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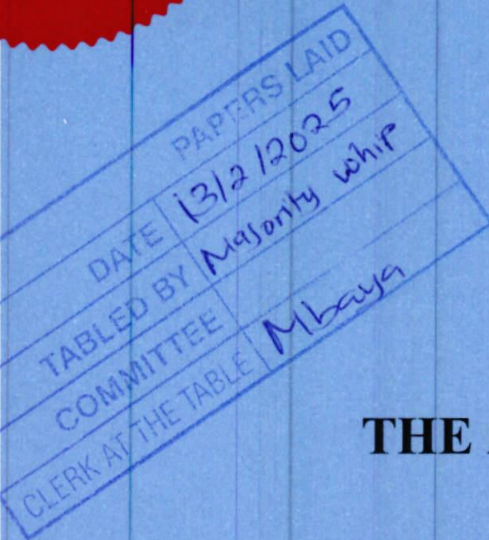
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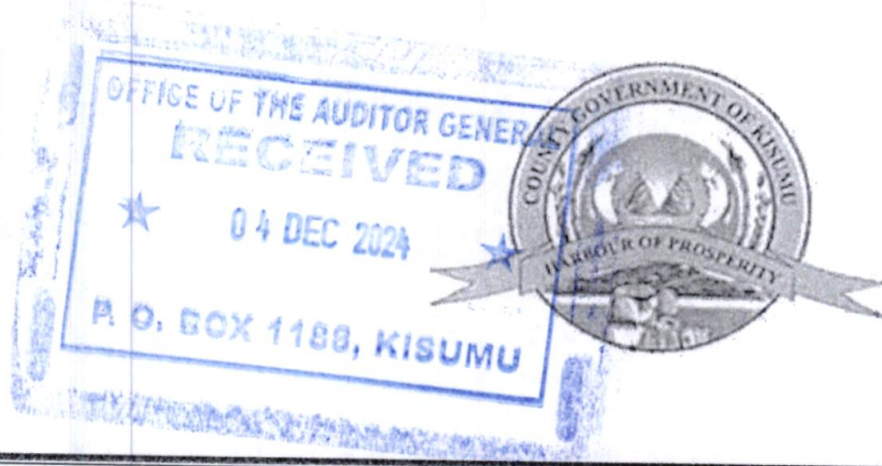
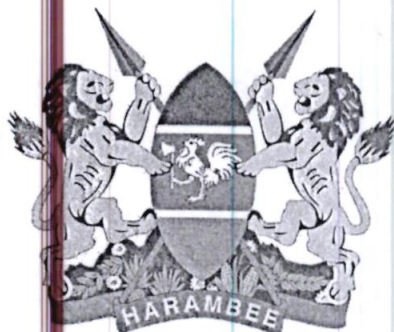
ON

KISUMU COUNTY REVENUE BOARD

**FOR THE YEAR ENDED
30 JUNE, 2024**

COUNTY GOVERNMENT OF KISUMU





KISUMU COUNTY REVENUE BOARD

County Government of Kisumu

**AMENDED ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE, 2024**

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

County Government of Kisumu
Kisumu County Revenue Board
Annual Report and Financial Statements for the year ended 30th June, 2024
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1. Acronyms and Definition of Key Terms

A. Acronyms

PSASB	Public Sector Accounting Standards Board
FY	Financial Year
OSHA	Occupational Safety & Heath Act

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the Kisumu County Revenue Board's financial resources.

Comparative Year- Means the prior period.

(Kisumu County Revenue Board to insert all the relevant acronyms and key terms used in the annual report and financial statements)

2. Key Kisumu County Revenue Board Information and Management

a) Background information

Kisumu County Revenue Board is under the County Government of Kisumu, domiciled in Western part of Kenya. It covers Eight (8) Sub counties which has thirty-five (35) wards in Kisumu County. The Kisumu County Revenue Board derives its authority and accountability from Kisumu County Revenue Administration Amendment Act of 2022 .

b) Principal Activities

The Kisumu County Revenue Board is charged with the provision of revenue mobilization services to the County in the areas of improved urban towns environment and natural resources management, organized and controlled land use, infrastructure and housing development, provision of social services, promotion of stakeholders environment, good governance, accountability and the rule of law within the Kisumu County and not limited to:

- To ensure prudence in the management of public finances.
- To strengthen planning and fiscal policy formulations within the County.
- To digitalize and automate revenue system.
- To develop human capital that responds to changing revenue administration trends.

In performing the above activities, the Kisumu County Revenue Board seeks to be the leading County Revenue Board in Kenya and entire Great Lakes Region in the provision of innovative services that are responsive to customers' expectations.

The mission is to provide Revenue Management Services beyond our client expectations while maximizing returns to our stakeholders.

The key objectives are:

- i) To ensure revenue collected are bank intact and accounted as per PFM Act of 2012.
- ii) To enhance revenue collection across all sub countites by using automated Integrated Revenue Management Information System (IRMS).
- iii) To ensure revenue staff are rewarded commensurate to their respective performance, knowledge, experience.
- iv) To promote good working relationship among revenue staff and a conducive environment.

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c) Key Management

Ref	Position	Name
1.	Chairman of the Board	Dr. Hezron Otieno Mc'Obewa
2.	Vice Chairperson	Mary Celestine Odhiambo
3.	Board Member 1	Prof. Benedict Ondiek Alala
4.	Board Member 2	Chandrakant Devji
5.	Board Member 3	Stephen Ouma Owiti
6.	Board Member 4	Mary Apiyo Amondi
7.	Board Member 5	Paul Njenga Waweru
8.	Board Member 6	Nicholas Edris Omondi

d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June, 2024 and who had direct fiduciary responsibilities were:

Ref	Position	Name
1	Ag. Chief Executive Officer	CPA Kungu J. Otieno
2	Head of Finance and Administration	CPA John Otieno Oyoo
3	Head of Supply Chain Management	Benfrank Omondi Ayatta
4	Head of ICT, Revenue & Compliance	Lawrence Odhiambo Okungu

e) Fiduciary Oversight Arrangements

i) Audit and Risk Management Committee

Ref	Position	Name
1	Internal Auditor	CPA Godfrey Dienya

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f) Registered Offices

P.O. Box 2738-40100,
Kisumu
Kisumu County Revenue Board-State Lodge Road-
off Jomo Kenyatta Highway
Kisumu, KENYA

g) Contacts

Telephone:+254721870681
Tel/Fax:202 3812
E-mail. revenueboard@kisumu.go.ke
Website: www.kisumu.go.ke

h) Bankers

KCB Bank (K) LTD
Kisumu Branch
P.O BOX 17-40100
Kisumu, Kenya

i) Independent Auditor

Auditor General
Office of The Auditor General
Anniversary Towers, University Way
P.O.Box 30084-00100
Nairobi, Kenya

j) Principal Legal Advisor

The County Attorney
County Government of Kisumu
P.O. Box 2738-40100
Kisumu.

3. Revenue Board Members

Name	Details of qualifications and experience
------	--



DR. HEZRON OTIENO MC'OBEWA OGW

Chairperson of the Board

Gender: Male

Age: 47

Sub-County: Muhoroni

Dr. Mc'Obewa is a medical professional. He brings to the Board a wealth of Corporate and Executive management experience having worked both in public and private sector.

Dr. Mc'Obewa currently serves as Chairman of Marie Stopes Kenya- a health sector NGO, Chairman ADvTECH Group Ltd Advisory Board Kenya- which runs private education institutions in Kenya (including Makini and Crawford Int Schools). He is a seasoned local investor within Kisumu in Hospitality, Health and NGO Sector having founded Ogra Foundation 25 years ago. He holds a doctorate degree in Medicine and a Masters' degree in Global Public Health in addition to an undergraduate bachelor (BMedSci Hons).

Dr. Mc'Obewa brings to the board a unique background of commitment, passion and experience in resource mobilisation, leadership and corporate governance.



MRS. MARY CELESTINE ODHIAMBO

Board Vice Chairperson

Gender: Female

Age: 60

Sub-County: Nyando

Mrs. Mary Celestine Odhiambo holds a master's degree in business administration and bachelor's degree in education, with over twenty (20) years professional experience in Human Resource Management, Finance and Administration. She is currently the National Treasurer MYWO (Maendeleo ya Wanawake Organization) and previously served as Human Resource and Administrative Manager in an international Non- Governmental Organization (NGO) for more than fifteen (15) years, overseeing strategy development, annual plans and budgets, performance reports and financial statements.



MR. CHANDRAKANT DEVJI CHHABHADIA

Board Member

Gender: Male

Age: 42

Sub-County: Kisumu Central

Mr. Chhabhadia is a Certified Public Accountant of eighteen (18) years' experience and trained lawyer. He has extensive experience in managing debt, taxation and equity policies as well as organizing and managing systems, records and accounts of business enterprises. His other expertise includes contracts management, organizational policy development and budgeting.

Mr. Chhabhadia has presided over the growth of various companies in the last twenty (20) years, with tremendous successes in and out of Kisumu City.



HON. STEPHEN OUMA OWITI

Board Member

Gender: Male

Age: 49

Sub-County: Kisumu East

Honourable Stephen Ouma Owiti is a former Member of the County Assembly of Kisumu, and former Chairperson of the County Assembly Budget and Appropriations Committee.

Hon. Owiti has previously served as a senior accountant in various local authorities including Migori, Ugunga and Kisumu Municipal Councils as they were then. In Migori and Ugunja, he served as Deputy Treasurer of the Municipalities.

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MS. AMONDI MARY APIYO

Board Member

Gender: Female

Age: 46

Sub-County: Kisumu West

Ms. Amondi Mary Apiyo holds a master's degree in Logistics and Supply Chain Management and a bachelor's degree in the same field.

Ms. Apiyo has worked in data and information management in the private sector locally and internationally. She is currently a business lady in Kisumu County.



PROF. ONDIEK BENEDICT ALALA

Board Member

Gender : Male

Age : 44

Sub-County: Nyakach

Ondiek Benedict Alala PhD is an Associate Professor of Finance in School of Business and Economics and currently, the Director of Privately Sponsored students, Learning Centers and Campuses and the immediate former Chair of Department of Accounting and Finance, Masinde Muliro University of Science and Technology, Kakamega Kenya.

Prof. Ondiek is a trained Financial Management and Supplies Chain Management expert with over ten years hands on experience in the profession with many institutions in Kenya both High school, Tertiary colleges and Universities, combining sound practical experience in Management with consulting skills and technical service provision in institutions like Kenya Seed Company, UNDP, Delloite and Touché, Moi University, Chepkoilel University College and University of Kabianga.

Prof. Ondiek is a member of the Kenya Institute of Supplies Management (MKISM), and member of the Kenya Institute of Management (KIM).

