COUNTY ASSEMBLY OF KISUMU

THIRD ASSEMBLY: SECOND SESSION

SECTORAL COMMITTEE ON CO-OPERATIVES, FINANCE, TRADE AND ENTERPRISE DEVELOPMENT

REPORT ON THE CONSIDERATION OF THE KISUMU COUNTY ASSEMBLY QUARTERLY REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER, 2022

MARCH, 2023

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1.0 PREFACE

1.1 BACKGROUND

Hon. Speaker Sir and Hon. Members,

According to Section 166 of the PFM Act, 2012, the Accounting Officer of a County Government entity is required to prepare quarterly reports and Financial Statements of the entity in accordance with the prescribed Standards and Formats.

The Clerk of the Assembly submitted the Kisumu County Assembly Quarterly Report and Financial Statements for the period ended 30th September 2022, which was tabled in the House by the Majority leader on 16th November, 2022. The Hon. Speaker committed the report to the Sectorial Committee on Co-operatives, Finance, Trade and Enterprise Development for legislative processing and reporting, in accordance with the provisions of Standing Order No. 193(5) of the Kisumu County Assembly and Second Schedule.

The report covers the budget execution status for the period 1st July 2022 to 30th September 2022, including comparative actual achievements and budget amounts for the previous Financial Year 2021/2022, and the absorption rate of the budget.

The committee has comprehensively considered the Financial Statements and presents its report for consideration by the House.

1.2 ESTABLISHMENT AND MANDATE OF THE COMMITTEE

Hon. Speaker Sir and Hon. Members,

The Sectoral Committee on Co-Operatives, Finance, Trade And Enterprise Development is established pursuant to the County Assembly of Kisumu Standing Order No. 193 (5) and is mandated to:-

i). Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments;

ii). Study the program and policy objectives of departments and the effectiveness of the implementation;

iii). Study and review all County legislation referred to it;

iv). Study, assess and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives;

v). Investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the County Assembly;

vi). To vet and report on all appointments where the Constitution or any law requires the County Assembly to approve, except those under Standing Order 185 (Committee on Appointments); and

vii). Make reports and recommendations to the County Assembly as often as possible, including recommendations of proposed legislations.

1.3 Committee Membership

Hon. Speaker,

As currently constituted, the sectoral committee on Co-Operatives, Finance, Trade and Enterprise Development is comprised of the following members;

1.	Hon. Carren Odhiambo	-	Chairperson
2.	Hon. Lumumba Owade	-	Vice-chairperson
3.	Hon. Joachim Oketch	-	Member
4.	Hon. Mickey Ochieng'	-	Member
5.	Hon. Ratib Boitone	-	Member
6.	Hon. Benson Adega	-	Member
7.	Hon. Vitalis Komudho	-	Member
8.	Hon. Pamela Oyoo	-	Member
9.	Hon. Jennipher Obonyo	-	Member
10.	Hon. Ken Ouko	-	Member
11.	Hon. Millicent Omuya	-	Member
12.	Hon. George Abaja	-	Member
13.	Hon. Henrietta Bodo	-	Member
14.	Hon. Alice Wajewa	-	Member
15.	Hon. Ann Ochola	-	Member

Secretariat

1.	Edwin Omollo	-	Committee Clerk
2.	Moses Orwa	-	Clerk Assistant
3.	Brenda Chasi	-	Clerk Assistant
4.	Zablon Otiende	-	Hansard
5.	Abraham Odegi	-	Sergeant-at-Arms

1.4 ACKNOWLEDGEMENT

MR. SPEAKER SIR AND HON. MEMBERS

I am honored to express my sincere gratitude on behalf of the Committee for the dedication and valuable contributions demonstrated by each member throughout its proceedings, despite their demanding schedules. Your unwavering commitment to the task at hand has been greatly appreciated, and it is a testament to your professionalism and integrity.

