

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

**RECEIVER OF REVENUE -
REVENUE STATEMENTS**

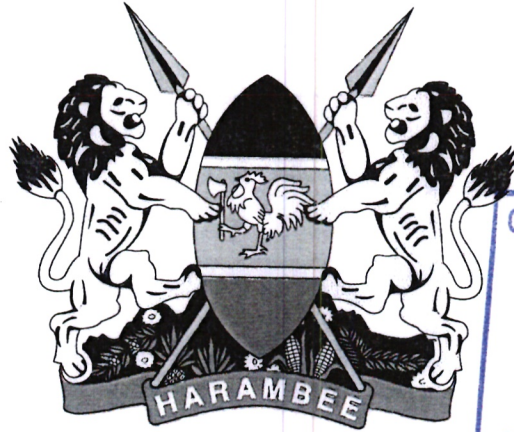
**FOR THE YEAR ENDED
30 JUNE, 2022**

COUNTY GOVERNMENT OF SIAYA

	PAPERS LAID
DATE	25/5/2023
TABLED BY	Maj. leader
COMMITTEE	-
CLERK AT THE TABLE	Chania

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RECEIVER OF REVENUE
(County Government of Siaya)

REVENUE STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022

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

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I. Key Entity Information and Management

a. Background information

Siaya County is constituted as per the Constitution of Kenya, 2010. It is charged with the responsibility of providing a variety of services to residents within its area of jurisdiction. These include the services that were hitherto provided by the defunct Local authorities and the ones that have been transferred from the National Government. The county is headed by the County Governor, who is responsible for the general policy and strategic direction of the County. The Governor is supported by an Executive Committee in carrying out the mandate as stipulated in the Constitution. The County Executive Committee Member for Finance and Economic Planning is in charge of the County Treasury. One of the functions of the CEC – Finance is financial reporting at the County level.

Vision

A model county committed to quality service delivery and sustainable development.

Mission

To achieve sustainable development and excellence using world class methods of service delivery and technology with emphasis on public participation.

Core Values

Siaya County upholds the values of accountability, fairness, professionalism, creativity and innovation, responsiveness, ethics and integrity, courtesy, patriotism, meritocracy and team work.

b. Key Management

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

- County Executive Committee Member for Finance – Hon. Cleophas Ombogo
- Chief Officer, Finance – Hezbon K. Mariwa
- Director, Revenue – Moses Keya
- Head of Revenue Reporting – Fredrick Okello

c. County Headquarters

P.O. Box 803 - 40600
Siaya County Headquarters,
Siaya, Kenya.

d. Entity Contacts

Telephone: (254) 720 920491
E-mail: info@siaya.go.ke
Website: www.go.ke

e. Independent Auditors

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

f. Principal Legal Adviser

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

g. Bankers

Kenya Commercial Bank
P.O. Box ,52-40600
Siaya Kenya

II. Foreword By the CECM Finance and Economic Planning

It is my pleasure to present the County Government of Siaya financial statements for the year ended 30th June 2022. The financial statements present the financial performance of the County Government over the past year.

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.

a. 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.

The County also finances its operations through own generated revenues. These are revenues collected within the County. They key local revenue sources for Siaya County included business permits, land rates, business plan approval, plot rents, cesses 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 in the process of sourcing for competent firm to undertake full automation of its revenue collection.
- 2) Consultancy on revenue potential – the County has engaged its staff through a centralized committee to study the County revenue potential and advise the County on new streams of revenue and ways of enhancing the current streams to achieve their full potential.

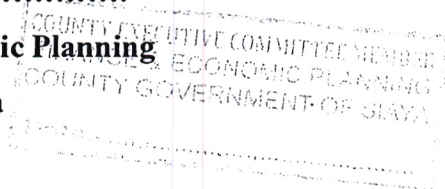
i. Revenue

In the year ended 30th June 2022 the County had projected Kshs.445,445,551.00 from own sources.

