

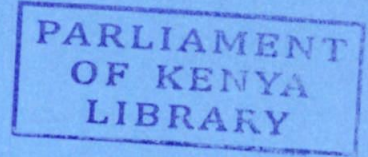
REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**



PAPERS LAID
DATE 13/2/2025
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COMMITTEE
CLERK AT THE TABLE M. Njira

**OF**

**THE AUDITOR-GENERAL**

**ON**

**COUNTY EXECUTIVE OF KISUMU**

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



OFFICE OF THE AUDITOR GENERAL  
**RECEIVED**

★ 20 DEC 2024 ★

P. O. BOX 1188, KISUMU

*Revised 30<sup>th</sup> June 2024*



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**COUNTY GOVERNMENT OF KISUMU**

*(EXECUTIVE)*

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2024**

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



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## **1. Acronyms and Glossary of Terms**

### **a) Acronyms**

ADP	Annual Development Plan
AIE	Authority to Incur Expenditure
CA	County Assembly
CARA	County Allocation of Revenue Act
CECM	County Executive Committee Member
CE	County Executive
CG	County Government
CIDP	County Integrated Development Plan
CRA	Commission on Revenue Allocation
CRF	County Revenue Fund
CT	County Treasury
IPSAS	International Public Sector Accounting Standards
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
NT	National Treasury
WB	World Bank
Kshs	Kenya Shillings

### **b) Glossary of Terms**

Fiduciary Management    The key management personnel who had financial responsibility



## 2. Key Entity Information And Management

### a) Background information

The County is constituted as per the Constitution of Kenya headed by the County Governor, who is responsible for the general policy and strategic direction of the County. The County Executive is comprised of the following departments:

1.	Finance, Economic Planning and ICT(E-Government) Services.	Management of County Treasury and Planning
2.	Agriculture, Fisheries, Livestock Development and Irrigation.	Overseeing County Agriculture, animal husbandry and Fish farming
3.	Department of Water, Environment, Natural Resources and Climate Change.	Enhance access to safe and healthy environment with sustainable water supply and irrigation systems that are climate resilient through a multi sectoral approach.
4.	Department of Public Service, County Administration and Participatory Development, Office of the Governor	Attract, retain, and transform County Public Service for improved service delivery
5.	Department of Medical Services, Public Health and Sanitation	Transform the livelihood of the people of Kisumu County through responsive and sustainable technologically driven evidence based and client centre health system for accelerated attainment of the highest standards of health.
6.	Department of Education, Technical Training, Innovation and Social Services.	To provide excellent and vibrant leadership in offering foundational education, technical training and social services through integration of innovation in service delivery for the development of productive human capacity in Kisumu County.
7.	Department of Sports, Culture, Gender and Youth Affairs.	Offer high quality tourism, culture, arts and sports facilities, products and services capable of competing on the global stage



*County Government of Kisumu (Executive)*  
*Annual Report and Financial Statements*  
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		Major Responsibility
8.	Department of Lands, Physical Planning, Housing and Urban Development	Champion sustainable land management, planned urban and rural development and decent housing for all.
9.	Department of Infrastructure, Energy and Public Works.	Develop, operate and sustain world class transport infrastructure, Roads and Public Works activities that meet the demand and expectations of the citizen.
10.	Department of Trade, Tourism, Industry and Marketing.	Provision of strategic leadership, policy direction and set the agenda for achieving socio-economic and political development in Kisumu County.

