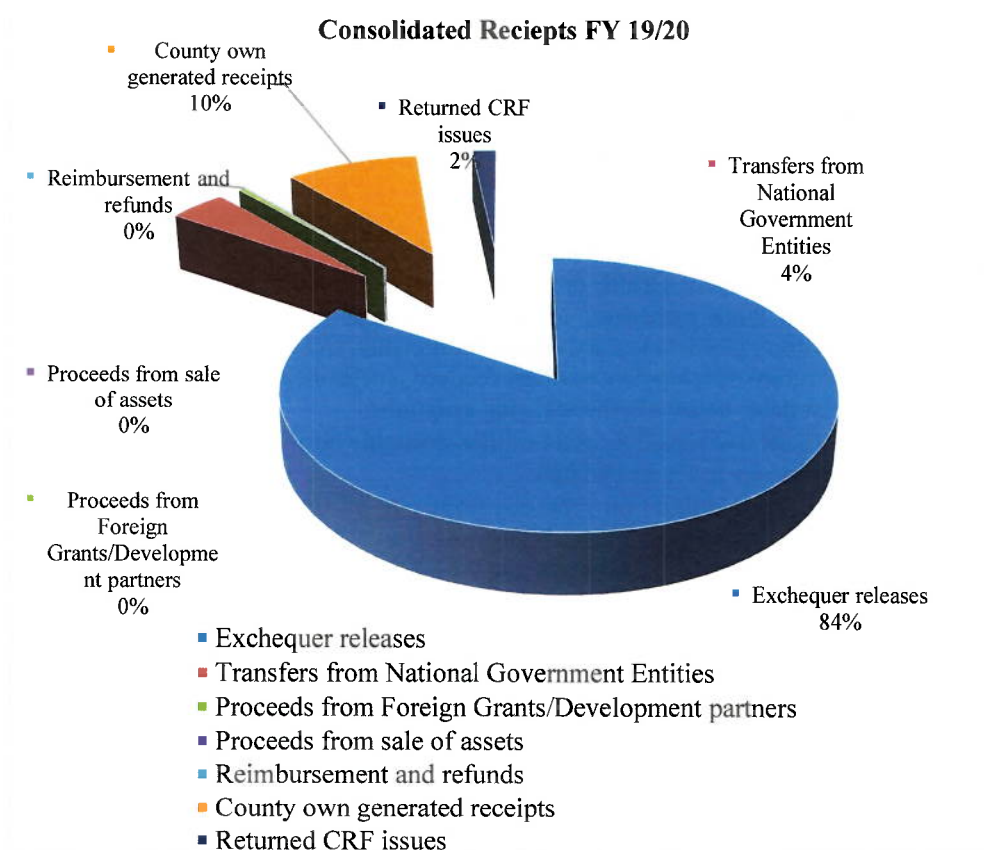
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The overall decrease from prior year of 8% was mainly due to decreases in exchequer releases, own generated revenue and returns to CRF. The above variances are further explained below:

- The decrease of KShs 26,585 million on exchequer releases was due to equitable share allocation for the month of June 2020 that was disbursed in FY 2020/21 and conditional grants which were not disbursed to counties that had not met the required conditions.
- The increase of 75% on transfers from National Government entities was attributed to increase in disbursement of conditional grants for County Governments as well as disbursement of COVID-19 funds through the Ministry of Health.
- The decrease of KShs 960 million on proceeds from foreign grants/development partners was due to low implementation of donor funded projects included in the CARA 2019 as a result adherence to the Ministry of Health protocols which included restrictions on foreign and domestic travel and large gatherings in order to manage the spread of COVID-19. The implication was a decreased level of activities. Additionally, COVID-19 has been a worldwide pandemic and therefore development partners focused on channeling funds to fight the effects of the pandemic at the expense of other existing programs.
- Turkana County Executive repaid KShs 84 million domestic borrowing during the year. There were no such borrowings in FY 2019/2020.
- The decrease of KShs 9 million on proceeds from sale of assets was due to a decrease in receipts from the sale of assets by County Governments.
- The increase of 55% on reimbursement and refunds was due to increase in reimbursement from individuals and private organizations and within general government.
- The decrease of KShs 5,250 million on county own generated receipts was due to effects of COVID 19 on the economy. At the onset of the disease, the government imposed partial lockdown and restriction of movement. Some of the businesses such as hotels, bars and other entertainment areas were restricted from operating to maintain social distancing which is one of the ways to curb the Corona Virus. Schools were closed and employees were advised to work from home. The effect of these measures was a reduced level of activity in the economy and consequently a decrease in sources of revenue for county governments which include parking fees, business permits, licenses, levies amongst others.
- The decrease of 57% on returned CRF entities is attributed to the funds returned by the counties to the CRF bank at the end of the financial year. The reduction was a result of increased spending by counties as well delay in disbursement of the June exchequer allocation.

The diagram below shows the percentage of receipts per category for FY 2019/2020.

**Figure 1: Consolidated receipts by category**



Majority of the receipts were from the National Treasury, being equitable share allocation to County Governments, Additional conditional allocations (National Government share of Revenue), Allocation from Fuel Levy Fund (15%) and Conditional allocations (Loans & grants) based on CARA 2019. County Governments raised 10% of their revenue from own sources such as fees, licenses, levies, cess, business permits and property income as compared to 84% as disbursements from the National Government.

### 1.2.3. CARA Disbursements Trends for the last seven years

Counties have continued to receive their allocations of equitable share as stipulated in CARA and this has grown over the last 7 years of devolution as depicted below.



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**Table 3: *Equitable share allocation as provided for in CARA over the last 7 years***

Description	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	Total for seven years
	KShs' M	KShs' M	KShs' M	KShs' M	KShs' M	KShs' M	KShs' M	
Equitable share allocation	190,000	226,660	259,775	280,300	302,000	314,000	316,500	1,889,235
Actual disbursement	190,000	226,660	259,775	280,300	302,000	314,000	286,783	1,859,132
% disbursed	100%	100%	100%	100%	100%	100%	90.61%	98.43%

It is noted that despite delays in disbursing funds to counties occasioned by challenges in revenue collection, the National Government managed to disburse 100% of the equitable share allocation to counties in each of the six years. In FY 2019/20 the National Treasury did not manage to disburse the equitable share allocation of June of Kshs 29.7 billion on time due contracted revenue collection as a result of effects of COVID -19 pandemic on revenue collection. This explains the disbursement rate of 90.6% in the year. Over the last seven years, since the establishment of county governments in line with the devolved system of governance, a total of Kshs 1.8 trillion as equitable share from the National Government for recurrent and development expenditure. **Appendix 1** shows the disbursement of Equitable share to Counties and the resulting undisbursed amounts in FY 2019/20.

Below is a summary of the different receipts allocated to County Governments in the FY 2019/2020.

**Table 4: *Receipts sources as per CARA, 2019***

Category of Allocation	Note	Allocation in FY 2019/20	Amount Disbursed	Bal	% Disbursed
Equitable Share	(a)	316,500	286,783	29,717	91%
<b>Sub-Total Equitable Share and Level 5 Hospitals</b>		<b>316,500</b>	<b>286,783</b>	<b>29,717</b>	<b>91%</b>
Level 5 Hospitals	(b)	4,326	4,326	-	100%
Development of Youth Polytechnics-State Department of TVETS	(c)	2,000	2,000	-	100%
User Fees Foregone -Ministry of Health	(d)	900	900	-	100%
Supplementary for Construction of County Headquarters-State Department of Public Works	(e)	485	-	485	0%
World Bank -Transforming Health Systems for Universal Care Project (THUSP)-Ministry of Health	(f)	2,994	2,656	339	89%
World Bank-NARIGP-State Department of Crop	(g)	7,233	4,563	2,670	63%
World Bank Kenya Climate Smart Agriculture (KCSAP) -State Department of Agriculture & Research	(h)	3,643	2,982	661	82%
Kenya Devolution Support Programme (KDSP) Level 1-State Department of Devolution	(i)	1,410	1,410	-	100%
Kenya Devolution Support Programme (KDSP) Level 2-State Department of Devolution	(j)	4,890	-	4,890	0%
World Bank Kenya Urban Support Project(KUSP)- Urban Development Grants (UDG)-State Department of Housing & Urban Development	(k)	11,465	8,516	2,949	74%

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Category of Allocation	Note	Allocation in FY 2019/20	Amount Disbursed	Bal	% Disbursed
World Bank Kenya Urban Support Project(KUSP)-Urban Institutional Grants (UIG)-Urban Development Grants (UDG) -State Department of Housing & Urban Development	(l)	396	-	396	0%
DANIDA Grant -Universal Healthcare in Devolved Units Programme (UHDSP)-Ministry of Health	(m)	987	1,272	(286)	129%
IDA (World Bank) Credit: Water & Sanitation Development Project (WSDP)-Min. Water & Sanitation	(n)	3,500	563	2,937	16%
<b>Sub Total - Conditional Grants Paid Thro National Treasury</b>		<b>44,229</b>	<b>29,187</b>	<b>15,042</b>	<b>66%</b>
<b>Sub Total Equitable Share Level 5 &amp; Conditional Grants Paid Thro' National Treasury</b>		<b>360,729</b>	<b>315,971</b>	<b>44,759</b>	<b>88%</b>
Road Maintenance Levy Fund-State Department of Infrastructure (Roads Board)	(o)	8,984	8,705	279	97%
EU Grant (Instruments for Devolution Advice and Support- (IDEAS)-State Department of Devolution	(p)	493	192	301	39%
SIDA Agricultural Sector Development Support Programme II (ASDSP II)-State Department of Crop	(q)	849	642	207	76%
EU-Water Tower Protection & Climate Change Mitigation & Adaptation Programme (WaTER)-Min. Water & Sanitation	(r)	880	-	880	0%
Drought Resilience Programme in Northern Kenya	(s)	350	-	350	0%
Leasing of medical equipment	(t)	6200	-	6,200	0%
<b>Sub Total Other Conditional Grants Paid By State Depts /Ministries</b>		<b>17,756</b>	<b>9,539</b>	<b>8,217</b>	<b>54%</b>
<b>Grand Total CARA Disbursements</b>		<b>378,485</b>	<b>325,509</b>	<b>52,976</b>	<b>86%</b>

The amount disbursed by the National Treasury to the County Governments for the FY 2019/2020 as exchequer releases amounted to KShs 315,971 million while KShs 9,539 million was disbursed through other State Departments and Ministries. Out of this amount Kshs 8,705 million related to road levy maintenance fund disbursed through the State Department of Infrastructure.

The various sources of revenue for County Governments are further described below:

- Equitable share** – is the amount allocated to County Governments as a share of receipts raised nationally in accordance with the equitable sharing formula provided by Commission on Revenue Allocation (CRA). During FY 2019/2020, the total allocation was KShs 316,500 million. A total of Kshs 286,783 was disbursed during the year and the remaining Kshs 29,716 million relating to June 2020 allocation was disbursed in FY 2020/21. Details of these transfers are shown on **Appendix 2** to this report.
- Level 5 hospital funds** – is the amount allocated to 11 Level 5 Hospitals in the Counties from National Government for rehabilitation and infrastructural improvement. The funds allocated of KShs 4,326 million were disbursed in full in the year. Details of these transfers are shown on **Appendix 2** to this report. The counties that benefited from these funds include Embu, Garissa, Kakamega, Kiambu, Kisii, Kisumu, Machakos, Meru, Mombasa, Nakuru and Nyeri County Governments.