4. Key Management Team



CPA KUNGU JAMES OTIENO

Ag. Chief Executive Officer & Secretary to the Kisumu County Revenue Board

Gender: Male

Age: 47

Sub-County: Nyakach

James is the founding Chief Executive Officer of the Kisumu County Revenue Board.

He holds a Master's degree in Business Administration specializing in strategic management from University of Nairobi and a Bachelor's in Economics and Business Studies from Maseno University.

He is a Certified Public Accountant of Kenya, a member of the Institute of Certified Public Accountants of Kenya (ICPAK) and holds a Certificate in Knowledge Management from Singapore Management University.

His core competencies include corporate strategy development and implementation and also has a wide experience in audit & assurance services and financial management.

He has headed internal audit and assurance functions and held financial leadership positions both in the private and public sector.

In the run up to the formation of Kisumu County Revenue Board, James had served as the head of finance of Kisumu City, Director Budget and Director Revenue of the Kisumu County Government.

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MR. LAWRENCE ODHIAMBO OKUNGU

Deputy C.E.O & Head of Revenue, ICT and Compliance Services

Gender: Male

Age: 40

Sub-County: Nyakach

Mr. Okungu is a Bachelor of Science in Information Technology & Master of Business Administration Degree holder from Jomo Kenyatta University of Agriculture & Technology and the University of Nairobi respectively with Over 15 years' experience in the ICT Service industry; E-Governance, Financial Technology Services (FinTech), Enterprise Resource Planning (ERP) and Technology Management. Currently serving as Chair and Member of the Board of Management and Board of Governors in 4 institutions of high repute. He has also served as the Deputy Director, E-Governance & Systems at the County Government of Kisumu and is the current Deputy CEO & Head of Revenue, ICT and Compliance Services at the Kisumu County Revenue Board.



CPA, CS JOHN OTIENO OYOO

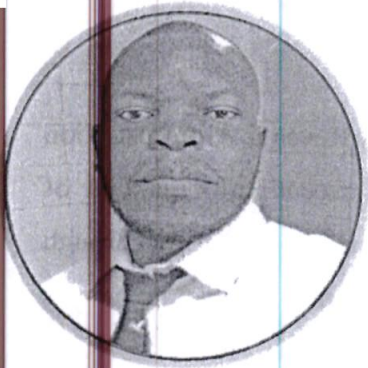
Chief Accountant and Ag. Head of Finance and Administration

Gender : Male

Age : 50

Subcounty: Kadibo

John Otieno Oyoo, is a Certified Public Accountant and Certified Secretaries Professional of Kenya who is an accomplished certified public accountant and certified secretaries with over 20 years of experience in Finance, Accounting, Revenue Administration, Auditing, Human Resource and Strategic Leadership. CPA,CS Oyoo holds a degree in Finance from Catholic University of Eastern Africa (CUEA) with vast knowledge in leadership, management, finance among others. He has served in various departments that is to say Finance, Energy, Industrialisation, Lands,housing, Physical Planning and Urban Development and City. Currently, CPA, CS Oyoo is serving as the Chief Accountant and Ag. Head of Finance and Administration at Kisumu County Revenue Board.



BENFRANK OMONDI AYATA

Head of Supply Chain management Officer

Gender : Male

Age : 31

Subcounty: Rarieda

Benfrank Omondi Ayata, MKISM is a licensed professional who is an accomplished Supply Chain Management Officer with over 5 years of experience in optimizing supply chain operations and driving efficiency in various industries. With a robust background in logistics, procurement, and operations management, he has consistently demonstrated a commitment to enhancing supply chain processes and delivering measurable results. Benfrank holds a Degree in Logistics and Supply Chain Management from Jaramogi Oginga Odinga University of Science and Technology and has furthered their expertise through certifications such as Procurement for World Bank finance project, User Acceptance Training for PPIP development, IFMIS, KISM membership among others. Throughout their career, Benfrank has worked with the IEBC as a warehouse, store and Logistics officer where they have successfully managed end-to-end supply chain activities and also currently as a Supply Chain management Officer in the County Government of Kisumu.



ESTHER ATIENO OTIENO

Head Of Human Resource Management

Gender : Female

Age: 39

Sub-County: Bondo

Esther Atieno Otieno holds a degree in Bachelor in Commerce specializing in Human Resource Management, Diploma in Human Resource Management, Distinction in Networking and a Credit in Computer Packages. She has worked with the County Government of Kisumu from 2018 to date as HR Assistant. Currently, Esther Atieno Otieno is the Head of Human Resource Management at Kisumu County Revenue Board.

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5. Kisumu County Revenue Board Chairperson's Report

FOREWORD

Kisumu County Revenue Board derives and executes its duties through Kisumu County Revenue Administration Amendment Act Of 2022. The Kisumu County Revenue Board has been steadfast in executing its mandate of policy formulation via resolutions as well as offering direction and oversight to the management team. Through this engagement and co-operation, we have had numerous achievements within the year but these achievements also had challenges.

Achievements:

The Board took up its primary responsibility of revenue collection by working closely with stakeholders via public participation. This entailed but not limited to:-

1. Mobilization of revenue collection across all sub-counties.
2. Improvement of the financial and reporting system of revenue through setting up of an IRMS System.
3. Reinforce Kisumu County Revenue Board's capacity and accountability in the context of digitalization of our own source revenue.
4. Change management and training of new and existing staff establishment.

The board is proud to state that within this financial year, these activities have all been successfully implemented and many are currently in progress.

Challenges identified this financial year:

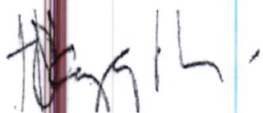
- Inadequate and slow disbursement of funds for running the board.
- Limited inclusion of Kisumu County Revenue Board in budgeting process.
- Slow pace of change management within our staffing ranks.

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Looking into the future, the Board is geared toward a lasting foundation in implementing a fully automated Integrated Revenue Management System. We continue to develop and improve governance, transparency and accountability.



.....
Dr. Hezron Otieno Mc'Obewa

Chairperson of the Board

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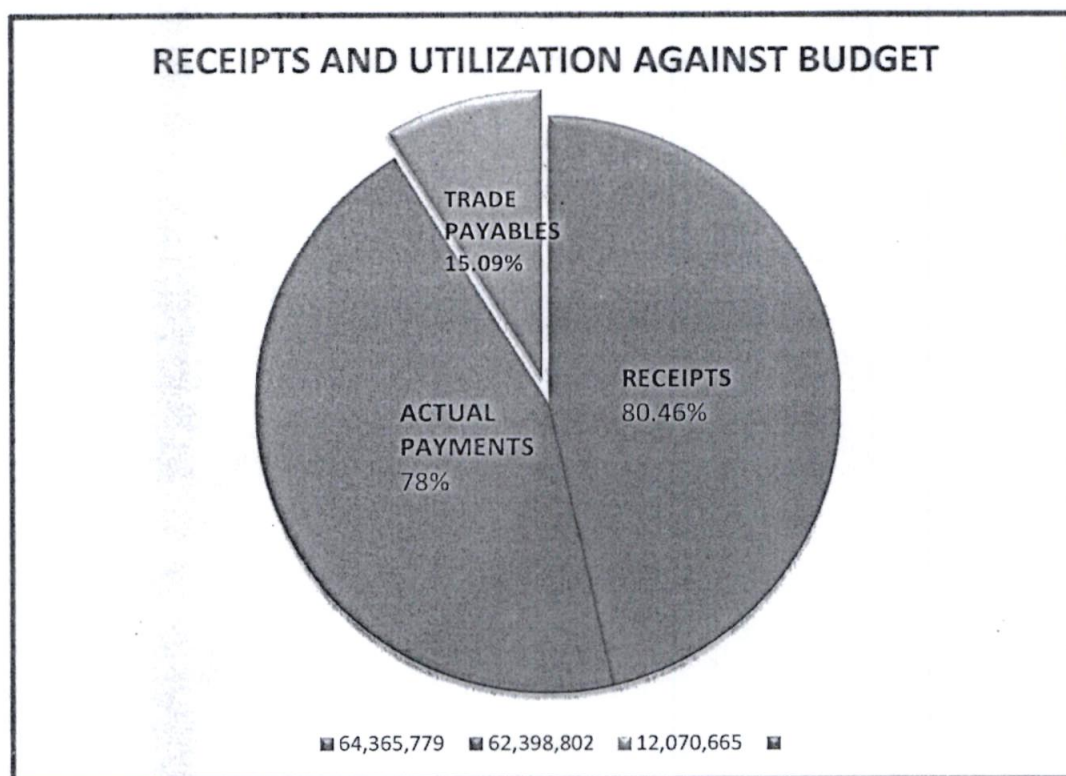
6. Report of the Kisumu County Revenue Board Ag. Chief Executive Officer

The Kisumu County Revenue Board was established by and derives its authority and accountability from Kisumu County Revenue Administration Act Of 2022.

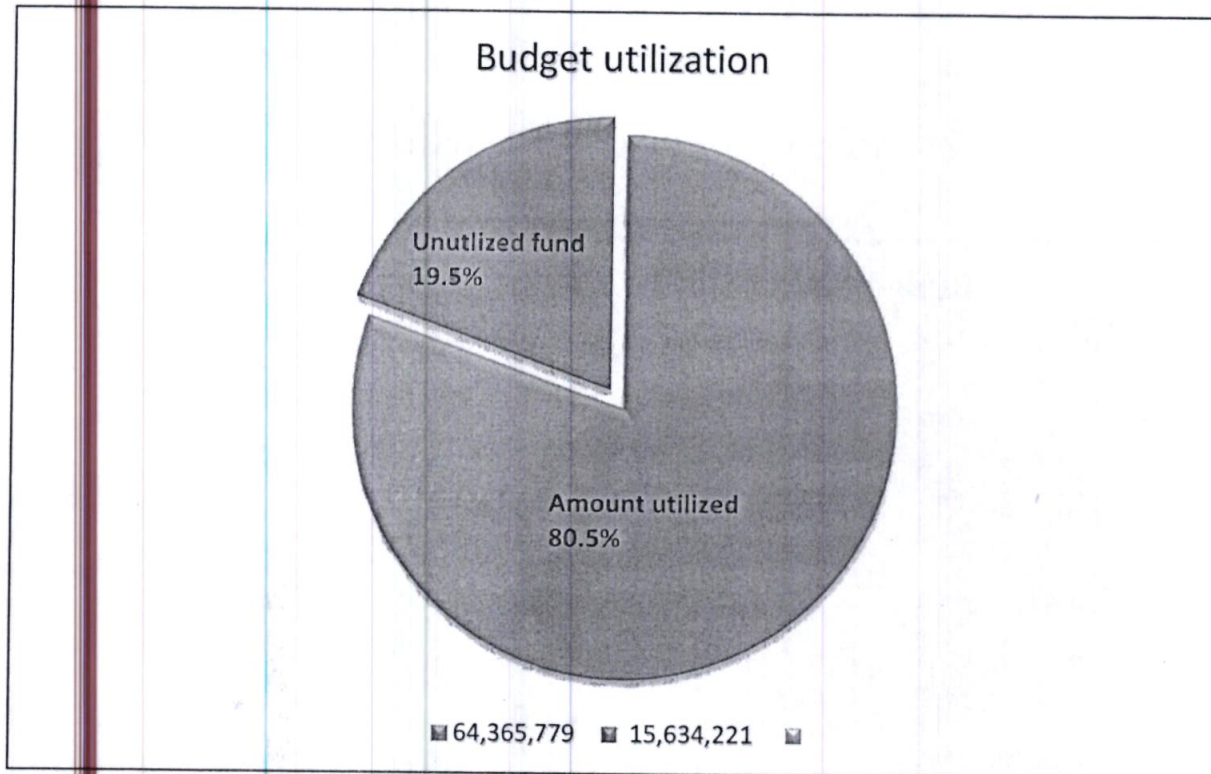
Financial Performance

The Kisumu County Revenue Board was allocated a budget of **Kshs.80,000,000** for the FY 2023/2024 by the County Government of Kisumu. Kshs. 64,365,779 was received as at the end of financial year 30th June, 2024 and Ksh. 15,634,221 remained as trade receivable as at 30th June, 2024. The utilized amount in the FY 2023-2024 was Kshs. **74,469,467**. This was used for setting the board structure, revenue mobilization and other board operational activities.

