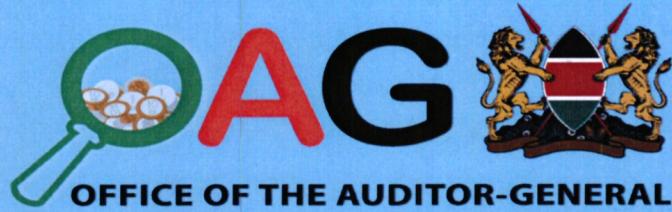


REPUBLIC OF KENYA



*Enhancing Accountability*

PARLIAMENT  
OF KENYA  
LIBRARY

**REPORT**

PAPERS LAID	
DATE	6/6/2023
TABLED BY	Majority Whip
COMMITTEE	-
CLERK AT THE TABLE	Innocent Mbayo

**OF**

**THE AUDITOR-GENERAL**

**ON**

**RECEIVER OF REVENUE – REVENUE  
STATEMENTS**

**FOR THE YEAR ENDED  
30 JUNE, 2022**

**COUNTY GOVERNMENT OF BUSIA**



**COUNTY GOVERNMENT OF BUSIA  
COUNTY TREASURY  
P.O. BOX PRIVATE BAG – 50400  
BUSIA, KENYA**



30<sup>th</sup> September, 2022.

Ref: CG/BSA/KENAO/CORR/VOL,V/31

**The Director  
Office of the Auditor General  
Western Hub  
P.O. Box 2042-50100  
KAKAMEGA.**



Dear Sir.

**REF: BUSIA COUNTY RECEIVER OF REVENUE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 30<sup>TH</sup> JUNE 2022.**

The above subject matter refers.

I hereby forward to you the Busia County Receiver of Revenue and Financial Statements for the financial year ended 30<sup>th</sup> June 2022 in accordance with section 165 of the Public Finance Management Act 2012 for your action.

Thank you for the continued support.

  
**Hon. Phaustine Barasa  
CECM – FINANCE, ECONOMIC PLANNING AND ICT.**

Copy to:

**The Principal Secretary  
National Treasury  
Po Box 3007-00200  
NAIROBI.**



COUNTY GOVERNMENT OF BUSIA  
OFFICE OF THE GOVERNOR  
P.O. BOX PRIVATE BAG  
50400 BUSIA,  
KENYA



---

**RECEIVER OF REVENUE**

**COUNTY GOVERNMENT OF BUSIA**

**REVENUE STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2022**

---

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

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

---

<b>Table of Contents</b>	<b>Page</b>
I. Key Entity Information and Management .....	iii
II. Foreword By the CECM Finance and Economic Planning .....	v
III. Management Discussion and Analysis .....	vi
IV. Statement of Performance against County Predetermined Objectives .....	viii
V. Statement of Receiver of Revenue’s responsibilities .....	xv
VI. Report of the Independent Auditors on the Busia County Receiver of Revenue .....	xvi
VII. Statement of Receipts and Disbursements for the year ended 30th June 2022 .....	1
VIII. Statement of Financial Assets and Liabilities As At 30 <sup>th</sup> June 2022 .....	2
IX. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30 <sup>th</sup> June 2022 .....	3
X. Statement of Arrears of Revenue As At 30th June 2022 .....	5
XI. Notes to the Financial Statements .....	6
XII. Appendices .....	16

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

---

**I. Key Entity Information and Management**

**(a) Background information**

The receiver of revenue is under the Department of finance, economic planning and ICT. At the County Executive Committee level, the receiver of revenue is represented by the County Executive committee member for finance, who is responsible for the general policy and strategic direction of the receiver of revenue. The receiver of revenue is designated as a receiver by the County Executive Committee member for Finance, in accordance with section 157 of the PFM Act.

**(b) Principal activities**

The receiver of revenue collects revenue and remits to the County Revenue Fund (CRF).

**(c) Key Management**

The County Government of Busia day-to-day management of revenue is under the following:

No.	Designation	Name
1.	CECM Finance and Economic Planning	Hon. Phaustine A. Barasa
2.	Accounting Officer in charge of Finance	Mr. Nicodemus Onyango Mulaku
3.	Director Revenue	Mr. Theophilus Chitechi

**(d) County Headquarters**

P.O. Box Private Bag 50400

Busia (K)

Town Hall Building Busia-

Kisumu Highway Busia

**(e) Entity Contacts**

E-mail: [info@busiacounty.go.ke](mailto:info@busiacounty.go.ke)

Website: [www.busiacyounty.go.ke](http://www.busiacyounty.go.ke)

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

---

**(f) Independent Auditors**

Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084, GPO 00100  
NAIROBI, KENYA

**(g) Principal Legal Adviser**

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

**(h) Bankers**

**1. Central Bank of Kenya**

Haile Selassie Avenue P.O. Box 60000  
City Square 00200  
Nairobi, Kenya.

**2. Other Commercial banks**

- i. Kenya Commercial Bank, Busia Branch
- ii. Cooperative Bank of Kenya, Busia Branch.
- iii. National Bank of Kenya, Busia Branch.
- iv. Family Bank of Kenya, Busia Branch.
- v. Equity Bank of Kenya, Busia Branch.

## **II. Foreword by the CECM Finance and Economic Planning**

It is my pleasure to present the County Government of Busia financial statements for the year ended 30th June, 2022. The financial statements present the financial performance of the County Revenue Fund for the financial year 2021/2022.