**b) Key Management team**



**H.E. Prof. Peter Anyang' Nyong'o**  
**Governor, County Government of Kisumu**





**H.E. Dr. Mathew Ochieng Owili**  
**Deputy Governor, County Government of Kisumu**



**Ms. Judith Oluoch**  
**Ag. CS & CECM Public**  
**Service, County**  
**Administration and**  
**Participatory Development,**  
**Office of the Governor.**



**Mr. George Omondi**  
**CECM Finance, Economic**  
**Planning and ICT(E-**  
**Government) Services.**



**Mr. Salmon Orimba**  
**CECM Infrastructure,**  
**Energy and Public Works**

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**Ms. Farida Salim**  
CECM Trade, Tourism,  
Industry and Marketing



**Mr. Kennedy Onyango**  
CECM Agriculture, Fisheries,  
Livestock Development and  
Irrigation.



**Dr. Gregory Ganda**  
CECM Medical Services,  
Public Health and Sanitation



**Mr. John Awiti**  
CECM Education, Technical  
Training, Innovation and  
Social Services



**Ms. Meryline Agwa**  
CECM Water, Environment,  
Natural Resources and Climate  
Change



**Mr. Kennedy Hongo**  
CECM Lands, Physical  
Planning, Housing and  
Urban Development



**Ms. Beatrice Odongo**  
CECM Sports, Culture,  
Gender and Youth Affairs.



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**c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2024 and who had direct fiduciary responsibility were:

<b>No.</b>	<b>Accounting Officer</b>	<b>Name</b>
1.	CECM Finance, Economic Planning and ICT(E-Government) Services	Mr. George Omondi Okong'o
2.	Chief Officer Department of Finance, Economic Planning and ICT	Mr. Paul Njenga Waweru
3.	Chief Officer Department of Infrastructure, Energy and Public Works	Eng. Okia Daniel Otieno
4.	Chief Officer Department of Trade, Tourism, Industry and Marketing	Mr. Bovince Ochieng
5.	Chief Officer Department of Agriculture & Irrigation, Livestock & Fisheries	Mr. Erick Omondi Ogalo
6.	Chief Officer Department of Water, Environment, Natural Resources and Climate change	Mr. Francis Okoth Asuna
7.	Chief Officer Department of Medical Services, Public Health and Sanitation	Dr. Joshua Ojwang Lusi
8.	Chief Officer Department of Education, Technical Training, Innovation and Social Services	Mr. Fredrick Mula Osewe
9.	Chief Officer Department of Public Service, County Administration and Participatory and Development	Ms. Benter Omollo
10.	Chief Officer Department of Sports, Culture, Gender and Youth Affairs	Mr. Timothy Ajwang Nyakwamba
11.	Chief Officer Department of Lands, Housing and Physical Planning	Mr. Victor Ndereba Kanyaura
<b>County Treasury</b>		
<b>No.</b>	<b>Designation</b>	<b>Name</b>
1.	Director Finance	Mr. Martin Okode
2.	Director Revenue	Mr. James Kungu
3.	Director Procurement	Ms. Joan Achieng
4.	Director Budget	Mr. Elvis Otieno
5.	Head of Financial Reporting Unit	Mr. Maurice Okoth

**d) Fiduciary Oversight Arrangements**

- ***Audit and finance committee activities***

The Internal Audit Department of the County Government of Kisumu ensures that the internal controls exist and are adhered to. The Internal Audit reports directly to the County Audit Committee.

The committee is comprised of the following members: -

No.	Name	Position	Qualifications
1.	Dr. Joshua Wanjare	Chairman	PhD. Strategic Management and Accounting, CPA(K)
2.	Mr. Jacob Tom Ojwando	Member	MBA Finance, CPA (K)
3.	Mr. Philip Achieng Owang	Member	MBA Finance Certified Fraud Examiner
6.	Godfrey Dienya	Committee Secretary	BCOM,CPA (K),CPS(K)

- ***Parliamentary committee activities***

- ❖ **Senate PAC**

- ❖ **Senate PIC**

- ***County Assembly of Kisumu***

Assembly, Pursuant to the Constitution of Kenya, 2010 and the County Government Act, 2012, has fiduciary oversight role over the execution of the functions of the County Government; under Article 8(1) c) of the County Government Act, 2012, it approves the budget and expenditure of the county government in accordance with article 207 of the Constitution of Kenya; it approves the borrowings of the County Government in accordance with article 212 of the Constitution of Kenya, 2010.

