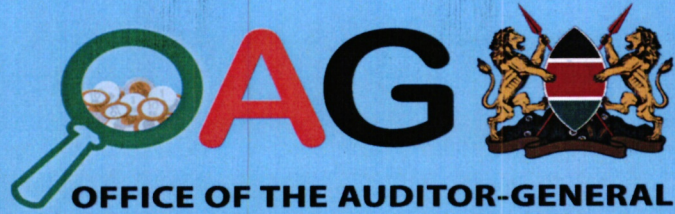


REPUBLIC OF KENYA



*Enhancing Accountability*

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COMMITTEE	—
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**REPORT**

**OF**

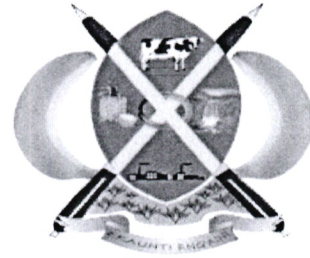
**THE AUDITOR-GENERAL**

**ON**

**NYAMIRA COUNTY EMERGENCY  
FUND**

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

PARLIAMENT  
OF KENYA  
LIBRARY



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**NYAMIRA COUNTY EMERGENCY FUND**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2022**

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

**NYAMIRA COUNTY EMERGENCY FUND**  
**Annual Report and Financial Statements for the year ended June 30, 2022**

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**NYAMIRA COUNTY EMERGENCY FUND**  
**Annual Report and Financial Statements for the year ended June 30, 2022**

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**1. KEY FUND'S INFORMATION AND MANAGEMENT**

**a) Background information**

Emergency Fund is established by and derives its authority and accountability from Nyamira County Emergency Fund Regulations, 2019 on 26<sup>th</sup> July 2019. The Fund is wholly owned by the County Government of Nyamira and is domiciled in Kenya.

The fund's objective is to cater for urgent and unforeseen circumstances within the county

**b) Principal Activities**

The Fund's principal activity is to enable payments to be made in respect of the County when an urgent and unforeseen need for expenditure arises for which there is no specific legislative authority.

**c) County Disaster and Emergency Committee**

As at the establishment of the emergency fund the following were the Committee members:

Ref	Name	Position
1.	H.E John Obiero Nyagarama	Chairman of the Board
2.	Mr. Douglas Oseko Bosire	CECM, Health Services
3.	Mr. Bernard Osumo	CECM, Public service Management
4.	Mr. Zablon Onchiri	CECM, Lands, Housing and Physical Planning
5.	Mr. Peter Omwanza Muga	CECM, Transport and Infrastructure
6.	CPA John Omanwa Moenga	CECM, Finance, ICT and Economic Planning (Fund Manager/ Administrator)
7.	CPA Dominic Oyugi Barare	Chief Officer ( <i>Finance, ICT and Economic Planning</i> )
8.	Mr.Amos Mariba	County Commissioner

Due to the demise of H.E John Obiero Nyagarama, the new Committee was reconstituted in line with the new administration as under:

Ref	Name	Position
1.	H.E Amos Nyaribo	Chairman of the Committee
2.	Mrs. Gladys Bogonko Momanyi	CECM, Health Services
3.	Mr. Thomas Bundi Aroni Nyariki	CECM, Public service Management
4.	Mr. Samuel Maiko Mokua	CECM, Lands, Housing and Physical Planning
5.	Mr. Jones Moko omwenga	CECM, Transport and Infrastructure
6.	CPA Emilly Ongaga	CECM, Finance, ICT and Economic Planning (Fund Manager/ Administrator)
7.	CPA Dominic Oyugi Barare	Chief Officer ( <i>Finance, ICT and Economic Planning</i> )
8.	Mr.Amos Mariba	County Commissioner

## NYAMIRA COUNTY EMERGENCY FUND

### Annual Report and Financial Statements for the year ended June 30, 2022

#### d) Key Management

Ref	Name	Position
1	CPA. Emily Ongaga	Fund Manager/ Administrator
2.	CPA Dominic Oyugi Barare	Chief Finance, ICT & Economic Planning
3	CPA. Lawrence N. Nyangena	Fund Accountant

#### e) Registered Offices

P.O. Box 464-40500  
Nyamira Building/House/Plaza  
Nyamira,, KENYA

#### f) Fund Contacts

Telephone: (254) 0738727272, 0735232323  
E-mail [inf@nyamira.go.ke](mailto:inf@nyamira.go.ke) com  
Website: [www.nyamira go.ke](http://www.nyamira.go.ke)

#### g) Fund Bankers

Kenya Commercial Bank  
Nyamira Branch  
P.O Box 403-40500  
Nyamira, Kenya.

#### h) Independent Auditors

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

#### i) Principal Legal Adviser

Fredah Moraa Nyakundi  
Director, Legal Services,  
P.O. Box 434-40500, Nyamira, Kenya.