I would also like to extend my gratitude to the office of the Speaker and Clerk for providing a conducive environment that allowed the Committee to undertake the assignment seamlessly. Your unwavering support and logistical assistance have been instrumental in ensuring the success of this project.

I equally acknowledge and commend the Secretariat for their tireless efforts in making this exercise a resounding success.

Now, it is my privilege to present this report before the House for consideration and adoption. Thank you.

……………………………………………

HON. CARREN AJWANG

CHAIRPERSON, COOPERATIVES, FINANCE, TRADE AND ENTERPRISE DEVELOPMENT COMMITTEE

2.0 REVIEW OF THE QUARTERLY REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30th SEPTEMBER, 2022

2.1 Terms of References of the Committee

Mr. Speaker and Hon. Speaker,

To ensure a thorough and rigorous assessment of the quarterly report and financial statements, the Committee developed specific terms of reference that guided its operations. The Committee's terms of reference included, but not limited to the following key areas.

i. To establish compliance with Section 166 of the PFM Act 2012, on submission of financial reports.

ii. To review and establish receipts and payments during the Quarter ended 30th September 2022.

iii. Identify any significant details or information in the reports that may be of material importance to this Honorable House.

2.2 LEGAL FRAMEWORK

COMPLIANCE WITH THE RELEVANT LEGAL PROVISIONS ON PREPARATION OF THE QUARTERLY REPORT AND FINANCIAL STATEMENTS;

Mr. Speaker Sir and Hon. Member,

The Committee was guided by the Provisions of Chapter 12 of the Constitution of Kenya 2010 on public finance, Section 131 of the County Governments Act No.17 of 2012, Section 166 of the PFM Act, 2012 and Standing Order No. 193 (5) and Second Schedule of the Kisumu County Assembly Standing Orders in making our assessment of the Preparation of the County Assembly Quarterly Report and Financial Statements

Table: 1 Compliance Matrix

S/NO	Legal Provision	Compliance by the CASB	Committee Recommendations
Legal Basis/Requirements of Preparation and Submission of the Quarterly Reports and Financial Statements			
1.	**SECTION 166 (1) OF THE PFM ACT, 2012** That an accounting officer for a county government entity shall prepare a report for each quarter of the financial year in respect of the entity	**Compliant**	The County Assembly Service Board should at all times be compliant
2.	**SECTION 166 (2)(a) OF THE PFM ACT, 2012** That an Accounting Officer of a County Government Entity shall ensure that the report is in a form determined by the Accounting Standards Board	**Compliant**	The Clerk of the Assembly to maintain the set standards as required by the relevant provisions
3.	**SECTION 166 (2) (b) OF THE PFM ACT, 2012** That an Accounting of County Government Entity shall ensure that the report contains information on the financial and non-financial performance of the entity	**Partial Compliance** The non-financial information provided by the Clerk is inadequate	The Clerk in subsequent reporting to provide comprehensive and detailed non-financial information
3.	**SECTION 163 OF THE PFM ACT, 2012** That the Accounting Officer of a County Government entity shall ensure that the Quarterly Reports are not submitted later that one month after the end of each quarter	**compliant**	The Clerk of the Assembly should at all times be compliant

Source; Constitution of Kenya, 2010, County Government Act, 2012, PFM Act, 2012, and PFM Regulations of 2015

Section 166 of the PFM Act, 2012 Stipulates as follows;

That,

(1) An accounting officer for a county government entity shall prepare a report for each quarter of the financial year in respect of the entity.

(2) In preparing a quarterly report for a county government entity, the accounting officer shall ensure that the report—

(a) Contains information on the financial and non-financial performance of the entity; and

(b) is in a form determined by the Accounting Standards Board.

(3) Not later than fifteen days after the end of each quarter, the accounting officer shall submit the quarterly report to the County Treasury.

(4) Not later than one month after the end of each quarter, the County Treasury shall—

(a) Consolidate the quarterly reports and submit them to the county assembly;

(b) Deliver copies to the Controller of Budget, National Treasury and the Commission on Revenue Allocation; and

(**c**) Publish and publicise them.

