

# **REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF KWALE FOR THE YEAR ENDED 30 JUNE 2017**

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## **REPORT ON THE FINANCIAL STATEMENTS**

### **Adverse Opinion**

I have audited the accompanying financial statements of County Executive of Kwale set out on pages 48 to 97, which comprise the statement of financial assets and liabilities as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation; recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of County Executive of Kwale as at 30 June 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the Public Finance Management Act, 2012.

In addition, as required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that, public money has not been applied lawfully and in an effective way.

### **Basis for Adverse Opinion**

#### **1.0 County Own Generated Receipts**

##### **1.1 Unapproved Waivers**

Included in the statement of receipts and payments for the year ended 30 June 2017 are County own generated receipts totaling Kshs.221,011,186 out of which Kshs.53,682,884 were land rates received during the year. It was noted that the appointed receiver of revenue granted waivers for revenue due as interests on overdue land rates to individuals amounting to Kshs.12,022,569. However, interest payable as at 30 June 2016 amounted to Kshs.9,911,359 resulting to a variance of Kshs 2,111,210.41 and which the management has not explained or reconciled.

In addition, evidence that these waivers were approved and authorized by County Legislation was not availed for audit contrary to Section 159 1(c) of the Public Finance Management Act, 2012, which requires that any waiver or variation of a charge of fees to be authorized by an Act of Parliament or County Legislation.

Further, the Management did not report the waiver to the Auditor-General as required by Section 210(2)(b) of the Constitution.

Under the circumstances, the regularity and propriety of the waiver of Kshs.12,022,569 granted could not be confirmed.

## **1.2 Un-Receipted Banked Revenue**

The statement of receipts and payments reflected revenue from County own generated receipts of Kshs.221,011,186. However, analysis from the revenue reports revealed that a total of Kshs.216,104,161 had been collected and banked resulting to a difference of Kshs.4,907,025 unbanked. This is contrary to Section 63(4) of the Public Finance Management (County Government) Regulations, 2015 which requires all revenue to be paid into a designated bank account and shall not be used except as provided by law. Consequently, the management is in breach of the Law.

## **2.0 Compensation of Employees**

The statement of receipts and payments for the year ended 30 June 2017 reflects a balance of Kshs.1,738,026,276 as compensation to employees as detailed in note 6 to the financial statements out of which the County Government paid Kshs.33,048,425 to temporary employees. The payment included Kshs.32,826,125 casual wages incurred by Department of Health, Kshs 90,300 by the Infrastructure departments and Kshs 132,000 by the ICT department. However, the various departments failed to provide written authority from the County Public Service Board to engage casual employees as required by the County Public Service Human Resource Manual Section B.16(1). Further, records on recruitment and the terms of engagement were not availed for audit.

Consequently, the propriety of Kshs.33,048,425 paid to temporary employees for the year ended 30 June 2017 could not be confirmed.

## **3.0 Use of Goods and Services**

### **3.1 Unsupported Expenditure**

The statement of receipts and payments for the year ended 30 June 2017 reflects use of goods and services expenditure amounting to Kshs.1,025,180,904 as detailed in note 7 to the financial statements. However, records availed for audit had the following unsupported expenditure totaling to Kshs.129,029,092.

<b>No</b>	<b>Item/Component</b>	<b>Amount (Kshs)</b>	<b>Particulars</b>	<b>Observations</b>
1	Insurance	92,293,861	Expenditure on all county motor vehicle	The expenditure is not supported with valuation reports for all the vehicles

			insurance	insured. The insurance policies were not availed for audit verification.
2	Other Operating Expenses	4,896,184	Subsistence allowances for Kaya and Mbuguni settlement scheme elders on a consultative meetings.	The expenditure was not supported by attendance register and meeting minutes.
3	Other operating expenses	3,358,277	Medical bills for staff members	Expenditure not supported with approvals by County Executive Member for Finance. Application was sent to him but no approval was availed for audit review given that the county had a medical scheme.
4	Routine Maintenance Vehicles and other equipment	12,309,489	Expenditure relating to repairs and maintenance of Motor vehicle, Supply of tyres and rims, plumbing works in offices, electrical repairs and borehole repairs.	The repairs and maintenance were not requested by the user department or sections head of the department. No evidence of approval sought from the transport officer to confirm that the repairs were required and inspection report raised to estimate the cost of repairs was provided. After repairs inspection was not done to ensure that the stated or required works had been done to satisfaction.
5	Purchase of Vehicles and Other Transport Equipment	8,876,000	Purchase of 3 boats from M/s Zeif Invest Comp Ltd. Examination of the procurement process revealed	The boats were delivered more than 9 months ago but had not been commissioned as indicated by the fisheries section in the department. Only two boats were available for verification but did not include dingy boats as required by the specifications. The department did not maintain stores records to confirm the accessories supplied together with the boats.

				One of the boats did not have a fishing platform as required by the specifications.
6	Purchase of Vehicles and Other Transport Equipment	1, 689,675	Procured bicycles during the year by the Department of Agriculture	The LPO number 2327389 raised by the department was not dated and signed by the accountant. The invoice received from the supplier was also not dated. A list of the officers issued with the bicycles was not produced for audit review. Further we did not get a professional inspection report to confirm the specifications of the delivered bicycles conformed to the specifications requested.
	Routine Maintenance –Other Assets	5,605,606	Purchase of tyres, building and electrical materials- department of infrastructure	The stores ledger and motor vehicle repair records including logbooks availed indicate that tyres were not recorded in stores and the relevant Vehicle Logbook and also building and electrical materials were not received in stores to confirm receipt, issue and utilization to the point of use.
	Total	<b>129,029,092</b>		

Consequently, the propriety and accuracy of Kshs.129,029,092 included in the use of goods and services for the year ended 30 June 2017 could not be confirmed.

### 3.2 Errors in the Financial Statements

The statement of receipts and payments for the year ended 30 June 2017 reflects Kshs.1,025,180,904 as use of goods and services. A review of the records availed for audit indicated that expenses amounting to Kshs.14,682,917 were erroneously and posted to the wrong expenditure item as shown below.

	Item Charged	Amount	Correct item
1	Domestic Travel	12,227,517	Foreign travel
2	Rentals of produced assets	2,455,400	Domestic travel and subsistence

3	Printing and advertising	3,755,500	General office supplies
		<b>18,438,417</b>	

Consequently, the accuracy and completeness of domestic travel, rental of produced assets and printing and advertising totaling to Kshs.18,438,417 for the year ended 30 June 2017 could not be confirmed.