As at 30th June, 2024, **Kshs. 62,398,802** had been utilized on various board activities. (Which is approximately 78%) and Ksh. **12,070,665** approximately 15.09% of trade payables remained outstanding at the end of Financial Year 2023/2024.



BUDGET UTILIZATION (GRAPH /PIE CHART)



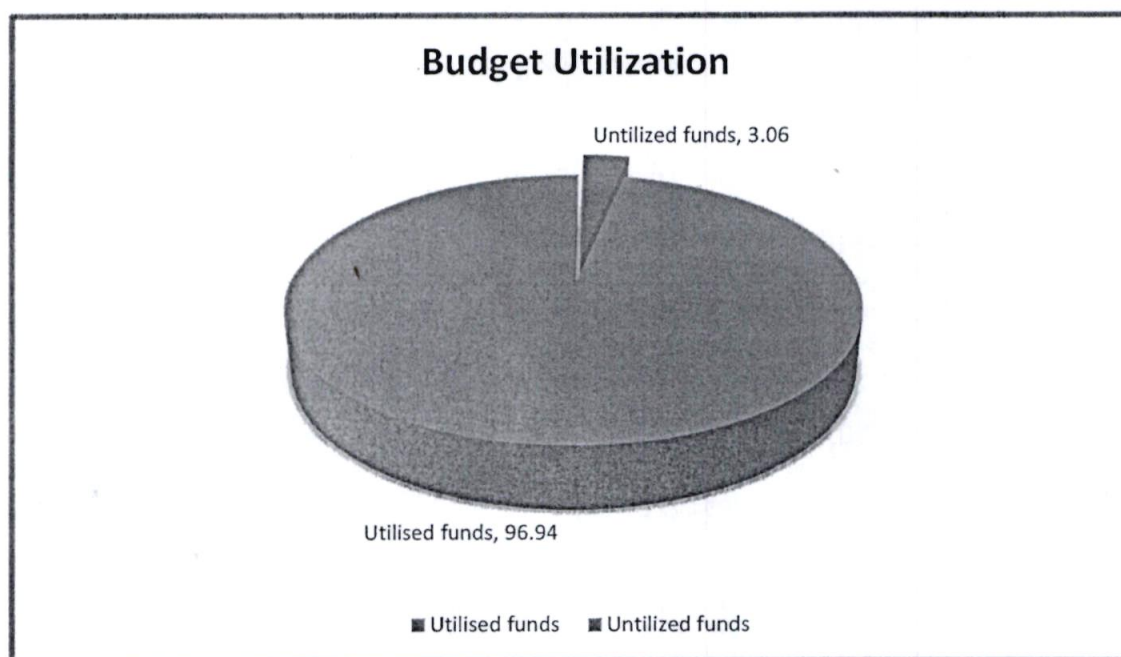
Challenges

- The Act putting Revenue Board in place was not enacted in time to enable the Board use the available funds accordingly.
- Delayed funds disbursement by the county treasury.
- Revenue staffing challenges.

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The County Government of Kisumu allocated **Kshs. 80,000,000** to the Kisumu County Revenue Board during the Financial Year 2023/2024. By 30th June, 2024, **Kshs. 64,365,779** (80.46%) had been disbursed with actual payments of **Kshs. 62,398,802** (96.94%); the difference being unpaid payments of **Kshs. 1,966,977** (3.06%).

BUDGET UTILIZATION (GRAPH /PIE CHART)



Risk Management Strategies

The Kisumu County Revenue Board does not have Internal Audit officer to ensure internal controls and accountability of the Grant and the County Funds is achieved.


.....
Name: KUNGU J. Otieno
Ag Chief Executive Officer

7. Statement of Performance Against Predetermined Objectives for the FY 2023/2024

Guidance

Introduction

Section 164 (2) (f) of the Public Finance Management Act 2012 requires that at the end of each financial year / quarter, the Accounting Officer for a County Government Kisumu County Revenue Board shall prepare financial statements in respect of the Kisumu County Revenue Board in formats to be prescribed by the Accounting Standards Board including a statement of the county government Kisumu County Revenue Board's performance against predetermined objectives. The key development objectives of the Kisumu County Revenue Board FY 2023/2024 plan are to;

- To ensure prudence in the management of public finances.
- To strengthen planning and fiscal policy formulations within the Board.
- To digitalize and automate revenue system.
- To develop human capital that responds to changing revenue administration trends.
- To widen the revenue tax base.

Below, we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Absorption of allocated funds	Ensure prudence in management of public finance	Allocated funds absorbed	Approved Payment Vouchers, Cash book & bank statements	96.94%
Development of Service Delivery Charter	Citizens to have information on the services offered by KCRB	Draft Service Charter developed	Service Delivery Charter developed	100%
Enhancing Revenue Collection	Increase / widen tax base	Daily increase in revenue collection	Bank statements and revenue reports	80%
Digitization of revenue collection process	Enhance revenue	New revenue management system deployment on-going	Unstructured Revenue streams already anchored in the new revenue management system. System URL Link-biller.kisumu.go.ke	100%
Office repair / renovation	Accommodate all revenue secretariat staff	Servant Quarters renovated	Bills of Quantity / Procurement documents	100%
Purchase of office furniture and equipment	Improve staff working environment	Furniture and equipment procured	Procurement documents	100%

The activities above have enabled the achievements of the Board's objectives. Most of them are nearing completion.

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8. Corporate Governance statement

a. Process of appointment and removal of Board members.

The appointment of the board members is done as per the Act of the Kisumu County Revenue Administration of 2022 and the County Government Act 2012.

Following this laid legislation and procedure, the Governor nominated the Six board members on 1st August, 2023 and was vetted by the assembly in November 2022 and then on 15th August, 2023 the board was fully inaugurated.

Kisumu County Revenue Administration Act 2022 stipulates that:

Vacation of office: A member of a board shall cease to hold office if the member—

- (a) is unable to perform the functions of the office by reason of mental or physical infirmity;
- (b) Is declared or becomes bankrupt or insolvent;
- (c) Is convicted of a criminal offence and sentenced to a term of imprisonment of six months or more;
- (d) Resigns in writing to the county governor;
- (e) Without reasonable cause, the member is absent from three consecutive meetings of the board or committee within one financial Quarter;
- (f) Is found guilty of professional misconduct by the relevant professional body;
- (g) Is disqualified from holding a public office under the Constitution;
- (h) Is convicted of an offence and is sentenced to imprisonment for a term of six months or more;
- (i) In any particular case, the member fails to declare his or her interest in any matter being considered or to be considered by the board or committee;
- (j) Engages in any gross misconduct; or
- (k) Dies

b. Roles and functions of the Kisumu County Revenue Board members.

Kisumu County Revenue Administration Act of 2022 provides the following roles and functions of the board:

In the performance of its function under subsection (2), the Board shall:

- a.) Administer and enforce all provisions of the written laws on collection of County revenue and for that purpose to assess, collect, and account for all revenues in accordance with those laws.
- b.) Appoint all sub county revenue officers and such heads of divisions as may be required for efficient performance of the Board.
- c.) Be the principal revenue collector for the county government.
- d.) Advise the CECM of finance on all matters related to the administration and the collection of revenue.
- e.) Transfer any revenue collector from one division to another or from one station to another.
- f.) To perform such other functions in relation to County revenue as the CEC member may direct.

c. Induction and training, Kisumu County Revenue Board members and member's performance.

Since coming to office in August 2023, the Kisumu County Revenue Board have not had any induction training, secretariat training among others. It is imperative that the board members undergo some training.

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d. Number of Kisumu County Revenue Board meetings held and the attendance to those meetings by members.

BOARD MEETINGS		
COMMITTEE	DATE OF MEETING	VENUE
Finance and ICT	13th Sept, 2023	Revenue Board Room
	18th Sept, 2023	Revenue Board Room
	26th Sept, 2023	Revenue Board Room
	25th Oct, 2023	Revenue Board Room
	20th Nov, 2023	Revenue Board Room
	19th Dec, 2023	Revenue Board Room
	12th Jan, 2024	Revenue Board Room
	17th Jan, 2024	Revenue Board Room
	4th Mar, 2024	Revenue Board Room
	8th April, 2024	Revenue Board Room
	15th April, 2024	Revenue Board Room
	8th May, 2024	Revenue Board Room
	13th May, 2024	Revenue Board Room
Full Board	10th Sept, 2023	Revenue Board Room
	13th Sept, 2023	Revenue Board Room
	10th Sept, 2023	Revenue Board Room
	31st Oct, 2023	Revenue Board Room
	16th Nov, 2023	Revenue Board Room
	21st Nov, 2023	Revenue Board Room
	22nd Nov, 2023	Revenue Board Room
	7th Dec, 2023	Revenue Board Room
	13th Dec, 2023	City Hall
	1st Feb, 2024	Revenue Board Room
	2nd Feb, 2024	Revenue Board Room
	12th Feb, 2024	Revenue Board Room
	9th April, 2024	Revenue Board Room
	18th April, 2024	Revenue Board Room
	26th April, 2024	Revenue Board Room
	15th May, 2024	Revenue Board Room
Special Board Meeting	16th Oct, 2023	Revenue Board Room
	7th Dec, 2023	Revenue Board Room
	14th Feb, 2024	Revenue Board Room
Revenue Enhancement	16th Aug, 2023	City, Town Hall
	17th Aug, 2023	Muhoroni, Nyando, Nyakach
	18th Aug, 2023	Kisumu West and Seme
	10th Nov, 2023	Revenue Board Room
	14th Nov, 2023	Revenue Board Room
	20th Nov, 2023	Revenue Board Room