(**5**) In the case of an entity that is a county corporation, the accounting officer for the corporation shall also submit a copy of the quarterly report to the County Executive Committee member responsible for the corporation, who, upon approving it, shall submit a copy to the County Treasury.

3.0 FIRST QUARTER FINANCIAL STATEMENTS (PERIOD ENDED 30TH SEPTEMBER, 2022)

Hon. Speaker,

The Committee primarily focused on the following key Components of the County Assembly Quarterly Report and Financial Statements during its review and scrutiny.

a) Statement of Receipts and Payments for the Period ended Sep 30, 2022

b) Statement of Financial Assets and Liabilities as at Sep 30, 2022

c) Statement of Cash Flows for the Period ended Sep 30, 2022

d) Statement of Comparison of Budget and Actual Amounts (Recurrent and Development Components)

3.1 RECEIPTS (TRANSFERS FROM THE COUNTY TREASURY) AND PAYMENTS (EXPENDITURE) DURING THE PERIOD ESEPTEMBER, 2022

a) STATEMENT OF RECEIPTS FOR THE PERIOD ENDED 30TH SEPTEMBER, 2022

Mr. Speaker Sir and Hon. Members,

As at 30th September, 2022, Kisumu County Assembly received funds as;

- Transfers from the County Treasury totaling to **KSHS. 80,186,821**

b) STATEMENT OF PAYMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER, 2022

Mr. Speaker Sir and Hon. Members,

Against the above receipts, the County Assembly spent these funds as illustrated in the table below;

Table 2: Statement of Payments for the Period Ended 30th September, 2022

PAYMENTS	AMOUNT PAID (KSHS)	NOTES (PG)
Compensation of Employees	55,693,444	4
Use of Goods and Services	13,932,898	5
Social Security Benefits	6,053,984	9
Acquisition of Assets	117,628	11
TOTAL PAYMENTS	**175,797,954**	

Source: County Assembly Financial Report for Q1 ended 30th September, 2022

Committee Observations

i. **THAT**, County Assembly spent a total of Kshs **75,797,954**.

ii. **THAT**, ***zero*** shillings was paid to the County Assembly Development Component

iii. **THAT,** the Assembly recorded a surplus of Kshs. 4,388,867 as illustrated in table below;

Table 3: Difference between Total Receipts and Total Payments

COMPONENT	AMOUNT PAID (KSHS)
Total Receipts	80,186,821
Total Payments	75,797,954
Surplus	**4,388,867**

3.2 STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT SEP 30, 2022

Mr. Speaker Sir and Hon. Members, the statement of Financial Assets and Liabilities for the period ended 30th September, 2022 is as outlined hereunder;

Table 4: **Statement of Financial Assets for the period ended 30th September, 2022**

ITEM	AMOUNT
FINANCIAL ASSETS	(KSHS)
Cash and Cash Equivalents	
Bank Balances	14,403,218
Total Cash and Cash Equivalent	**14,403,218**
Accounts Receivables	420,000
TOTAL FINANCIAL ASSETS	**14,823,218**
FINANCIAL LIABILITIES	
Accounts Peyables	-
NET FINANCIAL ASSETS	**14,823,218**
REPRESENTED BY	
Fund balance b/fwd	**10,434,351**
Prior Year Adjustment	-
Suprlus/Deficit for the Period	**4,388,867**
NET FINANCIAL POSITION	**14,823,218**

Source: County Assembly Financial Report for Q1 ended 30th September, 2022

Committee Observation

- That, the Bank Balance of Kshs. 14,403,218 declared under Financial Statements of Assets and Liabilities Pg. 2 varies from the bank balance breakdown provided on note (13A) and the bank reconciliation reports annexed on the Financial Statements as illustrated below;