The promulgation of the Constitution of Kenya, 2010 under Chapter 11 ushered Kenya into a new system of governance, replacing the centralized system with a devolved system of governance. The devolved system of governance consists of the National Government and 47 County Governments.

Financing of the County Governments

Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Each County Government's equitable share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation and approved by Parliament in accordance with Article 217 of the Constitution of Kenya 2010.

The County also finances its operations through own generated revenues. These are revenues collected within the County. The key local revenue sources for Busia County included business permits, land rates, business plan approvals, advertising fees, Cess and various other administrative charges.

The County continues to explore new and innovative ways of increasing its local revenue collections. Some of the steps that the County has taken towards improving its revenue collections include:

- 1) Automation of revenue collection system – the County is currently using County Pro Revenue system as the revenue collection system;
- 2) Continuous revenue mapping and putting in place proper revenue collection enforcement measures.
- 3) Allocation of service delivery vehicles to enhance local revenue collection.
- 4) Employment of county revenue clerks and enforcement officers to enhance revenue collection.
- 5) Approval of Valuation Roll Bill by the County Assembly which has increased county Revenue streams (e.g.

Land Rates)

Sign..........

**Hon. Phaustine A. Barasa**

**CECM Finance and Economic Planning**

### **III. Management Discussion and Analysis**

#### **Background information**

Own Source Revenue (OSR) is anchored by the 2010 Constitution, the 2012 Public Finance Management Act, the County Government Act of 2012 and the 2011 Urban Areas and Cities Act 2011. Together, these allow counties to impose property tax, entertainment taxes and any other tax authorized by an Act of Parliament, as well as charges for the services they provide.

Improved OSR not only increases absolute revenues for a county but also improves the fiscal autonomy of county governments and allows them to better manage their public finances in manner more appropriate to their own economies. Studies by the National Treasury and reports by the Office of the Controller of Budget the Commission on Revenue Allocation (CRA) have established that most counties raise less than 40 per cent of their estimated revenue potential. The joint devolution programme is working with partner counties and CRA to address this issue.

CRA has developed Own Sources Revenue Training Guidelines for counties that provide a tool for strengthening their technical capacity on OSR administration to improve performance. Through training programmes and ongoing assessments the programme, together with CRA, is enhancing the technical capacity of county government revenue staff, supervisors, management and policymakers on the process of revenue collection, management and enhancement.

#### **County own generated receipt.**

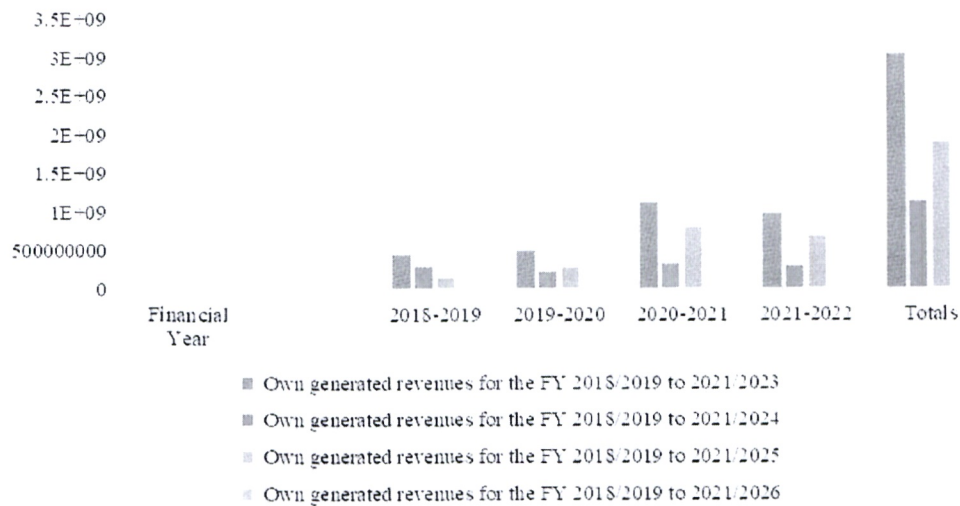
This is money derived by or on behalf of a County Government from levies, rates, fees, charges or any other source as authorized by Article 209 (3) of The Constitution of Kenya, 2010. The county heavily relied on levy rates on hospital user foregone fees, trailer parking fees and single permits for its services. During the financial year 2018/2019, 2019/2020, 2020/2021 and 2021/2022, the County Government adopted electronic payment and improved its monitoring systems for charges, permits and fees.

The County Government projected to collect a total of Kshs 3,052,504,437 from the local sources which were planned to support priority programmes and projects identified for implementation over the plan period. This is shown in the table below:

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

Own generated revenues for the FY 2018/2019 to 2021/2022				
Financial Year	Approved Grants	Actual Grants	Deviation	Budget utilization
	Kshs	Kshs	Kshs	%
2018-2019	452,339,666	299,373,277	152,966,389	66
2019-2020	504,500,647	225,827,435	278,673,212	45
2020-2021	1,119,555,802	322,558,227	796,997,575	29
2021-2022	976,108,322	292,736,456	683,371,867	30
<b>Totals</b>	<b>3,052,504,437</b>	<b>1,140,495,394</b>	<b>1,912,009,043</b>	<b>37</b>

Own generated revenue for the FY 2018/2019 to 2021/2022



**IV. Statement of Performance against County Predetermined Objectives**

**Introduction**

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer when preparing financial statements of each County Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board, includes a statement of the county government entity’s performance against predetermined objectives.