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	5th Dec, 2023	Revenue Board Room
	6th Dec, 2023	Revenue Board Room
	13th Dec, 2023	Revenue Board Room
	14th Dec, 2023	Revenue Board Room
	4th Jan, 2024	Revenue Board Room
	9th Jan, 2024	Revenue Board Room
	23rd Jan, 2024	Revenue Board Room
	5th Feb, 2024	Revenue Board Room
	7th Feb, 2024	Revenue Board Room
	13th Feb, 2024	City, Town Hall
	13th Feb, 2024	Revenue Board Room
	19th Feb, 2024	Sunset Hotel
	20th Feb, 2024	Revenue Board Room
	12th Feb, 2024	Revenue Board Room
	4th Mar, 2024	Revenue Board Room
	5th Mar, 2024	Revenue Board Room
	12th Mar, 2024	Revenue Board Room
	13th Mar, 2024	Revenue Board Room
	7th Mar, 2024	Revenue Board Room
	8th Mar, 2024	Revenue Board Room
	8th April, 2024	Nyanza regional Police Training Centre
	9th April, 2024	Revenue Board Room
	9th April, 2024	Nyanza regional Police Training Centre
	9th April, 2024	Revenue Board Room
	19th April, 2024	City, Town Hall
	22nd April, 2024	Nyanza regional Police Training Centre
	25th April, 2024	Nyanza regional Police Training Centre
	14th May, 2024	Revenue Board Room
	21st May, 2024	City, Town Hall
	22nd May, 2024	Revenue Board Room
	24th May, 2024	Revenue Board Room
	18th June, 2024	Revenue Board Room
	19th June, 2024	Revenue Board Room
	20th June, 2024	Revenue Board Room
	21st June, 2024	Revenue Board Room
Human Resource	25th Oct, 2023	Revenue Board Room
	28th Nov, 2023	Revenue Board Room
	5th Dec, 2023	Revenue Board Room
	6th Dec, 2023	Revenue Board Room
	8th Feb, 2024	Revenue Board Room
	26th Feb, 2024	Revenue Board Room
	14th Mar, 2024	Revenue Board Room
	15th Mar, 2024	Revenue Board Room
	25th Mar, 2024	Revenue Board Room
	3rd April, 2024	Revenue Board Room

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	17th May, 2024	Revenue Board Room
	27th May, 2024	Revenue Board Room
	28th May, 2024	Revenue Board Room
	29th May, 2024	Revenue Board Room
	3rd June, 2024	Revenue Board Room
	24th June, 2024	Revenue Board Room

e. Succession plan.

The board has a clear succession plan for its leadership structure and that of the management.

f. Existence of a service charter.

Being that the Kisumu County Revenue Board was established as a millennium Kisumu County Revenue Board, there exists a service charter which the board is currently reviewing.

g. Conflict of interest.

Conflict of interest is usually declared before any matter is discussed by the board. Individual members are asked to declare conflict before any agenda is adopted for discussion.

h. Board remuneration.

Salaries and Remuneration Commission sets the rates upon which board members are remunerated.

i. Ethics and conduct as well as governance audit undertaken if any.

None has been carried out so far.

9. Management Discussion Analysis

The Kisumu County Revenue Board is currently implementing the new revenue collection system in conjunction with Safaricom to enhance its revenue base. The staff has overwhelmingly accepted the system as mass deployment was done accordingly across the county.

Through the Governor's support, the Board has been able to face little resistance from staff and public at large.

a. The Operational and Financial Performance

The County Government of Kisumu allocated Kshs.80,000,000 to the Kisumu County Revenue Board. Kshs. 64,365,779 had been actually disbursed as at 30th June, 2024. Kshs. 15,634,221 had not been disbursed as at 30th June, 2024 which the board intends to receive from the County Treasury in the first quarter of FY 2024/2025. Moreover, the Board spent 96.94% of the amount disbursed which is equivalent to Kshs. 62,398,802 with pending bills worth Kshs. 12,070,665.

9. Key Projects or Investments decision implemented or Ongoing

The Kisumu County Revenue Board as an Kisumu County Revenue Board is currently engaging Safaricom Limited to digitalize all County Own Source of Revenue to enhance revenue collection.

c). Compliance with Statutory requirements

- The Kisumu County Revenue Board has been remitting its statutory deductions to the relevant institutions on time as required.
- Preparations and submission of quarterly/yearly financial reports have been adhered to by the Board.
- The Kisumu County Revenue Board held the meetings during the period as required by the Kisumu County Revenue Administration Amendment Act of 2022. And Salaries and Remuneration Commission Guidelines and circulars currently in place.

d). Major risks facing the Board

i) Inadequate budgetary allocation

The Kisumu County Revenue Board cannot meet its operational costs and lack of implementation of the key activities due to inadequate budgetary allocation.

ii) Inadequate resources

Human and capital resource are inadequate as most of the resources are held by county and are yet to be transferred. This has made operations of Kisumu County Revenue Board to be difficult due to lack of personnel, machineries and equipment.

iii) Delay in Payments /Inadequate cash disbursement

The County Government of Kisumu allocated **Kshs.80,000,000** to the Kisumu County Revenue Board. However, the county treasury has only transferred **Ksh. 64,365,779** as at the end of **30th June, 2024**. Moreover, the Board is in the process of reviewing its annual budget upward to meet its demand through the next budget.

10. Environmental and Sustainability Reporting

1. Sustainability strategy and profile

The Board conducts assessments of how climate change could affect the business (e.g., supply chain disruptions, regulatory changes, physical risks) and integrate climate risks into overall risk management strategies.

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2. Environmental performance

The Kisumu County Revenue Board has been working closely with the Directorate of Environment, Trade and Public Works & Energy to ensure proper drainage system and garbage collection, access roads, lighting and other infrastructures are improved in already established urban towns to enhance our revenue collections.

3. Employee welfare

The Kisumu County Revenue Board draws its guidance from the County Government Act 2012, Kisumu County Human Resource policy and procedure manual (2016) together with other public service commission and National Government legislations on Labour matters. The documents give County Public Service Board mandate of hiring taking into account gender and minority issues.

The stakeholders are duly engaged since the request to hire is generated by the user department approved by the Kisumu County Revenue Board CEO and Kisumu County Revenue Board makes a resolution on the need before rewarding to the county public service board for action.

The Kisumu County Revenue Board has trainings recommended to improve the workers skills as appropriate. However, due to the centralization of the training function coupled with delays in financing, minimal success was achieved.

Employees have regular meetings per section to discuss their career matters and share experiences and challenges. Staffs are encouraged to undertake self-sponsored training that would make them grow professionally.

Employees are also assigned supervisory /managerial roles as per their skills and ability to grow their careers

Appraisals are done annually with continuous monitoring throughout the year. Discussions between the employees and their immediate supervisors is done during appraisal.

4. Market place practices

a) Responsible competition practice

Kisumu County Revenue Board provides transparent guidelines on tax laws, exemptions, and deductions. This promotes equality among businesses and prevents unfair competition.

b) Responsible Supply chain and supplier relations

(i) We maintain good business practice by ensuring that we follow the Public Procurement and Asset Disposal Act Accompanying Regulation.

(ii) We also maintain good business practising by ensuring that all our customers are treated equally and encourage competition among our customers.

(iii) We also ensure good practice by ensuring transparency and accountability.

c) Responsible market and advertisement

The Board ensures that advertisements do not disparage competitors unfairly or make unsubstantiated claims that could harm fair competition. The focus is always on preventing misleading claims, ensuring fairness, and encouraging transparency.

d) Product stewardship

The Board collaborates with suppliers and distributors to ensure that sustainability practices are applied throughout the supply chain.

5. Community Engagements

The Kisumu County Revenue Board has since been engaging various stakeholders in regards to revenue collection system as stated in the Constitution of Kenya 2010.

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11. Report of the Kisumu County Revenue Board Members

The Board Members submit their report together with the audited financial statements for the year ended 30th June, 2024 which show the state of the Kisumu County Revenue Board affairs.

Principal activities

- Encourage the economic, social and environmental health of the population.
- Follow up on staff development opportunities.
- Establish and enforce the Kisumu County Revenue Board by-laws.
- Liase with the relevant departments to enhance revenue collection in their jurisdiction.

Performance

The performance of the Board for the year ended 30th June, 2024 are set out on page 1.

Board Members

The members of the Board who served during the year are shown on page xiii-x. There were no changes in the Board during the year.

Auditors

The Auditor General is responsible for the statutory audit of the Board in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board



Name: KUNGU J. Otieno

Ag. Chief Executive Officer

12. Statement of Management's Responsibilities

Section 180 of the Public Finance Management Act 2012 requires that at the end of each financial year, the Accounting Officer of the Board established by Kisumu County Revenue Administration Act of 2022 shall prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Kisumu County Revenue Board Ag. Chief Executive Officer is responsible for the preparation and presentation of the Board financial statements, which give a true and fair view of the state of affairs of the Kisumu County Revenue Board for and as at the end of the financial year ended on 30th June, 2024. 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 Board.
- (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 Board.
- (v) Selecting and applying appropriate accounting policies, and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Kisumu County Revenue Board Ag. Chief Executive Officer accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act 2012 and Kisumu County Revenue Administration Amendment Act of 2022. The Kisumu County Revenue Board Ag. Chief Executive Officer is of the opinion that the financial statements give a true and fair view of the state of Board, its transactions during the financial year ended 30th June, 2024, and the financial position as at that date.

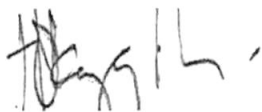
The Kisumu County Revenue Board Ag. Chief Executive Officer further confirms the completeness of the accounting records which have been relied upon in the preparation of financial statements as well as the adequacy of the systems of internal financial control. In preparing the financial statements, the Kisumu County Revenue Board Ag. CEO has assessed the Board ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements.