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CECM Finance and Economic Planning

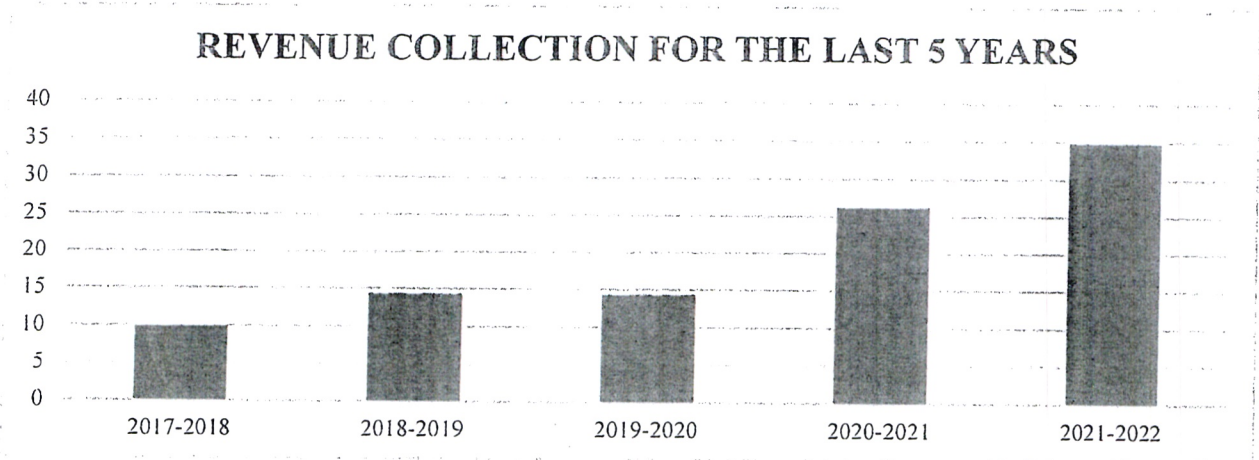
County Government of Siaya



III. Management Discussion and Analysis

FINANCIAL YEAR	AMOUNT	PERCENTAGE
2017-2018	127,729,540.00	9.98
2018-2019	184,622,372.00	14.43
2019-2020	184,249,788.00	14.40
2020-2021	336,291,768.00	26.29
2021-2022	446,379,626.90	34.89
	1,279,273,094.90	100

Figure 1 A graphical representation of the revenue collection is as shown below



The increments in own source revenue is attributed by various undertakings such as; -

1. **Fuel availability.**
2. **Improved Infrastructure** - Revenue is a function that cuts across almost all other departmental functions in the county. This implies that departmental programs such as roads openings, market toilets building beach fencing, construction of bands etc. have direct impact on revenue performance.
3. **Collaboration with other stakeholders** - There is need to collaborate with and develop good working relationship with other stakeholders outside the main stream civil service such as market committees, beach management units and community-based organizations National Police.
4. Reenergizing of Enforcement Unit.
5. Repair of grounded motor vehicles to enhance revenue collection.
6. Provision of more staff to help manage those collection points going free.
7. Timely evacuation of all collected garbage.
8. Provision of revenue enforcement tools e.g., Spikes, Clamps among others.

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 Government entities 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 (*Adopted from Siaya County*)

The County's 2018-2022 CIDP has identified 10 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", NIUPLAN, SDGs and the MTP III.

The strategic objectives are a synthesised 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 Siaya County's 2018-2022 CIDP are to:

- 1 Create a public service that is accountable, transparent, efficient and competitive for effective service delivery to the citizens.
- 2 Provide overall leadership and policy direction in research, planning, resource mobilization, financial management and accountability.
- 3 Transform agriculture, livestock and fisheries industry to ensure sustainable food and nutrition security, income generation and employment creation.
- 4 Access safe water and sanitation for all in a clean and secure environment.
- 5 Provide sustainable quality education and training, social protection, quality empowerment, mentorship and leadership programmes.

Receiver Of Revenue
County Government of Siaya
Revenue Statements for the Period Ended 30th June 2022

- 6 Provide quality healthcare to all for a competitive, healthy and productive county.
- 7 Facilitate land administration and management, access to adequate and affordable housing.
- 8 Rehabilitate and develop business infrastructure, Fair trade practices, provide credit facilities, capacity building and cooperative development
- 9 Promote tourism in the county, preserve cultural heritage, facilitate sports and talent development and promote use of Information, Communication and Technology.
- 10 Provide a well-maintained road network system and other related county transport infrastructure for sustainable socio-economic growth and development.