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- c) **Development of Youth Polytechnics** – related to amount allocated to County Governments for rehabilitation of youth polytechnics within the counties. The total allocation of KShs 2,000 million, was disbursed within the year. All counties benefitted from these funds in the proportion of the youth polytechnics in the county.
- d) **Compensation for user fees** – Conditional additional allocation by the National Government to all County government health facilities to compensate them for forgone user fees receipts. The amount disbursed to the Counties through the National Treasury during the year was Kshs 900 million being the full allocation.
- e) **Supplementary for Construction of County Headquarters- State Department of Public Works**– relate to conditional additional allocations from national government to selected Counties for construction of County Headquarters. The five counties are Isiolo; Lamu; Nyandarua; Tana River and Tharaka Nithi. The allocation is part of a three- year plan, beginning financial year 2017/18, to supplement the five counties funds in constructing their county headquarters is shared equally. There was no disbursement done out of the total allocation Kshs 485,000,000 for the year.
- f) **World Bank – Transforming health systems for Universal Care Project** – relate to conditional additional allocation by the National Government to all County Governments health facilities. This conditional allocation through the Ministry of Health is meant for continued improvement in delivery, utilization, and quality of primary health care services with focus on reproductive, maternal, new-born, child and adolescent health (RMNCAH) at the county level. Out of the total allocation of KShs 2,994 million, KShs 2,655 million was disbursed in the year to qualifying counties leaving a balance of KShs 339 million. The funds were disbursed from the National Treasury directly to all the counties.
- g) **World Bank Funds – NARIGP** – relate to conditional additional allocations to selected County Governments from the World Bank loan through the State Department for Crop Development to implement rural agricultural growth initiative. The aim is to compliment efforts by counties to increase agricultural productivity and profitability of targeted rural communities in selected counties, and to provide immediate and effective response in case of crisis or emergency. The total funds disbursed to the counties was 4,563 million and were disbursed through the National Treasury. A balance of Kshs 2,670 million was not disbursed by the end of the financial year.
- h) **World Bank Funds – Kenya Climate Smart Agriculture (KCSAP) – State Department for Crop Development**– relate to conditional additional allocations to selected County Governments. Its aimed at increasing agricultural productivity and build resilience to climate change risks in targeted smallholder farming and pastoral communities. Out of the total allocation of KShs 3,643 million, KShs 2,982 million was disbursed in the year to qualifying counties leaving a balance of KShs 661 million.
- i) **World Bank Funds – KDSP Level I**– State Department of Devolution. These funds relate to conditional additional allocations to all County Governments from the World Bank loan to support devolution. It is intended to sustain the support to capacity building initiatives in the counties. Kshs 1,410M was disbursed being 100% of total allocation to all Counties. Each County was awarded Kshs 30 million under this programme through exchequer transfers from the National Treasury.

- j) **World Bank Funds – KDSP Level II**– relate to conditional additional allocations to selected County Governments from the World Bank loan to support devolution. It is a performance grant which is utilized by beneficiary counties toward physical investments articulated in their respective County Integrated Development Plans (CIDPs). As such, this grant is intended to incentivize county governments that achieve good results in Strengthening Public Financial Management (PFM) systems, Strengthening County Human Resource Management; Improving county planning and Monitoring & Evaluation systems; Civic Education and Public Participation; and, Strengthening Intergovernmental relations. In FY 2019/2020 no amount out of the total allocation of KShs 4,890 million was disbursed to the qualifying counties through the National Treasury. This was as a result of not meeting the conditions laid out in the agreements for the allocations to be released.
- k) **World Bank Funds – Kenya Urban Support Project (KUSP)-Urban Development Grant (UDG)-State Department of Housing & Urban Development** - relate to conditional additional allocations to selected County Governments from the World Bank. The Program Development Objective (PDO) of this additional conditional allocation is to establish and strengthen urban institutions to deliver improved infrastructure and services in participating counties in Kenya. This program, which is in its second year of implementation, is meant to ensure provision of capacity building and institutional support to 47 counties; however, direct financial support will be provided to 45 counties other than the city counties of Nairobi and Mombasa, and to 59 potentially eligible urban areas within those counties. Kshs 8,516 million out of Kshs 11,465 million was disbursed with the year while the balance was carried forward to the next financial year.
- l) **World Bank Funds – Kenya Urban Support Project (KUSP)-Urban Institutional Grant (UDG)-State Department of Housing & Urban Development** - relate to conditional additional allocations to selected County Governments from the World Bank. The main purpose of this programme, which is in its third year of implementation, is to provide support to participating County Governments for the formulation of urban development plans including the establishment and operation of urban institutional arrangements such as charters, boards, administrations and operation of Urban Institutional arrangements and for the initial preparation of urban infrastructure investments. No funds were disbursed out the Kshs 396 million allocated for FY 2019/20.
- m) **DANIDA Funds** – These are conditional additional allocations to County Governments as a grant from the Government of Denmark to supplement financing of County health facilities. The total allocation was KShs 987 Million. During the year, KShs 1,272 million was disbursed which was above the total allocation by KShs 286 million due to foreign exchange gains.
- n) **IDA (World Bank) Credit: Water & Sanitation Development Project (WSDP)-Min. Water & Sanitation**- The Project Development Objective (PDO) of this program, financed by this additional conditional allocation, is to improve water supply and sanitation services in six select counties located in the coastal and north eastern regions of Kenya. This will be achieved by investing in water supply and sanitation infrastructure in urban centres in these counties. Kshs 563 million was disbursed out of the expected allocation of Kshs 3,500 million in FY 2019/2020.
- o) **Roads Maintenance Levy Funds** – relate to conditional additional allocation by the National Government to all County Governments for the repair and maintenance of County roads. These funds are channelled by the RMLF through the State Department of Infrastructure, who then

disburse to the Counties. The total amount disbursed to the State Department of Infrastructure by the RMLF during the year was KShs 8,705 million which was disbursed to the County Governments as at 30<sup>th</sup> June 2020. The variance of Kshs 279 million from the total allocation of KShs 8,984 million related to 9 counties, namely Wajir, Migori, Nairobi, Embu, Kisumu, Mandera, Samburu, Turkana, and Tana River. Of these 9 counties, 2 Counties Nairobi and Wajir did not comply with the KRB Act which was a key condition for the grant.

- p) **EU Grant (Instruments for Devolution Advice and Support- (IDEAS)-State Department of Devolution-** The allocation is meant for disbursement of the 2nd tranche of the grant to facilitate implementation of projects identified in financial year 2018/19 for the achievement of Local Economic Development (LED) in the county respective contracts. Kshs 192 million was disbursed in FY 19/20 out of the total allocation of Kshs 493 million.
- q) **SIDA Agricultural Sector Development Support Programme II (ASDSP II)-State Department of Crop-** ASDSP II, which is in its second year of implementation, is part of the implementation strategy of the Agricultural Policy (AP) for the national and county governments. In line with the AP, the overall goal of ASDSP II is to contribute to “transformation of crop, livestock and fishery production into commercially oriented enterprises that ensure sustainable food and nutrition security”. The Programme Purpose is “to Develop Sustainable Priority Value Chains (PVCs) for improved income, food and nutrition security”, which will contribute to achievement of the “BIG FOUR” agenda of the Government. 76% of the allocation (Kshs 642 million of Kshs 849 million) was disbursed within the year.
- r) **EU-Water Tower Protection & Climate Change Mitigation & Adaptation Programme (WaTER)-Min. Water & Sanitation-** The purpose of this additional allocation, which is in its second year of implementation, is to facilitate the implementation of the national climate change action plan and the master plan for the conservation of water catchment areas of Cherangany Hills and Mount Elgon. The program is being implemented in Cherangany Hills and Mount Elgon ecosystems and includes Lake Victoria and Turkana basins. It is also addressing a number of cross-cutting issues like climate change, gender equality, good governance and human rights and will benefit the eleven Counties of Bungoma, Busia, Elgeyo Marakwet, Kakamega, Kisumu, Nandi, Siaya, Trans Nzoia, Uasin Gishu, Vihiga and West Pokot. No funds were disbursed in FY 2019/20 out of the allocation of Kshs 880 million.
- s) **Drought Resilience Programme in Northern Kenya-** This is a project financed by proceeds of a loan and grant from the German Development Bank in Turkana and Marsabit counties. The programme objective is defined as follows: "to ensure that Drought resilience and climate change adaptive capacities of the pastoral and agropastoral production systems and livelihoods in selected areas of Turkana and Marsabit Counties are strengthened on a sustainable basis by expanding and rehabilitating relevant infrastructure." The expected projects outputs are to ensure: - access to water is improved for humans and livestock; fodder basis is improved; access to market infrastructure is improved; and rural transportation is improved in the two counties. No funds were disbursed in FY 2019/20 out of the allocation of Kshs. 350 million.
- t) **Leasing of medical equipment** – The allocation for Leasing of medical equipment was managed directly by the Ministry of Health and hence there was no direct disbursement to the County Governments.



#### 1.2.4. County Own Source Revenue

##### 1.2.4.1. At consolidated level

On overall, County Governments Own Source Revenue (OSR) amounted to KShs 36,071 million for FY 2019/2020 compared to KShs 41,320 million generated the previous year marking a 12% decrease. The own revenue generation trend is depicted on the table below:

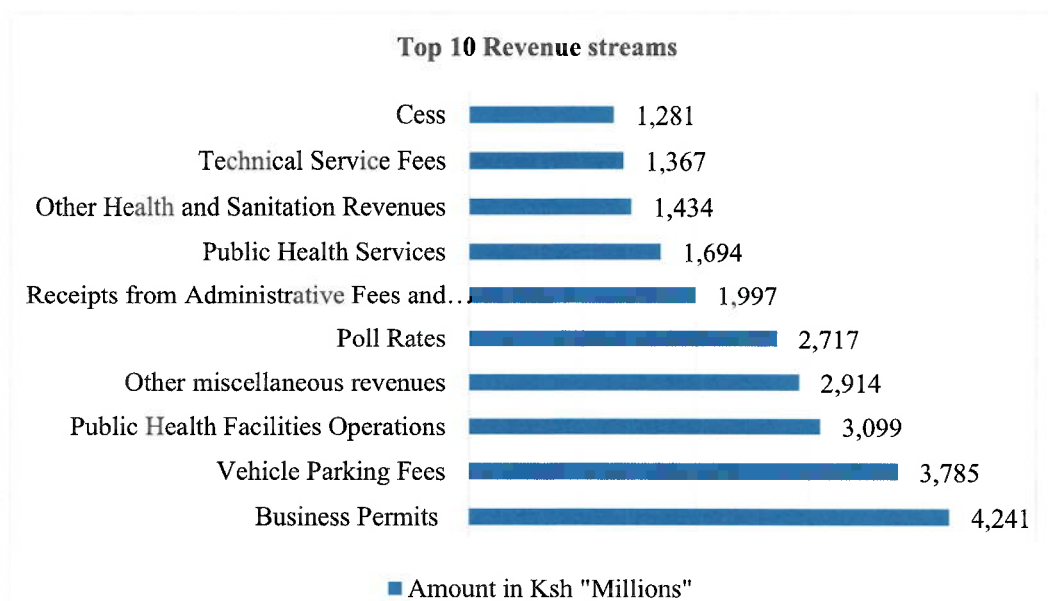
**Table 5: Consolidated own generated receipts over the last 7 years**

	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
	KShs' M	KShs' M	KShs' M	KShs' M	KShs' M	KShs' M	KShs' M
Own Source Revenue	30,176	34,447	35,645	33,368	31,915	41,320	36,071
% increase	-	14%	3%	(6%)	(4%)	29%	(12%)

The trend generally indicates an increase in the Counties ability to generate funds from own sources since their establishment as devolved units in FY 2013/2014. The trend shows a decrease in FY 2016/ 2017 and 2017/2018 and FY 2019/2020. In FY 2016 through to 2018, the decrease in revenue was as a result of disruptions due to change in governance in the county governments since FY 2017 was an election year in Kenya. For FY 2019/2020 the reduction in revenue by 12% from the prior year is largely attributed to the effects of COVID-19 pandemic on the economy. The Counties ability to raise funds from businesses, fees and other sources was affected by the slow economic growth in the months when the government had instituted a partial lockdown which affected businesses and the overall economy in the country.