**Strategic development objectives for Busia County**

The County’s 2018-2022 CIDP has identified 7 key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the Governor’s Manifesto, the National Government’s “Big Four”, SDGs and the MTP III.

The strategic objectives are a synthesized product of the afore-mentioned planning frameworks that amalgamate the thematic focus and development aspirations in these policy frameworks.

The key development objectives of the Busia County’s 2018-2022 CIDP are;

**Progress on attainment of Strategic development objectives for Busia County**

<i>Ref</i>	<i>Objective as per CIDP</i>	<i>Performance/Progress made up since 2018 up to date</i>	<i>Remarks (Explain the Reasons underperformance/ Over performance)</i>
1.	Infrastructure development (Including roads, water and Electricity supply)	Upgrading of roads to bitumen standards, opening of new roads and maintenance Rural electrification, Solar lights installation and maintenance	Delayed disbursement of funds by the National Treasury.
2.	Promote trade and industrial development	Rehabilitation and construction of new markets, Cooperative development	

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

3.	Investing in quality, affordable and accessible health care services	Rehabilitation and construction of Health facilities infrastructure	
4.	Investing in Education, focusing on the rehabilitation and equipping of Vocational Training Centres and Early Childhood Development Education.	Construction of ECDE classrooms, Employment of ECDE teachers, Equipping of youth polytechnics and Vocational training centres	
5.	Investing in Agriculture and Food security.	Supply of farm inputs to farmers, Fisheries, Livestock, Veterinary and Aquaculture development	
6.	Enhancing governance, transparency and accountability in the delivery of public services	Improved accountability and efficient service delivery <sup>3</sup>	
7.	Establishing a socially self-driven empowered community through social protection, talent nurturing, and creating equal opportunities for marginalized groups.	Rehabilitation and establishment of youth empowerment centres, Promotion of sports and Tourism activities	

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Performance indicators were identified for reasons of tracking progress and performance measurement:

**Progress on attaining the stated objectives**

<b>Department</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
<b>Infrastructure and Energy</b>	Maintenance of Roads under fuel levy Fund	Reliable road network	200 km of road maintained	Routine road maintenance and spot improvement of roads (200km) within all the 7 sub counties
	Maintenance of roads under Machine hire Programme	Reliable road network	150km of road maintained	150km of road maintained in all the county wards
	Opening of new roads	Reliable rural road network	100 km of new roads opened	100 km of new roads opened
	Rural Electrification	Improved lighting and increased public safety and security in Rural areas	1500households connected	1500households connected to electricity under Rural electrification programme
	Installation and Maintenance of Solar Mass Lights	Improved lighting and increased public safety and security in Rural areas	10Installed 48 Maintained	10 no of solar mass lights installed and 48 maintained across the county
	Upgrading of county roads to bitumen standards	Improved road network	10 km tarmac ked	10 km of road network across the county upgraded to bitumen standards
	Installation of footbridges	Improved road network	2 No.	2 No. of footbridges installed across the county

Receiver of Revenue  
 County Government of Busia  
 Revenue Statements for the Period Ended 30<sup>th</sup> June 2022

Department	Objective	Outcome	Indicator	Performance
	Installation of culverts	Improved road network	7 No.	7 No. of culverts installed across the county
	Construction of bridges	Improved road network	2 No.	2 No. construction of bridge and major drainage works at Machakus
<b>Health And Sanitation</b>	Curative Health Services	A society free from disease and disability	2 No. infrastructure projects developed	, 1.No. laboratory completed. 1. No. Mortuary Equipped
	Purchase of Hospital Equipment	A society free from disease and disability	Facilities equipped	Various equipment purchased and facilities equipped
	Preventive and promotion of health services	Reduced morbidity and mortality due to preventable diseases	Infrastructure developed, equipped	Refurbishment and equipping of lower-level health facilities done,89% of clients counseled and tested, malaria prevalence reduced by 25%,167 No. of outreach services conducted
<b>Water, Irrigation, Environment and Natural Resources</b>	Water supply services (Urban)	Pipe network development	70 km of pipe network	Ward based pipe extension across the county
		Establishment of Hybrid water System	1 system	Busia mundika hybrid water system constructed
		Increased storage facilities	1,300 storage facilities	Ward based storage facilities constructed across the county

Receiver of Revenue  
 County Government of Busia  
 Revenue Statements for the Period Ended 30<sup>th</sup> June 2022

Department	Objective	Outcome	Indicator	Performance
		Increased rural water	100 water sources	Drilling of boreholes, spring protection, Rehabilitation of boreholes
	Water supply services (Rural)	Clean water	6,500 volumes	Increase in production as a result of intensive maintenance of water systems
		Volume of storage developed	1,150 volumes	Major urban storage tanks developed
		Pipe network	65 km	Rural pipe network Constructed
		Water system maintained	800 units	800 No. Water systems maintained
	Environmental management and Protection	Conductive environment	22 No	No. of patrols increased
		Environment policies development	1 No	environmental policy developed
	Irrigation infrastructure Development	No. of trees planted	10,000 No.	Trees planted
	Water tower protection and	Improved and high quality	20%	Climate change mitigation