## NYAMIRA COUNTY EMERGENCY FUND

### Annual Report and Financial Statements for the year ended June 30, 2022

#### 2. THE COUNTY DISASTER AND EMERGENCY COMMITTEE



**HIS. EXCELLENCY HON. AMOS  
KIMWOMI NYARIBO.  
NYAMIRA GOVERNOR**

His Excellency Hon. Amos Kimwomi Nyaribo is the second Governor of Nyamira County. He took the mantle to lead the county after the death of the first Governor, The late H.E. Hon John Obiero Nyagarama on 18th December, 2020. H.E. Hon. Amos Kimwomi Nyaribo was sworn in on 29th December, 2020 at Nyamira Primary grounds. Until his entry into elective politics, Governor Amos Nyaribo who is a chartered Accountant worked in Government and non-state organizations in senior managerial positions. In 2013 together with the late H.E. Hon John Obiero Nyagarama, they were elected as Governor and Deputy Governor respectively in the 2013 general election. Besides being a public servant, Governor Nyaribo is a multi-talented and influential entrepreneur who has successfully started, grown and managed various enterprises in diverse sectors ranging from Dry Cleaning, Real Estate Development among others. Born in Magwagwa, North Mugirango constituency, Nyamira County H.E. Hon. Amos Kimwomi Nyaribo is a chartered Accountant with a Bachelor of Commerce degree.

**NYAMIRA COUNTY EMERGENCY FUND**

**Annual Report and Financial Statements for the year ended June 30, 2022**



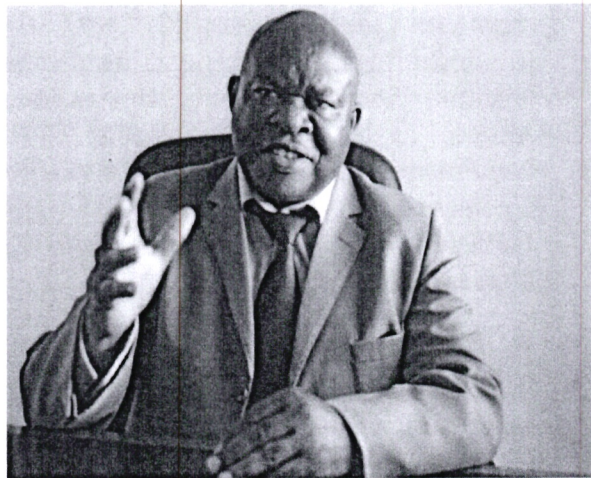
**CPA. EMILY MORAA ONGAGA**  
**Executive Committee Member: Finance ICT and Economic Planning and AG. Public Service Management**

***Academic Qualifications***

Mrs Emily Moraa Ongaga holds a Master of Business Administration (Finance) degree from Egerton University and a Bachelor of Arts (Economics & Sociology) degree from the University of Nairobi.

***Professional Experience***

Prior to her appointment, she served as the Director Corporate Services in the National Commission for Science, Technology and Innovation. She is a member of the Institute of Certified Public Accountants of Kenya (ICPAK). She has a wealth of experience from various institutions spanning twenty one years.



**MR. SAMUEL MOKUA MAIKO**  
**Executive Committee Member: Environment and Natural Resources**

***Academic Qualifications***

Mr. Samuel Mokuu Maiko holds a Bachelor of Science degree in Agriculture and Certificate in Strategic Management, Project Management, Communication and Extension Management.

***Professional Experience***

Prior to his appointment as the Executive Committee Member for Lands, Housing and Urban Development, he served as the Executive Committee Member for Environment, Water, Mining and Natural Resources. He also served in various capacities with the National Government as District Cooperatives Officer, District agricultural extension officer, Provincial extension officer, Provincial soil and water management officer, and Livestock extension officer. He has thirty six years of work experience in public service

**NYAMIRA COUNTY EMERGENCY FUND**

**Annual Report and Financial Statements for the year ended June 30, 2022**



**MS. GLADYS BOGONKO MOMANYI**  
**Executive Committee Member: Health Services**

***Academic Qualifications***

Ms. Gladys Bogonko Momanyi comes from Nyansiongo ward, Borabu Sub-county. She holds a Bachelor of Arts degree in Education and a Master of Arts in Peace & Justice. Additionally, she holds a Postgraduate certification in Database, GIS and Remote Sensing.

***Professional Experience***

She has served in the County Government of Nyamira under various portfolios. County Executive Committee member in the departments of Public Service Management, Education & ICT and recently, has been re-appointed to the department of Health Services. She has twenty three years of work experience in public service.



**MR. JONES MOKO OMWENGA**  
**Executive Committee Member: Roads, Transport And Public Works**

***Academic Qualifications***

Mr. Jones Moko Omwenga is from Itibo ward, Nyamira North sub-county. In his educational sojourn, he has attained a Master of Business Administration (Finance) from Jomo Kenyatta University of Agriculture & Technology and a Bachelor of Education degree from Kenyatta University.

***Professional Experience***

In the County Government of Nyamira, he has served as the County Executive Committee member for Education & Vocational Training, Trade, Tourism, Industrialization & Cooperatives and Finance & Economic Planning departments respectively.

**NYAMIRA COUNTY EMERGENCY FUND**

**Annual Report and Financial Statements for the year ended June 30, 2022**



**MR. THOMAS BUNDI ARONI NYARIKI**  
**Executive Committee Member: Lands,**  
**Physical Planning & Urban Development**

***Academic Qualifications***

Mr. Thomas Bundi Aroni Nyariki is from Bonyamatuta ward, Nyamira South sub-county. He pursued a Bachelor of Commerce degree from Shivaji University Kolhapur in India and has advanced his studies to attain a Master of Arts in Monitoring & Evaluation from Daystar University. Additionally, he has pursued a number of professional and managerial courses in Strategic Leadership & Development Programme (SLDP) and Senior Management Courses (SMC) from the Kenya School of Government.

He has a post graduate diploma in M&E from Cavendish University from Zambia, PGD in public administration from Galilee Institute of Management Israel and a Masters of Business Administration from ESAMI



***Professional Experience***

He has a vast work experience spanning three decades. With the County Government of Nyamira, he held senior positions of Deputy County Secretary and in acting capacity as the County Secretary & Head of Civil Service. He also worked with World Bank, European Union and (DEFID).