#### **4.0 Acquisition of Assets**

The statement of receipts and payments for the year ended 30 June 2017 reflects Kshs.1,880,606,496 on acquisition of assets as detailed in note 11 to the financial statements.

The following observations were however made:

#### **4.1 Construction of Buildings**

##### **4.1.1 Proposed Construction of County Headquarters Offices**

Included in the construction of building balance of Kshs.328,280,456 in note 11 to the financial statements is an amount of Kshs.129,000,000 paid to a local construction company towards the proposed construction of County Headquarters offices. The contract for the construction of County Headquarters offices was procured through National open tender for Kshs.462,197,054. However, the project file was not availed for audit review.

Under the circumstances, it has not been possible to confirm the propriety and value for money of the Kshs.129,000,000 paid by the County for the construction of County Headquarters .

##### **4.1.2 Construction of a Cereal Store at Mwambalazi**

Included in the construction of buildings balance of Kshs.328,280,456 in note 11 to the financial statements is an amount of Kshs.6,829,186 paid to a local construction company towards construction of a cereal store at Mwambalazi, Pongwe Kiconeni.

Records availed for audit revealed the following anomalies;

- i) The county issued a letter of notification of award on 18 January 2017 with a contract price of Kshs.6,000,000 which was Kshs.829,186 less than the quoted price by the bidder. The bidder accepted the revised contract sum citing reduced scope of works from the original BOQ bid of Kshs.6,829,186. The management did not communicate how the price was to be adjusted during settlement of invoices nor were details or information regarding the scope that had been reduced produced for audit review.

- ii) The management paid the bidder Kshs.4,002,893 vide payment voucher number 1344A being settlement for certificate number 1. A review of the certificate revealed that it included provisional sum and prime cost amounting to Kshs.250,000 which was not broken down to the specific items paid for and temporary site office for Kshs.250,000 being the whole amount while the contract was not complete.

Under the circumstances, it has not been possible to confirm the propriety, value for money of Kshs.500,000 paid as provisional sum and temporal site office and how the contract amount was to be adjusted from the bid price of Kshs 6,829,186 to Kshs 6,000,000.

#### **4.1.3 Proposed Renovation of Kikoneni Market**

Included in the construction of buildings balance of Kshs.328,280,456 and as disclosed under note 11 to the financial statements for the year ended 30 June 2017 is Kshs.3,379,859 paid to a construction company to renovate Kikoneni Market and 3 door VIP Latrine with urinal block, fence and guard room. Records availed for audit revealed the following anomalies;

- i) The tender was opened on 5 April 2017 with the minutes indicating that there were 3 bidders. The evaluation committee members were 6 people appointed by the Chief Officer, more than prescribed number of 5 as prescribed by Section 46(4)(b) of the Public Procurement & Asset Disposal Act 2015.
- ii) The evaluation committee indicated that 2 bidders were non responsive since they did not have National Construction Authority certificates. Enquiry on the National County Authority website revealed that the bidder who qualified in the preliminary was not registered in their website while one of the disqualified one was registered raising question on the fairness and impartiality of the evaluation committee. The evaluation committee proceeded to recommend for award at a contract sum of Kshs.3,379,859 while the bidders quotation price was Kshs.4,141,036.44.
- iii) There was no professional opinion in the file to the accounting officer as required by Section 84 of the Public Procurement & Asset Disposal, 2015. The Department forwarded the minutes of evaluation committee to Head of Procurement and Supplies on 2 May 2017 while the accounting officer had already issued a notification of award 16 days earlier on 15 April 2017.
- iv) It was observed that the accounting officer had on 31 March 2017 issued a local service order number 1435199 to the same contractor for similar works before the tender process was done (opening minutes - 5 April 2017 and Evaluation minutes – 15/4/17) meaning works had been un-procedurally awarded.

v) The management signed the contract on 1 May 2017 one month after the LSO had been issued to the contractor.

Under the circumstances, it has not been possible to confirm the propriety of Kshs 3,379,859 paid to a construction company to renovate Kikoneni Market and 3 door VIP Latrine with Urinal block fence and guard room.

#### **4.1.4 Proposed Construction of Bodaboda Shed**

Included in the construction of buildings balance of Kshs.328,280,456 and as disclosed under note 11 to the financial statements for the year ended 30 June 2017 is Kshs.549,994 paid to a construction company to construct a bodaboda shed at Tiwi Ward. However, it was noted that the evaluation committee minutes were not signed by 2 of the members contrary to Section 80(7) of the Public Procurement and Disposal Act, 2015.

Consequently, the propriety of Kshs.549,994 paid for the construction of bodaboda shed at Tiwi could not be confirmed.

#### **4.1.5 Furnishing of Matuga Biashara Center**

Included in the construction of buildings balance of Kshs.328,280,456 and as disclosed under note 11 to the financial statements for the year ended 30 June 2017 is Kshs.1,106,466 paid to a construction company for furnishing of Matuga Biashara Center.

However, it was noted that the Accounting Officer appointed 7 members for the evaluation committee contrary to Section 46 of the Public Procurement & Asset Disposal, 2015 which provided for a maximum of 5 members. Further, the accounting officer issued a Local Service Order which was dated 31 March 2017, the same date as the requisition from the user department.

From the foregoing, it is clear that the accounting officer breached Section 46 of the Public Procurement & Asset Disposal, 2015.

Consequently, the propriety of Kshs.1,106,466 paid for furnishing Matuga Biashara center for the year ended 30 June 2017 could not be confirmed.

#### **4.1.6 Expenditure on Buildings without Ownership Documents**

Included in the construction of buildings balance of Kshs.328,280,456 and as disclosed under note 11 to the financial statements for the year ended 30 June 2017 is the construction of buildings expenditure amounted to Kshs.317,262,477 during the financial year 2016/2017 as per Appendix I. However, the County did not produce ownership documents of the properties on which the developments were undertaken neither did they provide official land search (R.L.26) or legally executed agreement (between the

County government and the community) to confirm the status of the properties where projects were being done.

The County, therefore, was exposing public funds amounting to Kshs.317,262,477 used in construction of building and other social amenities on land whose ownership status could not be confirmed.