Receiver of Revenue  
 County Government of Busia  
 Revenue Statements for the Period Ended 30<sup>th</sup> June 2022

Department	Objective	Outcome	Indicator	Performance
	climate change mitigation	services		
<b>Education And Vocational Training</b>	Improvement of Infrastructure in E.C.D.E centers	Safe child and friendly learning Environment	78.. No. of classrooms completed	No. of ECDE classrooms constructed across the county
		ECDE centers equipped with furniture and outdoor facilities	14. No.	No. of ECDE centers provided with teaching and learning Materials
	Education Support scheme	Access to quality Vocational Training	4,100 No.	No. of trainees supported by subsidized vocational training centers support grant
<b>Agriculture, Livestock and Fisheries</b>	Agricultural land use and management	Increased land acreage under agricultural use	4000 acres	No, of farms acres ploughed across the county
	Crop production and management	Increased agricultural productivity	2,000 No. of marginalized farmers Receiving	No. of marginalized farmers receiving support services across the county
			8,000 No. of acres planted with certified Seeds	No. of acres of land planted with certified seeds across the county
			2,000 No. of acres planted with inorganic	No. of acres planted with inorganic

Receiver of Revenue  
 County Government of Busia  
 Revenue Statements for the Period Ended 30<sup>th</sup> June 2022

Department	Objective	Outcome	Indicator	Performance
			5,100 No. acres sprayed with pesticide	No. of acres of land sprayed with pesticides
	Agricultural training and extension services	Enhanced adoption of new farming technologies	40. No of farmers trained	No. of farmers trained on new farming technologies
	Livestock production development	Improved livestock production and income	15,249 metric liters of milk produced	Improved milk production
	Veterinary health services	Increased access to quality reliable and sustainable veterinary health services	1,000 vaccines procured	No. of livestock vaccinated against diseases
			200 no. of acaricides	No. of liters of acaricides to reduce incidences of vector
			10. no. of foot pump purchased	No of foot pump purchased to reduce incidences of vector

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

---

**V. Statement of Receiver of Revenue's responsibilities**

Section 165 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, a receiver of revenue for a county government shall prepare an account in respect of the revenue collected, received and recovered by the receiver during that financial year.

The Receiver of Revenue is responsible for the preparation and presentation of the receiver of revenue account, which gives a true and fair view of the state of affairs of the receiver of revenue for and as at the end of the financial year (period) ended on June 30, 2022. 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 statement of assets and liabilities of the entity, (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 entity, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Receiver of Revenue in charge accepts responsibility for the Busia County receiver of revenue accounts, which have been prepared on the Cash Basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Receiver of Revenue is of the opinion that Busia County receiver of revenue account gives a true and fair view of the state of Busia County receiver of revenue transactions during the financial year ended June 30, 2022, and of Busia County statement of assets and liabilities as at that date. The Receiver of Revenue further confirms the completeness of the accounting records maintained, which have been relied upon in the preparation of the receiver of revenue account as well as the adequacy of the systems of internal financial control.

The Receiver of Revenue confirms that Busia County has complied fully with applicable Government Regulations and the terms of external financing covenants. The Receiver of Revenue confirms that the revenue statements have been prepared in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the Revenue Statements**

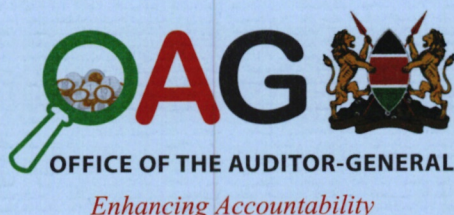
The revenue statements were approved and signed by the Receiver of Revenue on 30<sup>th</sup> September, 2022

.....  


**Name: Ms. Phaustine Barasa  
County Receiver of Revenue**

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



HEADQUARTERS  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON RECEIVER OF REVENUE - REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2022 - COUNTY GOVERNMENT OF BUSIA

---

### PREAMBLE

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

- A. Report on the 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 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 Government achieves value for money and that such funds are applied for the intended purpose.
- 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, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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 REVENUE STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Receiver of Revenue – Revenue Statements set out on pages 1 to 17, which comprise of the statement of financial assets and liabilities as and statement of arrears or revenue at 30 June, 2022 and the statement

---

*Report of the Auditor-General on Receiver of Revenue – Revenue Statements for the year ended 30 June, 2022 - County Government of Busia*

of receipts and disbursements and 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 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Receiver of Revenue – Revenue Statements as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

**Basis for Qualified Opinion**

**1. Disbursements to County Revenue Fund (CRF)**

The statement of receipts and disbursements reflects an amount of Kshs.293,356,495 being disbursements to CRF during the 2021/2022 financial year which differ with Kshs.214,668,000 shown in bank transfers to the CRF resulting in unexplained or unreconciled variance of Kshs.78,688,495.

In the circumstances, the accuracy of the disbursements to CRF amounting to Kshs.293,356,495 for the year ended 30 June, 2022 could not be confirmed.

**2. Variances between the Statement of Comparison of Budget and Actual Amounts and Statement of Receipts and Disbursements**

The statement reflects Kshs.292,736,453 as total county own source revenue, which is at a variance with the Kshs.292,708,434 reported in the statement of receipts and disbursements, by an unreconciled variance of Kshs.28,019.

Further, the statement also reflects Kshs.3,144,950 as the actual receipts from administration on control fees and charges, which is at variance with the actual amount of Kshs.3,116,930 reflected in the statement of receipts and disbursements. The variance of Kshs.28,080 was not explained or reconciled.

