



THE COUNTY GOVERNMENT OF KILIFI

EXECUTIVE REPORTS AND FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

30TH SEPTEMBER, 2018

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

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I. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

The County is constituted as per the constitution of Kenya. It is headed by the County Governor, who is responsible for the general policy and strategic direction of the County.

b) Key Management

The Kilifi County Executive day-to-day management is under the following key organs:

- Kilifi County Executive
- Kilifi County Assembly

c) Fiduciary Management

The key management personnel who held office during the financial quarter ended 30th September 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	CEC Member Finance & Economic Planning	Samuel Nzai Kombe
2.	County Secretary	Arnold Jefa Mkare
3.	Chief Officer Finance and Economic Planning	Benjamin Kai Chilumo
4.	Ag. Director, Accounting Services	Bonaventure Mwakio

1. Fiduciary Oversight Arrangements

The county government has put in place and strengthened internal audit section which reviews the internal control procedures. In compliance with the PFM Act 2012 Sec 155 (5) the County Government also established the Audit Committee on the 16th January, 2016 which has so far held several meetings.

It has also a budget and audit committees at the county assembly level which reviews budgetary performance reports of the county. The committee reviews the internal controls reports from the internal audit section for the purpose of adoption and implementation in order to strengthen the internal control systems. This ensures efficient and effective service delivery. As a way of being accountable to its Citizens the County Government of Kilifi endeavors to publish and publicise all its financial and non- financial performance reports.

2. Entity Headquarters

County Government of Kilifi
Governor's office Building
Bofa Road
Kilifi, KENYA

3. Entity Contacts

P.O. Box 519-80108, Kilifi
Telephone: (254)
E-mail: info@kilifi.go.ke
Website: www.kilifi.go.ke

4. Entity Bankers

- 1) Central Bank of Kenya Haile Selassie Avenue P.O. Box 60000
City Square 00200 Nairobi, Kenya
- 2) Kenya Commercial Bank Kilifi Branch
- 3) Equity Bank Kilifi Branch
- 4) National Bank Malindi Branch
- 5) Cooperative Bank Kilifi Branch

- 6) Diamond Trust Bank Kilifi Branch
- 7) Chase Bank Malindi Branch

5. Independent Auditors

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

6. Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

II. FORWARD BY THE COUNTY EXECUTIVE COMMITTEE

Revenue

The 1st quarter ended 30th September, 2018 the County's total revenue was Kshs.978,619,733 which comprised Exchequer release Kshs. 861,315,410 and local revenue 117,304,323. In the 1st quarter the previous period the County had a total revenue of Kshs. 919,715,689 consisting of Kshs 696,563,000 from Exchequer release, Kshs. 147,863,364 from Kenya roads board and local revenue collection of kshs. 75,289,325.

Expenditure

In the 1st quarter ended 30th September, 2018, the County had a total expenditure of Kshs. 743,907,126 out of which Kshs. 721,450,159 was on compensation of employees while the rest was for use of goods and services . There was no development expenditure during the period. In the previous year's 1st quarter the County had spent Kshs. 798,999,540.

Challenges

The biggest challenge the County faced during the quarter was delay in issue of IFMIS rights as well as delay in the release of funds by the National Treasury. This affected the budget implementation and the rate of expenditure.

Sign: _____

CPA HON. SAMUEL KOMBE NZAI
CEC MEMBER - FINANCE & ECONOMIC PLANNING
COUNTY GOVERNMENT OF KILIFI
ICPAK MEMBER NO. 12429

III. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Section 163,164 and 165 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for the County Executive of Kilifi shall prepare financial statements in respect of that county government. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The County Executive Committee (CEC) member for finance of the County Executive of Kilifi is responsible for the preparation and presentation of the County Executive of Kilifi financial statements, which give a true and fair view of the state of affairs of the County government of Kilifi during the quarter ending september30, This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Executive of Kilifi; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the County Government; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Government's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).The CEC member for finance of the opinion that the County Government's financial statements give a true and fair view of the state of County Government's transactions during the quarter ending September 30th, 2018, and of its financial position as at that date. The CEC member for finance further confirms the completeness of the accounting records maintained for the County Government, which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

The CEC member for finance confirms that the County Executive of Kilifi has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Governments funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the CEC member for finance confirms that the County Government's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The County Government's financial statements were approved and signed by the CEC member for finance on ____October, 2018.