#### 4.2 Construction of Roads

Note 11 of the financial statements for the year ended 30 June 2017 reflects construction of roads expenditure amounting to Kshs.86,529,852. Examination of various payments revealed the following;

	<b>Project Name and contractor</b>	<b>Contract (Kshs)</b>	<b>Anomalies noted</b>
1	Spot gravelling, construction of drift and culverts at Mkilo-Mavarata and Maweu-Pemba roads - Wintech systems ltd	8,873,990	The Management approved procurement for a contract sum of Kshs.8,873,990 which was higher than the budget of Kshs.8,000,000 by Kshs 873,990. The department contravened the section 53 (8) of the Public Procurement & Asset Disposal Act 2015.
2	Cabro paving at Ukunda Airstrip - Native construction	43,267,985	The Management awarded a contract for a contract sum of Kshs 43,267,985 while the funds allocated towards this project was Kshs 20,000,000 contrary to section 53(8) of the Public Procurement & Asset Disposal by engaging a contractor for a contract sum of Kshs 43,267,985 when funds allocated towards the project was only Kshs 20,000,000 Further, the total payments towards the project was Kshs43,836,702 higher than the bidder's amount by Kshs 568,717.
3	Spot improvement & drift at Mwachanda-Mbita road at Ndavaya - Power Lead	5,936,640	The Management procured for works while there was no adequate budget for the same and did not indicate where the Kshs 1,936,640 over and above the budgetary allocation would be financed from
4.	Patchwork and surface dressing of Msambweni Hospital Road 2.5km - End to End Ltd	19,898,800	The Management procured for works while there was no adequate budget for the same and did not indicate where the Kshs 9,898,800 over and above the budgetary allocation would be financed from
	<b>Total</b>	<b>77,977,415</b>	

Consequently, the propriety and accuracy of Kshs.77,977,415 on Construction of roads for the year ended 30 June 2017 could not be confirmed.

#### 4.3 Rehabilitation of Civil Works

Note 11 to the financial statements for the year ended 30 June 2017 reflects a figure of Kshs. 238,634,155 in respect of rehabilitation of civil works. The following observations were made:



No	Project	Contract amount	Observations
1	Busho Kilibasi water pipeline - Mackinon Ward Gubba Investments	44,599,912	Non-compliance with budget execution regulations and requirements by utilizing more funds than what was provided for in the procurement plan by Kshs 34,599,912. This may result in non-execution of other projects due to possible re-allocation of voted funds.
2	Taru Fuleye Pipeline – Mackinon Ward Suhufi Agencies	24,992,760	Non-compliance with budget execution regulations and requirements by utilizing more funds than provided for in the procurement plan by Kshs 14,992,760 which may result in possible non execution of other projects due to possible re-allocation of voted funds
3	Construction of Ngathini tank Lungalunga Tunga General Contractors	3,528,656	Non-compliance with Public Procurement & Asset Disposal section 45 as the project was not included in the procurement plan.
		<b>73,121,328</b>	

Consequently, the propriety and accuracy of Kshs.73,121,328 on rehabilitation of civil works could not be confirmed.

#### 4.4 Domestic Payables-Pending Bills

Note 11 to the financial statements for the year ended 30 June 2017 reflects a figure Kshs.941,413,025 in respect of domestic payables (pending Bills). The following observations were made.

##### 4.4.1 Installation of Fibre Backbone Network

Included in domestic payables balance of Kshs.941,413,025 in note 11 to the financial statement is an amount of Kshs.18,396,056 paid to a local firm for installation of fibre backbone network. The contract was procured through an open tender. However, the following anomalies were noted in the procurement process;

- i. The opening minutes indicated that there were 10 bidders. The bidders included KPLC (Kshs.1,960,400) and Telkom Kenya (Kshs.2,878,521).
- ii. KPLC was knocked out at preliminary indicating that they did not provided Single Business Permit, business questionnaire was not completed and litigation history was not provided.

- iii. Telkom Kenya passed preliminary stage but was knocked out on technical as non-responsive since the personnel CV attached did not have certificates attached ( despite the fact the Telkom owns, operates and manages the main fibre Cable connecting the country to the world).
- iv. Evaluation of the winning bidder's tender documents revealed that;

The bid document did not have the whole of the tender document provided by the employer but returned only a bound document with testimonials and the Bills of Quantities (BOQ).

The CV attached were not supported by any certificate and only one was supported by a proficiency certificate from KPLC.

Review of the Bills of Quantities indicated that the bills had provision of 3.256Km of HPDE pipes while the excavation being done was 4.07Km thus a variance of 0.8Km resulting to extra excavation costing an estimated Kshs.640,000 (soft rock excavations) or Kshs 954,000 (hard rock excavation). The bill of quantities provided for 4.14Km of fibre optical cable which did not provide the specifications for the same but just stated normal fibre. The contractor had the option of providing any kind of fibre optic cable thus it was not possible to confirm value for money for the item supplied.

The County procured for the services at Kshs.18,396,056 which is more by Kshs.15,517,529 than would have been provided by KPLC which is a public institution resulting to loss of public funds.

Consequently, the propriety of Kshs.18,396,056 paid for installation of fibre backbone network could not be confirmed.

#### **4.4.2 Proposed Construction of Malomani Road - Vinyunduni-Busho**

Included in domestic payables balance of Kshs.941,413,025 in note 11 to the financial statements is an amount of Kshs.4,409,160 paid to a local firm for constructing proposed Malomani road –Vinyunduni. However, the following anomalies were noted;

- i. The evaluation committee on 9 February 2015 had awarded the contract to a different firm for a sum of Kshs.4,409,160 having submitted the lowest bid out of the nine firms that responded. The tender opening minutes however, indicated only six firms were responsive.
- ii. The tender committee on 2 March 2015 went ahead and awarded the contract to another firm who presented the 3rd lowest bid of Kshs.4,588,936.80.

- iii. The tender committee cited the initial firm was not pre-qualified under the category for the requested works. No explanation has been given as to the circumstances the 2nd lowest bidder was not awarded the contract.
- iv. The project manager on 10 August 2016 went ahead and terminated the contract due to non-performance by contractor who were already paid Kshs 4,288,085 representing 93% of the contract sum. However, it was observed that the performance bond had expired on 22 March 2016 prior to cancellation of the contract and as such damages could not be claimed by employer for the non-performance on the part of the contractor.
- v. Project visit during the month of February 2017 revealed that installation of 10 Linear meters 900milimeter culverts on the road that was to be undertaken by the contractor could not be confirmed as having been undertaken. The road measurement details were not availed to confirm installation of the culverts at specific designated points along the road.

Under the circumstances, it has not been possible to confirm the value for money and propriety of Kshs.4,288,085 paid for the proposed opening Malomani road - Vinyunduni-Busho.