## NYAMIRA COUNTY EMERGENCY FUND

### Annual Report and Financial Statements for the year ended June 30, 2022

#### 3. MANAGEMENT TEAM

 <p><b>CPA. EMILY MORAA ONGAGA</b> <b>Executive Committee Member: Finance</b> <b>ICT and Economic Planning and AG.</b> <b>Public Service Management</b></p>	<p><b><i>Academic Qualifications</i></b> Mrs Emily Moraa Ongaga holds a Master of Business Administration (Finance) degree from Egerton University and a Bachelor of Arts (Economics &amp; Sociology) degree from the University of Nairobi.</p> <p><b><i>Professional Experience</i></b> Prior to her appointment, she served as the Director Corporate Services in the National Commission for Science, Technology and Innovation. She is a member of the Institute of Certified Public Accountants of Kenya (ICPAK). She has a wealth of experience from various institutions spanning twenty one years.</p>
 <p><b>CPA Dominic Barare Oyugi</b> <b>Chief Officer, Finance &amp; Planning.</b> <b><u>NYAMIRA COUNTY EXECUTIVE</u></b></p>	<p><b><i>Academic Qualifications</i></b> CPA Dominic Barare Oyugi hails from Bogichora ward. He has a Masters degree in Business Administration (Finance) and a Bachelors degree in Business Administration. CPA Oyugi is a member of the Institute of Certified Public Accountants of Kenya (ICPAK). Previously,</p> <p><b><i>Professional Experience</i></b> CPA Oyugi worked for the County Government of Nyamira as the Director of Finance and a Deputy Director of Health, Finance and Administration. Before joining the County Government service, CPA Oyugi served as a Regional Accountant for Kenya Rural Roads Authority (KERRA) He has a total of 19 years working experience.</p>

**NYAMIRA COUNTY EMERGENCY FUND**

**Annual Report and Financial Statements for the year ended June 30, 2022**

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***CPA Lawrence Nyangena***  
***Head of Treasury Accounting Services***  
**NYAMIRA COUNTY EXECUTIVE**

***Academic Qualifications***

CPA Lawrence Nyangena hails from Gesima ward.

He has a Master's degree in Business Management (Finance) and a Bachelor's degree in Business Administration. CPA Lawrence has also undertaken the Senior Management and Strategic Leadership Development courses at the Kenya School of Government.

***Professional Experience***

CPA Nyangena is a member of the Institute of Certified Public Accountants of Kenya (ICPAK) since 2011. He has a vast experience in public finance management having worked for both the County and National Governments in the same field.

## NYAMIRA COUNTY EMERGENCY FUND

### Annual Report and Financial Statements for the year ended June 30, 2022


#### 4. COUNTY DISASTER AND EMERGENCY COMMITTEE CHAIRMAN'S REPORT

The fund was formed on 13<sup>th</sup> September, 2019 through legal notice No.2 of 2019. The main functions as highlighted included mitigating the effects of pandemics that can cause national suffering. In the year 2020, the world was faced with a new virus COVID-19 that spelled a doom future of world economics. The county Government of Nyamira invoked the provision of the Emergency Fund Regulation to allow application of monies within the fund to mitigate the effects of corona virus. In addition external funding from both National Government and other Donors was sought to which this monies was applied in reduction of the spread of Covid -19 as shown in the Below table:

No.	Donor	Amount	Remarks
1	County Own Contribution	Kshs. 35,000,000.00	To cater for the emerging cases of COVID 19 on need basis.

The application of these monies is highlighted in the fund manager's report as well as in the main Executive Financial statements where Donor monies were channelled.

In conclusion I wish to thank all partners who have put monies and efforts towards mitigating the effects of the virus including National Government World Bank and Danish Government. Lastly may I also thank the County Assembly for agreeing to set aside some of our resources towards this pandemic.



**H.E Hon. Amos Kimwomi Nyaribo**  
Nyamira County Governor and Chairman of the  
County Disaster and Emergency Committee

## NYAMIRA COUNTY EMERGENCY FUND

### Annual Report and Financial Statements for the year ended June 30, 2022

#### 5. REPORT OF THE FUND ADMINISTRATOR

The Nyamira County emergency Fund was created by the County Assembly through the Nyamira County Emergency and Disaster Regulations 2019 to operationalize any responses to the declared emergencies and disasters. To manage this fund, a committee was constituted under the chairmanship of H.E the Governor with a membership drawn from the members of the County Executive Committee of the affected departments and a secretariat.

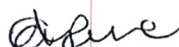
With regard to the Corona Virus Disease (COVID 19) a request was made on 20<sup>th</sup> April 2020 by The Executive committee Member for Health services for recognition of the disease (Corona Virus Disease) as an emergency in Nyamira by the Nyamira Emergency and Disaster Fund Committee. This request was granted by the committee under the chairmanship of H.E. the Governor after intense deliberations on 20<sup>th</sup> April 2020.

In the year under review the following institutions gave funding as below:

No.	DONOR	AMOUNT	REMARKS
1..	County Own Contribution	Kshs. 35,000,000.00	To cater for the emerging cases of COVID 19 on need basis.