SIGN _____

CPA HON. SAMUEL KOMBE NZAI
CEC – MEMBER
FINANCE AND ECONOMIC PLANNING
COUNTY GOVERNMENT OF KILIFI
ICPAK MEMBER NO: 12429

IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ENTITY (KENAO)

V. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	Sep Q1 Kshs	Dec Q2 Kshs	Mar Q3 Kshs	Jun Q4 Kshs	Cumulative Amount Kshs	Comparative Period 2017 Kshs
RECEIPTS							
Equitable Share (Exchequer releases)	1	861,315,410	-	-	-	861,315,410	696,563,000
Transfers from National Government Entities	2	-	-	-	-	-	-
Proceeds from Foreign Grants / Development Partners	3	-	-	-	-	-	147,863,364
Proceeds from Domestic Borrowings	4	-	-	-	-	-	-
Proceeds from Foreign Borrowings	5	-	-	-	-	-	-
Proceeds from Sale of Assets	6	-	-	-	-	-	-
Conditional Additional Allocations to County Governments	7	-	-	-	-	-	-
Conditional Allocation to Level 5 Hospitals	8	-	-	-	-	-	-
Fuel Levy allocation	9	-	-	-	-	-	-
County Own Generated Revenues	10	117,304,323	-	-	-	117,304,323	75,289,325
Unspent Funds	11	-	-	-	-	-	-
TOTAL RECEIPTS		978,619,733	-	-	-	978,619,733	919,715,689
PAYMENTS							
Compensation of Employees	12	721,450,159	-	-	-	721,450,159	640,124,402
Use of goods and services	13	22,448,717	-	-	-	22,448,717	4,511,856
Interest payments	14	-	-	-	-	-	-
Subsidies	15	-	-	-	-	-	-
Transfers to Other Government Entities	16	-	-	-	-	-	-
Other grants and transfers	17	-	-	-	-	-	100,000,000
Social Security Benefits	18	-	-	-	-	-	-
Acquisition of Assets	19	-	-	-	-	-	54,023,578
Finance Costs	20	8,250	-	-	-	8,250	-
Repayment of principal on Domestic and Foreign borrowing	21	-	-	-	-	-	-
Other Payments	22	-	-	-	-	-	339,704
TOTAL PAYMENTS		743,907,126	-	-	-	743,907,126	798,999,540
SURPLUS/DEFICIT		234,712,607	-	-	-	234,712,607	120,716,149

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____

Benjamin K. Chilumo
Chief Officer
ICPAK Member No.4342

Ag. Director, Accounting Services

VI. STATEMENT OF FINANCIAL POSITION

	Note	Sep Q1 Kshs	Dec Q2 Kshs	Mar Q3 Kshs	Jun Q4 Kshs	Comparative Period 2017 Kshs
FINANCIAL ASSETS						
Cash and Cash Equivalents						
Bank Balances	23A	21,545,278	-	-	-	897,699,503
Cash Balances	23B	-	-	-	-	
Total Cash and cash equivalents		21,545,278	-	-	-	897,699,503
Accounts receivables – Outstanding Imprests	24	29,426,127	-	-	-	9,797,622
Accounts receivables – Car Loan						214,000,487
TOTAL FINANCIAL ASSETS		50,971,405	-	-	-	1,121,497,612
FINANCIAL LIABILITIES						
Accounts Payables – Deposits and retentions	25	-	-	-	-	404,142,499
NET FINANCIAL ASSETS		50,971,405	-	-	-	717,355,113
REPRESENTED BY						
Fund balance b/fwd	26	717,355,113	952,067,720	952,067,720	952,067,720	596,638,964
Surplus/Defict for the Quarter		234,712,607	-	-	-	120,716,149
NET FINANCIAL POSITION		952,067,720	952,067,720	952,067,720	952,067,720	717,355,113
		<i>Control - 901,096,315</i>	<i>- 952,067,720</i>	<i>- 952,067,720</i>	<i>- 952,067,720</i>	<i>-</i>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity