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Nothing has come to the attention of the Kisumu County Revenue Board CEO to indicate that the Board/ will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Revenue Board financial statements were approved by the Board on 2/12/, 2024 and signed on its behalf by:

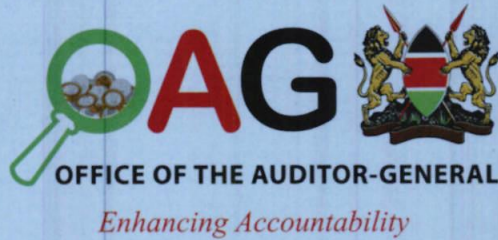


.....
Name: Dr. Hezron Otieno Mc'Obewa
Chairperson of the Board



.....
Name: KUNGU J. Otieno
Accounting officer of the Board

REPUBLIC OF KENYA



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HEADQUARTERS
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KISUMU COUNTY REVENUE BOARD FOR THE YEAR ENDED 30 JUNE, 2024 - COUNTY GOVERNMENT OF KISUMU

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Adverse Opinion is issued when the Auditor-General determines that the financial statements are materially misstated and are not fairly presented in accordance with the applicable financial reporting framework. The Report on the Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of Kisumu County Revenue Board- County Government of Kisumu set out on pages 1 to 31, which comprise of the statement of financial position as at 30 June, 2024, the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts 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 3 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, in all material respects, the financial position of Kisumu County Revenue Board- County Government of Kisumu as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and do not comply with the Kisumu County Revenue Administration (Amendment) Act, 2022, County Government Act, 2012 and the Public Finance Management Act, 2012.

Basis for Adverse Opinion

1. Unsupported Amendments and Adjustments in the Financial Statements

The Board presented its first version of the financial statements on 11 October 2024, more than a week after the statutory deadline of 30 September. The Board later presented amended version of the financial statement on 11 November 2024. Review of the amended financial statements revealed variances in several account balances as detailed below:-

Account Description	Initial set of FS Submitted (Kshs)	Revised set of FS (Kshs)	Variance (Kshs)
Transfers from County Government	64,365,779	48,663,864	15,701,915
Use of Goods and Services	49,579,195	47,881,989	1,697,206
Depreciation and Amortization	1,242,073	1,600,604	(358,531)
Repairs and Maintenance	3,306,439	1,372,395	1,934,044
Inventories	951,212	-	951,212
Property, Plant and Equipment	9,577,832	14,101,311	(4,523,479)

However, Management did not provide documents in support of the amendments in the form of journal entries and vouchers for audit review. Further, Management did not offer any explanation on the nature of adjustments.

In the circumstances, the existence of the validity and the accuracy of the amendments made to the financial statements could not be confirmed.

2. Inaccuracies in the Financial Statements

Review of the financial statements and accompanying explanatory notes revealed the following errors:-

- (i) The statement of financial performance reflects Kshs.47,881,989 in respect of use of goods and services. However, Note 7 to the financial statements reflects Kshs.40,731,804 resulting to an unexplained variance of Kshs.7,150,185;
- (ii) The statement of cash flows reflects purchase of property, plant and equipment outflow of Kshs.10,781,435. However, Note 13 to the financial statements reflects additions of Kshs.15,701,915 resulting to an unexplained variance of Kshs.4,920,480 described as commitment for acquisition of assets; and
- (iii) Note 7 to the financial statements reflects use of goods and services of Kshs.40,731,804 which includes office and general supplies and services and KRA taxes of Kshs.11,068,525 and Kshs.1,808,046 respectively. However, the ledger reflected Kshs.12,426,925 and Kshs.2,048,764 resulting to an aggregated unexplained and unreconciled variance of Kshs.1,599,118.

In the circumstances, the completeness and accuracy of the financial statements prepared and presented for audit could not be confirmed.

3. Unsupported Capital Funds under Statements of Net Changes in Net Assets

The statement of changes in net assets reflects fund receipts in the year of Kshs.15,701,915. Further, Note 6 to the financial statements reflects transfers from County Government recurrent of Kshs.48,663,864. However, review of the bank statement provided for audit indicated that the Revenue Board received Kshs.64,365,779 in respect of recurrent grants. It was not clear and Management has not explained the presentation of capital funds of Kshs.15,701,915.

In the circumstances, the accuracy and completeness of the statement of changes in net assets could not be confirmed.

4. Unsupported Board Expenses

The statement of financial performance reflects an amount of Kshs.9,513,168 in respect of board expenses and as disclosed in Note 9 to the financial statements. However, review of the expenditure records revealed that an amount of Kshs.2,112,716 lacked

supporting documents such as payment vouchers and imprests warrants. This was contrary to Regulation 104(1) of the Public Finance Management (County Governments) Regulations, 2015 which requires all receipts and payment vouchers of public monies to be properly supported by pre-numbered receipts and payment vouchers and be supported by appropriate authority and documentation.

Further, the expenditure includes unaccounted for imprests issued to board members during the year amounting to Kshs.1,896,000 and ought to have been surrendered by 30 June, 2024.

5. Unsupported Fuel Expenditure

The statement of financial performance reflects use of goods and services of Kshs.47,881,989 as disclosed in Notes 7 and 14 to the financial statements. This amount includes expenditure on fuel, oil and lubricants of Kshs.2,808,039. However, the amount includes payment of Kshs.1,241,384 to a petrol station for supply of fuel which was not supported by way of registers and motor vehicle work tickets.

Further, Note 7 to the financial statements reflect an amount of Kshs.3,343,559 in respect of hospitality supplies and services. However, examination of sampled invoices from three (3) suppliers amounting to Kshs.1,605,300 and relating to hospitality expenditure were not supported with invoices and other supporting documents.

In the circumstances, accuracy and occurrence of the expenditure of Kshs.2,808,039 and Kshs.3,343,559 in respect of fuel, oil and lubricants and hospitality supplies and services could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kisumu County Revenue Board - County Government of Kisumu Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual amounts on a comparable basis of Kshs.80,000,000 and Kshs.64,365,779 respectively resulting to an under-funding of Kshs.15,634,221 or 20% of the budget. Further, review of the statement of comparative budget and actual amounts revealed that the explanatory notes to give the reasons for material differences between the budgeted and actual figures has not been provided as prescribed by the IPSAS 24.14.

The under-funding affected implementation of the planned activities and programs and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Adverse Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

The Directors are responsible for the Other Information set out on page iii to xxx which comprise of Key Kisumu County Revenue Board Information and Management, Revenue Board, Management Team, Board Chairman's Report, Report of the Board Ag. Chief Executive Officer, Statement of Performance against Predetermined Objectives for the FY 2023/2024, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Board Members and the Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Kisumu County Revenue Board's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information and I am required to report that fact. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, because of the significance of the matters discussed in the Basis for Adverse Opinion and the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources sections of my report, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Irregularities in the Procurement of Goods and Services

Review of the procurement of goods and services revealed the following unsatisfactory matters:-

1.1. Unsupported Framework Agreements

Management entered into contract worth Kshs.1,607,650 for the repairs and maintenance of motor vehicles through framework agreement. However, no documentary evidence was provided to show that Management prepared value for money assessment reports as required by Section 114(2) of Public Procurement and Asset Disposal Act, 2015, or that Management prepared and submitted to the Accounting Officer with a copy to the internal auditor quarterly reports detailing analysis of the items procured through framework agreements as required by Section 114(6) of Public Procurement and Asset Disposal Act, 2015.

Further, no documentary evidence was provided to show that the Accounting Officer reported the contracts awarded to Public Procurement Regulatory Authority as required in Section 138(2) of the Public Procurement and Asset Disposal Act, 2015.

In the circumstances, it was not possible to confirm if value for money was received from the procurement process for goods and services valued at Kshs.1,607,650.

1.2. Cash Procurements Beyond Allowable Limit

The statement of financial performance reflects use of goods and services expenditure amounting to Kshs.40,731,804 which, as disclosed in Note 7 to the financial statements includes expenses made through imprests amounting to Kshs.383,505. However, the procurements were made in cash exceeding threshold of Kshs.50,000 per item per financial year for goods and services required under the second schedule threshold matrix of the Public Procurement and Asset Disposal Regulations, 2020. Further, cash procurements were not supported by the KRA Electronic Tax Receipt duly signed by the person undertaking the low value procurement of the services.

In the circumstances, Management was in breach of the law.

1.3. Non-Adherence to The Public Procurement Act, 2015

An amount of Kshs.11,068,525 was incurred in respect of office and general supplies and services. Included in this amount is a payment of Kshs.2,537,500 made to a firm for supply and delivery of receipt books. Review of the procurement plan for the year under review indicated the Management would procure the supplies under Access to Government Procurement Opportunities (AGPO) programme specifically for persons with disability. However, review of the tendering process indicated that the bids evaluated were not submitted by persons with disability. This was contrary to Section 45(3)(a) of the Public Procurement and Asset Disposal Act, 2015 which provides that all procurement processes shall be within the approved budget of the procuring entity and shall be planned by the procuring entity concerned through an annual procurement plan.

In the circumstances, Management was in breach of the law.

1.4. Overpriced Supply and Delivery of Tyres and Batteries

Management procured through request for quotation tyres and batteries at a cost of Kshs.944,000. However, market survey carried out by Management indicated that the prevailing market price payable was Kshs.619,480 resulting into an over payment of Kshs.324,520. No explanation was provided for the procurement at prices higher than the prevailing market index. This is contrary to Section 54 (2) of the Public Procurement and Asset Disposal Act, 2015 which provides those standard goods, services and works with known market prices shall be procured at the prevailing market price.

In the circumstances, the Board did not realize value for money from the expenditure of Kshs.944,000 on the supply of tyres and batteries.

2. Inconsistences in Procurement Process

Management contracted a firm for supply and delivery of office furniture at a total cost of Kshs.1,517,553 vide LPO number 18516 dated 15 January, 2024. However, review of the procurement process revealed the following anomalies;

- i. The quotations were opened on 17 December 2023 before the closing date of 19 December, 2023 of the quotations;
- ii. The professional opinion is dated 27 December, 2023 but signed on 1 December, 2023; and
- iii. The contract agreement and letter of acceptance of award are both dated 11 January, 2023.

Further, Management engaged a firm for supply and delivery of LAN equipment at a cost of Ksh.360,000. However, the contract was entered into before acceptance of offer from supplier. In addition, review of procurement records revealed that Management entered into a contract for provision of cleaning sanitary and environmental services at a cost of Kshs.1,119,050. However, letters appointing both opening and evaluation committee were not provided for audit review.

In the circumstances, Management was in breach of the law.

3. Non-Compliance with Board and Chief Executive Officers' Terms of Service and Entitlements

3.1. Failure to Develop and Adopt Board Committee Charters

Review of records revealed that the Board discharges its function through three committees namely; Finance and ICT Committee, Revenue Enhancement Committee and HR Committee. However, information provided indicates that these committees have not developed and adopted charters outlining their roles, responsibilities and functions,

contrary to Circular Ref. No. OP/ CAB.9/1A dated 11 March, 2020 which requires each committee to have a charter that outlines its roles, responsibilities and functions.

Further, Management did not provide the work plans for the financial year 2023/2024 as prescribed by Code of Governance for State Corporations Guidelines Section 1.9 which require that the Board members should ensure the development of an annual Board work plan.

In the circumstances, Management was in breach of the law.