#### **4.4.3 Proposed Storm Water Disposal and Drainage at Ukunda**

The department engaged the services of a contractor for construction of storm water disposal and drainage at Ukunda - Kwale County during the year 2015/2016. The procurement was done through open national tender and a review of the project file revealed the following;

- i. Engineers estimate was Kshs.44,309,912 and the contract awarded at a sum of Kshs.22,690,064 without indicating which works were to be omitted.
- ii. Project awarded for Kshs.22,690,064 while the budget provided for 10,000,000 only
- iii. Performance bond was valid until 28 January 2016.
- iv. Works undertaken on a national government classified road and no evidence of approval was availed for audit review from Kenya National Highways Authority to undertake the project.
- v. Certificate no.1 of Kshs.7,388,736 paid vide Payment Voucher no 209ld of 23 March 2016 long after expiry of performance bond without renewal.

- vi. Contractor provided a quotation for additional works amounting to Kshs. 21,076,620 on 16 May 2016 this was before completion of the BOQ provided originally while only Kshs 7,380,000 worth of works had been executed.
- vii. Local Service Order no.1348415 issued to contractor for Kshs.12,000,000 had no details provided for variation of contract or Bills of Quantities. Details of where the variation was to be charged not indicated since there was no budget.

Physical verification indicated that the project was disposing the storm water on a swampy vacant land.

Consequently, it could not be confirmed if the County obtained value for money for the Kshs.22,690,064 incurred on the project.

#### **4.4.4 Proposed Construction of Juakali Sheds at Dzimanya Puma Ward**

Included in domestic payables balance of Kshs 941,413,025 in note 11 to the financial statements is an amount of Kshs 4,341,931 paid for construction and completion of stalls at Dzimanya Puma Ward. However, records availed for audit review indicated the following;

- i. The BOQ included prime costs for electrical works of Kshs.200,000 whereas the amount approved for payment was Kshs.449,250 and no Bills of Quantities were raised for these works.
- ii. The department undertook direct procurement for Kshs.417,580 for 2 door VIP toilet without quotations.
- iii. Administration cost of Kshs.100,000 were expensed, however, no details were provided for audit review.

Consequently, it has not been possible to confirm the propriety of Kshs.966,830 spent on construction of Juakali sheds at Dzimanya Puma Ward.

#### **4.4.5 Proposed Erection and Completion of Stalls at Kinango**

Included in domestic payables balance of Kshs.941,413,025 in note 11 to the financial statement is an amount of Kshs.9,849,049 paid for construction and completion of stalls at Kinango. However, records availed for audit review indicated the following;

- i. The contractor's payment of certificate no. 1 and certificate no. 2 indicated that the contract had been varied with an amount of Kshs.3,426,660. The Management failed to provide evidence of approval of variation by tender committee.
- ii. Original Bills of quantity included provisional sums for electrical works Kshs 400,000, contingencies Kshs.300,000, admin costs Kshs.50,000 and 4 door VIP latrine Kshs.600,000.

The Management procured for the above works from the same contractor directly after preparing a BOQ.

Consequently, it has not been possible to confirm the propriety of Kshs 9,849,049 incurred as domestic payables for erection and completion of stalls at Kinango.

#### **4.4.6 Supply, Delivery and Commissioning of Telephone Handsets**

Included in domestic payables balance of Kshs.941,413,025 in note 11 to the financial statements is an amount of Kshs.3,730,000 paid for supply and commissioning of telephone handsets. However, the following anomalies were noted;

- i. Preliminary evaluation indicated 5 bidders as responsive but only proceeded to evaluate 4 bidders leaving one from technical evaluations although they had been indicated as responsive on preliminary.
- ii. The recommended bidder's bid document did not have the full tender document but selected pages of the document, included only pages 38-schedule of requirements, 38-prices schedule, 40-financial quotation and 42-form of tender. The bid was therefore non responsive and should not have passed the preliminary stage.
- iii. Certificate of vendor from supplier, the bidder provided a letter from certain distributors indicating the bidder as partners. The company was therefore not appointed by bidder as per the requirements and should have been disqualified.
- iv. The evaluation did not undertake a financial evaluation as required by the criteria set and only did price comparison for the bidders. The committee proceeded and recommended award at Kshs 3,730,000 despite the non-responsiveness as stated above.
- v. There was no professional opinion offered by the Head of Procurement to the accounting officer in regards to the procurement which is a mandatory requirement by Section 84 of Public Procurement & Asset Disposal Act, 2015.
- vi. Commissioning reports dated 10 October 2016 availed for audit review indicated that the handsets had operated well and stated that the departments were to buy

licenses to enable deployment of the same. However, physical verification revealed that all the telephone handsets were in the ICT department in boxes except for one which had been installed.

Consequently, it has not been possible to confirm the propriety of Kshs 3,730,000 paid for the supply and delivery of telephone handsets during the year ended 30 June 2017.

#### **4.4.7 Installation of LAN at Waa Ngombeni Administration Office**

Included in domestic payables balance of Kshs.941,413,025 in note 11 to the financial statements is an amount of Kshs.1,376,108 paid for installation of local Area Network at Waa Ngombeni Administration office. However, the following anomalies were noted;

- i. Details of how the bidders were selected were not provided for audit review.
- ii. Opening minutes for the procurement was not produced for audit review. The evaluation committee recommended award at Kshs.1,376,108. The Head of Procurement did not provide a professional opinion in regards to the recommendation of award.
- iii. The works were invoiced on 3 October 2016 invoice number 606 which was settled vide payment voucher number 085T dated 18 October 2016 of Kshs.1,376,108. It was also noted that the department had paid a similar amount in the financial year 2015/2016 vide payment voucher number T270 traced in the general ledger on 22 June 2016. The department irregularly paid for the works without deducting 3% income tax and 10% retention.
- iv. A visit to the site revealed that the office was vacant for over a period of one year and the installation was not in use resulting in wastage of public resources.

Consequently, it has not been possible to confirm the propriety of the total expenditure amounting to Kshs.2,752,216 paid towards the construction of Local Area Network at Waa Ngombeni Administrative Office.