Benjamin K. Chilumo
Chief Officer
ICPAK Member No.4342

Ag. Director, Accounting Services

VII. STATEMENT OF CASH FLOW

	Note	Sep Q1 Kshs	Dec Q2 Kshs	Mar Q3 Kshs	Jun Q4 Kshs	Comparative Period 2017 Kshs
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts from operating income						
Equitable Share (Exchequer releases)	1	861,315,410	0	0	0	696,563,000
Transfers from National Government Entities	2	0	0	0	0	0
Proceeds from Foreign Grants / Development Partners	3	0	0	0	0	147,863,364
Conditional Additional Allocation to County Governments	7	0	0	0	0	0
Conditional Allocation to Level 5 Hospitals	8	0	0	0	0	0
Fuel Levy allocation	9	0	0	0	0	0
County Own Generated Revenues	10	117,304,323	0	0	0	75,289,325
Unspent Funds	11	0	0	0	0	0
		978,619,733				919,715,689
Payments for operating expenses						
Compensation of Employees	12	(721,450,159)	0	0	0	(640,124,402)
Use of goods and services	13	(22,448,717)	0	0	0	(4,511,856)
Interest payments	14	0	0	0	0	0
Subsidies	15	0	0	0	0	0
Transfers to Other Government Entities	16	0	0	0	0	0
Other grants and transfers	17	0	0	0	0	(100,000,000)
Social Security Benefits	18	0	0	0	0	0
Finance Costs, including Loan Interest	20	(8,250)	0	0	0	0
Other Payments	22	0	0	0	0	(339,704)
						0
Adjusted for:						0
Adjustments during the year						0
Net cash flows from operating activities		1,213,332,339	-	-	-	1,094,455,416
CASHFLOW FROM INVESTING ACTIVITIES						
Proceeds from Sale of Assets	6	-	-	-	-	-
Acquisition of Assets	19	-	-	-	-	-
Net cash flows from investing activities		-	-	-	-	-
CASHFLOW FROM FINANCING ACTIVITIES						
Proceeds from Domestic Borrowings	4	-	-	-	-	-
Proceeds from Foreign Borrowings	5	-	-	-	-	-
Repayment of principal on Domestic and Foreign borrowing	21	-	-	-	-	-
Net cash flow from financing activities		-	-	-	-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		1,213,332,339	-	-	-	1,094,455,416
Cash and cash equivalent at BEGINNING of the quarter		897,699,503	21,545,278	-	-	596,638,964
Cash and cash equivalent at END of the quarter		21,545,278	-	-	-	897,699,503
As per statement of assets		21,545,278	-	-	-	897,699,503
Control		2,089,486,565	21,545,278	-	-	793,394,877

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ September 2018 and signed by:

Benjamin K. Chilumo
Chief Officer
ICPAK Member No.4342

Ag. Director, Accounting Services

VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT & DEVELOPMENT

Receipt/Expense Item	Budget Q1 2018	Actual Q1 2018	Budget utilization difference	Budget cumulative to date	Actual cumulative to date	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS						
Equitable Share (Exchequer releases)	2,539,144,371	861,315,410	1,677,828,961	2,539,144,371	861,315,410	1,677,828,961
Transfers from National Government Entities	-	-	-	-	-	-
Proceeds from Foreign Grants/Development Partners	266,369,911		266,369,911	-	-	-
Proceeds from Domestic Borrowings	-	-	-	-	-	-
Proceeds from Foreign Borrowings	-	-	-	-	-	-
Proceeds from Sale of Assets	-	-	-	-	-	-
Conditional Additional Allocations to County Governments	-	-	-	-	-	-
Conditional Allocation to Level 5 Hospitals	6,492,466	-	6,492,466	-	-	-
Fuel Levy Allocation	-	-	-	-	-	-
County Own Generated Revenues	336,266,446	117,304,323	218,962,123	336,266,446	117,304,323	218,962,123
Unspent Funds	-	-	-	-	-	-
TOTAL	3,148,273,194	978,619,733	2,169,653,461	2,875,410,817	978,619,733	1,896,791,084
PAYMENTS						
Compensation of Employees	962,424,398	721,450,159	240,974,239	962,424,398	721,450,159	240,974,239
Use of goods and services	657,346,166	22,448,717	634,897,449	657,346,166	22,448,717	634,897,449
Interest payments	-	-	-	-	-	-
Subsidies	-	-	-	-	-	-
Transfers to Other Government Entities	-	-	-	-	-	-
Other grants and transfers	207,484,994		207,484,994	207,484,994	-	207,484,994
Social Security Benefits (Domestic Loans to individual & Hoseholds	50,000,000		50,000,000	50,000,000	-	50,000,000
Acquisition of Assets	1,271,017,820		1,271,017,820	1,271,017,820	-	1,271,017,820
Finance Costs	-	8,250	(8,250)	-	8,250	(8,250)
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-
TOTAL	3,148,273,378	743,907,126	2,404,366,252	3,148,273,378	743,907,126	2,404,366,252