The major sources of own receipts relate to fees from business permits and vehicle parking fees as shown in the figure below:

**Figure 2: FY 2019/2020 top 10 receipts per revenue stream**



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**1.2.5. Consolidated payments**

Payments consist of costs incurred by County Governments during the financial year as per approved budgets. The table below presents a comparison between payments in the FY 2019/2020 and prior year:

***Table 6: Consolidated County Governments payments***

Description	FY 2019/2020	FY 2018/2019	Variance	% Variance
	KShs M	KShs M	KShs M	
Compensation of employees	171,425	167,586	3,839	2%
Use of goods and services	86,081	89,401	(3,320)	(4)%
Subsidies	228	219	9	4%
Transfers to other government units	19,768	15,280	4,488	29%
Other grants and transfers	24,857	18,365	6,492	35%
Social security benefits	1,967	1,905	62	3%
Acquisition of assets	76,702	88,237	(11,535)	(13)%
Finance costs, including loan interest	661	48	613	>100%
Repayment of principal on borrowings	-	328	(328)	(100)%
Other payments	9,847	8,067	1,780	22%
<b>Total</b>	<b>391,536</b>	<b>389,436</b>	<b>2,100</b>	<b>1%</b>

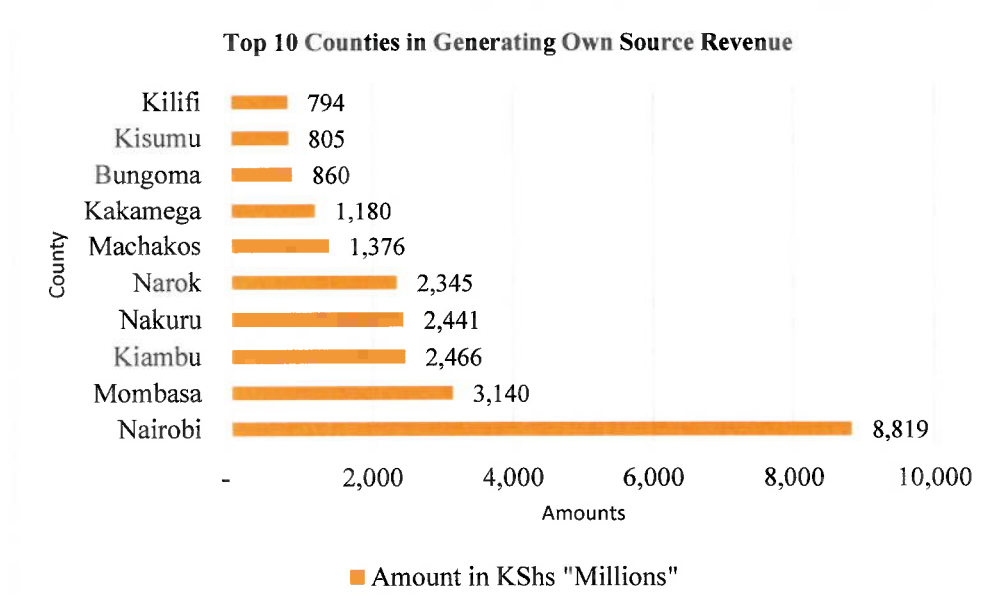
The overall increase from prior year of KShs 2,100 million was mainly attributable to increase in other payments, subsidies, other grants and transfers, and compensation of employees. These are further explained below:

- The increase of 2% on compensation of employees and 3% on social security benefits was due to increased staff at the County Governments which led to increase in basic salaries for the staff, allowances paid as part of salary and social security contributions. The increase is also attributable to annual increments to existing staff members to cater for inflation.
- The 29% increase in transfers to other government entities and 35% increase on other grants and transfers was due to increased disbursements to County government entities, funds and water companies.
- The 13% decrease in acquisition of asset was partly attributed to delayed disbursement of the June exchequer releases which was earmarked for development projects.
- The over 100% increase on finance cost is attributed to increase in bank related charges owing to county arrangements with banks for salary payments where there are delayed disbursements.
- The 22% increase on other payments is attributed to COVID-19 related expenses that was incurred as a result of mitigation of the Corona Virus pandemic. Counties purchase personal protective equipment for their health workers and improved sanitation through installation of hand washing equipment and issuance of hand sanitizers to their citizenry. They also set apart facilities as isolation centers for the pandemic.

#### 1.2.4.2. Top 10 Counties in collection of County Own Source Revenue in FY 2019/2020

County Governments have different abilities to generate local receipts. The figures below show the top ten and lowest ten Counties in terms of generation of local receipts.

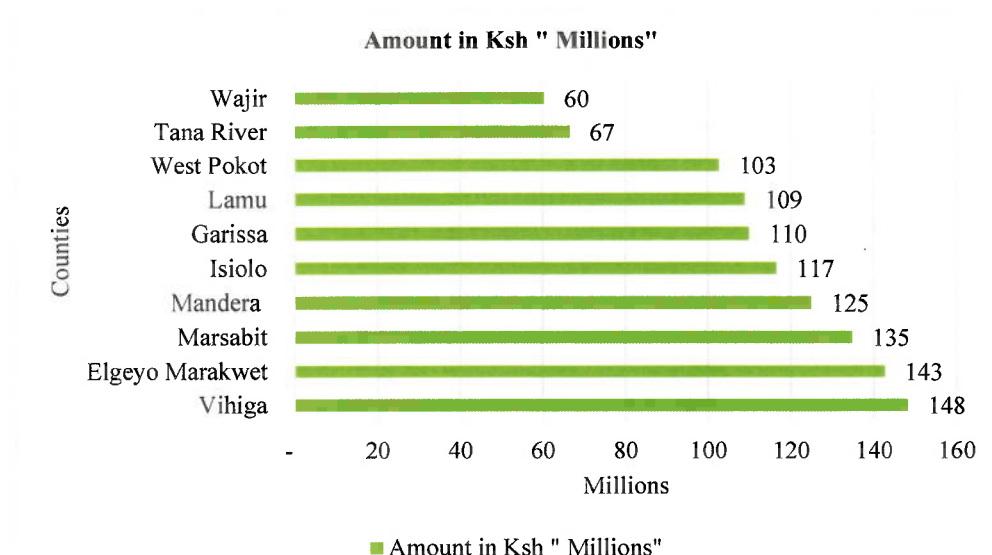
**Figure 3: Amount of receipts generated by the top 10 Counties**



#### 1.2.4.3. Lowest 10 counties in FY 2019/2020

The 10 lowest counties in terms of revenue generation are shown below:

**Figure 4: Amount of receipts generated by the lowest 10 Counties.**

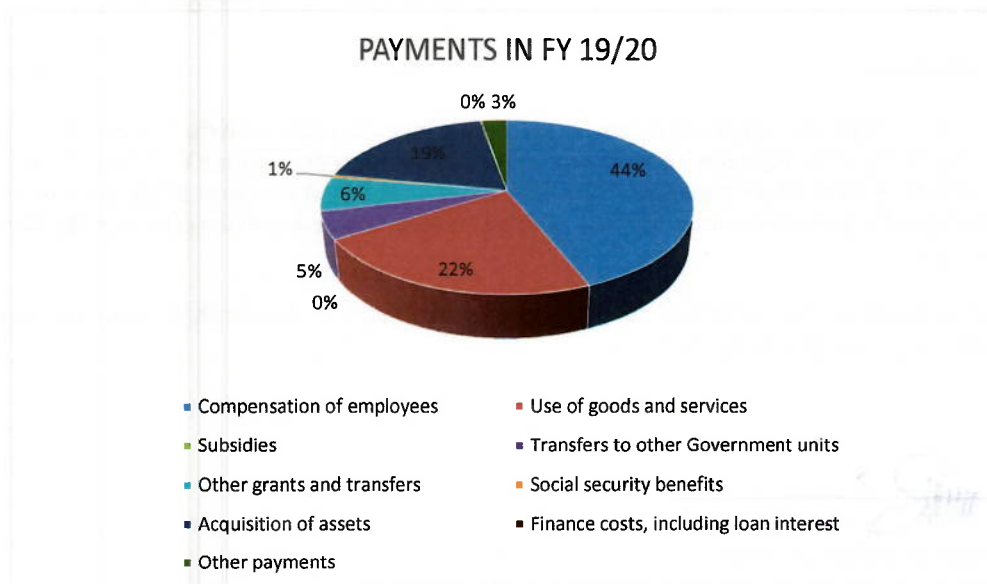




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The diagram below depicts the percentage distribution of expenditure for FY 2019/2020 by category.

**Figure 5: Consolidated payments by category**



The proportion of compensation of employees to the total payments was 44%. However, the proportion of consolidated compensation of employees to the County Governments equitable revenue share was 54% which was higher than the maximum limit of 35% as prescribed in the principles of fiscal responsibility stipulated in Section 107 (2) of the PFM Act, 2012 and the PFM County Government regulations, 2015. This was attributed to increased staff at the County Governments including staff under other County entities which led to increased basic salaries for the staff, allowances paid as part of salary and social security contributions.

#### **1.2.6. Financial assets held by County Governments.**

The net financial assets as at 30<sup>th</sup> June 2020 was KShs 40,326 million while the comparative for the previous financial year was KShs 64,645 million representing a decrease of 33% as shown in the table below:

**Table 7: Consolidated County Governments Financial Assets and Liabilities**

Item	FY 2019/2020	FY 2018/2019	Variance	%
	KShs M	KShs M	KShs M	Variance
Bank balances	43,564	66,182	(22,618)	(34)%
Cash balances	16	42	(26)	(62)%
Accounts receivable	1,379	1,915	(536)	(28)%
Accounts payable	(4,633)	(3,494)	1,139	33%
<b>Net assets</b>	<b>40,326</b>	<b>64,645</b>	<b>(22,041)</b>	<b>(33)%</b>

Decrease in net financial assets is largely explained by a decrease in bank balances by 62% at the end of the year. There was a compensating increase in payables amounting by 33% as at year end.

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The overall decrease in bank balances was due to equitable allocation of June 2020 of Kshs 29,716 million that was not disbursed within the year. This amount was subsequently disbursed to the counties after the end of the financial year hence the decrease in bank balances for the county governments.

### **1.3. Conclusion**

The allocation of funds to Counties continues to increase over the years, with the National Treasury disbursing 100% of the equitable share in each of the last six years except for FY 2019/2020 owing to the effects of COVID-19 pandemic. The County own generated revenues at the consolidated level registered a decrease over the last one year as Counties crippled with the effects of the Novel Corona virus.

Overall expenditure has continued to increase over the years in line with increased revenue generation and growth in equitable share.



**CPA Bernard Ndungu, MBS**  
**Director General, Accounting Services & Quality Assurance**  
**The National Treasury**  
**30<sup>th</sup> October 2020**

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COUNTY GOVERNMENTS CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020**

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**2. Statement of responsibility**

Section 164 of the Public Finance Management (PFM) Act, 2012 requires County Governments to prepare annual financial statements within three months following the end of the financial year. Section 163 of the PFM Act, 2012 further requires the County Governments to consolidate the financial statements in respect of County Government entities within four months following the end of the financial year. These financial statements are prepared in accordance with the accounting policies and formats prescribed by the Public Sector Accounting Standards Board.

The National Treasury has consolidated the financial statements of 47 County Governments. These consolidated financial statements relate to the County Governments Executive and the Assembly for the financial year 2019/2020. Other County Government entities have not been consolidated as they report under a different accounting standards framework. The consolidated financial statements for the County Governments were prepared based on the financial statements submitted to the National Treasury by County Executives, County Assemblies and other entities of the 47 County Governments. The County Executive Committee (CEC) Members for Finance assume the overall responsibility in the preparation of financial statements for their respective County Governments.

The consolidated financial statements have been prepared on a going concern basis and are based on accounting policies which have been applied consistently and supported by reasonable and prudent judgements and estimates.

To the best of our knowledge, the consolidated financial statements as set out on pages 1 to 31 are complete in all material aspects and are prepared based on the financial statements submitted by the 47 County Governments for the financial year ended 30<sup>th</sup> June 2020.



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**CPA Bernard Ndungu, MBS**  
**Director General Accounting Services & Quality Assurance**  
**The National Treasury**  
**30<sup>th</sup> October 2020**



-----  
**Julius Muia, PhD, CBS**  
**Principal Secretary**  
**The National Treasury**  
**30<sup>th</sup> October 2020**



-----  
**Hon. (Amb.) Ukur Yatani, EGH**  
**Cabinet Secretary**  
**The National Treasury and Planning**  
**30<sup>th</sup> October 2020**


**GOVERNMENT OF KENYA  
COUNTY GOVERNMENTS CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020**

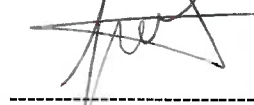
**3. Consolidated financial statements**

**3.1. Consolidated statement of receipts and payments for the year ended 30<sup>th</sup> June 2020**

	Note	FY 2019/2020	FY 2018/2019
<b>RECEIPTS</b>		KShs	KShs
Exchequer releases	3.7.1	315,970,821,174	342,555,909,854
Transfers from national Government entities	3.7.2	15,202,563,661	8,698,673,111
Proceeds from grants/development partners	3.7.3	1,450,624,718	2,411,286,760
Proceeds from domestic borrowings	3.7.4	-	84,370,972
Proceeds from sale of assets	3.7.5	5,200,000	13,755,900
Reimbursement and refunds	3.7.6	4,639,532	3,282,809
County own generated receipts	3.7.7	36,071,403,227	41,320,811,013
Refunds to CRF account	3.7.8	6,364,097,957	14,774,787,446
<b>TOTAL RECEIPTS</b>		<b>375,069,350,269</b>	<b>409,862,877,866</b>
<b>PAYMENTS</b>			
Compensation of employees	3.7.9	171,424,676,294	167,585,763,387
Use of goods and services	3.7.10	86,080,901,698	89,401,075,559
Subsidies	3.7.11	228,363,858	219,035,139
Transfers to other Government units	3.7.12	19,768,397,205	15,279,892,589
Other grants and transfers	3.7.13	24,856,632,598	18,365,275,619
Social security benefits	3.7.14	1,967,295,705	1,904,805,356
Acquisition of assets	3.7.15	76,702,368,978	88,237,434,664
Finance costs, including loan interest	3.7.16	660,819,903	48,137,097
Repayment of principal on borrowing	3.7.17	-	328,120,089
Other payments	3.7.18	9,847,114,982	8,067,087,036
<b>TOTAL PAYMENTS</b>		<b>391,536,571,221</b>	<b>389,436,626,534</b>
<b>SURPLUS FOR THE YEAR</b>		<b>(16,467,220,952)</b>	<b>20,426,251,332</b>

The financial statements should be read in conjunction with the accompanying notes and appendices to this report. The report covers the year ended 30<sup>th</sup> June 2020 and the accompanying comparatives cover the year ended 30<sup>th</sup> June 2019.