Ref	Objective as per CIDP	Performance/Progress made up since the start of CIDP planning period up to date	Remarks (Explain The underperformance/ Overperformance)
1.	Provide overall leadership and policy direction in research, planning, resource mobilization, financial management and accountability.	<p>Improved quality of accounting services through preparation and submission of financial and expenditure reports. The County attained qualified audit opinions in the external audits conducted by the Office of the Auditor General (OAG).</p> <p>Coordinated own source revenue collection</p> <p>Enhanced budget preparation, execution and reporting</p> <p>Rolled out the E-procurement platform</p> <p>Established and commissioned County Audit Committee and established County Budget Economic Forum (CBEF). The committees have improved accountability, financial governance and policy formulation</p> <p>Implemented economic planning services through preparation of CIDP 2018-2022; Annual Development Plans for FY 2017/18, FY 2018/19 and FY 2019/20; CBROP, FY 2016/17, FY 2017/18 and FY 2018/19; CFSP and SWGs for FY 2017/18, FY 2018/19 and FY 2019/20</p> <p>In line with the Presidential decree, cleared pending bills</p> <p>Improved Networking and partnership with key stakeholders (KRA, KNBS, COB)</p> <p>Improved working environment through investment in infrastructure</p>	

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Revenue Statements for the Period Ended 30th June 2022

Progress on attainment of Development Objectives from Annual Development Plan (Adopted from Siaya County ADP).

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. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Department	Objective	Outcome	Indicator	Performance
Finance and Economic Planning	To raise fiscal resources efficiently and manage county government assets and liabilities effectively.	A transparent and accountable system for the management of public financial resources	Databank of revenue streams	90% updated
			No of automated revenue streams	6
			No of statutory documents prepared, approved and submitted on time	5 (Budget circular, CBROP 2019/20, Sector working group report SWGR 2021/2022, CFSP 2021/2022, Budget 2021/2022)
			% Reduction in pending bills	61%
			No of internal audit reports produced	7

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 *entity’s 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 the *entity’s receiver of revenue* account gives a true and fair view of the state of *entity’s receiver of revenue* transactions during the financial year ended June 30, 2022, and of the *entity’s* 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 the *entity* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable). 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

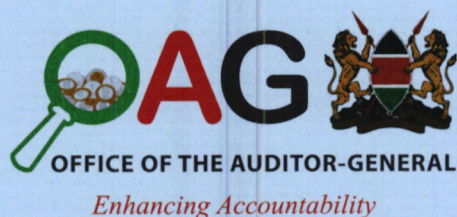
The *revenue* statements were approved and signed by the Receiver of Revenue on

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Name: Moses Keya
County Receiver of Revenue

REPUBLIC OF KENYA

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Anniversary Towers
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NAIROBI

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

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 REVENUE STATEMENTS

Disclaimer of Opinion

I have audited the accompanying revenue statements of Receiver of Revenue - Revenue Statements - County Government of Siaya set out on pages 1 to 16, which comprise of

the statement of financial assets and liabilities as at 30 June, 2022, and the statement of receipts and disbursements, statement of arrears of revenue 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 35 of the Public Audit Act, 2015.

I do not express an opinion on the accompanying revenue statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these revenue statements.

Basis for Disclaimer of Opinion

1. Failure to Provide a Trial Balance

The Receiver of Revenue did not prepare a trial balance as at 30 June, 2022. Further, the records on revenue collection were manually maintained. It was therefore not clear how the financial statements presented for audit were prepared. Failure to prepare a trial balance was contrary to Paragraph 27 of the International Public Sector Accounting Standards (IPSAS) 1 which requires financial statements to present fairly the financial position, financial performance and cash flows of an entity.

In the circumstances, the completeness and accuracy of the revenue statements could not be confirmed.

2. Lack of a Single Business Permit Register

The Receiver of Revenue did not have a comprehensive register of all businesses and traders in the County who require and applied for single business permits and no history of previous applicants was maintained by the Management. In the circumstances, there were no details of default in business permit renewals neither was there a record of new business permit applications while the County Government collected Kshs.84,554,807 in the year 2020/2021, they had budgeted to collect Kshs.40,026,420 for the year 2021/2022 but ended up collecting Kshs.57,618,991, which was an under collection of Kshs.26,935,816 or 32% less than the previous year. No reasons were provided for budgeting to collect less than in the previous year.

In the circumstances, the completeness and accuracy of the disclosed revenue could not be confirmed.

3. Failure to Automate Revenue Collection

During the year under review, it was noted that the Receiver of Revenue had not automated all its revenue collection sources of internally generated revenue and continued to rely on manual method which was prone to abuse. In the circumstances, detecting revenue collection frauds and achieving real-time payments and revenue reporting within the County Government could not be realized.

In the circumstances, it was not possible to confirm whether all revenue collected was banked intact and promptly.

4. Misstatements in the Financial Statements

4.1 Misstatement of Revenue

The statement of receipts and disbursements reflects County own source revenue of Kshs.446,379,628 which includes revenue from market, advertising and hospital fees amounting to Kshs.317,208,032 while the supporting schedules reflected a total amount of Kshs.289,826,300 as analysed below resulting to a net variance of Kshs.27,381,732 which has not been explained or reconciled.