In the circumstances, the accuracy and completeness of the respective balances for the year ended 30 June, 2022 could not be confirmed.

**3. Failure to Disclose Arrears of Revenue Balances**

The statement of arrears of revenue in the revenue statement submitted for audit reflects Nil balances on all the revenue streams.

Further, information provided indicated that the National Hospital Insurance Fund (NHIF) was in arrears of reimbursements from Busia County Referral Hospital and Khunyangu, Port-Victoria, Sio-Port and Nambale Sub-County hospitals as at 30 June, 2022.

In addition, the Management was yet to receive revenues from land rates, plot rents and NHIF reimbursements.

In the circumstances, the accuracy and completeness of arrears of the statement of revenue as at 30 June, 2022 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Receiver of Revenue – Revenue Statements Management in accordance with ISSAI 130 on 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 qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

### **Other Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual Kshs.976,108,376 and Kshs.292,736,453 respectively resulting to under-collection of Kshs.683,371,923 (or 70% of the budget).

The under-collection affected planned activities and may have impacted negatively on service delivery to the public.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Lack of an Updated Valuation Roll/Supplementary Valuation Roll**

The Receiver of Revenue uses a valuation roll that was last updated in 2018. Further, the County did not have in place a rating committee to handle any objection to the implementation of the valuation roll. This is contrary to Section 18(2) of the Valuation for Rating Act, 2015, which states that a valuation roll shall remain in force, as amended from time to time by a supplementary valuation roll, until it is wholly superseded by a new valuation roll.

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

## **2. Irregular Spending Revenue at Source**

The statement of receipts and disbursements reflects Kshs.292,708,434 as the total county own generated revenue for the 2021/2022 financial year. However, the audit revealed that own source revenues amounting to Kshs.255,902 which had been collected by the Receiver of Revenue was spent at source, and was not banked in the designated bank account, contrary to Regulation 63(4) of the Public Finance Management (County Governments) Regulations, 2015, which requires that all public moneys collected by a Receiver of Revenue or Collector of Revenue or collected and retained by a County Government entity, shall be paid into the designated bank accounts of the County Government and shall not be used by any public officer in any manner between the time of their receipt and payment into the bank except as provided by law.

Further, Management at Alupe Sub-County, Nambale Sub-County and Busia County Referral hospitals irregularly withdrew Kshs.10,800,000, Kshs.300,000, and Kshs.1,250,000 respectively, totalling Kshs.12,350,000 contrary to Section 7(4) of the Busia County Health Services Fund (Amendment) Act, 2021, which requires the County Treasury to transfer all the money fees and charges collected in health facilities to the County Revenue Fund within seven (7) days.

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

## **3. Late Submission of the Financial Statements**

The County Government submitted Receiver of the Revenue statement for audit on 30 October, 2022, contrary to Section 165(3) of the Public Finance Management Act, 2012, which states not later than three months after the end of the financial year, the receiver of revenue for the County Government shall submit the accounts to the Auditor-General.

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

## **4. Unsupported Opening Balances**

The Receiver of Revenue statement and accompanying notes reflect comparative balances whose source could not be confirmed since these are the first financial statements and first year of audit.

In the circumstances, the accuracy and completeness of the respective opening balances could not be confirmed.

## **5. Uncollected Revenue from Car Parking Revenue Stream**

Review of revenue streams revealed that although Management collected revenues due from various streams, car parking fees was not collected within Busia town during the period under review despite the same being provided for under the Busia County Finance Act, 2021.

Failure to collect revenues affected service delivery to the Public.

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

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 control, 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 Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the Receiver of Revenue's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to terminate the Receiver of Revenue or to cease its 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Receiver of Revenue'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**

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal control, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Receiver of Revenue's policies and procedures may deteriorate.


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

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

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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

20 April, 2023

Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022

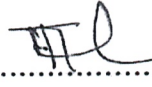
VII. Statement of Receipts and Disbursements for the year-ended 30th June 2022

	Note	2021/22	2020/21
		Kshs	Kshs
<b>County Own Source Revenue</b>			
Cess	1	41,721,962	50,943,332
Land/Poll Rate	2	7,015,612	3,418,644
Single/Business Permits	3	54,087,055	61,662,677
Property Rent	4	13,276,087	4,583,943
Parking Fees	5	38,703,770	30,316,579
Market Fees	6	14,851,492	15,853,910
Advertising	7	7,343,350	8,782,087
Hospital Fees	8	95,171,104	117,858,998
Public Health Service Fees	9	4,732,510	4,754,915
Physical Planning and Development	10	6,672,600	8,427,500
Hire Of County Assets	11	1,835,515	7,790,800
Conservancy Administration	12	3,822,247	6,189,795
Administration Control Fees and Charges	13	3,116,930	1,323,970
Park Fees	14	-	-
Other Fines, Penalties, And Forfeiture Fees	15	358,200	334,260
Miscellaneous receipts	16	-	234,709
<b>Total County Own Source Revenue</b>		<b>292,708,434</b>	<b>322,476,119</b>
<b>Other Receipts</b>			
Donations/Grants Not Received Through CRF	17	-	-
<b>Total Other Receipts</b>		<b>-</b>	<b>-</b>
<b>Total Receipts</b>		<b>292,708,434</b>	<b>322,476,119</b>
Balance b/f at the beginning of the year		648,061	664,717
<b>Disbursements To CRF</b>		<b>293,356,495</b>	<b>323,140,836</b>
<b>Balance Due for Disbursement</b>		<b>648,061</b>	<b>664,717</b>

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 30<sup>th</sup> September, 2022 and signed by:

.....  