3.2. Failure to Observe Guidelines on Board Meetings

The Corporate Governance Statement for the year ended 30 June, 2024 indicated that the Board held eighty-nine (89) meetings comprising nineteen (19) full and special board meetings and seventy (70) committees' meetings, translating to a board meeting every four (4) days thus making the Board becoming operational in nature. This was contrary to the recommendations of the Office of the President Circular Ref. No. OP/CAB.9/1A dated 11 March, 2020.

In the circumstances, Management was in breach of the law.

3.3. Irregular Remuneration of Board Members

Records provided for audit review indicated that the Board members were appointed by the Governor in August, 2023. The engagement contract between the members and the Kisumu County Revenue Board stated that the member was entitled to a remunerative package of a monthly stipend of Kshs.145,000 and Kshs.182,000 for the Chairman. However, Management did not provide the Salaries and Remuneration Commission (SRC) approval contrary to Section 3 (G) of the Kisumu County Revenue Administration (Amendment) Act, 2022 which requires that the remuneration of the members of the Board shall be determined by the Salaries and Remuneration Commission.

In the circumstances, Management was in breach of the law.

3.4. Non-Execution of Governance Audit

Review of board records revealed that the board did not subject the organization to an annual governance audit as required by the Mwongozo Code of Governance. This is contrary to Governance Practice 1.13(1) of the Mwongozo: Code of Governance which stipulates that the board in consultation with the Oversight Office, should ensure that it subjects the organization to an annual governance audit by a member regulated by the Institute of Certified Public Secretaries of Kenya (ICPSK) and accredited for that purpose. Further, the Board did not conduct any self-evaluation of its performance, trainings and members' induction contrary to corporate governance best practices.

In the circumstances, Management was in breach of the law.

3.5. Failure to Establish an Audit Committee

During the year under review, the Board had not established an Audit Committee contrary to Section 155(5) of the Public Finance Management Act, 2012 which provides that a county government entity shall establish an audit committee whose composition and functions are to be prescribed by the regulations. In the absence of an operational audit committee, this compromised risk management and governance which is critical in ensuring a strong internal control system. Further, no documentary evidence was provided to show that internal audit reports were tabled or discussed by the Board.

In the circumstances, Management was in breach of the law.

3.6. Lack of a Substantive Chief Executive Officer

Review of the payroll and human resources records revealed that the Secretary/Chief Executive Officer of the Kisumu County Revenue Board has been in an acting capacity for a period of fourteen (14) months since August 2023 contrary to Section 34 (1) of Public Service Commission Act, 2017 which provides that an officer may be appointed in an acting capacity for a period of at least thirty days but not exceeding a period of six months. In the circumstances, Management was in breach of the law.

4. Irregularities in the Management of Imprest

4.1. Irregular Domestic Travel and Subsistence Allowances

Note 7 to the financial statements reflect an amount of Kshs.12,643,450 in respect of domestic travel and subsistence. However, review of expenditure records revealed that the Board's staff were paid domestic travel and subsistence allowances amounting to Kshs.530,000 for various activities undertaken on the same day. Management did not provide justification for the payments contrary to Section 149(1) of the Public Finance Management Act, 2012 which provides that an Accounting Officer is accountable to the County Assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is lawful and authorized and effective, efficient, economical and transparent.

In the circumstances, Management was in breach of the law.

5. Late Submission of Financial Statements

The Management of Kisumu County Revenue Board submitted the financial statements to the Office of Auditor-General on 11 October, 2024 which is eleven (11) days after the statutory deadline of 30 September, 2024. This is contrary to Section 47(1) of the Public Audit Act, 2015 which states that the financial statements required under the Constitution, the Public Finance Management Act, 2012 and any other legislation, shall be submitted to the Auditor-General within three months after the end of the fiscal year to which the

accounts relate. Further, the financial statements presented for audit review were not signed by the substantive Accounting Officer and Management has not given explanation for failure to comply to laid down procedures.

In the circumstances, Management was in breach of the law.

6. Failure to Operationalize Regulations

The Kisumu County Revenue Board was enacted through an Act of County Assembly on 29 July, 2022. However, Management is yet to operationalize the regulations contrary Section 25 of the Kisumu County Revenue Administration (Amendment) Act, 2022 which states that the County Executive Committee Member shall make Regulations for the better carrying into effect the provisions of this Act.

In the circumstances, Management is in breach of the law

7. Irregular Opening of New Bank Account

The statement of financial position reflects a balance of Kshs.1,966,977 in respect of bank balances and as disclosed in Note 12 to the financial statements. Management maintained and operated one (1) commercial bank. However, Management did not provide authority to open and operate the bank account as stipulated under Section 119 of the Public Finance Management Act, 2012 which require that County Treasury is responsible for authorizing the opening, operating and closing of bank accounts for the county government and its entities, except as otherwise provided by other legislation and in accordance with regulations made under this Act.

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, because of the significance of the matters discussed in the Basis for Adverse Opinion and the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, I confirm that internal controls, risk management and governance were not effective.

1. Weaknesses in Expenditure Management

Note 7 to the financial statements reflect an amount of Kshs.2,808,039 incurred on fuel, oil and lubricants. Review of the motor vehicle records and the supplier statement revealed the following anomalies:-

- i. Management paid Kshs.1,241,384 to a petrol station for supply of fuel. However, the fuel expenditure was not supported with registers and motor vehicle work tickets;

Kshs.42,861 was paid to a firm for supply of fuel. However, detailed orders in support of the fuel drawn were not provided for audit review;
- ii. Records provided for audit revealed that in the month of May 2024, motor vehicle with private registration number drew fuel amounting Kshs.46,529. However, Management supported the fuel drawn with two (2) sets of work tickets for the same month which indicated different details thus raising doubts on the authenticity of the documents provided; and
- iii. Records provided revealed fuel amounting to Kshs.133,801 was drawn by various Board vehicles. However, fuel consumption could not be traced to the motor vehicle work tickets.

Further, use of goods and services include Kshs.3,343,559 in respect of hospitality and supplies. Examination of sampled invoices from three (3) suppliers amounting to Kshs.1,605,300 revealed the following anomalies:-

- i. The hospitality expenditure could not be matched to the invoices attached to the payments;
- ii. The number of persons as per the invoices differed from the actual number as per the hotel signed registers of attendance;
- iii. The signatures and telephone numbers of participants varied during the same period; and
- iv. Invitation letters for the training, meeting minutes and reasons for hotel packages offered were not provided.

In the circumstances, the existence of effective internal controls and risk mitigation measures in the Board is lacking.

2. Failure to Update Personal Files for Board Members

During the year under review, Kisumu County Executive interviewed and recruited eight (8) Board Members. However, the personal files provided for audit review lacked academic and professional certificates and curriculum vitae.

In the circumstances, the academic and professional qualification of the Board members could not be confirmed.

3. Failure to Maintain Assets Register

The statement of financial position reflects property, plant and equipment balance (net book value) of Kshs.14,101,311 as disclosed under Note 14 to the financial statements. However, a fixed asset register maintained by the Board is incomplete and could not be relied upon to provide a complete picture of the assets of the Board. This was contrary to Regulation 136(1) of the Public Finance Management (County Governments) Regulations, 2015 which provides that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

In the circumstances, the effectiveness of internal controls to safeguard the County assets could not be confirmed.

4. IT Controls Weakness

Review of the information technology systems revealed that the Management did not have an approved ICT policy and strategic plan for governance and management of its ICT resources. In addition, there was no ICT steering committee to assist in the development of ICT policy framework to enable the Board realize long-term ICT strategic goals. Further, the Board does not have in place disaster recovery and business continuity plans contrary to the provisions of Section 158 (1)(b) of the Public Finance Management (County Governments) Regulations, 2015.

In the circumstances, the existence of effective measures to deal with risks and business continuity and disaster recovery could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related

to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

The Board of Directors are responsible for overseeing the Kisumu County Revenue Board's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement 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.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

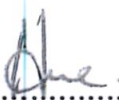
19 December, 2024

*County Government of Kisumu
Kisumu County Revenue Board
Annual Report and Financial Statements for the year ended 30th June, 2024*

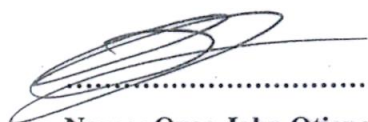
14. Statement of Financial Performance for The Year Ended 30th June, 2024.

Description	Note	2023/2024 Kshs.	2022/2023 Kshs.
Revenue from non-exchange transactions			
Transfers from the County Government- Recurrent	6	48,663,864	
Revenue from non-exchange transactions			
Total revenue		48,663,864	
Expenditure			
Use of goods and services	7 & 14	47,881,989	
Staff costs	8	-	
Board expenses	9	9,513,168	
Depreciation and amortization	10	1,600,604	
Repairs and maintenance	11	1,372,395	
Total expenses		60,368,156	
Surplus/(deficit) for the period		(11,704,292)	

The notes set out on pages 19 to 30 form an integral part of these Financial Statements. The Kisumu County Revenue Board financial statements were approved on 21/12, 2024 and signed by:


.....

Name: KUNGU J. Otieno
Director Of Revenue
ICPAK M/No. 4450


.....

Name: Oyoo John Otieno
Head of Finance
ICPAK M/No 12669

County Government of Kisumu
Kisumu County Revenue Board
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15. Statement of Financial Position as at 30th June, 2024

Description	Note	2022/2023	2021/2022
		Kshs.	Kshs.
Assets			
Current assets			
Cash and cash equivalents	12	1,966,977	
Receivables from exchange transactions			
Receivables from non-exchange transactions			
Prepayments			
Inventories			
Total current assets		1,966,977	
Non current assets			
Property, plant and equipment	13	14,101,311	
Intangible assets			
Total Non-current assets		14,101,311	
Total Assets (A)		16,068,288	
Liabilities			
Current liabilities			
Trade and other payables	14	12,070,665	
Refundable deposits from customers			
Provisions			
Borrowings			
Employee benefit obligations			
Deferred income			
Social benefits			
Total current liabilities		12,070,665	
Non-current liabilities			
Provisions			
Borrowings			
Non-current employee benefit obligation			
Deferred income			
Social benefits			
Total liabilities (B)		12,070,665	
Net Assets (A-B)		3,997,623	

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Represented By:			
Capital /Development Grants/Fund		15,701,915	
Reserves			
Accumulated surplus		(11,704,292)	
Net Assets/Equity		3,997,623	

Statement notes:

The Kisumu County Revenue Board had a stock balance of Ksh. 951,212 as at 30th June, 2024.