  
CPA Bernard Ndungu, MBS  
Director General, Accounting Services  
& Quality Assurance  
The National Treasury  
30<sup>th</sup> October 2020


  
CPA Jona Wala  
Ag. Director, Accounting Services  
The National Treasury  
30<sup>th</sup> October 2020


GOVERNMENT OF KENYA  
COUNTY GOVERNMENTS CONSOLIDATED FINANCIAL STATEMENTS  
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**3.2. Consolidated statement of financial assets and liabilities as at 30<sup>th</sup> June 2020**

	Note	FY 2019/2020	FY 2018/2019
		KShs	KShs
<b>Financial assets</b>			
Cash and cash equivalents			
Bank balances	3.7.19A	43,563,819,112	66,181,919,115
Cash balances	3.7.19B	16,221,709	42,100,698
<b>Total cash and cash equivalents</b>		<b>43,580,040,821</b>	<b>66,224,019,813</b>
Accounts receivable	3.7.20	1,379,244,892	1,914,592,790
<b>Total financial assets</b>		<b>44,959,285,713</b>	<b>68,138,612,603</b>
<b>Financial liabilities</b>			
Accounts payable	3.7.21	4,633,207,679	3,493,879,039
<b>Net financial assets</b>		<b>40,326,078,034</b>	<b>64,644,733,564</b>
<b>Represented by</b>			
Fund balance b/fwd	3.7.22	64,644,733,564	67,329,193,023
Prior year adjustments	3.7.23	(7,851,434,577)	(23,110,710,791)
Surplus for the year		(16,467,220,952)	20,426,251,332
<b>Net financial position</b>		<b>40,326,078,034</b>	<b>64,644,733,564</b>

The financial statements should be read in conjunction with the accompanying notes and appendices to this report. The report covers the year ended 30<sup>th</sup> June 2020 and the accompanying comparative amounts cover year ended 30<sup>th</sup> June 2019.

  
CPA Bernard Ndungu, MBS  
Director General, Accounting Services &  
Quality Assurance  
The National Treasury  
30<sup>th</sup> October 2020

  
CPA Jona Wala  
Ag. Director, Accounting Services  
The National Treasury  
30<sup>th</sup> October 2020



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**3.3. Consolidated statement of cash flows for the year ended 30<sup>th</sup> June 2020**

	Note	FY 2019/2020	FY 2018/2019
		KShs	KShs
<b>Receipts from operating activities</b>			
Exchequer releases	3.7.1	315,970,821,174	342,555,909,854
Transfers from National Government entities	3.7.2	15,202,563,661	8,698,673,111
Proceeds from grants/development partners	3.7.3	1,450,624,718	2,411,286,760
Reimbursement and refunds	3.7.6	4,639,532	3,282,809
County own generated receipts	3.7.7	36,071,403,227	41,320,811,013
Returned CRF issues	3.7.8	6,364,097,957	14,774,787,446
<b>Total receipts from operating activities</b>		<b>375,064,150,269</b>	<b>409,764,750,994</b>
<b>Payments for operating activities</b>			
Compensation of employees	3.7.9	171,424,676,294	167,585,763,387
Use of goods and services	3.7.10	86,080,901,698	89,401,075,559
Subsidies	3.7.11	228,363,858	219,035,139
Transfers to other Government units	3.7.12	19,768,397,205	15,279,892,589
Other grants and transfers	3.7.13	24,856,632,598	18,365,275,619
Social security benefits	3.7.14	1,967,295,705	1,904,805,356
Finance costs, including loan interest	3.7.16	660,819,903	48,137,097
Other payments	3.7.18	9,847,114,982	8,067,087,036
<b>Total payments for operating activities</b>		<b>314,834,202,243</b>	<b>300,871,071,781</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts Receivable		535,347,898	4,427,371,039
Increase/(Decrease) in Accounts Payable		1,139,328,640	108,290,700
Prior period adjustments		(7,851,434,578)	(23,110,710,791)
<b>Net Cash Flows from Operating Activities</b>		<b>54,053,189,986</b>	<b>90,318,630,161</b>
<b>Cash flows in investing activities</b>			
Proceeds from sale of assets	3.7.5	5,200,000	13,755,900
Acquisition of assets	3.7.15	(76,702,368,978)	(88,237,434,664)
<b>Net cash flows in investing activities</b>		<b>(76,697,168,978)</b>	<b>(88,223,678,764)</b>
<b>Cash flows from financing activities</b>			
Proceeds from domestic borrowings	3.7.4	-	84,370,972
Repayment of principal on borrowings	3.7.17	-	(328,120,089)
<b>Net cash flows from financing activities</b>		<b>-</b>	<b>(243,749,117)</b>
<b>Net increase in cash &amp; cash equivalents</b>		<b>(22,643,978,992)</b>	<b>1,851,202,280</b>
Cash and cash equivalents at start of year	3.7.19	66,224,019,813	64,372,817,533
Net increase in cash and cash equivalents		(22,643,978,992)	1,851,202,280
<b>Cash and cash equivalents at end of year</b>	<b>3.7.19</b>	<b>43,580,040,821</b>	<b>66,224,019,813</b>

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The financial statements should be read in conjunction with the accompanying notes and appendices to this report. The report covers the year ended 30<sup>th</sup> June 2020 and the accompanying comparatives cover the year ended 30<sup>th</sup> June 2019.



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**CPA Bernard Ndungu, MBS  
Director General, Accounting Services &  
Quality Assurance  
The National Treasury  
30<sup>th</sup> October 2020**



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**CPA Jona Wala  
Ag. Director, Accounting Services  
The National Treasury  
30<sup>th</sup> October 2020**

**GOVERNMENT OF KENYA  
COUNTY GOVERNMENTS CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020**

**3.4. Summary statement of appropriation for the year ended 30<sup>th</sup> June 2020**

	Original Budget FY 2019/2020 (a) KShs	Final Budget FY 2019/2020 (b) KShs	Actual on Comparable Basis FY 2019/2020 (c) KShs	Budget Variance FY 2019/2020 (d) = (b) - (c) KShs	% Utilization FY 2019/2020 (e) = (c)/(b)
<b>RECEIPTS</b>					
Exchequer releases	378,606,163,183	372,216,002,781	315,970,821,174	56,245,181,607	85%
Transfers from National Government entities	15,520,523,669	18,255,117,394	1,450,624,718	16,804,492,676	8%
Proceeds from grants/Development partners	10,954,871,358	16,446,808,787	15,202,563,661	1,244,245,126	92%
Proceeds from domestic borrowings	-	-	-	-	-
Proceeds from foreign borrowings	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-
Reimbursement and refunds	-	-	5,200,000	(5,200,000)	-
County Own Generated Receipts	39,177,932,060	38,162,750,621	4,639,532	(4,639,532)	-
Returned CRF issues	25,633,828,915	45,387,773,788	36,071,403,227	2,091,347,394	95%
<b>Total receipts</b>	<b>469,897,873,385</b>	<b>490,468,453,371</b>	<b>375,069,350,268</b>	<b>115,399,103,103</b>	<b>76%</b>
<b>PAYMENTS</b>					
Compensation of employees	172,982,302,382	177,160,669,666	171,424,676,294	5,735,993,372	97%
Use of goods and services	94,799,895,620	94,666,648,173	86,080,901,698	8,585,746,476	91%
Subsidies	1,579,566,861	1,420,768,503	228,363,858	1,192,404,645	16%
Transfers to other Government entities	26,528,112,680	33,460,196,190	19,768,397,205	13,691,798,985	59%
Other grants and transfers	27,081,280,821	27,809,088,150	24,856,632,598	2,952,455,552	89%
Social security benefits	4,421,344,173	2,328,217,509	1,967,295,705	360,921,804	84%
Acquisition of assets	135,309,796,276	135,331,156,428	76,702,368,978	58,628,787,450	57%
Finance costs, including loan interest	2,099,128,227	6,603,342,427	660,819,903	5,942,522,524	10%
Repayment of principal on borrowings	80,559,230	75,479,230	-	75,479,230	0%
Other payments	5,015,887,115	11,612,887,095	9,847,114,982	1,765,772,114	85%
<b>Total payments</b>	<b>469,897,873,386</b>	<b>490,468,453,371</b>	<b>391,536,571,221</b>	<b>98,931,882,151</b>	<b>80%</b>



**GOVERNMENT OF KENYA  
COUNTY GOVERNMENTS CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020**

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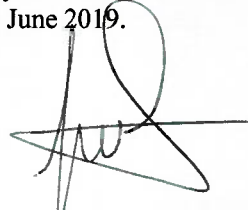
**\* - Adjustments on original budget** – There were adjustments on the original budgets as presented in financial statements of various Counties. The changes were as a result of reallocation within the budgets and supplementary budgets that were done during the reporting period.

The financial statements should be read in conjunction with the accompanying notes and appendices to this report. The report covers the year ended 30<sup>th</sup> June 2020 and the accompanying comparatives cover the year ended 30<sup>th</sup> June 2019.



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**CPA Bernard Ndungu, MBS  
Director General, Accounting Services  
& Quality Assurance  
The National Treasury  
30<sup>th</sup> October 2020**



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**CPA Jona Wala  
Ag. Director, Accounting Services  
The National Treasury  
30<sup>th</sup> October 2020**

**GOVERNMENT OF KENYA  
COUNTY GOVERNMENTS CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020**

**3.5. Summary of funds movement per County during the financial year 2019/2020**

This presents a summary of the movement of funds at the County Governments during the Financial Year 2019/2020, including total receipts, total payments and net financial assets.

Ref	County	Total receipts KShs	Total payments KShs	Surplus/Deficit KShs	Balance brought forward KShs	Prior period adjustments KShs	Net financial assets KShs
1	Mombasa	11,376,708,217	11,188,927,392	187,780,825	331,167,500	(9,169,995)	509,778,332
2	Kwale	8,535,930,392	9,037,286,869	(501,356,477)	2,928,486,978	(5,257,080)	2,421,873,420
3	Kilifi	11,637,558,530	12,414,317,074	(776,758,544)	1,511,023,394	-	734,264,851
4	Tana River	6,990,505,001	6,675,720,523	314,784,478	273,806,847	-	588,591,325
5	Lamu	2,878,575,468	3,107,645,536	(229,070,068)	1,559,074,812	4,215,495	1,334,220,239
6	Taita Taveta	4,825,616,178	4,727,924,267	97,691,911	245,705,080	(21,708,008)	356,840,406
7	Garissa	7,638,671,267	8,268,886,535	(630,215,268)	968,935,955	(434,147)	338,286,541
8	Wajir	8,572,180,301	9,745,289,302	(1,173,109,001)	1,643,153,990	(107,537)	469,937,451
9	Mandera	10,492,743,365	11,719,908,274	(1,227,164,909)	1,721,968,013	1,246,411	496,049,515
10	Marsabit	6,924,988,584	7,362,824,679	(437,836,095)	658,411,625	(16,336,277)	204,239,252
11	Isiolo	4,574,250,486	4,515,844,596	58,405,890	485,755,486	(5,375,759)	538,785,618
12	Meru	9,250,227,704	10,203,051,973	(952,824,269)	1,742,631,900	(183)	789,807,448
13	Tharaka Nithi	4,479,989,745	4,244,118,450	235,871,295	20,983,636	(92,400,499)	164,454,432
14	Embu	5,828,868,844	5,400,679,099	428,189,745	464,590,276	(376,277,444)	528,034,320
15	Kitui	9,954,812,935	9,914,816,058	39,996,877	778,681,156	-	818,678,033
16	Machakos	12,265,810,976	11,744,054,334	521,756,642	1,613,873,529	(1,603,230,393)	532,399,778
17	Makueni	9,893,868,329	8,590,852,337	1,303,015,992	1,239,906,635	(1,737,654,791)	805,267,837
18	Nyandarua	5,459,656,558	6,754,332,637	(1,294,676,079)	1,602,319,278	(2,295,685)	305,347,514
19	Nyeri	7,629,182,988	7,360,151,060	269,031,928	1,079,935,309	(693,551,582)	655,415,656
20	Kirinyaga	4,922,550,407	4,937,062,852	(14,512,445)	616,360,859	-	601,848,415
21	Murang'a	7,191,014,612	7,363,139,112	(172,124,500)	565,334,004	(3,993,215)	389,216,291
22	Kiambu	13,917,023,485	13,573,722,654	343,300,831	1,328,123,717	(1,202,019,320)	469,405,228
23	Turkana	10,880,372,806	12,100,670,065	(1,220,297,259)	3,382,691,185	-	2,162,393,923
24	West Pokot	5,226,821,350	5,146,978,689	79,842,661	627,037,828	(7,174,842)	699,705,647
25	Samburu	4,927,754,689	5,182,397,956	(254,643,267)	1,402,606,314	(852,997)	1,147,110,050
26	Trans Nzoia	6,618,166,268	6,687,248,455	(69,082,187)	558,131,643	-	489,049,456