Table 5: Bank Balances

Name of Bank Account	Account No.	Bank Balances as per Pg. 2 (Statement of Financial Assets and Liabilites)	Amount (As per note 13A) Period ended Sep, 2022	Bank Balance Amount (As per the authorised bank reconciliation Report) 30th September 2022
KCB OPERATION A/C	1142204197		43,574	43,994
RECURRENT A/C AT CBK	1000194747		3,968,867	3,968,867
DEPOSIT A/C AT CBK	1000451618		10,433,959	10,433,959
Total		14,403,218	14,446,400	14,446,820

Source: ***County Assembly Financial Report for Q1 ended 30th September, 2022 (Pg.2, explanatory note 13A and annexed bank reconciliation Reports)***

COMMITTEE OBSERVATION

- **That**, there was no Financial Liability during the reporting period under review.

3.3 STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH SEP 2022

Mr. Speaker Sir and Hon. Members, the statement of Cash Flows for the period ended 30th September, 2022 is as outlined hereunder;

Table 6: STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEP 2022

ITEM	AMOUNT
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Operating Income	
Transfers from the County Treasury/Exchequer Releases	80,186,821
Payments for operating Expenses	
Compensation of Employees	(55,693,444)
Use of goods and services	(13,932,298)
Social Security Benefits	(6,053,984)
Finance Cost	(117,628)
Adjusted for:	
Prior Year adjustment	(735,746)
Decrease/(Increase) in Accounts receivable:	420,000
Increase/(Decrease) in Accounts Payable:	
Net Cash flow from operating Activities	3,233,121
CASH FLOWS FROM INVESTING ACTIVITIES	
Net Cash flow from investing activities	3,233,121
NET INCREASE IN CASH AND CASH EQUIVALENTS	
Cash and Cash Equivalent at the beginning of the year	11,170,097
Cash and Cash Equivalent at the end of the period	14,403,218

Source: County Assembly Financial Report for Q1 ended 30th September, 2022

Committee Observations

- That explanatory notes for the prior year adjustments totaling to **Kshs. 735,746** have not been provided contravening the standards set by PSASB.

- That the cash and cash equivalent at the end of the period of ***Kshs. 14,403,218*** varies from ***Cash and Bank Balances provided in note (13A) of Kshs. 14,446,400*** giving a deviation of **Kshs. 43,182.**

4.0 STATEMENT OF COMPARISION OF BUDGET AND ACTUAL AMOUNTS (RECURRENT AND DEVELOPMENT COMBINED) FOR THE PERIOD ENDED 30TH SEP 2022

Mr. Speaker Sir and Hon. Members, the statement of Comparison of Budget and Actual amounts realized for the period ended 30th September, 2022 is outlined in the table below. This section also outlines the budget utilization which is the means by which all planned activities were delivered and responsiveness in the activities will create outcome for reporting by the end of the implementation period;

Table 7: Statement of Comparison of Budget and Actual Amounts

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual Comparable Basis	% Utilization difference
	A	B	C=(a+b)	d	d/c
	Kshs	Kshs	Kshs	Kshs	%
RECEIPTS					
Transfers from the County Treasury/Exchequer Releases	917,524,122	-	917,524,122	80,186,821	9
TOTAL	917,524,122	-	917,524,122	80,186,821	9
PAYMENTS					
Compensation of Employees	336,490,356	-	336,490,356	55,693,444	17
Use of Goods and Services	301,654,656	-	301,654,656	13,932,898	5
Social Security Benefits	44,947,000	-	44,947,000	6,053,984	13
Acquisition of Assets	233,412,110	-	233,412,110	-	
Finance Costs	1,020,000	-	1,020,000	117,628	12
TOTAL	917,524,122	-	917,524,122	75,797,954	8
Surplus/Deficit	-	-	-	4,388,954	

Source: County Assembly Financial Report for Q1 ended 30th September, 2022

Committee Observations

- ➢ The Budget was under absorbed at 8% against the expectation of 25% of the total budget.
- ➢ That, Compensation of Employees recorded the highest utilization at 17%.
- ➢ That, use of Goods and Services recorded the lowest Utilization of 5%.