In order to combat the disease and effects of the corona virus (COVID -19), the county government of Nyamira prioritised application of the fund monies for the following

1. Fast- track the completion of the Doctors' plaza creating an isolation centre in the building
2. Procure Supply, Delivery, Installation, and Commissioning of medical Equipment (80 No. Double Crank Bed sets and 220 No. Single Crank Bed Sets)
3. Procure for Supply and Delivery of 3 Ply Disposable Surgical Facemasks
4. Supply and Delivery Hospital Linen (700 Pieces of Hospital Bed Sheets and 400 Pieces of Hospital Counterpanes)
5. Procure for Supply and Delivery of Personal Protective Equipment for medical frontline workers in handling the affected persons.
6. To use part of the funds for administration expenses related to Covid 19.



**CPA Emily Ongaga**  
**County Executive Committee Member-Finance and Economic Planning**  
**ICPAK Member Number 10900**

## **NYAMIRA COUNTY EMERGENCY FUND**

### **Annual Report and Financial Statements for the year ended June 30, 2022**

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#### **6. STATEMENT OF PERFORMANCE AGAINST THE FUND'S PREDETERMINED OBJECTIVES**

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 of Nyamira Emergency Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government of Nyamira Emergency Fund performance against predetermined objectives.

<b>Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
County Emergency Fund	To respond to the unforeseen emergencies in the county	To increase the capacity of the county to respond to emergencies	Two Number of emergencies responded to	Minimise infection rates and deaths

## **NYAMIRA COUNTY EMERGENCY FUND**

### **Annual Report and Financial Statements for the year ended June 30, 2022**

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#### **7. CORPORATE GOVERNANCE STATEMENT**

##### **1. Corporate Governance Statement**

##### **A. Number of Fund Administration Committee meetings held and the attendance to those meetings by members.**

The Nyamira County emergency Fund was created by the County Assembly through the Nyamira County Emergency and Disaster Regulations 2019 to operationalize any responses to the declared emergencies and disasters. To manage this fund, a committee was constituted under the chairmanship of H.E the Governor with a membership drawn from the members of the County Executive Committee of the affected departments and a secretariat.

With regard to the Corona Virus Disease (COVID 19) a request was made on 20th April 2020 by The Executive committee Member for Health services for recognition of the disease (Corona Virus Disease) as an emergency in Nyamira by the Nyamira Emergency and Disaster Fund Committee. This request was granted by the committee under the chairmanship of H.E. the Governor after intense deliberations on 20th April 2020.

The Nyamira Emergency Boards Committee held all its quarterly meetings and there was an approximately 90% attendance to all of those meetings.

##### **B. Succession plan.**

When the chairman who is The Governor dissolves his cabinet or when the officers code of conduct has been challenged from the county assembly.

##### **C. Existence of a service charter.**

The Emergency Fund has a service charter.

##### **D. Process of appointment and removal of trustees/ Administration Committee members.**

The county governor shall, while considering the nominated members identified by the organizations specified, he require the organizations to produce

- (a) Signed minutes as evidence of an accountable process of nomination;
- (b) Evidence of compliance with statutory obligations;
- (c) Vetting form to establish that the nominee has complied with the prescribed criteria for appointment as a member of the board.

A board shall be appointed by the county governor with the approval of the county assembly.

The administration committee members shall cease to be member if;

- Is unable to perform the functions of the office by reason of mental or physical infirmity;
- Is declared or becomes bankrupt or insolvent;
- Is convicted of a criminal offence and sentenced to a term of imprisonment of six months or more;
- Resigns in writing to the County Governor;
- Without reasonable cause, the member is absent from three consecutive meetings of the Board or Committee of the Board of the Municipality within one financial year;
- Is found guilty of professional misconduct by the relevant professional body;
- Is disqualified from holding a public office under the Constitution;
- Fails to declare his or her interest in any matter being considered or to be considered by the Board or Board Committees;
- Engages in any gross misconduct; or

## **NYAMIRA COUNTY EMERGENCY FUND**

### **Annual Report and Financial Statements for the year ended June 30, 2022**

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➤ Dies.

#### **E. Roles and functions of the Administration Committee members.**

- (a) Advise the county government on matters relating to disaster and emergencies.
- (b) Formulate policies to achieve the objectives of the fund.
- (c) provide oversight on the admiration and management of the fund
- (d) Approve estimates of revenue and expenditure of the fund for each of the financial year and review and approve statutory and management reports of the fund before submission to third parties.
- (e) Approve the opening of any bank account of the fund.
- (f) Advise the county government regarding all financial matters in relation to disaster and emergency management and;
- (g) If the occurrence qualifies for the opinion;
- (h) Oversee timely and efficient disbursement of funds from the fund to finance approved projects or programmes;
- (i) Perform such other duties as may be considered necessary by the secretary responsible for matters relating to draught from time to time for the proper administration and management of the fund and such a duty shall be assigned through writing.

#### **F. Induction and training, Administration Committee members and member's performance.**

The administration committee members have so far satisfactorily undergone the following induction and trainings:

- Emergency induction.
- Budget and Finance training
- Procurement and By-laws training

#### **G. Conflict of interest,**

There is no any other conflict of interest amongst the committee members..

#### **H. Board remuneration,**

The board members is comprised of county staff workers and are paid through IPPD payroll.

#### **I. Ethics and conduct as well as governance audit undertaken if any**

The Nyamira County Emergency fund account has undergone annual internal and external audit by auditor general.