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Ref	County	Total receipts KShs	Total payments KShs	Surplus/Deficit KShs	Balance brought forward KShs	Prior period adjustments KShs	Net financial assets KShs
27	Uasin Gishu	7,669,357,821	8,295,816,608	(626,458,787)	2,577,908,473	(334,750)	1,951,114,935
28	Elgeyo Marakwet	4,093,300,185	4,361,428,999	(268,128,814)	631,203,971	(153,232)	362,921,926
29	Nandi	6,027,971,815	6,127,375,541	(99,403,726)	352,647,730	-	253,244,004
30	Baringo	5,529,333,711	6,019,108,877	(489,775,166)	2,164,066,313	(40,912,136)	1,633,379,011
31	Laikipia	5,185,897,201	5,534,177,567	(348,280,366)	631,311,062	(1,992,646)	281,038,050
32	Nakuru	14,160,847,004	16,614,842,150	(2,453,995,146)	5,675,578,777	-	3,221,583,631
33	Narok	10,785,207,717	11,010,047,545	(224,839,828)	596,852,576	(314,093)	371,698,656
34	Kajiado	7,379,981,275	6,930,994,677	448,986,597	509,825,004	(37,235,331)	921,576,271
35	Kericho	6,331,588,070	7,520,125,731	(1,188,537,661)	1,396,175,900	-	207,638,239
36	Bomet	5,956,492,196	6,395,355,345	(438,863,149)	978,976,317	-	540,113,168
37	Kakamega	12,416,574,235	12,665,615,014	(249,040,779)	1,669,399,294	45,706,681	1,466,065,196
38	Vihiga	5,244,413,258	5,439,075,751	(194,662,493)	700,459,407	-	505,796,913
39	Bungoma	10,298,407,290	11,212,282,933	(913,875,643)	2,143,578,962	26,864,193	1,256,567,513
40	Busia	6,490,223,874	6,860,876,000	(370,652,126)	1,888,037,297	(64,715,371)	1,452,669,800
41	Siaya	5,962,926,060	6,829,958,221	(867,032,162)	1,735,676,397	-	868,644,235
42	Kisumu	8,543,195,185	7,734,758,986	808,436,199	3,202,648,478	(2,122,714,151)	1,841,687,354
43	Homabay	7,142,550,256	7,292,271,390	(149,721,134)	955,278,506	-	805,557,372
44	Migori	7,768,272,343	7,671,393,232	96,879,111	1,219,632,825	-	1,316,511,934
45	Kisii	8,891,928,572	9,650,143,872	(758,215,300)	1,436,264,788	-	678,049,487
46	Nyamira	5,270,028,690	6,031,857,651	(761,828,961)	1,365,291,789	(2,236,034)	601,226,794
47	Nairobi	21,027,004,026	23,371,214,350	(2,344,210,324)	3,463,222,749	118,980,141	1,237,992,566
	<b>Grand Total</b>	<b>375,069,350,269</b>	<b>391,536,571,221</b>	<b>(16,467,220,952)</b>	<b>64,644,733,564</b>	<b>(7,851,434,577)</b>	<b>40,326,078,033</b>

### **3.6. Significant accounting policies**

#### **a) Statement of compliance and basis of preparation**

The financial statements have been prepared in accordance with Cash Basis IPSAS as prescribed by the PSASB and set out in the accounting policies below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The accounting policies adopted have been consistently applied to all the years presented.

#### **b) Reporting entity**

The financial statements are for the County Governments. The financial statements encompass the reporting entity as specified in Chapter 11 of the Constitution.

#### **c) Reporting currency**

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Government of Kenya.

#### **d) Basis of consolidation**

This consolidation is based on copies of unaudited financial statements submitted by the individual Counties to the National Treasury by 31<sup>st</sup> October 2020 with a copy to the Controller of Budget and the Commission on Revenue Allocation. A revised consolidation based on the audited financial statements will be prepared and submitted for audit purposes.

The financial statements are aggregated on a line by line basis with the inter-entity transactions of receipts and payment being eliminated at the county consolidation level to avoid overestimation of receipts or payments.

The entities' accounting policies have been adjusted to form a consistent basis, where their effect is deemed material to this consolidated financial statements. This is especially the case for the entities whose financial statements have been prepared on accrual-basis IPSAS.

#### **e) Elimination**

Material balances and transactions between County entities included in this consolidation have been eliminated. This has been informed by the inter-entity elimination template that is completed by the entities and submitted to the National Treasury.

### 3.6 Significant accounting policies (Continued)

#### f) Recognition of receipts

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

**Transfers from the Exchequer** – Transfer from Treasury will be recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity through a gazette notice.

**Donations and grants** – Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants will be recorded upon receipt of the grant item and upon determination of the value. The date of the transaction shall be the value date indicated on the payment advice.

**Proceeds from borrowing** – Borrowing relate to external loans acquired by the County Government or any other debt the State may take on will be treated on cash basis and recognized as receipt during the year of receipt.

During the year ended 30<sup>th</sup> June 2020, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

**Returns to CRF issues** – These relate to unspent balances in the development, recurrent and deposit accounts at the end of the year which are returned to the County Revenue Fund (CRF) and appropriated through a supplementary budget to enable the County Governments to spend funds. These funds are recognised once appropriated through a supplementary budget process.

**County own generated receipts** – These are receipts that County Governments have been allowed to collect under the respective County Finance Acts and include receipts such as trade licenses, cess, fees property income among others generated by the County Governments.

**Other receipts** – These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognised in the financial statements the time associated cash is received.



### 3.6 Significant accounting policies (Continued)

#### g) Recognition of payments

The County Governments recognises all payments when the event occurs and the related cash has actually been paid out by the County Governments.

**Compensation of employees** – Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

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

**Interest on borrowing** – Borrowing costs that include interest on loans are recognized as payment in the period in which they are paid for.

**Repayment of borrowing (principal amount)** – The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made.

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

#### h) In-kind contributions

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

#### i) Cash and cash equivalents

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

**Restriction on cash** – Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Cash held up in deposits accounts is restricted for purpose of supplier retention funds. This cash is not available for use for any other purpose.

### **3.6 Significant accounting policies (Continued)**

#### **j) Accounts receivable**

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

#### **k) Accounts payable**

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

#### **l) Related party disclosures**

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

The following comprised of related parties:

- Key management personnel that include Governors, Deputy Governors, CEC Members and Members of the Counties Assemblies;
- County Governments Corporations; and
- National Government Entities including MDAs, SCs and SAGAs.

#### **m) Comparative figures**

The financial statements period cover the period 1<sup>st</sup> July 2019 to 30<sup>th</sup> June 2020. The comparative numbers are for audited financial statements for the corresponding period 1<sup>st</sup> July 2018 to 30<sup>th</sup> June 2019. Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

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**3.7. Notes to the financial statements**

**3.7.1. Transfers from the National Treasury as exchequer releases**

These comprise of transfers from the Exchequer, comprising of equitable share allocation, Level 5 hospital funds, and Conditional Grants. This represents a decrease of 8% from the FY 2018/2019 attributed to Equitable shared released to Counties at year that was not recorded in FY 19/20. A summary of the disbursements to the Counties in FY 19/20 is indicated below:

Description	FY 2019/2020 KShs	FY 2018/2019 KShs
Equitable share	286,783,593,450	314,000,000,000
Level 5 hospitals	4,326,000,000	4,326,000,005
Development of Youth Polytechnics	2,000,000,000	960,644,124
User Fees Foregone	900,000,000	899,999,999
Transforming Health Care System - World Bank – THUSCP	2,655,779,591	1,958,447,587
National Agricultural & Rural Inclusive Growth Project (NARIGP) - World Bank Loan	4,562,651,325	1,051,648,000
Kenya Climate Smart Agriculture – KCSAP	2,982,115,185	1,000,000,000
Kenya Devolution Support Programme - KDSP Level 1	1,410,000,000	-
Kenya Devolution Support Programme - KDSP Level 2	-	4,000,000,000
Kenya Urban Support Project (KUSP) - Urban Development Grants (UDG)	8,515,676,123	11,464,702,500
Kenya Urban Support Project (KUSP) - Urban Institutional Grants (UIG)	-	1,854,000,000
Universal Healthcare in Devolved Units Programme (DANIDA) – UHDSF	1,272,312,500	1,040,467,639
Water and Sanitation Development Project (WSDP)	562,693,000	-
<b>TOTAL</b>	<b>315,970,821,174</b>	<b>342,555,909,854</b>

**3.7.2. Transfers from National Government entities**

These consist of funds received from the National Government MDAs and other Government entities. Large increases in the transfers were from the Kenya Roads Board Fuel Levy Fund for the repairs and rehabilitation of County roads.

Description	FY 2019/2020 KShs	FY 2018/2019 KShs
Leasing of medical equipment- MoH	263,829,787	449,219,250
Doctors, Nurses, Clinical Officers and Other Health Staff Allowances - MoH	89,940,000	-
UNICEF- MoH	3,865,257	71,991,177
NHIF funds – MoH	51,695,530	171,132,831
Road Maintenance Fuel Levy Fund- KRB	8,705,066,873	7,424,077,192
Special Purpose grant	133,361,714	320,857,948
Frontliners Health Workers Allowance- MoH	368,008,500	-
COVID - 19 Grant MoH	4,470,647,000	-
COVID - 19 Danida	1,116,149,000	-
World Bank - Results Based Financing	-	81,342,085
MoH -Free maternity healthcare	-	59,611,177
<b>TOTAL</b>	<b>15,202,563,661</b>	<b>8,698,673,111</b>



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**3.7.3. Proceeds from Grants/Development partners**

These are grants received from development partners directly to the County Governments.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
ASDP II-SIDA	669,725,136	335,186,059
IDEAS-EU	191,897,826	941,287,026
DANIDA	9,521,701	51,637,500
Universal Healthcare for Devolved system program	543,951,730	337,302,444
European Development Fund	3,354,735	330,614,295
East Africa Public Health Laboratory Networking Project (EAPHLNP)	2,500,000	-
Doctors without borders	18,926,430	-
Health Sector Support Project (HSSP)	10,747,160	-
World Bank	-	299,651,604
National Urban Transport Improvement Project (NUTRIP)	-	65,800,879
Kenya Muslim Youth Development	-	9,983,094
EU-KCEP-CRAL	-	11,642,570
GAVI	-	28,181,289
<b>TOTAL</b>	<b>1,450,624,718</b>	<b>2,411,286,760</b>

**3.7.4. Proceeds from domestic borrowings**

These relate to borrowing from within general Government, other domestic depository corporations (Commercial Banks) and other domestic creditors. For the period ended 30<sup>th</sup> June 2020.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Borrowing from Other Domestic Financial Institutions – Turkana County	-	84,370,972
<b>Total</b>	<b>-</b>	<b>84,370,972</b>

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**3.7.5. Proceeds from sale of assets**

These comprise of funds received from disposal of old assets. For the period ended 30<sup>th</sup> June 2020, there were no receipts from sale of certified seeds and breeding stock. This represents a decrease of 99% from the previous year.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Receipts from the Sale of Vehicles and Transport Equipment	5,200,000	134,500
Receipts from the sale plant machinery and equipment	-	13,621,400
<b>Total</b>	<b>5,200,000</b>	<b>13,755,900</b>

**3.7.6. Reimbursement and refunds**

These comprise of reimbursements and refunds that accrue to the entities within the financial year from individuals, private and statutory organisations.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Reimbursement from individuals & private organizations – Isiolo, Machakos, Trans Nzoia, Bomet, Vihiga, Bungoma and Kwale Counties	-	930,860
Reimbursement from statutory organizations – Samburu	4,554,200	-
Reimbursement from Local Government Authorities	-	2,351,949
Reimbursement Using Bonds- Tharaka Nithi	85,332	-
<b>Total</b>	<b>4,639,532</b>	<b>3,282,809</b>