Item	Financial Statements Amount (Kshs.)	Schedule Amount (Kshs.)	Variance (Kshs.)
Market Fees	36,308,060	36,309,892	(1,832)
Advertising Fees	4,076,605	4,077,605	(1,000)
Hospital Fees	276,823,367	249,438,803	27,384,564

In the circumstances, the accuracy of County own generated revenue of Kshs.446,379,628 could not be confirmed.

4.2 Misstatement in the Statement of Receipts and Disbursements

The statement of receipts and disbursements reflects balances due for disbursements for the previous and the current years of Kshs.1,792,443 and Kshs.9,924,329 respectively. However, recalculation of the balances yields to Kshs.11,655,395 and Kshs.(5,524,500) resulting to variances of Kshs.9,862,952 and Kshs.15,448,895 respectively.

Item	2021/2022 Financial Year (Kshs.)	2020/2021 Financial Year (Kshs.)
Total Receipts	446,379,628	336,291,720
Balance B/F	9,924,329	629,319
Disbursement to CRF	(167,825,195)	(342,445,539)
AIA to Health Facilities	(276,823,367)	
Recomputed Balance Due for Disbursement	11,655,395	(5,524,500)
Balance as per Financial Statements	1,792,443	9,924,329

In the circumstances, the accuracy of the statement of receipts and disbursements for the year ended 30 June, 2022 could not be confirmed.

5. Use of Revenue at Source - Failure to Transfer Funds to County Revenue Fund

The statement of receipts and disbursements reflects an amount of Kshs.446,379,626 as total County own source revenue which includes Kshs.276,823,367 collected in respect to hospital fees. However, the amount collected at the hospitals was not wholly transferred to the County Revenue Fund but was spent at source without authority

contrary to Regulation 80(1)(a) of the Public Finance Management (County Governments) Regulations, 2015 which states that all revenue receipts by the County Government be paid into the County Exchequer Account, except revenue receipts reasonably excluded by the Act, or any other Act of Parliament or an Act of County Assembly.

Further, there was no receipt or banking record of how the revenues collected at the hospitals were recorded or utilized.

In the circumstances, the accuracy and completeness of own generated revenue of Kshs.446,379,626 could not be confirmed.

6. Failure to Maintain Record of Arrears of Revenue, Waivers and Variation of Fees or Charges Granted in the Year

The statement of arrears of revenue reflects nil balances. Further, the Receiver of Revenue did not provide a record of arrears of revenue and no reasons were provided for failure to maintain a record of arrears of revenue. In addition, no record of waivers, variations of fees or charges granted were provided for audit review.

In the circumstances, the accuracy and completeness of the reported revenue and arrears of revenue is doubtful.

7. Lack of Thrust in Revenue Collection

The statement of comparison of budget and actual amounts reflects an overall budget of Kshs.445,445,551, but the Receiver of Revenue managed to collect Kshs.446,379,628, which was over the budgeted amount by Kshs.934,077. However, although the budget had been approved, the following issues were observed:

i) Low Revenue Targets

The County set lower targets on revenues than it had collected in the previous years on certain streams. The targets were set too low for the following revenue streams:

No.	Revenue Stream	Budget 2021/2022 (Kshs.)	Actual Amount 2021/2022 (Kshs.)	Actual Amount 2020/2021 (Kshs.)
1.	Cess	16,973,200	11,022,285	27,427,238
2.	Single/Business Permits	40,026,420	57,618,991	84,554,807

No reasons were provided for setting low targets and collecting revenues below what was collected in the previous year.

ii) Over Collection on Certain Revenue Streams

The Receiver of Revenue received more than what had been budgeted for in the following revenue streams:

No.	Revenue Stream	Budget 2021/2022 (Kshs.)	Actual Amount 2021/2022 (Kshs.)	Actual Amount 2020/2021 (Kshs.)
1.	Hospital Fees	237,344,097	276,823,367	138,237,263
2.	Market Fees	35,000,000	36,308,060	31,335,152
3.	Single/Business Permits	40,026,420	57,618,991	84,554,807

This implies that, had the Receiver of Revenue put some more effort in collecting revenue, the County would have collected more than what was recorded during the year.

In the circumstances, it would appear that the Receiver of Revenue lacked the thrust to collect own revenue, or owing to the systemic weaknesses observed in revenue collection process, some of the revenue collected may not have been accounted for.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

I do not express a conclusion on the lawfulness and effectiveness in the use of public resources as required by Article 229(6) of the Constitution. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

I do not express a conclusion on the effectiveness of internal controls, risk management and governance as required by Section 7(1)(a) of the Public Audit Act, 2015. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit 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 governance.