## NYAMIRA COUNTY EMERGENCY FUND

### Annual Report and Financial Statements for the year ended June 30, 2022

#### 8. MANAGEMENT DISCUSSION AND ANALYSIS

Revenue classification	Revenue budget (ksh)	Actual (ksh)	Realisation (%)
County funding	45,000,000	35,000,000	77.8%

In order to combat the disease and effects of the corona virus (COVID -19), the county government of Nyamira prioritised application of the fund monies for the following

1 Supply of renal consumables and repair and servicing of Nyamira county Referral Hospital oxygen plant

2. Procure Supply, Delivery Viral transport medium, supply of renal consumables and repair and servicing of Nyamira county Referral Hospital oxygen plant.

3. Procure for Supply and Delivery of 3 Ply Disposable Surgical Facemasks

4. Supply and Delivery of IPC / waste bin liners

5. Procure for Supply and Delivery of non-pharmaceuticals and ICU equipment's.

6. To use part of the funds for administration expenses related to Covid 19.

The implementation challenges of strategic objectives for the county entity and the entities future outlook includes;

Failure to allocate 1% of the county budget to the emergency fund account.

## **9. ENVIRONMENTAL AND SUSTAINABILITY REPORTING**

### **1) Sustainability strategy and profile**

The County Government of Nyamira carries all its activities in a sustainable manner to ensure resources are exploited for both the current and future generations. The county strive to ensure its natural resources are exploited in a manner that is sustainable and among the measure that the county has undertaken in this regard includes: Free disbursement of facial masks, Fumigation of public facilities schools hospitals police posts buying canter's and all public gathering places, free education to the public on matters concerning health care, buying of sanitizers and placing of hand washing containers across the county on strategic places accessible for the public.

### **2) Environmental performance**

The County Government of Nyamira has a draft solid waste management policy as well as environmental management policy. The former outline a frame work on how solid waste is managed right from the source, collection, transportation and disposal. The later outlines how the environment should be managed and the rights citizens have to a clean and safe surroundings. It as well gives highlights the obligations citizens have towards taking care of the same environment. The County Government also has a Transition Implementation Plan (TIPs) that stipulates how forest activities are managed between the County Government and Kenya Forestry Services. Noisy pollution and control guidelines are explained in the Environmental policy and each citizen's responsibility on the same well explained.

Overly the County Government is obliged to the major law that is the Environmental Management and Coordination Act 2005 (EMCA2005).The County Laws are developed in line with this ACE and are therefore consistence to overall National Laws relation with the management of the environment.

### **3) Employee welfare**

The County Government use a human resource manual/policy that takes into account a gender ratio whereby a third of every new recruitment is comprised of women, continuous training being offered to employees on need basis to enhance skills, careers and as well as performance appraisals which are done through performance contracting.

### **4) Market place practices**

#### **a) Responsible competition practice.**

The management has made efforts to equitably offer opportunities to youths, women and persons living with disability. Procurement opportunities are given to bidders as per the guiding procurement laws (PPAD 2015) and equity is in practice ever. There is frequent interaction between bidders and management through pre bidding conferences, site visits, opening of tenders and trainings.

The management has envisaged consumer rights and interests through confidentiality during procurement process and non-disclosure of proprietary rights.

## **NYAMIRA COUNTY EMERGENCY FUND**

### **Annual Report and Financial Statements for the year ended June 30, 2022**

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b) Responsible Supply chain and supplier relations-

The County Government of Nyamira after contact execution by the contactor and suppliers, provide full payment and with all factors held constant the process is done with a maximum of 5 days and we endeavour to keep our pending Bills within manageable levels and we pride ourselves in achieving this year in year out.

c) Responsible marketing and advertisement-

The County Government gives opportunities to all and all our advertised are done through local daily newspapers, government portals, websites and notice boards.

d) Responsibility ethical practices

e) Stewardship of goods

1. Community Engagements

The Government in its endeavours to ensure it operates within the Law engages the public through various forms including civil education and Public engagements.

Among various documents that we have constantly engaged the public includes: Strategy Paper ADP, CPRO, CIDP, Finance Bill and budget.

**NYAMIRA COUNTY EMERGENCY FUND**  
**Annual Report and Financial Statements for the year ended June 30, 2022**

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**10. REPORT OF THE COUNTY DISASTER AND EMERGENCY COMMITTEE MEMBERS**

The Committee members submit their report together with the audited financial statements for the year ended June 30<sup>th</sup>, 2022, which show the state of the Fund affairs.

**Principal activities**

The Fund's principal activity is to enable payments to be made in respect of the County when an urgent and unforeseen need for expenditure arises for which there is no specific legislative authority.

**Performance**

The results of the Fund for the year ended June 30<sup>th</sup>, 2022 are set out on page 1.

**Committee Members**

The members of the County Disaster and Emergency Committee who served during the year are shown on page iii.

**Auditors**

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

By Order of the Board



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**CPA Emily Ongaga**  
**County Executive Committee Member**  
**Finance and Economic Planning**  
**ICPAK Member Number 10900**

## **NYAMIRA COUNTY EMERGENCY FUND**

### **Annual Report and Financial Statements for the year ended June 30, 2022**

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#### **11. STATEMENT OF MANAGEMENT'S RESPONSIBILITIES**

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of Nyamira County Emergency Fund established by Nyamira County Emergency Fund Regulations, 2019 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

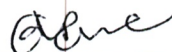
The Administrator of the Nyamira County Emergency Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2022. This responsibility includes: (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 financial position of the Fund; (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 Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of the Nyamira County Emergency Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Nyamira County Emergency Fund Regulations, 2019. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended 30<sup>th</sup> June, 2022, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of the Nyamira County Emergency Fund has assessed the Fund's ability to continue to sustain its services and disclosed, as applicable, matters relating to the use of the applicable basis of preparation of the financial statements. Nothing has come to the attention of the Administrator to indicate that the Fund will not continue to sustain its services for at least the next twelve months from the date of this statement.