5.0 COMPARISON OF ACTUAL PERFORMANCE AGAINST THE BUDGET FOR THE QUARTER ENDED 30TH SEP 2022

Mr. Speaker Sir and Hon. Members, the Assembly has a budgeted figure of Kshs. 917,524,124 for the Financial Year 2022-2023. This Comprises of Kshs. 767,524,124 for recurrent and Kshs. 150,000,000 for Development.

The Assembly was expected to receive and spend **Kshs. 191,881,031** for recurrent and **Kshs. 37,500,000** for Development if funds disbursed was done monthly and equally for this quarter under review;

Table 8: Statement of Comparison of Budget and Actual Amounts for the Quarter

		BUDGET FOR THE QUARTER (KSHS)	ACTUAL FOR THE QUARTER (KSHS)	REALISATION/ABSORPTION RATE
RECEIPT	RECURRENT	191,881,031	80,186,821	41.8
	DEVELOPMENT	37,500,000	0	0
EXPENDITURE				
	RECURRENT	191,881,031	75,797,954	40
	DEVELOPMENT	37,500,000	0	0

Source: County Assembly Financial Report for Q1 ended 30th September, 2022

Committee Observations

- ➢ That, the Assembly received Kshs. 80,186,821 under the recurrent component against expected receipt of Kshs. 191,881,031 translating into an absorption rate of 41.8%.
- ➢ That, the Assembly received Zero shillings under the development component against expected receipt of Kshs. 37,500,000.
- ➢ For the recurrent expenditure, the assembly spend Kshs. 75,797,954 against a budget of Kshs 191,881,031 translating to a realization rate of 40%.

6.0 CONCERNS RAISED AND RESPONSE GIVEN BY THE CLERK

Mr. Speaker Sir and Hon. Members,

For thorough scrutiny and examination of these quarterly report and Financial Statements, the Clerk seconded an accountant to attend the Committee meetings to give response to questions raised by members and shed light on unclear issues unmasked during the interrogation. Below are the issues and respective response given by the Clerk.

Table 9: Concerns Raised and Response Given by the Clerk

S/NO	ISUES RAISED BY THE COMMITTEE	RESPONSE BY THE CLERK	COMMITTEE RESOLUTION	REMARKS
1	Give explanation for the low absorption rate of the budget at 40% during the Q1 ended 30th September 2022	That, the low absorption rate of the budget is mainly attributed to inadequate and late exchequer releases hence the Assembly could not fully absorb its budget	Cleared	Approved
2.	The Committee noted variations on bank balances as indicated on various parts of the report and stated as follows; i. The Bank Balances under Statement of Financial Assets and Liabilities (Pg.2) reads **Kshs. 14,403,218**. ii. The Bank Balances under explanatory note (13A) pg. 20 reads Kshs. **14,446,400**. iii. The total Bank balances from the Bank Reconciliation Report annexed in your report amounts to Kshs. **14,446,820**.	That the correct figure of the Bank balances is Kshs. **14,446,820** and further explained that the error came from the KCB Operations Account where certain payments were made but did not reflect when the bank reconciliation report was produced.	The Clerk to provide the Committee with authorized and validated bank reconciliation reports before the report is tabled in the House	The Clerk presented the authorized Bank Reconciliation Reports and verified by the Committee
3.	Why explanatory notes on prior year adjustments under the statement of cash flows (Pg. 3) were omitted in contravention of relevant accounting standards prescribed by the PSASB.	That it was unintentional omission made during the preparation of the Financial Statements	The Clerk to submit the missing explanatory notes on prior year adjustment	Submitted the explanatory as required by the Committee