In preparing the financial statements, Management is responsible for assessing the Receiver of Revenues'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 Management is aware of the intention to terminate the Receiver of Revenue or 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

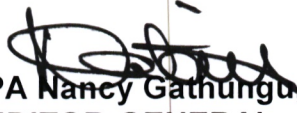
Those charged with governance are responsible for overseeing the Receiver of Revenue's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address 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

My responsibility is to conduct an audit of the financial statements in accordance with International Standards of Supreme Audit Institutions (ISSAIs) 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. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

In addition, my responsibility is 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. I also consider internal control, risk management and governance processes and systems in order to give an assurance on the effectiveness of internal controls, risk management and governance 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. However, because of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources, and Internal Controls, Risk Management and Governance section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit conclusion.

I am independent of the Receiver of Revenue - County Government of Siaya 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.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


25 April, 2023

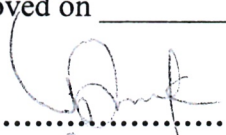
Receiver Of Revenue
County Government of Siaya
Revenue Statements for the Period Ended 30th June 2022

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

	Note	2021/22	2020/21
		Kshs	Kshs
County Own Source Revenue			
Cess	1	11,022,285	5,751,461
Land/Poll Rate	2	19,034,652	27,427,238
Single/Business Permits	3	57,618,991	84,554,807
Property Rent	4	332,080	345,108
Parking Fees	5	19,593,749	17,131,719
Market Fees	6	36,308,060	31,335,152
Advertising	7	4,076,605	4,744,648
Hospital Fees	8	276,823,367	138,237,263
Public Health Service Fees	9	9,547,160	7,136,146
Physical Planning and Development	10	8,223,069	10,472,503
Hire Of County Assets	11	-	-
Conservancy Administration	12	141,100	48,000
Administration Control Fees and Charges	13	1,627,185	1,088,560
Park Fees	14	-	20,400
Other Fines, Penalties, And Forfeiture Fees	15	138,900	-
Miscellaneous receipts	16	1,892,425	7,998,715
Total County Own Source Revenue		446,379,628	336,291,720
Other Receipts			
Donations/Grants Not Received Through CRF	17	-	-
Total Other Receipts		-	-
Total Receipts		446,379,628	336,291,720
Balance b/f at the beginning of the year		9,924,329	(629,319)
Disbursements To CRF		167,825,195	342,445,539
AIA to health		276,823,367	
Balance Due for Disbursement		1,792,443	9,924,329

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on _____ 2022 and signed by:


 Name: **Moses Keya**
 County Receiver of Revenue
 (Ref: PFM ACT section 165, 2(a))


 Name **Geoffrey Ochung**
 Head of Revenue Reporting
 ICPAK M/No 16035

**Receiver Of Revenue
County Government of Siaya
Revenue Statements for the Period Ended 30th June 2022**

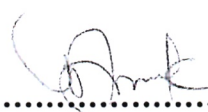
VIII. Statement of Financial Assets and Liabilities As At 30th June 2022

	Note	2021/22 Kshs	2020/21 Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances	18	1,792,443	9,924,329
Cash In Hand	19	-	
Total Financial Assets		1,792,443	9,924,329
Total Financial Assets		1,792,443	9,924,329
Financial Liabilities			
Payables-Due to CRF	20	1,792,443	9,924,329
Total Financial Liabilities		1,792,443	9,924,329

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 _____ 2022 and signed by:



.....
Name: Moses Keya
County Receiver of Revenue
ICPAK M/No



f
Name Geoffrey Acheng
Head of Revenue Reporting

County Government of Siaya
Revenue Statements for the Period Ended 30th June 2022

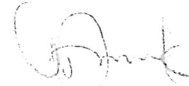
IX. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30th June 2022