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**3.7.7. County generated receipts**

These comprise of other receipts including voluntary transfers other than grants, miscellaneous income and unidentified receipts. This is mainly collected at the County level in form of fees, permits, licences and cess amongst others.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Business Permits	4,240,917,179	5,977,753,436
Vehicle Parking Fees	3,785,295,200	4,241,601,757
Public Health Facilities Operations	3,099,491,414	2,598,557,786
Other miscellaneous revenues	2,913,783,904	882,313,143
Poll Rates	2,717,061,208	2,482,231,880
Receipts from Administrative Fees and Charges	1,997,417,863	2,688,590,223
Public Health Services	1,694,278,887	2,322,905,342
Other Health and Sanitation Revenues	1,434,337,305	1,684,950,703
Technical Service Fees	1,366,735,750	1,425,671,522
Cess	1,280,584,072	1,849,756,312
Other Property Income	1,218,954,299	1,583,865,625
Land/Plot Rents	1,199,600,088	1,122,772,226
Other Receipts Not Classified Elsewhere	1,134,469,572	2,948,666,282
Market/Trade Centre fees	921,282,172	958,630,893
Sales of Market Establishments	903,945,334	226,181,468
Natural Resources Exploitation	768,409,371	3,178,640,137
Lease/Rental of Infrastructure Assets	550,820,089	49,717,607
Receipts from Sale of Agricultural Goods	539,090,103	71,183,437
Environment and Conservancy Administration	514,765,954	578,746,347
Slaughter Houses Administration	376,360,311	269,754,279
Liquor Licences	372,250,339	348,002,931
Rental Income	371,785,532	202,225,629
Sign Boards and Advertising fees	364,342,390	290,321,654
Other Local Levies	352,755,989	1,028,809,134
External Service Fees	255,518,874	848,813,413
Other Education Related Fees	224,546,366	60,076,218
Sewerage Administration	219,812,156	22,325,249
Social Premise Use Charges	196,460,172	687,226,676
Insurance claims recovery	190,092,105	42,231,086
Fines, Penalties and Forfeitures	134,256,701	86,751,925
Receipts from Royalties	120,792,848	42,757,188
Receipts from Sales by Non-Market Establishments	113,584,579	218,569,908
Interest Received	87,306,782	2,615,079
Fund raising events	84,436,524	1,553,411
Transfers from reserve funds	81,021,929	42,649,753
Donations	57,981,484	4,030,912

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Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Profits and Dividends	52,937,790	27,526,420
School Fees	43,070,598	5,711,650
Water Supply Administration	33,460,520	79,786,588
Other revenues from financial assets loans	32,025,934	124,116,500
Receipts from Voluntary transfers other than grants	25,363,540	12,219,285
<b>TOTAL</b>	<b>36,071,403,227</b>	<b>41,320,811,014</b>

**Appendix 3** provides details of County own generated receipts per County.

**3.7.8. Returned CRF issues**

This comprises refunds of monies relating to FY 2018/2019 by the Counties to the CRF account in the financial year. These funds were then appropriated in FY 2019/2020 under the supplementary budgets to allow utilisation.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Makueni	1,737,654,791	-
Machakos	1,603,371,394	1,443,610,184
Tana River	930,448,000	199,348,683
Nyeri	665,187,062	-
Embu	374,271,720	214,108,249
Narok	346,157,676	2,665,074
Kericho	207,196,000	1,395,362,000
Mandera	119,311,204	2,477,666,724
Murang'a	92,665,484	1,800,000
Tharaka Nithi	91,651,102	610,427,229
Nairobi	38,775,977	1,753,397,748
Kisii	29,608,480	-
Vihiga	27,645,831	25,876,930
Samburu	23,472,208	369,002,773
Marsabit	16,336,277	11,325,147
Nakuru	14,263,829	-
Busia	11,624,769	5,061,424
Mombasa	9,716,192	-
Baringo	9,574,564	-
Turkana	3,606,723	36,476,456
Uasin Gishu	3,238,261	389,942
Laikipia	2,958,156	25,497,796
Homabay	1,719,318	-
Bungoma	1,554,123	1,043,241
Kajiado	1,240,311	-



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Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Trans Nzoia	344,863	52,094,516
Bomet	176,983	1,064,227,340
Kilifi	128,653	1,274
Kisumu	118,587	-
Taita Taveta	79,419	55,128,403
Isiolo	-	379,410,647
Kiambu	-	774,055,366
Kirinyaga	-	156,646,061
Wajir	-	2,618,351,122
West Pokot	-	473,503
<b>TOTAL</b>	<b>6,364,097,957</b>	<b>14,774,787,446</b>

**3.7.9. Compensation of employees**

These comprise of the remuneration paid to employees in return for the work done. In addition to wages and salaries, compensation of employees includes social contributions made by County Governments on behalf of their employees.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Basic salaries of permanent employees	122,694,634,705	120,663,000,312
Basic wages of temporary employees	6,465,425,406	6,050,241,573
Personal allowances paid as part of salary	33,614,978,010	34,324,485,831
Personal allowances paid as reimbursements	550,560,465	356,013,431
Personal allowances provided in kind	66,677,543	1,198,927,642
Pension and other social security contributions	3,711,720,804	2,933,688,222
Compulsory national social security schemes	1,990,952,830	749,644,534
Compulsory national health insurance schemes	369,179,457	332,619,557
Social benefit schemes outside government	60,127,863	385,048,692
Other personnel payments	1,900,419,212	592,093,592
<b>Total</b>	<b>171,424,676,294</b>	<b>167,585,763,387</b>

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**3.7.10. Use of goods and services**

These comprise of the total value of goods and services consumed by the County Governments in the course of carrying out their functions.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Utilities, supplies and services	2,524,231,057	3,050,197,479
Communication, supplies and services	793,856,498	859,566,856
Domestic travel and subsistence	14,287,609,022	16,623,295,905
Foreign travel and subsistence	2,114,306,798	2,721,735,219
Printing, advertising and information supplies & services	2,569,452,278	3,242,013,359
Rentals of produced assets	1,702,086,283	1,806,071,988
Training expenses	4,003,445,304	3,790,527,420
Hospitality supplies and services	5,974,349,178	6,416,941,547
Insurance costs	7,301,821,691	5,986,699,865
Specialized materials and services	14,359,640,478	15,461,414,390
Office and general supplies and services	2,817,872,872	3,060,901,210
Fuel Oil and Lubricants	6,679,961,684	3,798,226,456
Routine maintenance – vehicles and other transport equipment	15,035,566,864	2,658,466,246
Routine maintenance – other assets	2,078,104,947	2,552,992,190
Other operating expenses	3,838,596,744	17,372,025,429
<b>Total</b>	<b>86,080,901,698</b>	<b>89,401,075,559</b>

**3.7.11. Subsidies**

These comprise of financial support given by the County Government to Public Corporations and private enterprises.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Subsidies to Public Corporation – Kitui	81,274,567	-
Subsidies to Public Corporation – Tana River	51,546,392	-
Subsidies to Public Corporation – Kajiado	34,793,298	-
Subsidies to Public Corporation – Elgeyo Markwet	30,228,000	72,940,500
Subsidies to Public Corporation – Mombasa	25,456,649	30,301,139
Subsidies to Public Corporation – Nandi	4,264,952	-
Subsidies to Public Corporation – Murang'a County	800,000	4,923,500
Subsidies to Private Enterprises – Tharaka Nithi	-	30,100,000
Subsidies to Public Corporation – Nyeri County	-	2,000,000
Subsidies to Public Corporation – Kwale	-	70,770,000
<b>Total</b>	<b>228,363,858</b>	<b>219,035,139</b>

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**3.7.12. Transfers to other Government entities**

This comprises Transfers to other County Government entities representing as detailed below:

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Transfers to County health facilities	2,476,933,408	2,318,557,562
Transfer to water companies	-	175,970,636
*Other transfers	9,830,079,985	2,415,609,263
**Transfer to other County Government entities (Funds0	7,461,883,812	10,369,755,128
<b>Total</b>	<b>19,768,897,205</b>	<b>15,279,892,589</b>

\*Other transfers – Relate to non-reporting entities that include projects and schemes which do not form part of these consolidated financial statements such as county projects, boards and TVETs.

\*\* Transfer to other County Government entities (Funds) – These relate transfers to other self-reporting funds operated by the Counties.

**3.7.13. Other grants and transfers**

These consist of bursaries for needy students, support to vulnerable and marginalised people and other support to self - help groups.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Scholarships and other educational benefits	4,233,312,576	5,102,477,147
Emergency relief and refugee assistance	4,072,943,311	3,031,193,612
Subsidies to small businesses and cooperatives	2,142,760,012	746,817,306
Other current transfers, grants	14,407,616,699	9,484,787,554
<b>Total</b>	<b>24,856,632,598</b>	<b>18,365,275,619</b>

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**3.7.14. Social security benefits**

This consists of pensions and other payments in kind to County employees.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Government pension and retirement benefits	1,589,729,704	1,542,124,198
Social security benefits in cash and in kind	170,302,258	99,014,652
Employer Social Benefits in cash and in kind	207,263,743	263,666,506
<b>Total</b>	<b>1,967,295,705</b>	<b>1,904,805,356</b>

**3.7.15. Acquisition of assets**

These represent payments made to acquire property plant and equipment purchased during the financial year which have been expensed during the financial year of purchase as per IPSAS cash basis. The value of property plant and equipment purchased and expensed.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
<b>Non-financial assets</b>		
Purchase of buildings	1,093,469,723	492,560,715
Construction of buildings	13,070,278,760	15,914,239,070
Refurbishment of buildings	2,071,999,547	1,874,513,565
Construction of roads	17,436,057,427	21,466,901,118
Construction and civil works	18,719,996,177	21,433,090,056
Overhaul and refurbishment of construction and civil works	4,904,050,747	3,839,131,607
Purchase of vehicles and other transport equipment	2,056,328,323	2,543,511,931
Overhaul of vehicles and other transport equipment	25,777,796	191,746,487
Purchase of household furniture and institutional equipment	217,445,483	229,847,061
Purchase of office furniture and general equipment	1,373,676,002	1,776,537,990
Purchase of ICT equipment, software & other ICT assets	772,242,967	573,776,357
Purchase of specialised plant, equipment and machinery	3,390,432,891	4,741,242,002
Rehabilitation and renovation of plant, machinery and equipment	378,881,379	893,609,736
Purchase of certified seeds, breeding stock and live animals	1,484,632,157	1,795,662,640
Research, studies, project preparation, design & supervision	1,243,149,553	2,691,336,259
Rehabilitation of civil works	2,270,642,866	3,239,332,165
Acquisition of strategic stocks and commodities	1,150,997,643	663,237,956
Acquisition of land	261,947,113	223,928,338



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Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Acquisition of intangible assets	443,697,480	321,175,291
<b>Financial assets</b>		
Domestic public non-financial enterprises	1,553,580,887	204,090,171
Domestic lending and on-lending	120,000,000	89,010,000
Domestic public financial institutions	30,000,000	3,038,954,150
Foreign Payables - From Previous Years	2,631,685,618	-
<b>Total</b>	<b>76,702,368,978</b>	<b>88,237,434,664</b>

**3.7.16. Finance costs including loan interest on loans**

This is cost of credit borrowed locally by County Governments and bank charges in commercial bank accounts held by County Governments. The details are indicated below:

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Bank charges	10,038,912	1,246,795
Other finance costs	650,780,991	46,890,302
<b>Total</b>	<b>660,819,903</b>	<b>48,137,097</b>

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**3.7.17. Repayment of principal on domestic and foreign borrowing**

These represent the amount paid to settle the principal on loans advanced to County Governments.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Repayments on borrowings from domestic sources	-	135,075,459
Repayments on borrowings from other domestic creditors	-	193,044,630
<b>Total</b>	-	<b>328,120,089</b>

**3.7.18. Other payments**

These include all other expenditure transactions not elsewhere classified and consist of membership and subscriptions as well as miscellaneous expenses.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Budget reserves	275,992,764	740,703,969
Civil contingency reserves	674,885,451	41,670,522
*Other expenses	8,896,236,767	7,284,712,545
<b>Total</b>	<b>9,847,114,982</b>	<b>8,067,087,036</b>

\*- This relates to expenses incurred by the other County Entities and payments incurred by the Executive and Assembly for which no breakdown was provided in the individual County financial statements.