The entity financial statements were approved on _____ 2018 and signed by:

Benjamin K. Chilumo
Chief Officer
ICPAK Member No.4342

Ag. Director, Accounting Services

IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Budget Q1 2018	Actual Q1 2018	Budget utilization difference	Budget cumulative to date	Actual cumulative to date	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS						
Equitable Share (Exchequer releases)	1,203,659,874	861,315,410	342,344,464	1,203,659,874	861,315,410	342,344,464
Transfers from National Government Entities			-	-		-
Proceeds from Foreign Grants/Development Partners	266,369,911		266,369,911	-		-
Proceeds from Domestic Borrowings			-	-		-
Proceeds from Foreign Borrowings			-	-		-
Proceeds from Sale of Assets			-	-		-
Conditional Additional Allocations to County Governments			-	-		-
Conditional Allocation to Level 5 Hospitals	6,492,466		6,492,466	-		-
Fuel Levy Allocation			-	-		-
County Own Generated Revenues	336,266,630	117,304,323	218,962,308	336,266,630	117,304,323	218,962,308
Unspent Funds			-	-		-
TOTAL	1,812,788,881	978,619,733	834,169,149	1,539,926,504	978,619,733	561,306,772
PAYMENTS						
Compensation of Employees	962,424,398	721,450,159	240,974,239	962,424,398	721,450,159	240,974,239
Use of goods and services	654,196,166	22,448,717	631,747,449	654,196,166	22,448,717	631,747,449
Interest payments	-		-	-	-	-
Subsidies	-		-	-	-	-
Transfers to Other Government Entities	-		-	-	-	-
Other grants and transfers	90,001,203		90,001,203	90,001,203	-	90,001,203
Social Security Benefits	50,000,000		50,000,000	50,000,000	-	50,000,000
Acquisition of Assets	56,167,114		56,167,114	56,167,114	-	56,167,114
Finance Costs	-	8,250	(8,250)	-	8,250	(8,250)
Repayment of principal on Domestic and Foreign borrowing	-		-	-	-	-
Other Payments	-		-	-	-	-
TOTAL	1,812,788,881	743,907,126	1,068,881,755	1,812,788,881	743,907,126	1,068,881,755

The entity financial statements were approved on _____ 2018 and signed by:

Benjamin K. Chilumo
 Chief Officer
 ICPAK Member No.4342

Ag. Director, Accounting Services

X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Receipt/Expense Item	Budget Q1 2018	Actual Q1 2018	Budget utilization difference	Budget cumulative to date	Actual cumulative to date	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS						
Equitable Share (Exchequer releases)	1,335,484,497	-	1,335,484,497	1,335,484,497	-	1,335,484,497
Transfers from National Government Entities	-	-	-	-	-	-
Proceeds from Foreign Grants/Development Partners	-	-	-	-	-	-
Proceeds from Domestic Borrowings	-	-	-	-	-	-
Proceeds from Foreign Borrowings	-	-	-	-	-	-
Proceeds from Sale of Assets	-	-	-	-	-	-
Conditional Additional Allocations to County Governments	-	-	-	-	-	-
Conditional Allocation to Level 5 Hospitals	-	-	-	-	-	-
Fuel Levy Allocation	-	-	-	-	-	-
County Own Generated Revenues	-	-	-	-	-	-
Unspent Funds	-	-	-	-	-	-
TOTAL	1,335,484,497	-	1,335,484,497	1,335,484,497	-	1,335,484,497
PAYMENTS						
Compensation of Employees	-	-	-	-	-	-
Use of goods and services	3,150,000	-	3,150,000	-	-	-
Interest payments	-	-	-	-	-	-
Subsidies	-	-	-	-	-	-
Transfers to Other Government Entities	-	-	-	-	-	-
Other grants and transfers	117,483,791	-	117,483,791	-	-	-
Social Security Benefits	-	-	-	-	-	-
Acquisition of Assets	1,214,850,706	-	1,214,850,706	1,214,850,706	-	1,214,850,706
Finance Costs	-	-	-	-	-	-
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-
TOTAL	1,335,484,497	-	1,335,484,497	1,214,850,706	-	1,214,850,706

The entity financial statements were approved on _____ 2018 and signed by:

Benjamin K. Chilumo
Chief Officer
ICPAK Member No.4342

Ag. Director, Accounting Services

XII. NOTES TO THE FINANCIAL STATEMENTS

1. EQUITABLE SHARE (EXCHEQUER RELEASES)	Quarter 1		Comparative 17-18			
	Kshs		Ksh			
Total Exchequer Releases for quarter 1	861,315,410		696,563,000			
Total Exchequer Releases for quarter 2						
Total Exchequer Releases for quarter 3						
Total Exchequer Releases for quarter 4						
Cumulative Amount	861,315,410		696,563,000			
2. TRANSFERS FROM NATIONAL GOVERNMENT ENTITIES						
Name of Donor	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
Description	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Transfers from Central government entities						
<i>Transfer from Ministry of Health</i>						
Leasing of medical equipment					-	
Free maternity healthcare					-	
Financing for level 5 hospitals					-	
Abolishment of user fees in health centers and dispensaries					-	
<i>Transfer from Ministry of Transport and Infrastructure</i>						
Rehabilitation of class C roads					-	
Nairobi Missing Link Roads and Non-Motorized Transport Facilities						
TOTAL	-	-	-	-	-	-

3. PROCEEDS FROM FOREIGN GRANTS/ DEVELOPMENT PARTNERS						
Name of Donor	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Grants Received from Bilateral Donors (Foreign Governments)						
<i>Government of Germany</i>						
Roads 2000 Project - KRB						147,863,364
Roads 2000 Project in Central Kenya						-
<i>Government of Italy</i>						
Rehabilitation of sub-district hospitals - KIDDP						
Grants Received from Multilateral Donors (International Organizations)						
<i>DANIDA</i>						
Health Sector Programme Support (HSPS)						
Health Sector Support Project (HSSP)						
<i>World Bank</i>						
Health Sector Support Project (HSSP)						
National Urban Transport Improvement Project (NUTRIP)						-
<i>European Development Fund</i>					-	
TOTAL	-	-	-	-	-	147,863,364
4. PROCEEDS FROM DOMESTIC BORROWINGS						
	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Borrowing within General Government	-	-	-	-	-	
Borrowing from Monetary Authorities (Central Bank)	-	-	-	-	-	
Other Domestic Depository Corporations (Commercial Banks)	-	-	-	-	-	-
Borrowing from Other Domestic Financial Institutions	-	-	-	-	-	
Borrowing from Other Domestic Creditors	-	-	-	-	-	

Domestic Currency and Domestic Deposits	-		-	-	-	
Total	-	-	-	-	-	-

5. PROCEEDS FROM FOREIGN BORROWINGS

	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Foreign Borrowing – Draw-downs Through Exchequer	-	-	-	-	-	-
Foreign Borrowing - Direct Payments	-	-	-	-	-	-
Foreign Currency and Foreign Deposits	-	-	-	-	-	-
Total	-	-	-	-	-	-

6. PROCEEDS FROM SALE OF ASSETS

	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	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	-	-	-	-	-	-

7. CONDITIONAL ADDITIONAL ALLOCATION TO COUNTY GOVERNMENTS

	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Loans and Grants Supplementary						
Conditional Allocations for Free Maternal Healthcare Allocation						

Conditional Allocations for Compensation for User Fees Foregone						
Conditional Allocation for Leasing of Medical Equipment						
Conditional Allocation from Road Maintenance Fuel Levy Fund						
Conditional Allocation to County Emergency Fund						
Total	-	-	-	-	-	-

8. CONDITIONAL ALLOCATION TO LEVEL 5 HOSPITALS

Level 5 Hospital (name of level 5 hospital)	Allocation	Allocation	Allocation	Allocation	Cumulative amount	Comparative amount 2017
	Q1	Q2	Q3	Q4		
	Kshs	Kshs	Kshs	Kshs		
Mashinani teaching and referral Hospital						
(name of level 5 hospital)	-	-	-	-	-	-
Total	-	-	-	-	-	-

9. FUEL LEVY ALLOCATION

	Allocation	Allocation	Allocation	Allocation	Cumulative amount	Comparative amount 2017
	Q1	Q2	Q3	Q4		
	Kshs	Kshs	Kshs	Kshs		
Road maintenance fuel levy fund						
Total	-	-	-	-	-	-

10. COUNTY OWN GENERATED REVENUE

	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS						
Interest Received						
Profits and Dividends						
Rents	11,665,822				11,665,822	
Land rates & other land revenue	22,643,194				22,643,194	13,726,641
Sales of Market Establishments						
Receipts from Administrative Fees						