#### **4.4.8 Construction of a Single Column Tower and 1No. Community Water Point in Mwakogo and Pungu**

Included in domestic payables balance of Kshs.941,413,025 in note 11 to the financial statements is an amount of Kshs.380,240 paid for construction of a single column tower community water point at Mwakogo and Pungu. However, the following anomalies were noted;

- i. The Department entered into a contract with a firm on 10 June 2016 for the works and an LPO issued immediately after to the contractor.
- ii. The Project Manager requested for variation for the works from a single tower to a 4 column tower but no approval was availed. The contractor was then paid Kshs.380,248 being the first certificate. However, due to non-performance by the contractor and eventual abandonment of the site, the tender was cancelled on 1 February 2017.
- iii. The Department was not able to receive liquidated damages for non-performance of the contractor as the performance bond had expired on 2 December 2016 without renewal.

To date the project remains incomplete and no details of how the Department is planning to complete the same.

Consequently, it has not been possible to confirm the propriety of Kshs.380,248 paid.

#### **4.4.9 Proposed Construction of Mwangoloto Pan in Samburu/Chengoni**

Included in domestic payables balance of Kshs.941,413,025 in note 11 to the financial statement is an amount of Kshs.14,753,808 paid for construction of Mwangoloto Pan and Samburu /Chengoni. However, the following anomalies were noted;

- i. The contract and LSO were signed on 13 June 2016 with the completion date given as 8 June 2017. The initial budget for the project was indicated to be Kshs.5,000,000 but the lowest bidder quoted Kshs 12,718,800 excluding tax.
- ii. The project cost was 195% more than the initial budgetary allocation. This change has not been supported by revised engineer's estimate detailing the extra works from the initial estimate that the budgetary allocation was derived from.
- iii.
- iv. A supplementary budget indicates the project was allocated Kshs.14,753,808 an additional Kshs.9,753,808.
- v. No evidence has been availed to indicate the project was re-tendered and advertised. In addition, no documentary evidence has been availed to confirm completion of the project which has delayed beyond completion date.

In absence of revised engineer estimate certificate and completion certificate, it has not been possible to conform that the residents of Samburu and Chengoni got value for Kshs.14,753,808 paid towards construction of the water pan during the year ended 30 June 2017.

#### **4.4.10 Proposed Construction of Namwena Water Pan and its Auxillary Facilities in Ndavaya Ward**

Included in domestic payables balance of Kshs.941,413,025 in note 11 to the financial statements for the year ended 30 June 2017 is an amount of Kshs.12,647,510 paid for construction of Namwera water pan. However, the following anomalies were noted;

- i. The contract and LSO were signed on 4 June 2016 with the completion date given as 20 October 2016.
- ii. The initial budget for the project was indicated to be Kshs.5,000,000 but the lowest bidder quoted Kshs 13,508,500 which was 170% above funds allocated. A site handing over meeting scaled down the works and revised it to Kshs.10,000,000 and the contractor carried out works worth the revised contract sum.
- iii. A supplementary budget later allocated more funding towards the project to the tune of Kshs.13,508,500. However, the project cost was revised to Kshs 11,558,994 on 27 May 2016 by the project manager. Despite this, the contractor to date has been paid Kshs.12,647,510 which represents 109% of the latest revised contract sum by the project manager.
- iv. To date no completion certificate has been issued for the works and the project status remains in jeopardy.

In absence of completion certificate, it has not been possible to conform that the residents of Ndavaya Ward got value for Kshs.12,647,510 paid towards construction of the water pan during the year ended 30 June 2017.

#### **5.0 Other Payments**

The statement of receipts and payments for the year ended 30 June 2017 reflects Kshs.63,955,191 as other payments. Examination of the information provided revealed that these expenditures related to emergency. It was noted that the County did not transfer these fund to an emergency fund account but spent the same directly from the County Executive fund accounts.

Further, no evidence was provided to show that the County Executive Committee Member for Finance had sought approval from the County Assembly as required by Section 114 of the Public Finance Management Act, 2012 which requires that the County



Executive Committee member for finance should seek approval of the County Assembly within two months after payments is made.

Consequently, the propriety of the other payments paid as emergency amounting to Kshs.63,955,191 during the year ended 30 June 2017 could not be confirmed.

## **6.0 Bank Balances**

The statement of assets and liabilities as at 30 June 2017 reflects bank balance of Kshs. 1,080,700,658. Included in this are 9 bank accounts with various commercial banks which were holding Kshs 27,375,099 as at 30 June 2017. However, the County Management failed to provide evidence that the bank account opening was approved by the County Treasury as required by Section 82(4) of the Public Finance Management (County Government) Regulation, 2015 which requires that no accounting officer should open a bank account except with prior approval of the County Treasury and the same should be communicated to the Controller of Budget and the Auditor-General.

Consequently, the regularity, accuracy and completeness of Kshs.1,080,700,658 Bank balance as at 30 June 2017 could not be confirmed.

## **7.0 Accounts Payable – Deposits and Retentions**

The statement of assets and liabilities for the year ended 30 June 2017 reflects an amount of Kshs.59,985,874 in respect of retention fees. However, the management failed to provide a retention fees register /ledger for recording the third parties to whom the retention monies belonged to.

Consequently, it has not been possible to confirm the ownership and completeness of deposits and retentions of Kshs.59,985,874 as at 30 June 2017.

## **8.0 Accounts Receivables**

### **8.1 Outstanding Imprests**

The statement of assets and liabilities as at 30 June 2017, reflects accounts receivables outstanding imprests balance of Kshs.6,238,488. Out of which are outstanding imprests of Kshs.1,343,210 all of which were 6 months as at end of the financial year. Further, the annex to the financial statements showing the outstanding imprest holders revealed that various County officers were issued more than one imprest before accounting for the previous one. This is contrary to Section 93(5) of the Public Finance Management (County Governments) Regulations, 2015 which states that 'a holder of a temporary imprest shall account or surrender the imprest within seven (7) days of return to duty station.

Consequently, it has not been possible to confirm the validity of the outstanding imprest balance of Kshs.1,343,210 as at 30 June 2017.

## **9.0 Pending Bills**

Annex 1 to the financial statements for the year ended 30 June 2017 reflects pending bills balance of Kshs.1,796,955,475 which are mainly due to contractors. However, information available indicated that Kshs.703,381,580 (development 694,051,039 and 9,330,541 for recurrent) were commitments which the Management failed to provide supporting documents for audit review.

The County did not have adequate funding to finance the pending bills as at 30 June 2017 since the cash available was Kshs 1,080,700,658 thus less by Kshs.716,254,817. This is contrary to Section 51(1)(f) of the Public Finance Management (County Government) Regulations, 2015 which requires public officers not to exceed the limit authorized in the AIE. Further, the Management did not explain how these pending bills were to be funded in the absence of corresponding actual funds available.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of County Executive of Kwale in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements, except for the matters discussed in the Basis for Adverse Opinion section of my report, I have determined that there are no Key Audit Matters to communicate in my report.