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=E/C %
	Kshs	Kshs	Kshs	Kshs	Kshs	
County Own Source Revenue						
Cess	16,973,200	-	16,973,200	11,022,285	(5,950,915)	-0.35061
Land/Poll Rate	41,642,650	-	41,642,650	19,034,652	(22,607,998)	-0.5429
Single/Business Permits	40,026,420	-	40,026,420	57,618,991	17,592,571	0.439524
Property Rent	2,730,000	-	2,730,000	332,080	(2,397,920)	-0.87836
Parking Fees	25,000,000	-	25,000,000	19,593,749	(5,406,251)	-0.21625
Market Fees	35,000,000	-	35,000,000	36,308,060	1,308,060	0.037373
Advertising	5,000,000	-	5,000,000	4,076,605	(923,395)	-0.18468
Hospital Fees	237,344,097	-	237,344,097	276,823,367	39,479,270	0.166338
Public Health Service Fees	12,936,434	-	12,936,434	9,547,160	(3,389,274)	-0.26199
Physical Planning and Development	12,803,000	-	12,803,000	8,223,069	(4,579,931)	-0.35772
Hire Of County Assets	2,340,000	-	2,340,000	-	(2,340,000)	-1
Conservancy Administration	300,000	-	300,000	141,100	(158,900)	-0.52967
Administration Control Fees and Charges	10,849,250	-	10,849,250	1,627,185	(9,222,065)	-0.85002
Park Fees	2,025,000	-	2,025,000	-	(2,025,000)	-1
Other Fines, Penalties, And Forfeiture Fees	100,000	-	100,000	138,900	38,900	0.389
Miscellaneous Receipts	375,500	-	375,500	1,892,425	1,516,925	4.039747
Total County Own Source Revenue	445,445,551	-	445,445,551	446,379,628	934,077	0.002097
Other Receipts						
Donations /Grants Not Received Through CRF	-	-	-	-	-	-
Total Other Receipts	-	-	-	-	-	-
Total Receipts	445,445,551	-	445,445,551	446,379,628	934,077	0.002097

The County Receiver of revenue's financial statements were approved on _____ 2022 and signed by:



.....
Name: Moses Keya
County Receiver of Revenue



.....
Name Geoffrey Acheng
Head of Revenue Reporting
ICPAK M/No 16035

X. Statement of Arrears of Revenue As At 30th June 2022

Classification Of Receipts (Indicate As Applicable)	Balance as at 1 st July 20xx ⁻¹	Arrears received during the year	Additions in arrears for the current year to June 30, 20xx	Total arrears as at 30 June 20xx	Measures taken to recover the arrears	Assessment to the recoverability of arrears
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						
Total Arrears						

**Receiver UJ Revenue
County Government of Siaya
Revenue Statements for the Period Ended 30th June 2022**

An ageing analysis of revenue in arrears has been shown on note 21 of these financial statements.

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 of Siaya. 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 *entity*. 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 *entity*.

2. Recognition of Receipts

The *entity* recognises all receipts from the various sources when the related cash has been received by the *entity*.

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 30th June 2021 for the period 1st July 2021 to 30 June 2022 as required by law. There was *two* number of supplementary budgets passed in the year. A high-level assessment of the 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.

Notes to the Financial Statements (Continued)

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. *(Include the receiver's actual policy on disbursements)*

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 Siaya
Revenue Statements for the Period Ended 30th June 2022

Notes To the Financial Statements (Continued)

1. Cess

Description	2021/22	2020/21
	Kshs	Kshs
Farm produce	0	-
Quarrying	2,181,524	-
Livestock (stock Auction)	3,583,580	-
Fish farming	-	-
Others (<i>specify</i>) Charcoal		4,000
Fish Cess	3,037,134	421,450
Sugar Cess	1,424,867	26,582
slaughter fee	565,450	-
tractor fees	229,830	421,450
Total	11,022,385	873,482

2. Land/Poll rates

Description	2021/22	2020/21
	Kshs	Kshs
Land rates	18,917,601	27,427,238
Land penalties and interest	-	-
Arrears	117,061	-
Total	19,034,662	27,427,238

3. Single /Business Permits

Description	2021/22	2020/21
	Kshs	Kshs
Business permit application fees	-	-
Annual Business permit fees	57,273,672	84,554,807
Business permit penalties and interest	193,769	-
Business permit fees arrears	151,550	-
Total	57,618,991	84,554,807

Receiver Of Revenue
County Government of Siaya
Revenue Statements for the Period Ended 30th June 2022

Notes to the Financial Statements (continued)

4. Property Rent

Description	2021/22	2020/21
	Kshs	Kshs
County Housing	-	
Plot Rent	-	16,408
Tenancy Agreement	-	-
Transfer of Property	133,580	114,500
Stalls/kiosks rent	-	200
Others (<i>Specify</i>) Clearance	198,500	189,000
Total	332,080	320,108

5. Parking Fees

Description	2021/22	2020/21
	Kshs	Kshs
Street parking fees	-	-
Monthly toll/sticker fees	-	-
Motorbike fees	-	20,400
Registration fees	-	-
Reserved parking	-	-
Bus Park fees	19,593,749	17,131,719
Others (<i>Specify</i>)	-	-
Total	19,593,749	17,152,119