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**3.7.19. Cash and cash equivalents**

**A) Bank balances**

These consist of cash book bank balances and short-term deposits as at 30<sup>th</sup> June 2020 and comparatives for financial year to 30<sup>th</sup> June 2019.

Bank accounts	FY 2019/2020	FY 2018/2019
	KShs	KShs
Central Bank of Kenya accounts	34,430,807,271	58,275,327,907
Other commercial bank accounts	9,133,011,841	7,906,591,208
<b>Total</b>	<b>43,563,819,112</b>	<b>66,181,919,115</b>

**B) Cash balances**

These comprise cashbook cash balances as at 30<sup>th</sup> June 2020 and comparatives for financial year to 30<sup>th</sup> June 2019 represented by cash balances held by the institutions.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Cash in Hand – Held in domestic currency	13,496,465	42,021,698
Cash in Hand – Held in foreign currency (Baringo County)	2,725,244	79,000
<b>Total</b>	<b>16,221,709</b>	<b>42,100,698</b>

**3.7.20. Accounts receivable**

These comprise of imprest issued to staff for official missions and not yet retired as at 30<sup>th</sup> June 2020 and staff advances not recovered as at the same date and comparatives for financial year to 30<sup>th</sup> June 2019.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Government imprests	1,287,572,870	1,778,943,691
Clearance accounts	17,681,515	67,320,995
Staff advances	4,866,496	6,893,008
Other advances	69,124,011	61,435,096
<b>Total</b>	<b>1,379,244,892</b>	<b>1,914,592,790</b>

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**3.7.21. Accounts payable**

These comprise funds held by the County Governments on behalf of third parties as retention monies payable upon satisfactory completion of projects as at 30<sup>th</sup> June 2020 and comparatives for financial year to 30<sup>th</sup> June 2019.

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Deposits and retentions	4,633,207,679	3,493,879,039
<b>Total</b>	<b>4,633,207,679</b>	<b>3,493,879,039</b>

**3.7.22. Prior period adjustments**

Description	FY 2019/2020	FY 2018/2019
	KShs	KShs
Prior year adjustments	(7,851,434,577)	(23,110,710,791)
<b>Total</b>	<b>(7,851,434,577)</b>	<b>(23,110,710,791)</b>

**Prior year adjustments**

These comprise of adjustments proposed by the auditors during the audit of FY 2018/2019 financial statements and adjustments made by the entities in FY 2019/2020 to correct bank balances and imprests. Imprest adjustments related to adjustment for unaccounted for imprests that had not been reported in the previous year. The adjustments on bank and cash balances were as a result of the recording of balances as per the bank statement instead of the reconciled cash book balances.

Details per County are presented in the table below:

County	FY 2019/20	FY 2018/19
	KShs	KShs
Mombasa	-	(275,825,053)
Kwale	-	(72,266,041)
Kilifi	-	(136,815,133)
Tana River	-	(91,266,986)
Lamu	4,215,495	(20,049,337)
Taita Taveta	(21,708,008)	(145,330,141)
Garissa	(434,147)	(20,977,202)
Wajir	(107,537)	(2,708,194,359)
Mandera	1,246,411	(2,513,874,359)
Marsabit	(16,336,277)	(89,485,109)
Isiolo	(5,375,759)	(297,930,816)
Meru	(183)	(3,087,256,202)
Tharaka Nithi	(92,400,499)	(673,129,991)
Embu	(376,277,444)	(1,718,385,348)

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County	FY 2019/20	FY 2018/19
	KShs	KShs
Kitui	15,324,700	821,926,374
Machakos	(1,603,230,393)	(1,386,358,020)
Makueni	(1,737,654,791)	(320,826,099)
Nyandarua	-	(78,749,585)
Nyeri	(693,551,582)	(86,946,886)
Kirinyaga	-	(41,893,868)
Murang'a	(3,993,215)	318,477,475
Kiambu	(1,201,085,105)	(770,147,079)
Turkana	-	88,852,089
West Pokot	-	3,467,790
Samburu	(852,997)	(656,544,281)
Trans Nzoia	-	156,120,307
Uasin Gishu	(334,750)	(69,389,634)
Elgeyo Marakwet	(153,232)	(144,740,293)
Nandi	-	34,054,770
Baringo	-	(284,025,982)
Laikipia	(1,992,646)	(203,767,518)
Nakuru	-	44,103,299
Narok	(314,093)	122,020,656
Kajiado	(37,235,331)	(47,392,955)
Kericho	(1,044,227,379)	(2,407,724,123)
Bomet	-	(1,082,521,135)
Kakamega	45,706,681	2,004
Vihiga	-	(42,695,227)
Bungoma	26,864,193	(554,200,240)
Busia	(64,715,371)	(47,763,143)
Siaya	-	44,590,704
Kisumu	(1,144,230,725)	(1,441,787,997)
Homabay	9,600,138	(871,911,578)
Migori	-	186,934,196
Kisii	-	(1,003,537,380)
Nyamira	(2,236,034)	(1,580,971,321)
Nairobi	155,991,125	43,419,966
<b>Total</b>	<b>(7,851,434,577)</b>	<b>(23,110,710,791)</b>



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**Appendices**

**Appendix 1 – EQUITABLE SHARE RELEASED TO COUNTY GOVERNMENTS IN FY 2019/20**

COUNTY	EQUITABLE SHARE ALLOCATION	EQUITABLE SHARE RELEASED AS AT 30 JUNE 2020	UNDISBURSED EQUITABLE SHARE AS AT 30 JUNE 2020
	Kshs.	Kshs.	Kshs.
Baringo	5,095,650,000	4,657,424,100	438,225,900
Bomet	5,507,100,000	5,033,489,400	473,610,600
Bungoma	8,893,650,000	8,128,796,100	764,853,900
Busia	6,013,500,000	5,496,339,000	517,161,000
E/Marakwet	3,861,300,000	3,529,228,200	332,071,800
Embu	4,304,400,000	3,934,221,600	370,178,400
Garissa	7,026,300,000	6,422,038,199	604,261,801
Homa Bay	6,741,450,000	6,161,685,300	579,764,700
Isiolo	4,241,100,000	3,876,365,400	364,734,600
Kajiado	6,424,950,000	5,872,404,300	552,545,700
Kakamega	10,412,850,000	9,517,344,900	895,505,100
Kericho	5,380,500,000	4,917,777,000	462,723,000
Kiambu	9,431,700,000	8,620,573,801	811,126,199
Kilifi	10,444,500,000	9,546,273,000	898,227,000
Kirinyaga	4,241,100,000	3,876,365,400	364,734,600
Kisii	7,785,900,000	7,116,312,600	669,587,400
Kisumu	6,836,400,000	6,248,469,600	587,930,400
Kitui	8,830,350,000	8,070,939,900	759,410,100
Kwale	7,785,900,000	7,116,312,600	669,587,400
Laikipia	4,177,800,000	3,818,509,200	359,290,800

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<b>COUNTY</b>	<b>EQUITABLE SHARE ALLOCATION</b>	<b>EQUITABLE SHARE RELEASED AS AT 30 JUNE 2020</b>	<b>UNDISBURSED EQUITABLE SHARE AS AT 30 JUNE 2020</b>
Lamu	2,595,300,000	2,372,104,200	223,195,800
Machakos	7,754,250,000	7,087,384,500	666,865,500
Makueni	7,406,100,000	6,769,175,400	636,924,600
Mandera	10,222,950,000	9,343,776,300	879,173,700
Marsabit	6,773,100,000	6,190,613,400	582,486,600
Meru	8,039,100,000	7,347,737,400	691,362,600
Migori	6,773,100,000	6,190,613,400	582,486,600
Mombasa	7,057,950,000	7,057,950,000	-
Murang'a	6,298,350,000	5,756,691,900	541,658,100
Nairobi City	15,919,950,000	11,446,444,050	4,473,505,950
Nakuru	10,476,150,000	9,575,201,100	900,948,900
Nandi	5,348,850,000	4,888,848,900	460,001,100
Narok	8,039,100,000	7,347,737,400	691,362,600
Nyamira	4,810,800,000	4,397,071,200	413,728,800
Nyandarua	4,874,100,000	4,454,927,400	419,172,600
Nyeri	5,412,150,000	4,946,705,100	465,444,900
Samburu	4,620,900,000	4,223,502,600	397,397,400
Siaya	5,791,950,000	5,293,842,300	498,107,700
Taita/Taveta	4,241,100,000	3,876,365,400	364,734,600
Tana River	5,855,250,000	5,351,698,500	503,551,500
Tharaka - Nithi	3,924,600,000	3,587,084,400	337,515,600
Trans Nzoia	5,760,300,000	5,264,914,200	495,385,800
Turkana	10,539,450,000	9,633,057,300	906,392,700
Uasin Gishu	6,330,000,000	5,785,620,000	544,380,000

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<b>COUNTY</b>	<b>EQUITABLE SHARE ALLOCATION</b>	<b>EQUITABLE SHARE RELEASED AS AT 30 JUNE 2020</b>	<b>UNDISBURSED EQUITABLE SHARE AS AT 30 JUNE 2020</b>
Vihiga	4,652,550,000	4,252,430,700	400,119,300
Wajir	8,545,500,000	7,810,587,000	734,913,000
West Pokot	5,000,700,000	4,570,639,800	430,060,200
<b>Total</b>	<b>316,500,000,000</b>	<b>286,783,593,450</b>	<b>29,716,406,550</b>

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**Appendix 2 – Summary of transfers from National Treasury in FY 2019/2020**

COUNTY	EQUITABLE SHARE RELEASED	LEVEL 5 HOSPITALS RELEASED	DEVELOPMENT OF YOUTH POLYTECHNICS RELEASED	USER FEES FORGONE RELEASED	SUPPLEMENT FOR CONSTRUCTION OF COUNTY HQS RELEASED	TRANSFORMING HEALTH CARE SYSTEMS (WB) RELEASED	WORLD BANK LOAN-NARIGP RELEASED	WORLD BANK KENYA CLIMATE SMART AGRICULTURE RELEASED	KENYA DEVELOPMENT PROGRAM (WB) RELEASED	KENYA URBAN SUPPORT PROJECT (KSP)- URBAN DEVELOPMENT GRANTS (UDG) RELEASED	KENYA URBAN SUPPORT PROJECT (KSP)- URBAN DEVELOPMENT GRANTS (UDG) RELEASED	UNIVERSAL HEALTHCARE IN DEVELOPING COUNTRIES PROGRAM (WB) RELEASED	WATER AND SANITATION DEVELOPMENT PROJECT (WBSP) RELEASED	TOTAL CASH RELEASED
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	D=C1+C2+C3+C4+C5+C6+C7+C8+C9+C10+C11+C12
Baringo	4,657,424,100	-	24,873,298	13,191,000	-	23,252,236	-	126,393,144	30,000,000	46,250,261	-	5,670,000	-	4,927,054,039
Bomet	5,033,489,400	-	47,388,298	16,713,356	-	14,125,815	-	145,106,438	30,000,000	129,199,579	-	24,333,750	-	5,440,336,636
Bungoma	8,128,796,100	-	53,928,298	32,837,307	-	141,024,526	233,309,572	-	30,000,000	224,070,498	-	36,693,750	-	8,880,660,051
Busia	5,496,339,000	-	63,333,298	16,934,085	-	78,863,352	-	121,686,777	30,000,000	81,090,238	-	24,462,500	-	5,912,709,269
E/Markwet	3,529,228,200	-	30,228,298	8,788,919	-	33,891,972	-	104,150,751	30,000,000	73,029,946	-	15,450,000	-	3,824,768,086
Embu	3,934,221,600	301,040,463	33,603,298	10,724,225	-	44,663,425	209,940,412	-	30,000,000	94,551,481	-	18,282,500	-	4,677,027,404
Garissa	6,422,038,199	344,739,886	20,628,298	12,964,636	-	44,643,179	-	120,911,328	30,000,000	175,812,550	-	28,453,750	135,046,320	7,335,238,346
Homa Bay	6,161,685,300	-	35,163,298	22,185,346	-	40,518,189	200,965,854	-	30,000,000	94,171,975	-	27,423,750	-	6,612,113,712
Isiolo	3,876,365,400	-	10,833,298	3,472,461	-	53,033,354	-	144,904,360	30,000,000	76,009,631	-	16,093,750	-	4,210,712,254
Kajiado	5,872,404,300	-	35,493,298	16,955,365	-	135,621,176	-	119,753,342	30,000,000	199,017,972	-	24,591,250	-	6,433,836,704
Kakamega	9,517,344,900	427,283,234	76,923,298	37,789,290	-	61,794,598	-	100,133,872	30,000,000	287,112,862	-	42,358,750	-	10,580,740,803
Kericho	4,917,777,000	-	29,433,298	18,048,789	-	60,339,875	-	136,534,620	30,000,000	192,114,988	-	23,432,500	-	5,407,681,070
Kiambu	8,620,573,801	538,716,763	55,113,298	34,671,542	-	80,079,440	230,751,500	-	30,000,000	1,357,755,361	-	38,367,500	-	10,986,009,205
Kilifi	9,546,273,000	-	58,863,298	25,969,864	-	118,565,287	204,559,883	-	30,000,000	245,211,098	-	44,418,750	45,015,440	10,318,876,620
Kirinyaga	3,876,365,400	-	34,503,298	11,282,570	-	29,996,486	195,061,354	-	30,000,000	59,798,100	-	16,866,250	-	4,253,873,458
Kisii	7,116,312,600	417,572,253	74,553,298	26,138,997	-	44,696,901	206,279,125	-	30,000,000	126,137,642	-	31,543,750	-	8,073,234,566