## **Other Matter**

### **1.0 Budget Control and Performance**

#### **1.1 Revenue Under Collections**

The financial statements reflected gross revenue of Kshs.6,207,555,398 an increase of Kshs.523,455,478.15 from the previous year's total revenue of Kshs.5,684,099,920. The revenue budget was Kshs 6,477,561,880 and therefore this was an under collection of Kshs.270,006,483 (4%).

Under collection of budget may result to undelivered budget programs due to lack of funds to finance the same in the budget. The Management did not satisfactory explain the reasons for under collections recorded in the financial statements.

## 1.2 Inconsistent Revenue Collection

The statement of receipts and payments for the year ended 30 June 2017 reflects County own generated receipts of Kshs.221,011,186 compared to Kshs.248,617,586 collected in 2015/2016 financial year resulting to a revenue decline of Kshs.27,606,400 or 11%. Below is a summary of the three years revenue collection;

Details	2016-2017	2015-2016
Rent	3,346,450	10,152,379
Other Property Income		39,534,783
Receipts from Administrative Fees & Charges	4,832,314	-
Fines Penalties and Forfeitures	-	11,255,058
Business Permits	55,018,719	58,603,940
Cess	12,511,549	13,887,864
Poll Rates	53,682,884	-
Plot Rents	1,576,200	-
Other Local Levies	3,667,263	28,062,135
Various Fees	-	11,687,988
Council's Natural Resources Exploitations	18,562,866	21,195,193
Market/Trade Centre Fee	11,799,876	5,880,700
Vehicle Parking Fees	11,054,159	11,028,074
Public Health Services	2,233,200	-
Public Health Facilities Operations	23,964,870	32,621,588
Environment & Conservancy Administration	2,224,400	-
Slaughter House Administration	1,554,954	840,189
Other Health & Sanitation Revenues	-	3,867,695

Tender Document Sale	-	2,305,500
Technical Services Fees	14,981,482	-
<b>TOTAL</b>	<b>221,011,186</b>	<b>248,617,586</b>

From the above, revenue collection decreased by 27,606,400 in 2016/2017. This is an indication of possible revenue leakages or inefficient revenue collection systems contrary to Section (157) (2) of the Public Finance Management Act, 2012 which requires that the receiver of County Government revenue ensures that the revenue for which the receiver is responsible, is collected or recovered and is accounted for.

Consequently, the County Executive may not fully finance its budget activities which may negatively affect service delivery to residents of Kwale County.

## 2.0 Budgetary Absorption

During the year under review, the approved final budget for Kwale County Executive was Kshs.7,120,345,442 with Kshs.3,716,243,371 allocated to recurrent expenditure and Kshs.3,404,102,071 to development. The total budget reflected overall budget absorption of Kshs.6,0034,728,811 resulting to under absorption of Kshs.1,115,616,631 or 16% as summarized below;

Expenditure Item	Budgeted Amount (Kshs.)	Actual Expenditure (Kshs.)	Under Absorption (Kshs.)	Absorption (%)
Compensation of employees	1,890,697,022	1,738,026,276	152,670,746	91.9%
Use of goods and services	1,495,644,393	1,019,806,723	475,837,670	68.2%
Transfer to other Government units	81,000,000	838,497,359	(757,497,359)	(1034.6)
Other Grants and transfers	624,065,498	527,791,958	96,273,540	84.6%
Acquisition of Assets	3,028,938,529	1,880,606,495	1,148,332,034	62.1%
<b>TOTAL</b>	<b>7,120,345,442</b>	<b>6,004,728,811</b>	<b>1,115,616,631</b>	<b>84.3%</b>

The under absorption of approved budget by 1,115,616,631 or 16% is an indication of activities and project in the annual work-plan not implemented by the County Executive and which is likely to have negative impact on delivery of goods and services to the residents of Kwale County. There is need therefore for the County Executive to refocus on budget process mechanism with a view to giving priority to the areas were projects

may be implemented efficiently and effectively within the timeliness of the budget for the benefit of Citizens of Kwale County.

### 2.3 Development Budget

During the year under review, County Executive of Kwale allocated Kshs.3,404,102,071 for development projects and spent Kshs.2,259,477,859 resulting in under expenditure of Kshs.1,144,624,212 or 34% of budget.

<b>Expenditure Item</b>	<b>Budgeted Amount (Kshs.)</b>	<b>Actual Expenditure (Kshs.)</b>	<b>Under Absorption (Kshs.)</b>	<b>Absorption %</b>
Use of goods and services	429,844,481	216,911,213	212,933,268	50.3%
Transfer to other Government units		180,000,000	(180,000,000)	100%
Other Grants and transfers	7,450,001	4,984,300	2,465,701	66.9%
Acquisition of Assets	2,966,807,589	1,857,582,346	1,109,225,243	62.6%
<b>TOTAL</b>	<b>3,404,102,071</b>	<b>2,259,477,859</b>	<b>1,144,624,212</b>	<b>66.41%</b>

### 2.4 Recurrent Budget

During the year under review, Kwale County Executive had a recurrent budget of Kshs.3,716,243,371 as per approved budget estimates and agreed with the summary statement of appropriation. Recurrent expenditure totaled Kshs.3,745,250,952 as detailed below:

<b>Expenditure Item</b>	<b>Budgeted Amount (Kshs.)</b>	<b>Actual Expenditure (Kshs.)</b>	<b>Under Absorption (Kshs.)</b>	<b>Under Absorption (%)</b>
Use of goods and services	1,890,697,022	1,738,026,276	152,670,746	8.07%
Use of goods and services	1,065,799,912	802,895,510	262,904,402	24.67%
Transfer to other Government Units	81,000,000	658,497,359	(577,497,359)	(713%)
Other Grants and transfers	616,615,497	522,807,659	93,807,838	15.21%

Acquisition of Assets	62,130,940	23,024,149	39,106,791	62.94%
<b>TOTAL</b>	<b>3,716,243,371</b>	<b>3,745,250,952</b>	<b>(29,007,581)</b>	<b>(0.78%)</b>

### 3.0 Governors Budget

During the year under review, the approved final budget for Kwale Office of the Governor and Deputy Governor was Kshs.316,944,557 with Kshs.181,944,557(57.5%) allocated to the current expenditure and Kshs.135,000,000 (42.5%) to Development. The total budget reflected overall budget absorption of Kshs.293,255,908.15 (92.5%) resulting in under absorption of Kshs.23,688,648.85 (7.5%) as summarized below:

Vote	Budget (Ksh)	Actual Expenditure	Under Expenditure	Under Expenditure %
Development	135,000,000	137,640,059	(2,640,059)	(1.96%)
Recurrent	181,944,557	155,615,849	26,328,707	14.47%
<b>Total</b>	<b>316,944,557</b>	<b>293,255,908</b>	<b>23,688,649</b>	<b>7.3%</b>

### 3.1 Recurrent Budget

The County Executive of Kwale budgeted Kshs.181,944,557 for the Governor's recurrent expenditure while the actual expenditure amounted to Kshs.155,615,844 resulting into under expenditure of Kshs.26,328,707 or 14% for the year ended 30 June 2017 as summarized below.

