



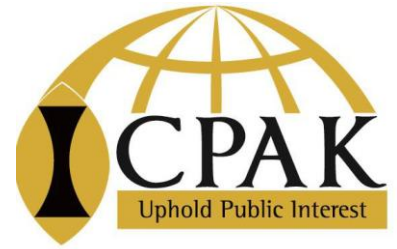
Tax Matters and Emerging Issues Seminar

Feedback from the Office of the Auditor General on the County Governments Audit

Presentation by:
CPA Cliff Nyandoro
Technical Services Manager, ICPAK

15th – 17th November 2017
Wajir Paradise Hotel, Wajir County

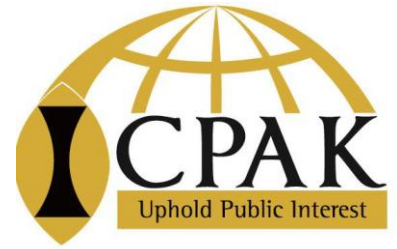
Introduction



Sections 163, 164 and 165 of the Public Finance Management Act, 2012 requires that, at the end each financial year, the County Treasury shall prepare financial statements of each County Government entity, receiver of revenue and consolidated financial statements for all County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

These are then audited in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015.

Findings



Audit opinions noted as follows:

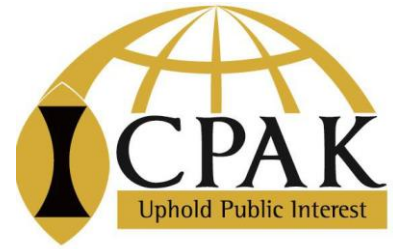
☐ Qualified

☐ Adverse

☐ Disclaimer

A number of audit issues contributed to the opinions.

Specific areas of concern



- ✓ Financial management and controls
- ✓ Poor Resource management
- ✓ Procurement anomalies
- ✓ Human Resource management and recruitment
- ✓ Operational and organizational issues (e.g. delayed processes)
- ✓ Other areas of weakness related to capacity

Sampled reports



- Bank reconciliations not properly done
- Lack of support documents for expenditure
- Outstanding imprest
- Incomplete capital expenditure projects occasioning wastage)
- Lack of approvals before expenditure
- Incomplete annual reports – not incorporating the OAG report
- Lack of fixed asset registers
- Omitted assets and liabilities from the defunct Local Authorities
- ***Impact of these matters on transparency and accountability is great***

**There is need for us to take a step and change things for the better!!*

Need to promote better record keeping.

**“the responsibility is on all
of us as accountants to
improve the way things are
done and to uphold public
interest”**

Questions & comments