Name: Ms. Phaustine Barasa  
County Receiver of Revenue

.....  



Name: Mr. Theophilus Chitechi  
Head of Revenue Reporting

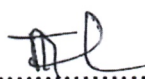
**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**VIII. Statement of Financial Assets and Liabilities as at 30<sup>th</sup> June 2022**

	Note	2021/22	2020/21
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances	18	79,388,491	1,603,958
Cash In Hand	19	648,061	664,717
<b>Total Financial Assets</b>		<b>80,036,552</b>	<b>2,268,675</b>
<b>Total Financial Assets</b>		<b>80,036,552</b>	<b>2,268,675</b>
<b>Financial Liabilities</b>			
Payables-Due to CRF	20	80,036,552	2,268,675
<b>Total Financial Liabilities</b>		<b>80,036,552</b>	<b>2,268,675</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 30<sup>th</sup> September 2022 and signed by:

.....  
  
**Name: Ms. Phaustine Barasa**  
**County Receiver of Revenue**

.....  
  
**Name: Mr. Theophilus Chitechi**  
**Head of Revenue Reporting**

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**IX. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30<sup>th</sup> June 2022**

Receipt	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Realization Difference	% Of Realization
	A	B	C=A+B	D	E=C-D	F=D/C %
County Own Source Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	%
Cess	46,878,030	22,300,021	69,178,051	41,721,962	27,456,089	60%
Land/Poll Rate	60,420,639	150,000,054	210,420,693	7,015,612	203,405,081	3%
Single/Business Permits	77,990,694	40,000,000	117,990,694	54,087,055	63,903,639	46%
Property Rent	11,903,125	18,884,353	30,787,478	13,276,087	17,511,391	43%
Parking Fees	77,229,364	55,000,000	132,229,364	38,703,770	93,525,594	29%
Market Fees	43,252,979	30,000,000	73,252,979	14,851,492	58,401,487	20%
Advertising	8,846,198	-	8,846,198	7,343,350	1,502,848	83%
Hospital Fees	114,900,010	125,000,000	239,900,010	95,171,104	144,728,906	40%
Public Health Service Fees	6,540,849	-	6,540,849	4,732,510	1,808,339	72%
Physical Planning and Development	6,691,069	-	6,691,069	6,672,600	18,469	100%
Hire Of County Assets	27,004,382	35,126,794	62,131,176	1,835,515	60,295,661	3%
Conservancy Administration	14,704,785	-	14,704,785	3,822,246	10,882,539	26%
Administration Control Fees and Charges	1,509,674	-	1,509,674	3,144,950	1,635,276	208%
Park Fees	-	-	-	-	-	0%
Other Fines, Penalties, And Forfeiture Fees	-	-	-	358,200	358,200	0%
Miscellaneous Receipts	1,925,356	-	1,925,356	-	1,925,356	0%
<b>Total County Own Source Revenue</b>	<b>499,797,154</b>	<b>476,311,222</b>	<b>976,108,376</b>	<b>292,736,453</b>	<b>683,371,923</b>	<b>30%</b>
<b>Other Receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

Donations /Grants Not Received Through CRF	-	-	-	-	-	0%
<b>Total Other Receipts</b>	-	-	-	-	-	0%
<b>Total Receipts</b>	<b>499,797,154</b>	<b>476,311,222</b>	<b>976,108,376</b>	<b>292,736,453</b>	<b>683,371,923</b>	<b>30%</b>

- (a) Over realization of Administration Control Fees and Charges was occasioned by increase of higher of stadia services.
- (b) Under realization of receipts was due to political interference.

The County Receiver of revenue's financial statements were approved on 30<sup>th</sup> September, 2022 and signed by:



.....  
**Name: Ms. Phaustine Barasa**  
**County Receiver of Revenue**



.....  
**Name: Mr. Theophilus Chitechi**  
**Head of Revenue Reporting**

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**X. Statement of Arrears of Revenue as at 30th June 2022**

<b>Classification Of Receipts</b>	<b>Balance as at 1<sup>st</sup> July 2021</b>	<b>Arrears received during the year</b>	<b>Additions in arrears for the current year to June 30, 2022</b>	<b>Total arrears as at 30 June 2022</b>	<b>Measures taken to recover the arrears</b>	<b>Assessment to the recoverability of arrears</b>
<b>(Indicate As Applicable)</b>						
Cess	-	-	-	-		
Land/Poll Rate	-	-	-	-		
Single/Business Permits	-	-	-	-		
Property Rent	-	-	-	-		
Parking Fees	-	-	-	-		
Market Fees	-	-	-	-		
Advertising	-	-	-	-		
Hospital Fees	-	-	-	-		
Public Health Service Fees	-	-	-	-		
Physical Planning And Development	-	-	-	-		
Hire Of County Assets	-	-	-	-		
Conservancy Administration	-	-	-	-		
Administration Control Fees And Charges	-	-	-	-		
Park Fees	-	-	-	-		
Other Fines, Penalties, And Forfeiture Fees	-	-	-	-		
Miscellaneous	-	-	-	-		
<b>Total Arrears</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		

.....  