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and Charges	3,043,658				3,043,658	
Receipts from Administrative Fees and Charges - Collected as AIA						
Receipts from Incidental Sales by Non-Market Establishments						
Receipts from Sales by Non-Market Establishments						
Receipts from Sale of Incidental Goods	1,000				1,000	
Current Grants from International NGOs paid through Exchequer						
Capital Grants from International NGOs paid through Exchequer						
Current Grants from International NGOs collected as AIA						
Capital Grants from International NGOs collected as AIA						
Other Voluntary Transfers for Current purposes						
Paid to Exchequer/CRF						
Cesses on natural resources	47,151,246				47,151,246	32,168,085
Business Permits						2,907,733
Parking Fees	2,508,555				2,508,555	3,959,020
Other Local Levies						
Survey fees and plot rents						348,070
Various Fees (Agr)						
Natural Resources Exploitation						
Lease/Rental of Infrastructure Assets						
Rent/Stall rents	89,320				89,320	899,950
Plot Ground rent						380,066
Transfers from reserve funds						
Donations						
Billboards & Signage						904,853
Other revenues from financial assets loans						
Market fees	2,657,843				2,657,843	2,745,698
Vehicle Parking Fees	5,988,711				5,988,711	
House rent	1,410,830.00				1,410,830	6,118,095
Social Premise Use Charges	5,002				5,002	
School Fees						

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Other Education Related Fees						
Bulding Plan & Inspection						1,280,264
Food Hygiene Fees	130,400				110,400	86,400
Public Health Facilities Operations						
Refuse collection	184,700				184,700	62,250
Slaughter Houses Administration	80,000				80,000	148,844
Water Supply Administration						
Sewerage Administration	52,100				52,100	
FIF - Health	19,691,942				19,691,942	7,548,428
Technical Service Fees						
External Service Fees						
Fines Penalties and Forfeitures						
Receipts from Voluntary transfers other than grants	-	-	-	-	-	-
Other Receipts Not Classified Elsewhere	-	-	-	-	-	2,004,844
TOTAL	117,304,323	-	-	-	117,304,323	75,289,241

11. REFUNDS TO CRF ACCOUNT						
	Q1	Q2	Q3	Q4	Cumulative amount	Comparativ e amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Equitable Share	-	-	-	-	-	-
Total	-	-	-	-	-	-

12. COMPENSATION OF EMPLOYEES						
	Q1	Q2	Q3	Q4	Cumulative amount	Comparativ e amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Basic salaries of permanent employees	346,057,504				346,057,504	550,465,187
Basic wages of temporary employees	44,317,742				44,317,742	45,780,883
Personal allowances paid as part of salary	331,074,913				331,074,913	16,534,000
Personal allowances paid as reimbursements	-				-	
Personal allowances provided in kind	-				-	
Pension and other social security	-				-	

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contributions						
Compulsory national social security schemes	-				-	12,494,600
Compulsory national health insurance schemes	-				-	14,849,732
Social benefit schemes outside government	-				-	
Other personnel payments	-				-	
Total	721,450,159	-	-	-	721,450,159	640,124,402
13. USE OF GOODS AND SERVICES						
	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Utilities, supplies and services	9,385,582				9,385,582	1,209,371
Communication, supplies and services	452,230				452,230	6,000
Domestic travel and subsistence	3,621,861				3,621,861	1,829,335
Foreign travel and subsistence	3,368,184				3,368,184	
Printing, advertising and information supplies & services	248,400				248,400	209,390
Rentals of produced assets	945,000				945,000	
Training expenses	536,960				536,960	72,400
Hospitality supplies and services	3,043,138				3,043,138	610,468
Insurance costs	292,380				292,380	
Specialized materials and services	135,675				135,675	
Office and general supplies and services	369,307				369,307	59,992
Other operating expenses	30,000				30,000	21,200
Routine maintenance – vehicles and other transport equipment	-				-	17,800
Routine maintenance – other assets	20,000				20,000	55,500
Fuel Oil & Lubricants	-					420,400
Total	22,448,717	-	-	-	22,448,717	4,511,856
14. INTEREST PAYMENTS						