Expenditure Item	Budgeted Amount (Kshs.)	Actual Expenditure	Under Absorption (Kshs.)	Absorption (%)
Compensation to Employees	62,407,554.00	59,049,839.15	3,357,714.85	94.6%
Utilities Supplies and Services	540,000.00	460,816.00	79,184.00	85.3%
Domestic Travel and Subsistence	16,101,550.00	14,264,471.30	1,837,078.70	88.6%
Foreign Travel Allowances	1,179,200.00	923,367.75	255,832.25	78.3%
Printing, Advertising	430,000.00	214,050.00	215,950.00	49.8%
Communication, Supplies	1,034,450.00	926,940.00	107,510.00	89.6%
Rental of Produced Assets	3,010,000.00	2,935,350.00	74,650.00	97.5%
Training Expenses	5,987,335.00	1,053,000.00	4,934,335.00	17.6%
Hospitalities Supplies and Service	6,426,000.00	5,997,446.00	428,554.00	93.3%
Insurance Costs	6,082,000.00	1,439,521.00	4,642,479.00	23.7%
Specialized Material and Services	1,660,468.00	1,337,341.00	323,127.00	80.5%
Routine Maintenance-vehicle and	4,570,000.00	3,688,860.00	881,140.00	80.7%
Office General Supplies and Services	1,980,000.00	1,512,617.95	467,382.05	76.4%
Other Operating Expenses	64,036,000.00	56,320,000.00	7,716,000.00	88.0%
Fuel Oil and Lubricants	5,900,000.00	4,992,195.00	907,805.00	84.6%
Purchase of Office Furniture	600,000.00	500,034.00	99,966.00	83.3%
<b>TOTAL</b>	<b>181,944,557.00</b>	<b>155,615,849.15</b>	<b>26,328,707.85</b>	<b>85.5%</b>

The office of the Governor underspent by Kshs.26,328,707 or 15% on the recurrent budget which is likely to have negative impact on delivery of goods and services to the residents of Kwale County. There is need therefore for the Governor's office to refocus on budget process mechanism with a view to giving priority to the areas where projects may be implemented efficiently and effectively within the timeliness of the budget for the benefit of Citizens of Kwale County.

### 3.2 Development Budget

The Office of the Governor (County Executive Services) was allocated a total of Kshs.137,640,049 for development during the year under review, out of which Kshs.129,000,000 was for the construction of proposed county headquarters.

Item	Budget	Actual	Over utilization	%
<b>Non Residential</b>	129,000,000	129,000,000	-	
<b>Domestic Payable</b>	6,000,000	8,640,059	2,640,059	44%
<b>Total</b>	135,000,000	137,640,059	2,640,059	<b>44%</b>

From the table above, it is clear that the office of the Governor paid all money budgeted for the proposed county headquarters. However the Office of the Governor paid for more pending bills than provided by 44%. This is likely to have negative impact on delivery of goods and services to the residents of Kwale County. There is need therefore for the Governor's office to refocus on budget process mechanism with a view to giving priority to the areas where projects may be implemented efficiently and effectively within the timeliness of the budget for the benefit of Citizens of Kwale County.

### 4.0 Ethnic Composition

Records availed for audit indicated that during the year the County Government of Kwale recruited two hundred and twenty-five (225) new members of staff. A review of the composition of the new staff recruited indicated that 180 (80%) came from two dominant ethnic groups, this contravened the County Government Act 2012 Section 65(e) which requires that at least 30% of the vacant post at entry level be filled by candidates who are not from the dominant ethnic community of the County.

Consequently, the County was in breach of the law.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the County Executive's ability to continue sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the management either intends to liquidate the County Executive or to cease operations, or have no realistic alternative but to do so.

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

Those charged with governance are responsible for overseeing the County Executive financial reporting process.

### **Auditor-General's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the County Executive's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County Executive ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the County Executive to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the County Executive to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships

and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



**FCPA Edward R. O. Ouko, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**16 July 2018**

## **Appendix I**

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*Report of the Auditor-General on the Financial Statements of County Executive of Kwale for the year ended 30 June 2017*

## CONSTRUCTION OF BUILDINGS

	NAME OF CONTRACTOR/ SUPPLIER	NAME OF CONTRACT	AMOUNT	AMOUNT PAID
<b>TRADE - 3066</b>				
1	Ribu services ( k) ltd	Proposed fencing , 2 Door VIP latrine block and business shed at Lutsangani	6,548,671.20	2,632,063.20
2	Zueda Zee enterprises	Proposed erection and completion of matuga biashara centre at Kwale in Tsimba/Golini	4,959,150.80	3,384,415.00
3	Halsa solution ltd	Proposed construction of farmers produce collection centre AND 2 Door VIP latrine block at Tswaka in Pongwe/Kikoneni ward	4,058,863.20	3,849,599.20
4	Habsa Construction Ltd	Construction of jua kali sheds at Mwabila	661,513.20	661,513.20
5	Gait-jel enterprises	Proposed fencing, 2 Door VIP latrine block and business shed at Kilibasi Macknon Road ward	6,456,861.60	6,456,861.60
6	Cloemart company	Proposed construction of VIP latrine block at Titanium market	1,527,950.00	1,527,950.00
		<b>TOTAL</b>	<b>24,213,010.00</b>	<b>18,512,402.20</b>
<b>COMMUNITY - 3067</b>				
1	Diani coner and Enterprises	Construction of Boda boda shed in Ndavaya	885,683.20	401,356.20
2	Dahir Enterprises	Construction of Rehab center in Kombani	4,499,959.00	2,623,746.00
3	Bumbani Enterprises	Construction of Tiwi social hall	4,477,936.40	4,477,936.40
4	Bumbani Enterprises	Construction of Waa ng'ombeni social hall	4,477,936.40	4,477,936.40
5	Laga Investments	Construction of Public toilet in Chitsanga	479,045.00	479,045.00
6	Laga Investments	Construction of Public toilet in Tiwi sokoni	479,045.00	479,045.00
7	Moma Heritage	Construction of Ablution		