**Name: Ms. Phaustine Barasa  
County Receiver of Revenue**

.....  


**Name: Mr. Theophilus Chitechi  
Head of Revenue Reporting**

**XI. Notes to the Financial Statements**

**Accounting Policies**

The principal accounting policies adopted in the preparation of these revenue statements are set out below:

**1. Statement of Compliance and Basis of Preparation**

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and relevant legal framework of the County Government Busia. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the County government of Busia. The accounting policies adopted have been consistently applied to all the years presented.

The revenue statements have been prepared on the cash basis following the standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the County government of Busia.

**2. Recognition of Receipts**

The County government of Busia recognises all receipts from the various sources when the related cash has been received by the County government.

**3. Budget**

The County Revenue budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County budget was approved as required by law. The original budget was approved by the County Assembly on 29<sup>th</sup> June, 2021 for the period 1st July 2021 to 30 June 2022 as required by law. There was one supplementary budget passed in the year. A high-level assessment of the

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

---

County's actual performance against the comparable budget for the financial year under review has been included in these financial statements.

**4. 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 revenue collection accounts held at Commercial banks.

**5. Revenue in Arrears**

This relates to revenue earned and is yet to be received or collected by the receiver of revenue. These arrears are disclosed under the statement of arrears as required under the PFM Act, 2012 Section 165 (2) (b) which is a memorandum statement.

**6. Disbursements to CRF**

The Receiver of Revenue has an arrangement for transfer of funds from its bank account to the CRF account. Total disbursements to the CRF are as a result of the transfer arrangement during the year.

**7. Comparative Figures**

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

**8. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the revenue statements for the year ended June 30, 2022

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**Notes To the Financial Statements (Continued)**

**1. Cess**

Description	2021/22	2020/21
	Kshs	Kshs
Farm produce(Sugar,Tobacco,Transit cess)	34,208,242	44,279,182
Quarrying(sand cess)	2,108,190	1,409,200
Livestock(Stock sale & slaughter fees)	3,751,330	3,773,880
Fish farming(fish cess,import,licence,permit)	1,654,200	1,481,070
Others	-	-
<b>Total</b>	<b>41,721,962</b>	<b>50,943,332</b>

**2. Land/Poll rates**

Description	2021/22	2020/21
	Kshs	Kshs
Land rates	7,015,612	3,418,644
Land penalties and interest	-	-
Arrears	-	-
<b>Total</b>	<b>7,015,612</b>	<b>3,418,644</b>

**3. Single /Business Permits**

Description	2021/22	2020/21
	Kshs	Kshs
Business permit application fees	-	-
Annual Business permit fees	54,087,055	61,662,677
Business permit penalties and interest	-	-
Business permit fees arrears	-	-
<b>Total</b>	<b>54,087,055</b>	<b>61,662,677</b>

Receiver of Revenue  
 County Government of Busia  
 Revenue Statements for the Period Ended 30<sup>th</sup> June 2022

Notes to the Financial Statements (continued)

4. Property Rent

Description	2021/22	2020/21
	Kshs	Kshs
County Housing	10,780,812	2,847,410
Plot Rent	1,806,511	1,045,423
Tenancy Agreement	-	-
Transfer of Property	-	-
Stalls/kiosks rent	688,764	691,110
Others	-	-
<b>Total</b>	<b>13,276,087</b>	<b>4,583,943</b>

5. Parking Fees

Description	2021/22	2020/21
	Kshs	Kshs
Street parking fees	-	-
Monthly toll/sticker fees	-	-
Motorbike fees	-	-
Registration fees	-	-
Reserved parking(Trailer Parking)	4,532,310	6,244,320
Bus Park fees	34,171,460	24,072,259
Others	-	-
<b>Total</b>	<b>38,703,770</b>	<b>30,316,579</b>

6. Market Fees

Description	2021/22	2020/21
	Kshs	Kshs
Market entry fees	14,851,492	15,853,910
Hawking fees	-	-
Others	-	-
<b>Total</b>	<b>14,851,492</b>	<b>15,853,910</b>

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**Notes to the Financial Statements (Continued)**

**7. Advertising**

<b>Descriptions</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Advertising(Branding,billboard,street pole)	7,343,350	8,782,087
Billboard advertising	-	-
Signage	-	-
Roadshows	-	-
Banners	-	-
Posters	-	-
Tent advertising	-	-
Street pole/clock advertising	-	-
others	-	-
<b>Total</b>	<b>7,343,350</b>	<b>8,782,087</b>

**8. Hospital Fees**

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Level 5 hospitals	54,676,740	67,711,159
Level 4 hospitals	40,494,364	50,147,839
Others	-	-
<b>Total</b>	<b>95,171,104</b>	<b>117,858,998</b>

**9. Public Health Service Fees**

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Inspection of buildings/premises/Institutions	-	-
Inspection for issuance of hygiene license	1,477,790	2,028,005
Vaccination: Yellow fever, Typhoid, etc	-	-
Applications for medical examination	-	-
Sanitation inspection for schools	-	-
Public health permit	3,254,720	2,726,910
Rodent Control/Fumigation	-	-
Others	-	-
<b>Total</b>	<b>4,732,510</b>	<b>4,754,915</b>

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**Notes to the Financial Statements (Continued)**