	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Interest Payments on Foreign Borrowing	-				-	-
Interest Payments on Domestic Borrowing	-				-	
Interest on Borrowing From Other Government Units	-				-	-
Interest Payments on Guaranteed Debt Taken over by Govt	-				-	-
Other interest payments	-				-	-
Total	-	-	-	-	-	-
15. SUBSIDIES						
Description	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Subsidies to Public Corporations	-					
<i>See list attached</i>	-					
Nyumbani Sugar Company	-				-	
	-					
Subsidies to Private Enterprises	-					
<i>See list attached</i>	-					
Vijana Fisheries Ltd	-				-	
TOTAL	-	-	-	-	-	-
16. TRANSFERS TO OTHER GOVERNMENT ENTITIES						
Description	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Transfers to National Government entities	-					
See attached list	-	-	-	-	-	-
	-					
Transfers to Counties	-					
County Assembly	-	-	-	-	-	-
(insert name of budget agency)	-	-	-	-	-	-
	-					
TOTAL	-	-	-	-	-	-

17. OTHER GRANTS AND TRANSFERS						
	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Scholarships and other educational benefits	-				-	-
Emergency relief and refugee assistance	-				-	-
Subsidies to small businesses, cooperatives, and self employed	-				-	100,000,000
Other current transfers, grants	-				-	-
Other capital grants and transfers	-				-	-
Total	-	-	-	-	-	100,000,000
18. SOCIAL SECURITY BENEFITS						
	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Government pension and retirement benefits	-				-	
Social security benefits in cash and in kind	-				-	
Employer Social Benefits in cash and in kind	-				-	
Total	-	-	-	-	-	-
19. ACQUISITION OF ASSETS						
	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
Non-Financial Assets	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Purchase of Buildings	-				-	
Construction of Buildings	-				-	
Refurbishment of Buildings	-				-	
Construction of Roads	-				-	54,023,578
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	-				-	

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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	-	-	-	-	-	54,023,578

20. FINANCE COSTS

	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Bank Charges	8,250				8,250	165,010
Exchange Rate Losses	-				-	-
Other Finance Costs	-				-	-
Total	8,250	-	-	-	8,250	165,010

21. REPAYMENT OF PRINCIPAL ON DOMESTIC & FOREIGN BORROWING

	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Repayments on Borrowings from	-				-	

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Domestic sources						-
Principal Repayments on Guaranteed Debt Taken over by Government	-				-	-
Repayments on Borrowings from Other Domestic Creditors	-				-	-
Repayment of Principal from Foreign Lending & On – Lending	-				-	-
Total	-	-	-	-	-	-
22. OTHER PAYMENTS						
	Q1	Q2	Q3	Q4	Cumulative amount	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Budget Reserves	-					
Civil Contingency Reserves	-				-	
Capital Transfers to Non-Financial Public Enterprises	-				-	
Capital Transfer to Public Financial Institutions and Enterprises	-				-	
Capital Transfer to Private Non-Financial Enterprises	-				-	
Other expenses	-				-	
Domestic Accounts	-					
Total	-	-	-	-	-	-
23A. BANK ACCOUNTS						
	Indicated whether recurrent or development	Amount Q1	Amount Q2	Amount Q3	Amount Q4	Comparative amount 2017
Name of Bank, Account No. & Currency		Kshs	Kshs	Kshs	Kshs	Kshs
<i>Name of Bank, Account No. & currency</i>	Recurrent	21,545,278				118,101,980
<i>Name of Bank, Account No. & currency</i>	Development	-				345,670,500
Total		21,545,278	-	-	-	463,772,480
23B. CASH IN HAND						
	Q1	Q2	Q3	Q4	Comparative amount 2017	
	Kshs	Kshs	Kshs	Kshs	Kshs	
Cash in Hand – Held in domestic currency	-				-	
Cash in Hand – Held in foreign currency	-				-	

Total	-	-	-	-	-	
Cash in hand should be analysed as follows:						
	Q1	Q2	Q3	Q4	Comparative amount 2017	
	Kshs	Kshs	Kshs	Kshs	Kshs	
Location 1	-					
Location 2	-					
Location 3	-					
Total	-	-	-	-		
24. ACCOUNTS RECEIVABLE						
	Q1	Q2	Q3	Q4	Comparative amount 2017	
	Kshs	Kshs	Kshs	Kshs	Kshs	
Government Imprests	15,482,267				8,753,322	
County Assembly Imprest	-				1,044,300	
Staff Advances	-					
Other Advances	13,943,860					
Total	29,426,127	-	-	-	9,797,622	
Government Imprest Holders						
Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance		
		Kshs	Kshs	Kshs		
Name of Officer or Institution	dd/mm/yy					
Name of Officer or Institution	dd/mm/yy					
Name of Officer or Institution	dd/mm/yy					
Name of Officer or Institution	dd/mm/yy					
Name of Officer or Institution	dd/mm/yy					
Name of Officer or Institution	dd/mm/yy					
Total						
25. ACCOUNTS PAYABLE						
	Q1	Q2	Q3	Q4	Comparative amount 2017	
Description	Kshs	Kshs	Kshs	Kshs	Kshs	
Gratuity					29,471,260	
Salaries					2,733,765	
Retention					28,991,418	
Scholarship					802,778	