- ***Development partner oversight activities***

- **OAG**

- **OCOB**



- **County Executive Committee**

**e) County Executive Headquarters**

P.O. Box 2738  
Prosperity Building/House/Plaza  
Avenue/Road/Highway  
KISUMU, KENYA

**f) County Executive Contacts**

Telephone: (254)  
E-mail: [treasury@kisumu.go.ke](mailto:treasury@kisumu.go.ke)  
Website: [www.kisumu.go.ke](http://www.kisumu.go.ke)

**g) County Executive Banker**

**Central Bank of Kenya**  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
NAIROBI, KENYA

**National Bank of Kenya**  
National Bank Building  
Harambee Avenue  
P.O Box 72866-0200  
Nairobi

**KCB LTD**  
Kisumu Main Branch  
P.O Box 17-40100 Kisumu

**SBM Bank Ltd**  
1<sup>ST</sup> Floor Tuffoam Mall  
Achieng Oneko Road  
Kisumu

**Cooperative Bank of Kenya**  
Kisumu Branch  
P.O Box 1511-40100  
Kisumu.

**Equity Bank Ltd**  
Equity Centre, Hospital  
Road, Upper Hill,  
P.O. Box 75104-00200  
Nairobi.

**h) Independent Auditor**

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

*County Government of Kisumu (Executive)  
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GPO 00100

**NAIROBI, KENYA**

**i) Principal Legal Adviser**

The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

City Square 00200

**NAIROBI, KENYA**

**j) County Attorney**

P.O. Box 2738

Prosperity Building/House/Plaza

Avenue/Road/Highway

Kisumu



### **3. Governance Statement**

Kisumu is one of the 47 County governments created by the Constitution of Kenya, 2010. The County is headed by the Governor, who is responsible for the general policy and strategic direction of the County. He is assisted by a Deputy Governor.

The County is made up of a County Assembly, County Executive and the County Public Service Board, beside other County Government Entities. The County Executive is structured in terms of departments, headed by a County Executive Committee (CEC) Member. The CECs support the Governor and the Deputy Governor in executing the mandate of the County Government as stipulated in the Constitution.

#### **The County Executive**

The Kisumu County Government is managed by an Executive Committee also known as the Cabinet. There are eleven departments making up the executive committee. The County Secretary serves as Secretary to the Executive committee.

The County government runs an open-door policy and has clear guidelines on dealing with various stakeholders. This is done through the offices of the County Secretary and the CECM for Public Service, County Administration and Participatory Development.

The County government has developed a robust Public Participation Policy awaiting approval by the County Assembly. Moreover, the county has a distinct Directorate overseeing public participation and currently developing a communication policy to help strengthen our stakeholder engagement.

Kisumu County has put in place safeguards against corruption and unethical conduct by its officers. This is guided by the Leadership Integrity Act, 2012, Public Officer Ethic Act 2003 (amended), the Ethics and Anti-Corruption Commission Act (reviewed). Members of the CECM taking oath of office must also pledge to abide by the integrity regulations.

The relationship between the executive and the County Assembly is well spelt out in the County Government Act. The County Assembly through its committees carry out its oversight roles by summoning various departments of the executive to explain their activities and service delivery. Departments also frequently present policies and bills for approval by the Assembly.

Section 155(5) of the Public Finance Management Act (PFM) 2012 and Regulations provide for the establishment of an internal audit committee and sets out its functions. The county government of Kisumu has an audit committee established and is operational. Currently, we have three audit committee members whose terms were renewed on 31st May, 2021 for a further and final three-year term. The main objective of the committee is to support the accounting officers in discharging their responsibilities as provided for in the PFM Act 2015 enhance efficiency and effectiveness in operations, and service delivery to the county so as to achieve it's strategic objectives. The committee has an audit charter in place for their operations and is reviewed annually.