#### **Approval of the financial statements**

The Fund's financial statements were approved by the Committee on 29<sup>th</sup> September, 2022 and signed on its behalf by:

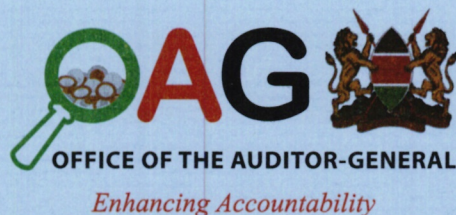


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**CPA Emily Ongaga**  
**County Executive Committee Member**  
**Finance and Economic Planning**  
**Nyamira County Emergency Fund**  
**ICPAK Member Number 10900**

# REPUBLIC OF KENYA

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

## **REPORT OF THE AUDITOR-GENERAL ON NYAMIRA COUNTY EMERGENCY FUND FOR THE YEAR ENDED 30 JUNE, 2022**

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### **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 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 FINANCIAL STATEMENTS**

#### **Opinion**

I have audited the accompanying financial statements of Nyamira County Emergency Fund set out on pages 1 to 13, which comprise the statement of financial position as at

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*Report of the Auditor-General on Nyamira County Emergency Fund for the year ended 30 June, 2022*

30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows 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, the financial statements present fairly, in all material respects, the financial position of Nyamira County Emergency Fund 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 (Accrual Basis) and comply with the Public Finance Management Act, 2012 and the Nyamira County Emergency Fund Regulations, 2019.

### **Basis of Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Nyamira County Emergency Fund 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 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**

### **Unresolved Prior Year Matter**

The audit report for the previous year included one audit issue which remained unresolved as at 30 June, 2022. Management did not provide satisfactory reasons for the delay in resolving the prior year audit issue.

## **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, 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**

### **Failure to Allocate Budget Funds to the Emergency Fund**

The statement of comparison of budget and actual amounts reflects budget amount of Kshs.35,000,000. However, review of financial records revealed that the County Executive did not allocate budget funds to the Emergency Fund for the year under review, contrary to Regulation 3(3) of the Nyamira County Emergency Fund Regulations, 2019, which stipulates that the County Assembly shall, in appropriating monies in each financial year, ensure that the monies contained in the Fund are one percent of the County's budget. According to this Regulation, the County Executive was to appropriate to the Fund Kshs.68,326,177, being 1% of the County's budget of Kshs.6,832,617,659.

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

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 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 (Accrual 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 Fund's ability to sustain 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 Fund 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 Fund'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 control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of

the internal control 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 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 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 Fund'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 Fund 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 Fund 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 the 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, SBS**  
**AUDITOR-GENERAL**

**Nairobi**


**24 February, 2023**

**NYAMIRA COUNTY EMERGENCY FUND**  
**Annual Report and Financial Statements for the year ended June 30, 2022**

**13. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2021-2022	2020-2021
		Kshs.	Kshs.
<b>Revenue</b>			
<b>Revenue from non-exchange transactions</b>			
Transfers from the County Government	1	35,000,000	110,001,000
<b>Total revenue</b>		<b>35,000,000</b>	<b>110,001,000</b>
<b>Expenses</b>			
Employee costs	2	25,663,022	8,828,700
Use of goods and services	3	9,653,486	100,742,876
<b>Total expenses</b>		<b>35,316,508</b>	<b>109,671,576</b>
<b>Surplus/(deficit) for the year</b>		<b>(316,508)</b>	<b>329,424</b>

(The notes set out on pages 6 to 11 form an integral part of these Financial Statements)



\_\_\_\_\_  
**Administrator of the Fund**  
**Name: CPA Emilly Ongaga**  
**ICPAK Member Number: 10900**



\_\_\_\_\_  
**Fund Accountant**  
**Name: CPA Lawrence N. Nyangena**  
**ICPAK Member Number:12445**

**NYAMIRA COUNTY EMERGENCY FUND**  
**Annual Report and Financial Statements for the year ended June 30, 2022**

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**14. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2022**

	Note	2022-2022	2020-2021
		Kshs.	Kshs.
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	12,916	329,424
<b>Total assets</b>		<b>12,916</b>	<b>329,424</b>
<b>Net assets</b>			
Accumulated surplus		<b>12,916</b>	<b>329,424</b>
<b>Total net assets</b>		<b>12,916</b>	<b>329,424</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Fund's financial statements were approved on 29<sup>th</sup> September, 2022 and signed by:



\_\_\_\_\_  
**Administrator of the Fund**  
**Name: CPA Emilly Ongaga**  
**ICPAK Member Number: 10900**



\_\_\_\_\_  
**Fund Accountant**  
**Name: CPA Lawrence N. Nyangena**  
**ICPAK Member Number:12445**

**NYAMIRA COUNTY EMERGENCY FUND**

**Annual Report and Financial Statements for the year ended June 30, 2022**

**15. STATEMENT OF CHANGES IN NET ASSETS AS AT 30 JUNE 2022**

	<b>Accumulated surplus</b>	<b>Total</b>
	<b>Kshs.</b>	<b>Kshs.</b>
<b>Balance as at 1 July 2020</b>	-	-
Surplus/(deficit) for the period	329,424	329,424
<b>Balance as at 30 June 2021</b>	<b>329,424</b>	<b>329,424</b>
<b>Balance as at 1 July 2021</b>	<b>329,424</b>	<b>329,424</b>
Surplus/(deficit) for the period	(316,508)	(316,508)
<b>Balance as at 30 June 2022</b>	<b>12,916</b>	<b>12,916</b>