KCG Elders cash transfer					5,731,423
Health Programme accounts	-				19,168,241
Kilifi County assembly Deposits accounts					317,243,615
Total	-	-	-	-	404,142,500
26. FUND BALANCE BROUGHT FORWARD					
	Q1	Q2	Q3	Q4	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs
Bank accounts	-				855,936,973
Cash in hand	-				15,619,190
Accounts Receivables	-				9,378,822
Accounts Payables					214,000,487
Payables -- Deposits	-				-498296508
Total	-	-	-	-	596,638,964
27. OTHER IMPORTANT DISCLOSURES					
27.1: PENDING ACCOUNTS PAYABLE (See Annex 1)					
	Q1	Q2	Q3	Q4	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs
Construction of buildings	-				
Construction of civil works	-				
Supply of goods	-				
Supply of services	-				
Total	-	-	-	-	-
27.2 PENDING STAFF PAYABLES (See Annex 2)					
	Q1	Q2	Q3	Q4	Comparative amount 2017

Name of Staff	Kshs	Kshs	Kshs	Kshs	Kshs
	0				
	0				
Total	0	0	0	0	0
27.3 OTHER PENDING PAYABLES (See Annex 3)					
	Q1	Q2	Q3	Q4	Comparative amount 2017
	Kshs	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government entities	-				
Amounts due to County Government entities	-				
Amounts due to third parties	-				
Total	-	-	-	-	-

XIII. SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of these financial statements are set as

1. Statement of compliance and basis of preparation

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

The receivables and payables are disclosed in the Statement of Assets and Liabilities.

The financial statements are presented in Kenya Shillings, which is the functional and report in currency of the entity all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

2. Reporting entity

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

3. Recognition of receipts and payments

a) Recognition of receipts

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

Tax receipts

Tax Receipts is recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

Transfers from the Exchequer

Transfer from Exchequer is recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

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 are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

Proceeds from borrowing

Borrowing includes Treasury bill, treasury bonds, corporate bonds; sovereign bonds and external loans acquired by the entity or any other debt the County Government may take on which will be treated on cash basis and recognized as receipts during the year of receipt.

Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for projects currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. During the quarter ended 31st December 2017, there were no instances of non-compliance with and conditions which have resulted in cancellation of external assistance loans.

County Own Generated Receipts

These include Appropriation-in-Aid and relates to receipts such as trade licences, cess, fees, property income among others generated by the County Government from its citizenry. These are recognised in the financial statements the time associated cash is received.

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 to spend funds. These funds are recognised once appropriated through a supplementary budget process.

b) Recognition of payments

The entity recognises all expenses when the event occurs and the related cash has actually been paid out by the entity.

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

Interest on borrowing

Borrowing costs that include interest are recognized as payment in the period in which they incurred and 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. The stock of debt is disclosed as an annexure to the County consolidated financial statements.

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.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

4. 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 an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

5. Cash and cash equivalents

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

Restriction on cash

Restricted cash represents amounts that are limited /restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th September 2018, this amount KES 21,545,278 compared to KES 463,772,480 in prior period as indicated on note 23A there were no other restrictions on cash during the year.

6. 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 are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy.

Other accounts receivables are disclosed in the financial statements.

7. 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 fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted and prescribed by the Public Sector Accounting Standards Board. Other liabilities including pending bills are disclosed in the financial statements.

8. Non-current assets

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the entity fixed asset register a summary of which is provided as a memorandum to these financial statements.

9. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contract goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as ‘memorandum’ or ‘off-balance’ items to provide a sense of the overall net cash position of the entity at the end of the year. Pending bill form a first charge to the subsequent year budget and when they are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

10. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The entity’s budget was approved as required by Law and as detailed in the County Revenue Allocation Act.

The original budget was approved by the County Assembly on 30 August, 2018 for the period 1st July, 2018 to 30 June 2019 as required by law. There was . A high-level assessment of the entity’s actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

11. Comparative figures

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

12. Subsequent events

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

13. Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

14. Related party transactions

Related party transactions involve cash and in kind transactions with the National Government National Government entities and County Government entities. Specific information with regards to related party transactions is included in the disclosure notes.