		block in Silaloni	2,000,000.00	1,231,664.05
8	Trikaka Enerprises	Construction of Public toilet in Pongwe kiconeni	1,497,536.80	967,289.20
		<b>TOTAL</b>	<b>18,797,141.80</b>	<b>15,138,018.25</b>
<b>EXECUTIVE - 3068</b>				
1	Green County Construction co ltd	County Headquarters	462,197,054.00	129,000,000.00
		<b>TOTAL</b>	<b>462,197,054.00</b>	<b>129,000,000.00</b>
<b>PUBLIC SERVICE AND ADMINISTRATION - 3074</b>				
1	Hamadi Construction Ltd	Ward office at Gombato	5,361,566.00	3,002,233.00
2	Kwangi Building & Construction	Market stall and Bus park	29,938,062.50	2,250,912.75
3	Kwangi Building & Construction	Ward office at Taru	7,689,306.00	1,046,643.95
4	Shemooz Enterprise	Purchase of Skip Bins	3,232,560.00	3,232,560.00
5	Madinant Trading Ltd	Ward office at Kinango	7,752,720.80	2,615,974.00
6	Maka Building & Civil Engineering	Sanitation block and Passenger canopies	7,828,204.32	4,341,565.30
		<b>TOTAL</b>	<b>16,489,889.00</b>	<b>16,489,889.00</b>
<b>EDUCATION - 3069</b>				
1	Pable Construction Ltd	Kikonde ECDE	4,823,367.00	1,712,218.00
2	Mkuyu Enterprises Ltd	Maro ECDE	4,980,078.36	1,786,713.20
3	Ruhsa Investment Ltd	Mlungunipa ECDE	4,999,924.80	4,999,924.80
4	Asilia Asili Co Ltd	Chigoti ECDE	4,806,077.20	2,028,016.40
5	Madnat Trading Ltd	Lutsangani ECDE	4,863,978.60	1,542,776.80
6	Ruhsa Investment Ltd	Mwabungo ECDE	4,999,924.80	4,999,924.80
7	Shudag Holdings	Gasi ECDE	4,918,446.40	1,575,639.65
8	Reenah K Ltd	Kitulu ECDE	5,215,064.20	2,877,600.40

9	Niflod Construction And General Supplies	Biga ECDE	4,798,480.00	3,591,534.00
10	Reenah K Ltd	Bumburi ECDE	4,998,250.00	4,701,074.00
11	Samoaw Contractors	Maiyini ECDE	4,996,096.00	2,010,574.64
12	Shimoni Trading Ltd	Mabambarani ECDE	4,772,205.20	2,325,173.60
13	Payless	Jita Akili ECDE	5,126,253.23	2,331,936.40
14	Zenneth Holdings Ltd	Kivuleni ECDE	4,890,514.00	2,421,732.00
15	Desman Enterprises Ltd	Utsamba ECDE	4,898,912.00	2,295,029.24
16	Dockside Plumbers Ltd	Mabokoni ECDE	4,647,318.44	3,935,139.00
17	Kaya Kwale Traders	Moyo ECDE	4,996,172.00	2,484,505.40
18	Magic Mirror Enterprises	Dzupho ECDE	5,100,000.00	3,571,651.60
19	Ricco Construction	Mbilini ECDE	5,100,000.00	3,571,651.60
20	Athurali Global Ltd	Bofu ECDE	4,998,277.60	993,372.95
21	Eagle Rock Consortium	Marondo ECDE	4,852,239.40	1,214,427.50
22	Rockstar Trade Logistic Ltd	Patanani ECDE	4,897,682.40	1,131,636.85
23	Chiboko Construction Co Ltd	Chivyogo ECDE	4,892,995.00	4,328,215.20
24	Pendo Malindi Building Constructors	Mirera ECDE (Mbegani Central)	4,944,247.12	1,876,106.28
25	Asilia Asili Co Ltd	Mwambara Primary ECDE	4,806,077.20	2,112,036.00
26	Manon Building And Civil Engineerings	Ukunda Magutu ECDE	4,816,117.20	2,500,000.00
27	Trikaka Enterprises	Vanga ECDE	4,922,587.60	2,532,570.00
28	Kalamsam	Kalalani ECDE		

	Contractors		4,801,200.00	
29	Chibubu Enterprises	Ningawa ECDE	4,965,124.80	3,944,174.00
30	Chiboko Construction Co Ltd	Mbwaka ECDE	4,892,995.00	4,328,215.20
31	Reenah K Ltd	Banga Youth Polytechnic Girls Hostel	7,992,446.40	7,334,987.40
32	Pendo Malindi Building Constructors	Kinango Youth Polytechnic - Twin Workshop	5,728,080.00	1,049,774.85
33	Wanagson Enterprises	Makobe Youth Polytechnic-Girls Hostel	7,781,558.40	4,464,608.00
34	Dockside Plumbers Ltd	Diani Youth Polytechnic Twin Workshop	5,421,498.00	5,421,498.00
35	Marksman Construction Ltd	Mlafyeni Polytechnic	5,899,000.20	3,036,798.00
36	Fairlane Engineerings	Mkongani YP Twin Workshop	5,699,709.88	4,306,066.00
37	Jomac K Ltd	Mwandimu YP Twin Workshop	5,465,929.30	3,515,472.80
38	Niflod Construction And General Supplies	Mabesheni YP Girls Hostel	7,957,999.04	3,660,950.40
39	Damalin Enterprises	Mrima Youth Polytechnic Girls Hostel	7,335,318.00	5,198,572.71
	Logility Suppiles	Supply And Delivery Of Hexagonal Tables	9,999,970.00	9,999,970.00
41	Polycard Ltd	Supply & Delivery ECDE Playing Equipment To All ECDE Centers	12,948,900.00	10,409,900.00
		<b>TOTAL</b>	<b>229,951,014.77</b>	<b>138,122,167.67</b>
62		<b>GRAND TOTAL</b>	<b>751,648,109.57</b>	<b>317,262,477.12</b>