**10. Physical Planning and Development**

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Sale of County planning documents	-	-
Land valuation and registration fees	-	-
Change / Renewal of user	-	-
Building plans approval	6,672,600	8,427,500
Signboards	-	-
Occupational Permits	-	-
Enforcement / Demolition	-	-
Architectural designs by county officers	-	-
Hoarding fees	-	-
<b>Total</b>	<b>6,672,600</b>	<b>8,427,500</b>

**11. Hire Of County Assets**

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Agricultural Mechanisation Services (AMS)	-	-
Hire of Machines and Equipment	44,000	790,500
Hire of ploughing tractors	124,100	98,500
Hire of County Stadia/Halls	73,500	70,500
Conference facilities/Agricultural Training Centers (ATC)	1,086,915	6,500,400
Others (Water boowser services)	507,000	330,900
<b>Total</b>	<b>1,835,515</b>	<b>7,790,800</b>

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**Notes to the Financial Statement (Continued)**

**12. Conservancy Administration**

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Refuse disposal fees/Solid waste	1,600,600	1,906,100
Dumpsite fees	-	-
Sewerage fees	-	-
Sale of seedlings	-	-
Public cemetery	-	-
Disposal of carcasses	-	-
Noise control	312,700	204,600
Others (sale of water from water scheme )	1,908,947	4,079,095
<b>Total</b>	<b>3,822,247</b>	<b>6,189,795</b>

**13. Administration Control Fees and Charges**

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Weights and measures	85,680	184,170
Fire Services	1,427,000	839,100
Liquor licenses	1,400,000	200,000
Group registration	204,250	100,700
Betting levy	-	-
<b>Total</b>	<b>3,116,930</b>	<b>1,323,970</b>

**14. Park Fees**

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Lodge Tariffs and levies	-	-
Park entry fees	-	-
Filming and Photography fees	-	-
Camping fees	-	-
Balloon landing fees	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Receiver of Revenue  
 County Government of Busia  
 Revenue Statements for the Period Ended 30<sup>th</sup> June 2022

Notes to the financial statements (continued)

15. Other Fines, Penalties and Forfeitures

Description	2021/22	2020/21
	Kshs	Kshs
Impounding Fees	358,200	334,260
Towing Fees	-	-
Others	-	-
<b>Total</b>	<b>358,200</b>	<b>334,260</b>

16. Miscellaneous Receipts

Description	2021/22	2020/21
	Kshs	Kshs
Dividends	-	-
Interest	-	-
Commissions	-	-
<b>Others</b>	-	234,709
<b>Total</b>	-	<b>234,709</b>

17. Donations And Grants Not Received Through CRF

Description	2021/22	2020/21
	Kshs	Kshs
Donations	-	-
Grants	-	-
Others	-	-
<b>Total</b>	-	-

Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022

Notes to the Financial Statements (Continued)

18. Bank Balances

Name of Bank, Account No. & currency	Amount in bank account currency	Exc. rate (if in foreign currency)	2021/22	2020/21
			Kshs	Kshs
KCB Revenue Collection	79,388,491	-	79,388,491	1,603,958
<b>Total</b>	<b>79,388,491</b>	<b>-</b>	<b>79,388,491</b>	<b>1,603,958</b>

18 (a) Balance carried forward as at 30<sup>th</sup> June 2022 and subsequently transferred

Ref	Amount (Kshs)	Date subsequently transferred
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

19. Cash in hand

Description	2021/22	2020/21
	Kshs	Kshs
Cash Balance	648,061	664,717
Mobile Money	-	-
Others	-	-
<b>Total</b>	<b>648,061</b>	<b>664,717</b>

20. Payables- Due To CRF

Payables	2021/22	2020/21
	Kshs	Kshs
Balance b/f at the beginning of the year	664,717	371,070
Amount collected during the year	292,708,434	322,476,119
Amounts disbursed to CRF during the year	213,336,599	320,578,514
<b>Balance c/d at the end of the year</b>	<b>80,036,552</b>	<b>2,268,675</b>

**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**Notes to the Financial Statements (Continued)**

**21. Ageing Analysis of Revenue in Arrears**

Description (indicate as applicable)	Less than	Between	Between	Over 3 years	Total
	1 year	1-2 years	2-3 years		
Cess	-	-	-	-	-
Land/poll rate	-	-	-	-	-
Single/business permits	-	-	-	-	-
Property rent	-	-	-	-	-
Parking fees	-	-	-	-	-
Market fees	-	-	-	-	-
Advertising	-	-	-	-	-
Hospital fees	-	-	-	-	-
Public health service fees	-	-	-	-	-
Physical planning and development	-	-	-	-	-
Hire of County Assets	-	-	-	-	-
Conservancy administration	-	-	-	-	-
Administration control fees and charges	-	-	-	-	-
Park fees	-	-	-	-	-
Other fines, penalties, and forfeiture fees	-	-	-	-	-
Miscellaneous receipts	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	-	-	-	-	-



**Receiver of Revenue  
County Government of Busia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

---

**Appendix 2: Progress on follow up of prior Year Auditor 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)

.....  
*Barasa*

**Name: Ms. Phaustine Barasa  
County Receiver of Revenue  
Date: 30<sup>th</sup> September, 2022**

.....  
*Chitechi*

**Name: Mr. Theophilus Chitechi  
Head of Revenue Reporting  
Date: 30<sup>th</sup> September, 2022**