\_\_\_\_\_  
**Administrator of the Fund**  
Name: CPA Emilly Ongaga  
ICPAK Member Number: 10900



\_\_\_\_\_  
**Fund Accountant**  
Name: CPA Lawrence N. Nyangena  
ICPAK Member Number:12445

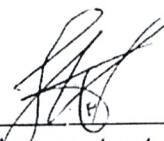
**NYAMIRA COUNTY EMERGENCY FUND**  
**Annual Report and Financial Statements for the year ended June 30, 2022**

**16. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2021/2022	2020/2021
		Kshs.	Kshs.
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers from the County Government	1	35,000,000	110,001,000
<b>Total Receipts</b>		<b>35,000,000</b>	<b>110,001,000</b>
<b>Payments</b>			
Employee costs	2	25,663,022	8,828,700
Use of goods and services	3	9,653,486	100,742,876
<b>Total Payments</b>		<b>35,316,508</b>	<b>109,671,576</b>
<b>Net cash flows from operating activities</b>	<b>5</b>	<b>(316,508)</b>	<b>329,424</b>
Cash and cash equivalents at 1 July 2021	4	329,424	-
<b>Cash and cash equivalents at 30 June, 2022</b>	<b>4</b>	<b>12,916</b>	<b>329,424</b>



\_\_\_\_\_  
**Administrator of the Fund**  
**Name: CPA Emilly Ongaga**  
**ICPAK Member Number: 10900**



\_\_\_\_\_  
**Fund Accountant**  
**Name: CPA Lawrence N. Nyangena**  
**ICPAK Member Number: 12445**

**NYAMIRA COUNTY EMERGENCY FUND**  
**Annual Report and Financial Statements for the year ended June 30, 2022**

**17. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilisation
	2022	2022	2022	2022	2022	2022
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
<b>Revenue</b>						
Transfers from County Government	35,000,000	-	35,000,000	35,000,000	-	100%
<b>Total revenue</b>	<b>35,000,000</b>	<b>-</b>	<b>35,000,000</b>	<b>35,000,000</b>	<b>-</b>	<b>100%</b>
<b>Expenses</b>						
Employee costs	26,000,000	-	26,000,000	25,663,022	(336,978)	
Use of goods and services	9,000,000	-	9,000,000	9,653,486	653,486	101%
<b>Total expenses</b>	<b>35,000,000</b>	<b>-</b>	<b>35,000,000</b>	<b>35,316,508</b>	<b>316,508</b>	<b>101%</b>
<b>Surplus for the period</b>				<b>(316,508)</b>	<b>(316,508)</b>	

**Budget notes**

1. The over expenditure of Kshs.316,508 was paid from income balance carried forward from the previous financial year.

**NYAMIRA COUNTY EMERGENCY FUND**  
**Annual Report and Financial Statements for the year ended June 30, 2022**

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**18. NOTES TO THE FINANCIAL STATEMENTS**

**1. General Information**

Nyamira County Emergency Fund is established by and derives its authority and accountability from Nyamira County Emergency Fund Regulation 2019 of 26<sup>th</sup> July 2019. And is wholly owned by the Government of Nyamira and is domiciled in Kenya. The fund's objective is to cater for urgent and unforeseen circumstances within the county

The Fund's principal activity is to enable payments to be made in respect of the County when an urgent and unforeseen need for expenditure arises for which there is no specific legislative authority.

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

The Fund's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

**3. Adoption of new and revised standards**

**(i) Relevant new standards and amendments to published standards effective for the year ended 30 June 2022**

IPSASB deferred the application date of standards from 1<sup>st</sup> January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1<sup>st</sup> January 2023.

**(ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2022**

<b>Standard</b>	<b>Effective date and impact:</b>
<b>IPSAS 41: Financial Instruments</b>	<p><b>Applicable: 1<sup>st</sup> January 2023:</b></p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> <li>• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;</li> </ul>

**NYAMIRA COUNTY EMERGENCY FUND**  
**Annual Report and Financial Statements for the year ended June 30, 2022**

Standard	Effective date and impact:
	<ul style="list-style-type: none"> <li>• Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</li> <li>• Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</li> </ul> <p><i>(State the impact of the standard to the Entity if relevant)</i></p>
<b>IPSAS 42: Social Benefits</b>	<p><b>Applicable: 1<sup>st</sup> January 2023</b></p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> <li>(a) The nature of such social benefits provided by the Entity;</li> <li>(b) The key features of the operation of those social benefit schemes; and</li> <li>(c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows.</li> </ul>
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	<p><b>Applicable: 1st January 2023:</b></p> <ul style="list-style-type: none"> <li>a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued.</li> <li>b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.</li> <li>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</li> </ul> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p>
Other improvements to IPSAS	<p><b>Applicable 1<sup>st</sup> January 2023</b></p> <ul style="list-style-type: none"> <li>• <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i></li> </ul> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> <li>• <i>IPSAS 39: Employee Benefits</i></li> </ul> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> <li>• <b>IPSAS 29: Financial instruments: Recognition and Measurement</b></li> </ul> <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1<sup>st</sup> January 2023.</p>
<b>IPSAS 43</b>	<p><b>Applicable 1<sup>st</sup> January 2025</b></p>

**NYAMIRA COUNTY EMERGENCY FUND**  
**Annual Report and Financial Statements for the year ended June 30, 2022**

Standard	Effective date and impact:
	<p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
<p>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>

**(iii) Early adoption of standards**

The Fund did not early – adopt any new or amended standards in year 2022.