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

It is my pleasure to present the county of Kisumu Executive Annual Financial Statements for the FY 2023/2024. The County Treasury is mandated to prepare annual report on all the County Departments and submit the same to the County Assembly not later than three months after the end of each year in accordance with Sec. 166(4) of the Public Finance Management Act, 2012. It is upon this backdrop that I forward the executive annual report for the year ended 30th June, 2023. The same report has been sent to the relevant statutory bodies as provided for in the PFM Act.

The report presents budget execution status covering the period 1st July, 2023 to 30th June, 2024, with comparative actual achievements and budgeted amounts for the previous year 2022/2023. It contains the revenue performance; both locally generated and an equitable share from the national revenue, grants to level 5 hospital, User Fees, Maternity Fees, Road Maintenance Levy and donor funds and other development partners' contributions for the year 2023/2024. Also included in the report are the annual budgeted revenues and expenditures for FY 2023/2024.

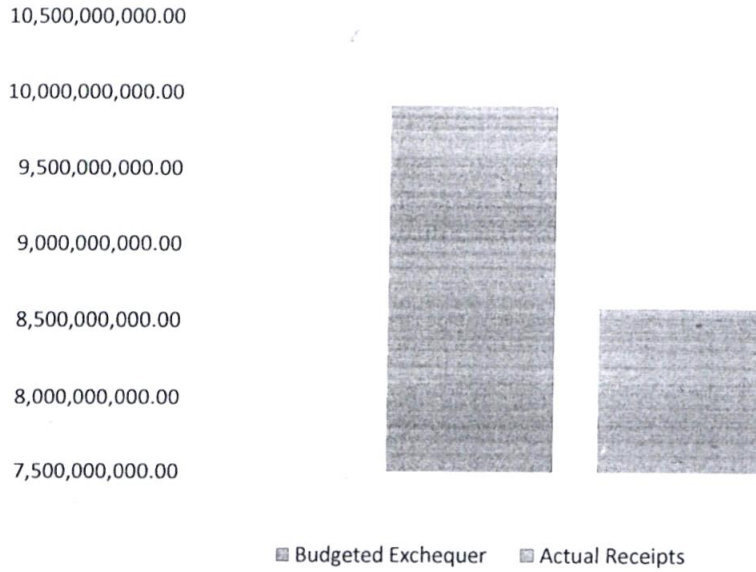
The county was unable to achieve its development objectives due to a number of factors including late disbursement of the exchequer by the national treasury and IFMIS operation among others.

A detailed analysis of the revenue heads and their major classifications together with a detailed analysis of the payments has been included for better understanding of the figures contained herein.

#### **Chart 1. An analysis of Exchequer releases- Budgeted vs Actual Receipts excluding own source revenue**

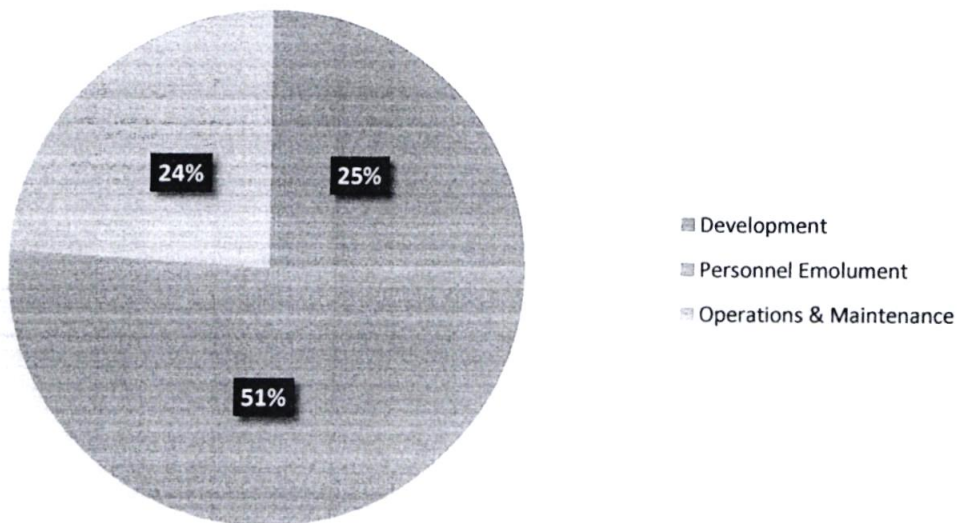
During the year ended 30<sup>th</sup> June, 2024, the County received funding from the National government to the tune of Kshs. 8,418,612,882 against final revised budget of Ksh. 9,914,933,038.