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kisumu County Revenue Board financial statements were approved on 2/2/, 2024 and signed by:



Name: KUNGU J. Otieno
 Ag. Chief Executive Officer
 ICPAK M/No. 4450

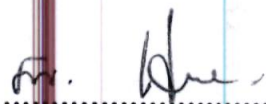


Name: Oyoo John Otieno
 Head of Finance
 ICPAK M/No 12669

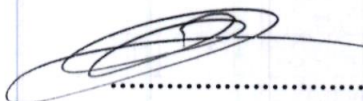
Kisumu County Revenue Board
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16. Statement of Changes in Net Assets as at 30th June, 2024

Description	Capital/ Development Grants/Fund	Revaluation Reserve	Accumulated surplus	Total
		Kshs.	Kshs.	Kshs.
Bal as at 1 July 2022(previous year)	-	-	-	-
Surplus/(deficit) for the year	-	-	-	-
Funds received during the year	-	-	-	-
Bal as at 30 June 2023	-	-	-	-
Bal as at 1 July 2023(current year)	-	-	-	-
Surplus/(deficit) for the year	-	-	(11,704,292)	(11,704,292)
Funds received during the year	15,701,915	-	-	15,701,915
Balance as at 30th June 2024	15,701,915	-	(11,704,292)	3,997,623



Name: KUNGU J. Otieno
Ag. Chief Executive Officer
ICPAK M/No. 4450



Name: Oyoo John Otieno
Head of Finance
ICPAK M/No 12669

*Kisumu County Revenue Board
County Government of Kisumu
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17. Statement Of Cash Flows for The Year Ended 30th June, 2024

Description	Note	2023/2024	2022/2023
		Kshs.	Kshs.
Cash flows from operating activities			
Receipts			
Transfers from the County Government	6	64,365,779	
Public contributions and donations			
Interest received			
Miscellaneous receipts (Specify)			
Total Receipts		64,365,779	
Payments			
Use of goods and services	7&11	42,104,199	
Staff costs	8	-	
Board expenses	9	9,513,168	
Finance costs			
Total Payments		51,617,367	
Net cash flows from operating activities		12,748,412	
Cash flows from investing activities			
Purchase of PPE & intangible assets		(10,781,435)	
Proceeds from sale of PPE			
Net cash flows used in investing activities		(10,781,435)	
Cash flows from financing activities			
Receipts from capital grants			
Proceeds from borrowings			
Repayment of borrowings			
Net cash flows used in financing activities			
Net increase/(decrease) in cash & cash equivalents		1,966,977	-
Cash And Cash Equivalents At 1 July, 2023	12	-	
Cash And Cash Equivalents At 30th June, 2024	12	1,966,977	-

*(PSASB has now prescribed the direct method of cashflow presentation for all entities under the IPSAS Accrual basis of accounting).
Comparative FY refers to the financial year preceding the current year.*

18. Statement of Comparison of Budget & Actual Amounts for the year ended 30th June, 2024

	Original 4th Quarter Budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of Utilisation
	KShs.	KShs.	KShs.	KShs.	KShs.	
	A	b	c=(a+b)	d	e=(c-d)	f=d/c
Revenue		KShs.	KShs.	KShs.	KShs.	
Transfers from the County Government	80,000,000	-	80,000,000	64,365,779	15,634,221	80.46%
Total Revenue	80,000,000	-	80,000,000	64,365,779	15,634,221	
Expenses						
Use of goods and services	56,400,000		56,400,000	40,731,804	15,668,196	72%
Board expenses	9,600,000		9,600,000	9,513,168	86,832	99.10%
Repair and Maintenance	2,000,000		2,000,000	1,372,395	627,605	68.62%
Property, Plant and Equipment	12,000,000		12,000,000	10,781,435	1,218,565	89.85%
Staff Costs						
Total Expenditure						
	80,000,000	-	80,000,000	62,398,802	17,601,198	78%
Surplus for the period				1,966,977	(1,966,977)	
Total Recurrent Expenditure	80,000,000	-	80,000,000	64,365,779	15,634,221	80%

Budget notes

1. The Kisumu County Revenue Board had budgeted for **Kshs.80,000,000**. However, the County Treasury did disburse **Kshs. 64,365,779** as at 30th June, 2024 and **Kshs. 15,634,221** remained as trade receivables.



.....
Name: KUNGU J. Otieno
Ag. Chief Executive Officer
ICPAK M/No. 4450



.....
Name: Oyoo John Otieno
Head of Finance
ICPAK M/No 12669

County Government of Kisumu
Kisumu County Revenue Board
Annual Report and Financial Statements for the year ended 30th June, 2024

19. Notes to the Financial Statements

1. General Information

Kisumu County Revenue Board is established by and derives its authority and accountability from Kisumu County Revenue Administration Amendment Act of 2022. The Kisumu County Revenue Board is under the County Government of Kisumu and is domiciled in Kenya.

The principal activities:

- Provide high standard social services involving public and stakeholders through public participation.
- Provide for governance mechanism to enable the public to participate in public service delivery.
- Develop and enforce Kisumu County Revenue Board by-laws.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts, and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the *Kisumu County Revenue Board's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *Kisumu County Revenue Board*.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

(Notes to financial statements continued)

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Annual Report and Financial Statements for the year ended 30th June, 2024
3. Application of New and revised standards (IPSAS)

- i. New and amended standards and interpretations in issue effective in the year ended 30 June, 2024.*

There are no new standards effective in the financial year ended 30th June, 2024.

- ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June, 2024.*

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of Kisumu County Revenue Board. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.

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Kisumu County Revenue Board

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	ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value.
IPSAS 47: Revenue	Applicable 1st January 2026 This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an Kisumu County Revenue Board shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48: Transfer Expenses	Applicable 1st January 2026 The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49: Retirement Benefit Plans	Applicable 1st January 2026 The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.

iii. Early adoption of standards

The Kisumu County Revenue Board did not early – adopt any new or amended standards in te financial year 2023-2024

(Notes to financial statements continued)

County Government of Kisumu
Kisumu County Revenue Board
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4. Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (*cash, goods, services and property*) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Kisumu County Revenue Board and can be measured reliably.

ii) Revenue from exchange transactions

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income for each period.

b) Budget information

The original budget for FY 2023/24 was approved by the County Assembly on 7th July, 2023. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Kisumu County Revenue Board upon receiving the respective approvals in order to conclude the final budget.

The Board's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. *(Significant accounting policies continued)*

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Kisumu County Revenue Board

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A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under page 5 of these financial statements.

c) Property, plant and equipment

All property, plant and equipment in use by the Kisumu County Revenue Board are not stated at any value in the financial statement. Cost less accumulated depreciation and impairment losses. The equipment used by the Kisumu County Revenue Board are from the County Government. Cost do not include expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Kisumu County Revenue Board recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation is charged directly as per the rates illustrated below:

Land 0%

Buildings 4%

Motor vehicles 25%

Fixtures & fittings 12.5%

Equipment 12.5%

d) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite.

(Significant accounting policies continued)

e) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Kisumu County Revenue Board does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements.

A financial instrument is any contract that gives rise to a financial asset of one Kisumu County Revenue Board and a financial liability or equity instrument of another Kisumu County Revenue Board. At initial recognition, the Kisumu County Revenue Board measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification of financial assets

The Kisumu County Revenue Board classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the Kisumu County Revenue Board's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an Kisumu County Revenue Board has made irrevocable election at initial recognition for particular investments in equity instruments.

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Kisumu County Revenue Board
Annual Report and Financial Statements for the year ended 30th June, 2024
Subsequent measurement

Based on the business model and the cash flow characteristics, the Kisumu County Revenue Board classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue, and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the Kisumu County Revenue Board manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through a surplus or deficit model.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year-end.

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Kisumu County Revenue Board
Annual Report and Financial Statements for the year ended 30th June, 2024

Impairment

The Kisumu County Revenue Board assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The Kisumu County Revenue Board recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx*.

Financial liabilities

Classification

The Kisumu County Revenue Board classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

f) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

Raw materials: purchase cost using the weighted average cost method

Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the City/Municipality.

*County Government of Kisumu
Kisumu County Revenue Board
Annual Report and Financial Statements for the year ended 30th June, 2024*

g) Provisions

Provisions are recognized when the Kisumu County Revenue Board has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Kisumu County Revenue Board expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

h) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and/or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the needs of society as a whole. The Kisumu County Revenue Board recognises a social benefit as an expense for the social benefits scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the Kisumu County Revenue Board will incur in fulfilling the present obligations represented by the liability.

i) Contingent liabilities

The Kisumu County Revenue Board does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

j) Contingent assets

The Kisumu County Revenue Board does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Kisumu County Revenue Board in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured

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reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs

k) Nature and purpose of reserves

The Kisumu County Revenue Board creates and maintains reserves in terms of specific requirements. *Kisumu County Revenue Board to state the reserves maintained and appropriate policies adopted*

l) Changes in accounting policies and estimates

The Kisumu County Revenue Board recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

m) Employee benefits – Retirement benefit plans

The Kisumu County Revenue Board provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which the Kisumu County Revenue Board pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further contributions if the Kisumu County Revenue Board does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to scheme obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefits are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

n) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported in the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting

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of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

o) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

p) Related parties

The Kisumu County Revenue Board regards a related party as a person or a Kisumu County Revenue Board with the ability to exert control individually or jointly, or to exercise significant influence over the City/Municipality, or vice versa. Members of key management are regarded as related parties and comprise the Board members, the Kisumu County Revenue Board Managers and Kisumu County Revenue Board Accountant.

q) 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 various commercial banks at the end of the financial year.

r) Comparative figures

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

s) Events after the reporting period

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorized for issue. Two types of events can be identified:

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(a) Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and

(b) Those that are indicative of conditions that arose after the reporting date (*non-adjusting events after the reporting date*).

The Kisumu County Revenue Board had no material adjusting and non- adjusting events after the reporting period.

t) Currency

The financial statements are presented in Kenya Shillings (Kshs.) and the values rounded off to the nearest shilling.

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5. Significant judgments and sources of estimation uncertainty

The preparation of the City/Municipality's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

State all judgements, estimates and assumptions made.

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Kisumu County Revenue Board based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Kisumu County Revenue Board. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- i) The condition of the asset based on the assessment of experts employed by the Kisumu County Revenue Board.
- ii) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- iii) The nature of the processes in which the asset is deployed.
- iv) Availability of funds to replace the asset.
- v) Changes in the market in relation to the asset.