**4. Significant Accounting Policies**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

Transfers from other government entities

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

**ii) Revenue from exchange transactions**

***Interest income***

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

**b) Budget information**

The Fund's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a

**NYAMIRA COUNTY EMERGENCY FUND**  
**Annual Report and Financial Statements for the year ended June 30, 2022**

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comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

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

**c) Changes in accounting policies and estimates**

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**d) Related parties**

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

**e) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**f) Comparative figures**

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

**g) Events after the reporting period**

There were no material adjusting and non- adjusting events after the reporting period.

**h) Ultimate and Holding Entity**

The Fund is a County Public Fund established by Nyamira County Emergency Fund Regulations, 2019. Its ultimate parent is the County Government of Nyamira.

**i) Currency**

The financial statements are presented in Kenya Shillings (Kshs).

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**5. Notes to the Financial Statements**

**1) Transfers from County Government**

Description	2021-2022	2020-2021
	Kshs.	Kshs.
Transfers from County Govt. – operations	35,000,000	100,001,000
<b>Total</b>	<b>35,000,000</b>	<b>100,001,000</b>

**2) Employee Costs**

Description	2021-2022	2020-2021
	Kshs.	Kshs.
Staff training expenses	25,663,022	-
Salaries and wages	-	8,828,700
<b>Total</b>	<b>25,663,022</b>	<b>8,828,700</b>

**3) General Expenses**

Description	2021-2022	2020-2021
	Kshs.	Kshs.
Consumables	9,649,660	42,773,190
Bank Charges	3,826	34,176
Hospitality	-	37,138,718
Other expenses (Construction of Isolation Centre)	-	20,896,792
<b>Total</b>	<b>9,653,486</b>	<b>100,842,876</b>

**4) Cash and Cash Equivalents**

Description	2021-2022	2020-2021
	Kshs.	Kshs.
Nyamira County Emergency Fund Account	12,916	329,424
<b>Total</b>	<b>12,916</b>	<b>329,424</b>

Detailed analysis of the cash and cash equivalents are as follows:

		2021-2022	2020-2021
Financial Institution	Account number	Kshs	Kshs
<b>Nyamira County Emergency Fund Account</b>			
Kenya Commercial Bank	1272997286	12,916	329,424
<b>Total</b>		<b>12,916</b>	<b>329,424</b>

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**5) Cash generated from operations**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Surplus/ (Deficit) for the year	(316,508)	329,424
<b>Net Cash flows from operating activities</b>	<b>(316,508)</b>	<b>329,424</b>

**Other Disclosures**

**6) Related Party Balances**

**a) Nature of related party relationships**

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

- a) The County Government;
- b) The Parent County Government Ministry;
- c) Key management;
- d) County Disaster and Emergency Committee

**b) Related party transactions**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Transfers from related parties	35,000,000	100,001,000
Transfers to related parties	-	-

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**19. PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR'S RECOMMENDATIONS**

The following is the summary of issues raised by the Auditor General, and management comments that were provided to the auditor. We have indicated time frame within which we expect the issues to be resolved.

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)
REPORT ON THE FINANCIAL STATEMENTS				
<b>Basis for Qualified Opinion</b>				
<p><b>Unsupported Hospitality Expenses</b>                      The statement of financial performance and Note 3 to the financial statements reflect general expenses amounting to Kshs.100,842,876 which includes hospitality expenses of Kshs.37,138,718. The hospitality expenses includes payments amounting to Kshs.3,860,000 in respect of Covid-19 surveillance, road block management and fumigation and expenditure of Kshs.2,359,900 incurred towards meals and airtime allowances as well as re-imbursments for attending consultative meetings on Covid-19. However, the expenditure was not supported by original vouchers, appropriate authority from the Fund Administrator and imprest warrants duly signed by the beneficiaries.</p> <p>In the circumstances, the accuracy and completeness of the expenditure of Kshs.6, 219,900 in respect to hospitality expenses could not be confirmed.</p>		<p>The management concurs with the auditor's observation however; these documents have been duly supported and forwarded for audit review.</p>	<p>Resolved</p>	

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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)
REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES				
<b>Basis of Conclusion</b>				
<p><b>Irregular Reallocation of Emergency Funds</b>            The statement of financial performance and Note 3 to the financial statements reflects general expenses amounting to Kshs.100, 842,876 which includes an amount of Kshs.20, 896,792 incurred on construction of Covid-19 Isolation Centre. However, physical verification of the project on 15 February, 2022 revealed that no Isolation Centre was constructed and instead the funds were reallocated towards the construction of the Doctors' Plaza which was a multi-year project which was still in progress and could not be classified as an emergency. Management did not provide an approval for reallocation of the funds by the County Disaster and Emergency Committee in line with Regulation 12 of the Nyamira County Emergency Fund Regulations, 2019.</p> <p>In the circumstances, Management was in breach of the law.</p>	<p>The management concurs with the auditor's observation however; it was due do covid19 pandemic that the county urgently needed an isolated ward since there was a directive from the government that every county to have at least a two hundred bed capacity. The county doctor's plaza was the near and available building which needed minor finishes though there was a pending certificate, thus was paid for through the authority of emergency committee minutes.</p>	<p>Not resolved</p>	<p>June 2023</p>	