**County Government of Kisumu (Executive)**  
**Annual Report and Financial Statements**  
**for the year ended June 30th 2024**



**Chart 2: An analysis of actual expenditure**

During the financial year the County Government of Kisumu spent a total of Kshs. 8,708,152,234 broken down into Kshs. 4,462,912,350 for Personnel Emoluments, Kshs. 2,085,467,816 for Operations & Maintenance and Kshs. 2,159,772,068 for Development with an amount of Kshs. 836,065,890 transferred to the County Assembly.





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**Table 1. Actual quarterly disbursements**

The disbursements refer to the total funds received into the CRF account. This is as tabulated here below: -

CRF RECONCILIATION FINANCIAL YEAR 2023-2024					
DATE	DESCRIPTION	TRANSACTION CODE	GRANTS	EQUITABLE SHARE	TOTAL
04-Jul-23	Grant climate change	FT23185BMZ8C	11,000,000		
28-Jul-23	Equitable Share July	FT23209FMCH4		710,752,810	
31-Jul-23	Grant PRACTice	FT23212S2KQD	8,451,078		
30-Aug-23	Exchequer issue	FT23242F2F2W		668,943,822	
28-Sep-23	Exchequer issue	FT232717BB50		710,752,810	
	<b>Q1</b>		<b>19,451,078</b>	<b>2,090,449,442</b>	<b>2,109,900,520</b>
6th OCT 23	Grant Agriculture Sector	FT232795XSD3	500,000		
16TH NOV 23	Exchequer issue	FT233205NH8L		668,943,822	
27TH DEC 23	Exchequer issue	FT233618JZ1Q		710,752,810	
	<b>Q2</b>		<b>500,000</b>	<b>1,379,696,632</b>	<b>1,380,196,632</b>
3RD JAN 24	Local revenue KCB	FT240032JH22			
3RD JAN 24	Grant PRACTice	FT24003TXSCH	9,296,677		
31ST JAN 24	Exchequer issue	FT24031LZGNB		668,943,821	
7TH FEB 2024	Grant K.INST.SWEDEN(CH	FT24038QHDZF	15,051,795		
20TH FEB 24	Exchequer issue	FT240515Q978		710,752,810	
13-Mar-24	Local revenue KCB(ASDS)	FT24073FCV2S	536,771		
20-Mar-24	TRFS Payments(PV 00172	FT240801YFH5	195,112,951		
28-Mar-24	Grant KISIP	FT24088Q1FH4	150,000,000		
	<b>Q3</b>		<b>369,998,194</b>	<b>1,379,696,631</b>	<b>1,749,694,825</b>
02-Apr-24	Grant Floca	FT240933HG54	55,427,000		
03-Apr-24	Grant Floca	FT24094SLV0Y	62,481,666		
16-Apr-24	Exchequer issue	FT24107QJRZK		710,752,810	
08-May-24	Grant KISIP	FT24129WFDY	86,342,842		
24-May-24	Exchequer issue	FT24145VFXQC		668,943,821	
20-Jun-24	Exchequer issue	FT24172SSTLT		752,561,800	
21-Jun-24	Grant Danida	FT241732G65N	12,474,000		
24-Jun-24	Grant KISIP2	FT24176SBJJG	63,657,158		
25-Jun-24	Grant Floca	FT24177527TG	55,427,000		
26-Jun-24	Exchequer issue	FT24178PVQHG		710,752,810	
	<b>Q4</b>		<b>335,809,666</b>	<b>2,843,011,241</b>	<b>3,178,820,907</b>
	<b>TOTAL</b>		<b>725,758,938</b>	<b>7,692,853,946</b>	<b>8,418,612,884</b>