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COUNTY	EQUITABLE SHARE RELEASED	LEVEL 5 HOSPITALS RELEASED	DEVELOPMENT OF POLYTECHNICS RELEASED	USER FEES FORGOVERNMENT RELEASED	SUPPLEMENT FOR CONSTRUCTION OF COUNTY HOUSING RELEASED	TRANSFORMING HEALTH CARE SYSTEMS (WB) RELEASED	WORLD BANK LOAN NABIGP RELEASED	WORLD BANK CLIMATE SMART AGRICULTURE RELEASED	KENYA DEVELOPMENT PROGRAM FUND (WB) RELEASED	KENYA SUPPORT PROJECT (KSP) DEVELOPMENT GRANTS (UDG) RELEASED	KENYA SUPPORT PROJECT (KSP) INSTITUTIONAL GRANTS (UDG) RELEASED	UNIVERSAL HEALTHCARE DEVELOPMENT PROGRAM FUND (WB) RELEASED	WATER AND SANITATION DEVELOPMENT PROJECT (WSDP) RELEASED	TOTAL CASH RELEASED
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	D=C1+C2+C3+C4+C5+C6+C7+C8+C9+C10+C11+C12
<b>Kituu</b>	6,248,469,600	369,017,342	41,673,298	21,299,489	-	35,082,319	-	105,426,127	30,000,000	562,089,635	-	28,325,000	-	7,441,382,810
<b>Kitui</b>	8,070,939,900	-	72,588,298	22,499,906	-	103,785,962	268,608,366	-	30,000,000	175,003,043	-	35,792,500	-	8,779,217,975
<b>Kwale</b>	7,116,312,600	-	59,793,298	15,209,593	-	147,037,619	241,448,671	-	30,000,000	44,561,940	-	30,900,000	45,015,440	7,730,779,161
<b>Lakipia</b>	3,818,509,200	-	31,908,298	9,968,208	-	25,449,880	-	111,600,469	30,000,000	44,561,940	-	16,866,250	-	4,088,964,245
<b>Lamu</b>	2,372,104,200	-	41,298,298	2,451,034	-	34,402,667	-	112,741,878	30,000,000	44,561,940	-	14,548,750	-	2,652,108,767
<b>Machakos</b>	7,087,384,500	383,583,813	51,093,298	24,129,039	-	129,858,778	-	112,892,547	30,000,000	737,142,327	-	34,118,750	-	8,590,203,052
<b>Makueni</b>	6,769,175,400	-	60,333,298	19,435,760	-	84,293,539	243,315,576	-	30,000,000	106,259,583	-	29,226,250	-	7,342,039,405
<b>Mandera</b>	9,343,776,300	-	22,113,298	25,474,920	-	65,351,998	-	150,826,354	30,000,000	134,552,927	-	41,586,250	-	9,813,682,047
<b>Marsabit</b>	6,190,613,400	-	15,558,298	6,643,714	-	57,340,000	-	122,901,952	30,000,000	44,561,940	-	28,711,250	-	6,496,230,554
<b>Meru</b>	7,347,737,400	373,872,834	56,568,298	31,648,428	-	19,737,878	184,436,399	-	30,000,000	92,404,406	-	32,831,250	-	8,169,236,892
<b>Migori</b>	6,190,613,400	-	30,033,298	21,655,884	-	76,811,165	209,160,983	-	30,000,000	379,556,761	-	27,552,500	-	6,965,383,990
<b>Mombasa</b>	7,057,950,000	388,439,308	25,473,298	23,385,934	-	33,184,038	-	-	30,000,000	-	-	33,732,500	247,584,920	7,839,749,998
<b>Murang'a</b>	5,756,691,900	-	83,268,298	20,138,691	-	77,074,190	208,695,938	-	30,000,000	53,457,794	-	25,621,250	-	6,254,948,060
<b>Nairobi City</b>	11,446,444,050	-	22,998,292	79,423,251	-	96,359,510	-	-	30,000,000	-	-	64,761,250	-	11,739,986,353
<b>Nakuru</b>	9,575,201,100	373,872,832	63,063,298	38,723,265	-	36,621,116	169,848,002	-	30,000,000	784,722,015	-	38,753,750	-	11,110,805,377
<b>Nandi</b>	4,888,848,900	-	32,793,298	18,086,363	-	44,928,998	242,399,539	-	30,000,000	135,562,988	-	22,016,250	-	5,414,636,336
<b>Narok</b>	7,347,737,400	-	19,488,298	20,593,297	-	27,200,699	255,036,254	-	30,000,000	62,375,177	-	26,136,250	-	7,788,569,374
<b>Nyamira</b>	4,397,071,200	-	67,068,298	13,175,221	-	14,054,627	161,791,811	-	30,000,000	90,841,681	-	19,570,000	-	4,793,572,837



**GOVERNMENT OF KENYA  
COUNTY GOVERNMENTS CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020**

COUNTY	FOOTABLE SHARE RELEASED	LEVEL 5 HOSPITALS RELEASED	DEVELOPMENT OF YOUTH POLYTECHNICS RELEASED	USER FEES FORGONE RELEASED	SUPPLEMENT FOR CONSTRUCTION OF COUNTY HOUSING RELEASED	TRANSFORMING HEALTH CARE SYSTEMS RELEASED	WORLD BANK CLIMATE SMART AGRICULTURE RELEASED	KENYA DEVELOPMENT PROGRAMME LEVEL 1 (WB) RELEASED	KENYA URBAN SUPPORT PROJECT (KUSP) - URBAN DEVELOPMENT GRANTS (UDG) RELEASED	KENYA URBAN SUPPORT PROJECT (KUSP) - URBAN INSTITUTIONAL GRANTS (UG) RELEASED	UNIVERSAL HEALTHCARE DEVOLOPMENT PROGRAMME (UDSP) RELEASED	WATER AND SANITATION DEVELOPMENT PROJECT (WSDP) RELEASED	TOTAL CASH RELEASED	
	ksbs.	ksbs.	ksbs.	ksbs.	ksbs.	ksbs.	ksbs.	ksbs.	ksbs.	ksbs.	ksbs.	ksbs.	ksbs.	
	C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	
													D=C1+C2+C3+C4+C5+C6+C7+C8+C9+C10+C11+C12	
Nyandarua	4,454,927,400	-	37,983,298	12,735,922	-	35,000,000	-	103,261,630	30,000,000	105,745,898	-	20,213,750	-	4,799,867,898
Nyeri	4,946,705,100	407,861,272	55,143,298	13,701,379	-	24,814,801	-	145,588,368	30,000,000	178,053,465	-	20,600,000	-	5,822,467,683
Samburu	4,223,502,600	-	15,483,298	5,235,578	-	35,000,000	204,998,690	-	30,000,000	-	-	18,153,750	-	4,532,373,916
Siaya	5,293,842,300	-	40,278,298	18,194,808	-	42,427,178	-	115,056,163	30,000,000	44,561,940	-	24,720,000	-	5,609,080,686
Taita/Taveta	3,876,365,400	-	55,638,298	5,296,305	-	56,942,903	-	104,500,024	30,000,000	44,561,940	-	16,608,750	45,015,440	4,234,929,059
Tana River	5,351,698,500	-	21,228,298	5,682,537	-	50,849,353	-	145,758,951	30,000,000	8,800,000	-	22,788,750	-	5,636,806,590
Tharaka - Nithi	3,587,084,400	-	55,638,298	8,218,119	-	40,140,278	-	129,172,132	30,000,000	44,561,940	-	14,935,000	-	3,909,750,167
Trans Nzoia	5,264,914,200	-	61,188,298	21,304,915	-	36,686,728	222,439,095	-	30,000,000	222,732,859	-	23,046,250	-	5,882,312,345
Turkana	9,633,057,300	-	13,893,298	25,634,941	-	67,802,286	257,569,739	-	30,000,000	76,764,279	-	44,161,250	-	10,148,883,093
Uasin Gishu	5,785,620,000	-	57,588,298	20,813,065	-	34,836,257	-	152,670,363	30,000,000	459,506,153	-	24,333,750	-	6,565,367,886
Vihiga	4,252,430,700	-	67,743,298	12,657,201	-	52,387,250	212,034,566	-	30,000,000	188,289,676	-	18,282,500	-	4,833,825,191
Wajir	7,810,587,000	-	18,903,298	15,784,997	-	30,207,560	-	135,491,935	30,000,000	127,274,657	-	34,762,500	45,015,440	8,248,027,388
West Pokot	4,570,639,800	-	17,313,298	12,128,484	-	35,000,000	-	114,651,660	30,000,000	61,293,030	-	20,213,750	-	4,861,240,012
TOTAL	286,783,593,450	4,326,000,000	2,000,000,000	900,000,000	-	2,658,779,588	4,562,651,325	2,982,115,185	1,410,000,000	8,515,676,121	-	1,272,312,500	562,693,000	315,970,821,174

**GOVERNMENT OF KENYA**  
**COUNTY GOVERNMENTS CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2018**

**Appendix 3 – Details of Own Generated Receipts per County**

Ref	County	FY 2019/20 KShs	FY 2018/19 KShs
1	Mombasa	3,139,929,445	3,704,297,554
2	Kwale	254,445,870	315,025,181
3	Kilifi	793,713,056	873,680,662
4	Tana River	66,580,034	63,450,041
5	Lamu	108,907,393	73,224,681
6	Taita Taveta	302,950,884	332,712,551
7	Garissa	109,915,818	118,213,530
8	Wajir	60,417,086	60,123,112
9	Mandera	124,961,836	95,421,471
10	Marsabit	134,786,605	118,848,396
11	Isiolo	116,517,653	161,767,323
12	Meru	605,909,949	769,316,964
13	Tharaka Nithi	271,605,362	242,951,704
14	Embu	509,692,159	628,983,395
15	Kitui	408,285,164	447,775,403
16	Machakos	1,376,171,810	1,557,211,640
17	Makueni	465,939,456	511,702,072
18	Nyandarua	379,480,630	403,402,541
19	Nyeri	663,800,035	837,394,937
20	Kirinyaga	374,724,257	430,961,821
21	Murang'a	551,677,223	699,007,969
22	Kiambu	2,466,345,109	2,837,467,786
23	Turkana	218,364,935	174,345,685
24	West Pokot	102,684,996	234,041,633
25	Samburu	215,349,580	243,199,870
26	Trans Nzoia	356,057,068	373,101,610
27	Uasin Gishu	779,331,351	905,013,969
28	Elgeyo Marakwet	142,649,267	141,609,140
29	Nandi	268,536,170	286,235,013
30	Baringo	301,663,645	359,809,969
31	Laikipia	727,957,756	815,770,156
32	Nakuru	2,440,666,697	2,814,629,531
33	Narok	2,353,265,861	3,104,631,588
34	Kajiado	709,960,792	1,145,638,516
35	Kericho	392,484,000	473,694,000
36	Bomet	201,510,614	212,685,762
37	Kakamega	1,180,228,345	999,827,089
38	Vihiga	148,199,136	192,017,070
39	Bungoma	860,080,583	675,062,067
40	Busia	225,827,435	299,373,277

**GOVERNMENT OF KENYA**  
**COUNTY GOVERNMENTS CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2018**

	County	FY 2019/20	FY 2018/19
Ref		KShs	KShs
41	Siaya	184,249,748	184,622,377
42	Kisumu	804,847,881	1,012,716,638
43	Homabay	321,323,460	253,377,979
44	Migori	364,821,057	438,559,540
45	Kisii	478,209,672	489,080,174
46	Nyamira	187,324,098	165,447,568
47	Nairobi	8,819,052,246	10,043,380,059
	<b>Total</b>	<b>36,071,403,227</b>	<b>41,320,811,013</b>