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6. Transfers from the County Government

Description	FY - 2023/2024	FY - 2022/2023
	Kshs.	Kshs.
Transfers from County Govt. – Recurrent	48,663,864	-
Transfers from County Govt. – Development	15,701,915	-
Total	64,365,779	-

(The direct transfers to the Kisumu County Revenue Board operations account was ksh. 64,365,779.00)

7. Use of Goods and Services

Description	FY - 2023/2024	FY - 2022/2023
	Kshs.	Kshs.
Utilities, supplies and services	109,889	-
Communication, supplies and services	1,872,397	-
Domestic travel and subsistence	12,643,450	-
Foreign travel and subsistence	-	-
Printing, advertising, supplies & services	1,087,445	-
Rent and rates	133,200	-
Training expenses	273,600	-
Hospitality supplies and services	3,343,559	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	11,068,525	-
Fuel, oil and lubricants	2,808,039	-
Other operating expenses (Impounding fees)	30,000	-
-KRA Taxes	1,808,046	-
Contracted Professional Services	4,159,751	-
Audit fees	-	-
Sanitary & cleaning	545,691	-
Hire of Transport, equipment etc	-	-
Office Security	596,337	-
ICT (Computer accessories)	147,980	-
Bank Charges	16,895	-
Uniforms and Clothing	12,100	-
Membership & Subscription	74,900	-
Social Benefit expenses*	-	-
Total	40,731,804	-

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(Notes To the Financial Statements (Continued))

8. Staff costs

Description	FY 2023/2024	FY - 2022/2023
	Kshs.	Kshs.
Salaries and wages	-	-
Staff gratuity	-	-
Social security contribution	-	-
Other staff costs (<i>Specify</i>)	-	-
Total	-	-

9. Board expenses

Description	FY 2023/2024	FY - 2022/2023
	Kshs.	Kshs.
Chairman/Members' Honoraria	-	-
Sitting allowances	2,831,328	-
Medical Insurance	-	-
Induction and Training	-	-
Travel and accommodation	4,478,893	-
Conference Costs	327,160	-
Other allowances (Mileage)	1,875,787	-
Total	9,513,168	-

10. Depreciation and amortization

Description	FY 2023/2024	FY - 2022/2023
	KShs	KShs
Office Equipment	17,339	-
ICT Equipment	1,124,454	-
Furniture & Fittings	288,395	-
Buildings	170,417	-
Total depreciation and amortization	1,600,604	-

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11. Repairs and Maintenance

Description	FY - 2023/2024	FY - 2022/2023
	KShs	KShs
Property- Buildings	-	-
Office equipment	43,320	-
Furniture and fittings	-	-
Motor vehicle expenses	1,329,075	-
Total repairs and maintenance	1,372,395	-

12. Cash and cash equivalents

Description	FY - 2023/2024	FY-2022/2023
	Kshs.	Kshs.
Current account	1,966,977	-
Total cash and cash equivalents	1,966,977	-

Detailed analysis of the cash and cash equivalents are as follows:			
Financial institution	Account number	FY - 2023/2024	FY-2022/2023
		Kshs.	Kshs.
c) Current account			
Kenya Commercial bank	1318439736	1,966,977	-
Sub- total		1,966,977	-
Grand total		1,966,977	-

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13. Plant, Property & Equipment

Description	Land	Building	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Heritage assets	Other Assets (office equipments)	Work in progress	Service concession assets	Total
Depreciation Rate		4%			12.5%	12.5%		12.5%			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
As at 1 July 2023 (previous year)	-	-	-	-	-	-	-	-	-	-	-
Additions	-	4,260,414	-	-	2,307,159	8,995,630	-	138,712	-	-	15,701,915
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 30th June 2024 (current year)	-	4,260,414	-	-	2,307,159	8,995,630	-	138,712	-	-	15,701,915
Additions for the year	-	-	-	-	-	-	-	-	-	-	-
Disposals for the year	-	-	-	-	-	-	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 30 th June 2024 (current year)	-	4,260,414	-	-	2,307,159	8,995,630	-	138,712	-	-	15,701,915
Depreciation and impairment											
At 1 July 2023 (previous year)	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-	-	-
Transfers/ Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 30th June 2024	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	170,417	-	-	288,395	1,124,454	-	17,339	-	-	1,600,604
Disposals for the year	-	-	-	-	-	-	-	-	-	-	-
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-	-	-	-	-	-	-
As at 30 th June 2024 (current year)	-	170,417	-	-	288,395	1,124,454	-	17,339	-	-	1,600,604
NBV as at 30 th June 2023 (previous year)	-	-	-	-	-	-	-	-	-	-	-
NBV as at 30 th June 2024 (current year)	-	4,089,997	-	-	2,018,764	7,871,176	-	121,373	-	-	14,101,311

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14. Trade and other payables from exchange transactions

Description	FY - 2023/2024		FY - 2022/2023	
	Kshs.		Kshs.	
Trade payables (Recurrent)	7,150,185		-	
Accrued expenses				
Other payables (Development)	4,920.480		.	
Total trade and other payables	12,070,665		-	
Ageing analysis:	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	12,070,665	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	12,070,665	-	-	%

Other Disclosures

9 Related party balances

a) Nature of related party relationships

Entities and other parties related to the Kisumu County Revenue Board include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members. The Board scheme is related to the following entities:

- The County Government.
- The Parent County Government Ministry.
- County Assembly.
- Key management.
- Kisumu County Revenue Board; etc.

10 Financial risk management

The Board's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Board's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk.

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The Kisumu County Revenue Board does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Board's financial risk management objectives and policies are detailed below:

I. Credit risk

The Board has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the Board. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Board's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the Board's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount Kshs.	Fully performing Kshs.	Past due Kshs.	Impaired Kshs.
At 30th June, 2024				
Receivables from exchange transactions				
Receivables from non-exchange transactions				
Bank balances	1,966,977	1,966,977		
Total	1,966,977	1,966,977		
At 31st December 2023				
Receivables from exchange transactions				
Receivables from non-exchange transactions		-		
Bank balances				
Total				

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(NB: The totals column should tie to the individual elements of credit risk disclosed in the Kisumu County Revenue Board's statement of financial position)

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Kisumu County Revenue Board has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Kisumu County Revenue Board has significant concentration of credit risk on amounts due from August 2023.

The Kisumu County Revenue Board sets policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(Other Disclosures Continued)

II. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board's Ag Chief Executive Officer, who has built an appropriate liquidity risk management framework for the management of the Board's short, medium and long-term liquidity management requirements. The Kisumu County Revenue Board manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the Kisumu County Revenue Board under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs.	Kshs.	Kshs.	Kshs.
At 30 th June, 2024				
Trade payables	-	12,070,665		12,070,665
Total	-	12,070,665		12,070,665
At 31 December 2023				
Trade payables	-	-		
Total				

III. Market risk

The Board has put in place an internal audit function to assist it in assessing the risk faced by the Kisumu County Revenue Board on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Board's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The Board's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

(Other Disclosures Continued)

There has been no change to the Board's exposure to market risks or the manner in which it manages and measures the risk.

IV. Foreign currency risk

The Board has no transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

Foreign currency sensitivity analysis

The following table demonstrates the effect on the Fund's statement of financial performance on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

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Description		Other currencies	Total
	Kshs.	Kshs.	Kshs.
At 30 June 2024			
Financial assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors/ receivables	-	-	-
Liabilities	-	-	-
Trade and other payables	-	-	-
Borrowings	-	-	-
Net foreign currency asset/(liability)	-	-	-

IV. Foreign currency sensitivity analysis

The following table demonstrates the effect on the Fund's statement of financial performance on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs.	Kshs.	Kshs.
2024(current year)			
Euro	10%	-	-
USD	10%	-	-
2023 (previous year)			
Euro	10%	-	-
USD	10%	-	-

V. Interest rate risk

Interest rate risk is the risk that the Kisumu County Revenue Board's financial condition may be adversely affected as a result of changes in interest rate levels. The Kisumu County Revenue Board's interest rate risk arises from bank deposits. This exposes the Kisumu County Revenue Board to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Board's deposits.

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Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

VI. Capital risk management

The objective of the Board's capital risk management is to safeguard the Board's ability to continue as a going concern.

Description	Insert Current FY	Insert Comparative FY
	Kshs.	Kshs.
Revaluation reserve	-	-
Capital/Development Grants/City/Municipality	-	-
Accumulated surplus	-	-
Total Funds	-	-
	-	-
Total borrowings	-	-
Less: cash and bank balances	-	-
Net debt/(excess cash and cash equivalents)	-	-
Gearing	-	-

38. Program for Results (PforR) Disclosure

This disclosure note is for entities that are implementing Programs for Results (PforR). Implementing entities are required to make disclosures in accordance with their respective financing agreements. The disclosure should capture the program's goal and expenditures designated in the expenditure framework.

Name of the PforR: -	
Financing Partners: -	
Purpose of the PforR:-	
Expenditure Details	Amount in Kshs
Cumulative actual expenditures for the previous years	-
Actual expenditure in the current financial year.	-
1. Employee Cost	-
2. Use of goods and Services	-
3. Grants and Subsidies	-
4. Building of ECDE facilities	-
5. Others (specify)	-
Sub-total	-
Cumulative Actual Expenditures to date	-

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20. Appendices

Appendix 1. Progress on Follow up of Auditors Recommendations.

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
NIL	NIL	NIL	NIL	NIL

Guidance Notes:

- Use the same reference numbers as contained in the external audit report.
- Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management.
- Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue.
- Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to County Treasury.

.....

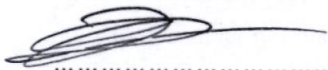
To be Signed by the Accounting officer of the Entity

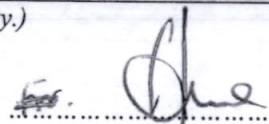
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Appendix 2: Inter-Entity Transfers

NAME: KISUMU COUNTY REVENUE BOARD				
Breakdown of Transfers from the County Executive of County Government of Kisumu				
FY 2023/2024 QTR 1				
a.	Recurrent Grants	Bank Statement Date	Amount (Kshs.)	Indicate the FY to which the amounts relate
			-	
		Total	-	
b.	Development Grants	Bank Statement Date	Amount (Kshs.)	Indicate the FY to which the amounts relate
		Total		
c.	Direct Payments	Bank Statement Date	Amount (Kshs.)	Indicate the FY to which the amounts relate
	Development			
	Recurrent	12-09-2023	5,000,000	2023-2024
		29-11-2023	10,000,000	2023-2024
		11-01-2024	11,869,500	2023-2024
		12-03-2024	7,496,279	2023-2024
		07-05-2024	15,000,000	2023-2024
		08-07-2024	15,000,000	2023-2024
		Total	64,365,779	

(The above amounts have been communicated to and reconciled with the parent Department in the County.)


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Head of Accounting Services
County Government of Kisumu

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Kisumu County Revenue Board
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Appendix 3: Reporting of Climate Relevant Expenditures

Name of the Organization
 Telephone Number
 Email Address
 Name of CEO/MD/Head

Name and contact details of contact person (in case of any clarifications)

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

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Appendix 4: Disaster Expenditure Reporting Template

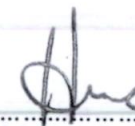
Date:

Entity

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments



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Head of Finance
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CPA Martin Okode
Head of Accounting Services
County Government of Kisumu