6. Market Fees

Description	2021/22	2020/21
	Kshs	Kshs
Market entry fees	36,308,060	31,335,152
Hawking fees	-	-
Others (<i>Specify</i>)	-	-
Total	36,308,060	31,335,152

**Receiver Of Revenue
County Government of Siaya
Revenue Statements for the Period Ended 30th June 2022**

Notes to the Financial Statements (Continued)

7. Advertising

Descriptions	2021/22	2020/21
	Kshs	Kshs
Branding	-	-
Billboard advertising	4,076,605	4,744,648
Signage	-	-
Roadshows	-	-
Banners	-	-
Posters	-	-
Tent advertising	-	-
Street pole/clock advertising	-	-
others (<i>Specify</i>)	-	-
Total	4,076,605	4,744,648

8. Hospital Fees

Description	2021/22	2020/21
	Kshs	Kshs
Level 5 hospitals	-	-
Level 4 hospitals	144,608,340	121,737,277
NHIF CAPUTATION	60,136,224	
Others (<i>Specify</i>) Linda Mama	72,078,803	16,499,986
Total	276,823,367	138,237,263

9. Public Health Service Fees

Description	2021/22	2020/21
	Kshs	Kshs
Inspection of buildings/premises/Institutions	-	-
Inspection for issuance of hygiene license	-	-
Vaccination: Yellow fever, Typhoid, etc	-	-
Applications for medical examination	-	-
Sanitation inspection for schools	-	-
Public health permit	5,425,290	5,143,316
Rodent Control/Fumigation	-	-
Others (<i>Specify</i>) Meat Inspection	4,121,870	1,992,830
Total	9,547,160	7,136,146

Notes to the Financial Statements (Continued)

10. Physical Planning and Development

Description	2021/22	2020/21
	Kshs	Kshs
Sale of County planning documents	-	-
Land valuation and registration fees	-	-
Change / Renewal of user	-	-
Building plans approval	7,657,469	10,050,043
Signboards	-	-
Occupational Permits	-	-
Enforcement / Demolition	-	-
Architectural designs by county officers	-	-
Hoarding fees	-	-
Others (Specify) Survey	565,600	422,460
Total	8,223,069	10,472,503

11. Hire Of County Assets

Description	2021/22	2020/21
	Kshs	Kshs
Agricultural Mechanisation Services (AMS)	0	0
Hire of Machines and Equipment	0	0
Hire of County Stadia	0	0
Hire of County Halls	0	0
Conference facilities/Agricultural Training Centers (ATC)	0	0
Others (Specify)	0	0
Total	0	0

Receiver Of Revenue
County Government of Siaya
Revenue Statements for the Period Ended 30th June 2022

Notes to the Financial Statement (Continued)

12. Conservancy Administration

Description	2021/22	2020/21
	Kshs	Kshs
Refuse disposal fees	-	-
Dumpsite fees	-	-
Sewerage fees	-	-
Sale of seedlings	-	-
Public cemetery	4,000	4,000
Disposal of carcasses	-	-
Noise control	137,100	44,000
Others (<i>Specify</i>)	-	-
Total	141,100	48,000

13. Administration Control Fees and Charges

Description	2021/22	2020/21
	Kshs	Kshs
Weights and measures	713,200	-
Fire Services	70,630	72,700
Liquor licenses	644,675	-
Betting levy	-	-
Others (<i>Specify</i>) Co-operatives Audit	198,680	1,015,860
Total	1,627,185	1,088,560

14. Park Fees

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

Notes to the financial statements (continued)

Receiver Of Revenue
County Government of Siaya
Revenue Statements for the Period Ended 30th June 2022

15. Other Fines, Penalties and Forfeitures

Description	2021/22	2020/21
	Kshs	Kshs
Impounding Fees	138,900	-
Towing Fees	-	-
Others (<i>Specify</i>)	-	-
Total	138,900	-

16. Miscellaneous Receipts

Description	2021/22	2020/21
	Kshs	Kshs
Dividends	-	-
Interest	-	-
Commissions	-	-
Others (<i>Specify</i>) Refund and Recovery	1,892,425	5,302,213
Total	1,892,425	5,302,213

17. Donations And Grants Not Received Through CRF

Description	2021/22	2020/21
	Kshs	Kshs
Donations (<i>Specify Based on Source</i>)	0	0
Grants (<i>Specify Based on Source</i>)	0	0
Others (<i>Specify</i>)	0	0
Total	0	0