4.	Give comments on the significant underutilization of the Budget at 8%.	That the budget utilization best explains how the expenditure items are used and can significantly be revealed in the annual report since some expenditure items are not consistently spent within a within the Financial Year	Cleared	Approved
5.	Provide justifications on the low exchequer releases of Kshs. 80,186,821 during the quarter compared to the exchequer releases of Kshs. 103,491,575 during the same period in the last Financial Year	that the low exchequer releases were occasioned by the long electioneering and transitional period which resulted into delayed disbursement of funds by the National Treasury	Cleared	Approved
6.	The prescribed format of comparing the performance of quarter and an entire Financial year as applied by the Assembly is not uniform and the Committee sought for clarity on the above and directed that an addendum for uniform comparison of the reporting periods to be presented	That the format used in preparing the Financial Statement is the prescribed format by Public Sector Standards Accounting Board. However, he promised to add an addendum to that effect for consideration by Committee and in subsequent Reports.	The Clerk to submit an addendum for comparison of the reporting period under review and the same period for the previous Financial year for a uniform and standard comparison	Submitted as resolved by the Committee

7.0 COMMITTEE RECOMMENDATIONS

Mr. Speaker Sir and Hon. Members,

Based on the Observations and Findings herein, the committee makes the following recommendations on the County Assembly Quarterly Report and Financial Statements for the Q1 ended 30th September, 2022;

1. The Clerk of the Assembly to correct all the notable omissions, errors and inconsistencies of entries in various parts of the Report and ensure that an updated and true records are captured in the set of Q2 Report and Financial Statements for the period ended 31st December, 2022.
2. The Clerk of the Assembly to provide adequate, detailed and comprehensive explanatory notes to the Financial Statements adhering to all the applicable laws and accounting policies and the standards prescribed by the Public Sector Accounting Standards Board of Kenya.
3. The Clerk of Assembly to provide an addendum for comparison of reporting periods under review agaisnt uniform period of the previous Financial Year for purposes of starndad and appropriate comparison in all the subsequent Quarterly and Annual Reports and Financial Statements.

8.0 CONCLUSION

Hon. Speaker,

I hereby urge the Hon. members to adopt this report with the recommendations herein. May I call upon Hon…..to second.

Thank you.

9.0 APENDICES

Appendix 01: Approval Schedule

	NAME	DESIGNATION	SIGNATURE
1	Hon. Carren Odhiambo	Chairperson	
2	Hon. Lumumba Owade	Vice-Chairperson	
3	Hon. Joachim Oketch	Member	
4	Hon. Mickey Ochieng'	Member	M.A.O
5	Hon. Ratib Boitone	Member	
6	Hon. Benson Adega	Member	B.A.A
7	Hon. Vitalis Komudho	Member	V.O.K
8	Hon. Pamela Oyoo	Member	
9	Hon. Jennipher Obonyo	Member	
10	Hon. Ken Ouko	Member	
11	Hon. Millicent Omuya	Member	
12	Hon. George Abaja	Member	
13	Hon. Henrietta Bodo	Member	
14	Hon. Alice Wajewa	Member	
15	Hon. Ann Ochola	Member	

ANNEX 1 (Comparison of Q.FY 2022/2023 & Q.FY 2021/2022)

	Q1 2021-2022	Q1 2022-2023
Total Exchequer Releases for quarter 1	103,491,575	80,186,821.00
Total Exchequer Releases for quarter 2		
Total Exchequer Releases for quarter 3		
Total Exchequer Releases for quarter 4		
Cumulative Amount	**103,491,575**	**80,186,821**
2. PROCEEDS FROM SALE OF ASSETS		
	Q1	**Q1**
	Kshs	**Kshs**
Receipts from the Sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment		
Receipts from the Sale Plant Machinery and Equipment		
Receipts from Sale of Certified Seeds and Breeding Stock		
Receipts from the Sale of Strategic Reserves Stocks		
Receipts from the Sale of Inventories, Stocks and Commodities		
Disposal and Sales of Non-Produced Assets		
Receipts from the Sale of Strategic Reserves Stocks		
Total	-	
3. OTHER RECEIPTS		
	Q1	**Q1**
	Kshs	**Kshs**
Other Receipts I		
Other Receipts II		
Other Receipts III		
Other Receipts IV		
Total	-	
4. COMPENSATION OF EMPLOYEES		
	Q1	**Q1**
	Kshs	**Kshs**
Basic salaries of permanent employees	39,618,198	40,150,478.00
Basic wages of temporary employees		
Personal allowances paid as part of salary	16,096,516	15,542,966.00
Personal allowances paid as reimbursements	516,000	
Personal allowances provided in kind		
Pension and other social security contributions		
Compulsory national social security schemes		
Compulsory national health insurance schemes		
Social benefit schemes outside government		
Other personnel payments		
Total	**56,230,714**	**55,693,444.00**
5. USE OF GOODS AND SERVICES		
	Q1	**Q1**
	Kshs	**Kshs**
Utilities, supplies and services		30,977.00