*Receiver Of Revenue
County Government of Siaya
Revenue Statements for the Period Ended 30th 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, 1140748904	xxx	xxx	1,507,305	10,982,423
Name of Bank, Account No. & currency	xxx	xxx	-	-
Name of Bank, Account No. & currency	xxx	xxx	-	-
Total	xxx		1,507,305	10,982,423

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

Ref	Amount (Kshs)	Date subsequently transferred
	xxx	1st-july-22
Total	1,507,305	20th-July-22

19. Cash in hand

Description	2021/22	2020/21
	Kshs	Kshs
Cash Balance (<i>Location</i>)	0	0
Mobile Money	0	0
Others (<i>Specify</i>)	0	0
Total	0	0

20. Payables- Due To CRF

Payables	2021/22	2020/21
	Kshs	Kshs
Balance b/f at the beginning of the year	9,924,329	7,515,283
Amount collected during the year	446,379,627	336,291,720
Amounts disbursed to CRF during the year	165,323,194	308,227,849
Balance c/d at the end of the year	1,792,443	9,924,329

This relates to amounts yet to be disbursed to the exchequer at the end of the financial year. The amount should be supported by the bank balances as per note 16 above.

Notes To the Financial Statements (Continued)

21. Ageing Analysis of Revenue in Arrears

Description (indicate as applicable)	Less than 1 year	Between 1-2 years	Between 2-3 years	Over 3 years	Total
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 (<i>Specify</i>)					
Total (agree to statement of arrears)					

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)
1.0	<p>Unsupported Adjustment - Budgeted Exchequer Releases</p> <p>The summary statement of appropriation- recurrent and development combined reflects a final budget of Kshs 8,106,977,580 under Exchequer releases. However, the budgeted amount had been arrived at after a negative adjustment of Kshs 341,576,215 which has not been explained</p>	<p>The negative adjustment of Kshs. 341,576,215 from 2019/20 original budget to supplementary budget can be explained through the summary in the table below</p> <p>The deficit in BF from FY 2018/19 of Kshs. 495,526,215 was attributed to the following factors;</p> <p>Non receipt of Kshs. 200,000,000 for lease of medical equipment.</p> <p>Non realized Own Source Revenue (OSR) of Kshs. 135,331,978</p> <p>Non-receipt of Kshs. 160,194,237 for other conditional grants</p>	Report is under discussion at the County Assembly	
1.0	<p>1.0 Budgetary Control and Performance</p> <p>The summary statement of appropriation – recurrent and development combined for the year ended 30 June, 2020 reflects final receipts budget and actual on comparable basis totaling Kshs. 8,881,773,924 and Kshs. 6,133,453,887 respectively, resulting to an under- funding of Kshs. 2,748,320,038 or 31% of the budget. Similarly,</p>	<p><i>We note your observation and wish to state as follows</i></p> <p><i>The under collection of own source revenue was attributed by Covid-19 pandemic which affected various revenue streams i.e parking, market fees and etc</i></p> <p><i>The National Treasury did not</i></p>	Report is under discussion at the County Assembly	

**Receiver Of Revenue
County Government of Siaya
Revenue Statements for the Period Ended 30th June 2022**

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)
	the County Executive spent Kshs. 6,117,545,831 against an approved budget of Kshs. 8,881,773,924 resulting to an under- expenditure of Kshs. 2,764,228,093 or 31% of the budget. The underfunding and under performance constrained execution of planned activities and delivery of services to the residents of Siaya County.	<i>release exchequer on time hence affecting our budget performance</i>		
2.0	2.0 Late Exchequer Releases Note 1 to the financial statements reflects total Exchequer releases of Kshs. 5,688,553,543, out of which an amount of Kshs. 1,129,430,250 or 20% was received by the County Government from the National Treasury during the month of June as detailed below:	<i>We note your observation and wish to state as follows The under collection of own source revenue was attributed by Covid-19 pandemic which affected various revenue streams i.e parking, market fees and etc The National Treasury did not release exchequer on time hence affecting our budget performance</i>	Report is under discussion at the County Assembly	



.....
Name: Moses Keya

County Receiver of Revenue

Date: 30th September, 2022

.....
Name

Head of Revenue Reporting

Date

Appendix 3 - Reports Generated From IFMIS

The following Financial Reports generated from IFMIS should be generated and attached as appendices to these financial statements.

- i. GOK IFMIS Comparison Trial Balance
- ii. GOK Miscellaneous Receipts Register
- iii. F.O. 30 (Bank reconciliations) for all bank accounts