Communication, supplies and services	113,000	11,064,200.00
Domestic travel and subsistence	23,550,826	
Foreign travel and subsistence		
Printing, advertising and information supplies & services	74,260	
Rentals of produced assets	1,887,262	1,899,766.00
Training expenses	1,659,492	
Hospitality supplies and services	1,673,440	613,275.00
Insurance costs	35,900	193,632.00
Specialized materials and services		
Office and general supplies and services	215,022	
Other operating expenses	13,611,078	
Routine maintenance – vehicles and other transport equipment	149,227	102,628.00
Fuel Oil Lubricants	806,400	
Routine maintenance – other assets	52,223	28,420.00
Total	**43,828,129**	**13,932,898.00**

6. SUBSIDIES

Description	**Q1**	**Q1**
	Kshs	**Kshs**
Subsidies to Public Corporations		
See list attached		
Subsidies to Private Enterprises		
See list attached		
TOTAL	-	

7. TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	**Q1**	**Q1**
	Kshs	**Kshs**
Transfers to National Government entities		
See attached list		
Transfers to Counties		
County Assembly Car Loan Fund Account		
(insert name of budget agency)		
TOTAL	-	

8. OTHER GRANTS AND TRANSFERS

	Q1	**Q1**
	Kshs	**Kshs**
Scholarships and other educational benefits		
Emergency relief and refugee assistance		
Subsidies to small businesses, cooperatives, and self employed		
Other current transfers, grants		
Other capital grants and transfers		
Gender Mainstreaming		

Total	-	
9. SOCIAL SECURITY BENEFITS		
	Q1	**Q1**
	Kshs	**Kshs**
Government pension and retirement benefits	2,960,411	6,053,984.00
Social security benefits in cash and in kind		
Employer Social Benefits in cash and in kind		
Total	**2,960,411**	**6,053,984.00**
10. ACQUISITION OF ASSETS		
	Q1	**Q1**
Non Financial Assets	**Kshs**	**Kshs**
Purchase of Buildings		
Construction of Buildings		
Refurbishment of Buildings		
Construction of Roads		
Construction and Civil Works		
Overhaul and Refurbishment of Construction and Civil Works		
Purchase of Vehicles and Other Transport Equipment		
Overhaul of Vehicles and Other Transport Equipment		
Purchase of Household Furniture and Institutional Equipment		
Purchase of Office Furniture and General Equipment		
Purchase of ICT Equipment, Software and Other ICT Assets		
Purchase of Specialised Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Purchase of Certified Seeds, Breeding Stock and Live Animals		
Research, Studies, Project Preparation, Design & Supervision		
Rehabilitation of Civil Works		
Acquisition of Strategic Stocks and commodities		
Acquisition of Land		
Acquisition of Intangible Assets		
Financial Assets		
Domestic Public Non-Financial Enterprises		
Domestic Public Financial Institutions		
Foreign financial Institutions operating Abroad		
Other Foreign Enterprises		
Foreign Payables - From Previous Years		
Total	-	
11. FINANCE COSTS		
	Q1	**Q1**
	Kshs	**Kshs**
Bank Charges	100,143	117,628.00
Exchange Rate Losses		
Other Finance Costs		

Total	**100,143**	**117,628.00**