*County Government of Kisumu (Executive)*  
*Annual Report and Financial Statements*  
*for the year ended June 30th 2024*

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With this summary, it is my sincere hope and belief that you will find this annual financial report very useful in your respective areas of interest besides guiding your decisions at the various sectors/levels.



**George Omondi Okong'o**

**CECM Finance and Economic Planning and ICT (E-Government) Service**  
**County Government of Kisumu**

## **5. 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 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 against County Predetermined Objectives**

The County's 2023-2027 County Integrated Development Plan (CIDP) has identified ten 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 Kisumu County's 2023-2027 CIDP are:

- a) Revitalising agriculture for food security and agribusiness,
- b) Ensuring a healthy population living in a clean and secure environment,
- c) Modernising infrastructure,
- d) Promotion of skills development and innovation,
- e) Conservation of environment while opening the Kisumu lake front for business,
- f) Promotion of decent housing
- g) Promotion of sports, culture and arts,
- h) Promotion of sustainable energy sources in industrialisation and service sector development,
- i) Promotion of tourism driven by culture and heritage and,
- j) Deepening the structures of devolved governance.

Below we present the progress made in attaining the objectives of the CIDP (2023-2027) for Kisumu County.

### **Progress on Attainment of Development Objectives from Annual Development Plan for FY 2023/2024**

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:



## **Part E: Summary of Programme Outputs and Key Performance Indicator**

### **Introduction**

This report covers the period from 1st July 2023 – 30th June 2024 which marks the period for the implementation of the County Government of Kisumu 3rd generation CIDP 2023 – 2027 whose theme is “A peaceful and prosperous County where all inhabitants enjoy high quality lives and a sense of belonging”. The report provides information on the implementation of key programs, projects and initiatives set out in the Annual Development Plan for the financial year 2023/24 as well as the achievement of the milestones against the targets outlined in the CIDP M&E framework as outlined in the following departments;

1. Agriculture, Livestock, Fisheries And Irrigation
2. Services, Public Health & Sanitation
3. Sports, Culture, Gender & Youth Affairs.
4. Trade, Cooperatives, Industry And Marketing
5. Water, Environment, Climate Change & Natural Resources
6. Public Service, County Administration, Participatory Dev, Office Of The Governor
7. Infrastructure, Energy & Public Works.
8. Finance, Economic Planning & Ict
9. Education, Technical Training, Innovation & Social Service
10. Dept Of Lands, Housing, Physical Planning & Urban Development
11. City Of Kisumu

## **DEPARTMENT OF AGRICULTURE, LIVESTOCK, FISHERIES AND IRRIGATION**

### **Major Achievements;**

- i. Completion of county farmers’ mapping and profiling exercise with 179,737 farmers captured across the county. This database will be key in planning for interventions in the agriculture sector including farm input support subsidies.
- ii. Completion of desiltation of 13 streams and canals planned in Ombeyi, Miwani, Ahero, Kolwa East and West Seme wards as a flood mitigation measure in farm lands. Consequently, flood damage routinely experienced in the county with heavy rains was minimized.

### **Key challenges included;**

- i. High staff: farmer ratio (1: ~8,000) due to high staff turn-over without replacement affected effectiveness of extension service delivery.
- ii. Inadequate motorization of staff. This immobility challenges delivery of extension service and activity implementation.
- iii. Continued inadequate and timely access to funds by departmental revenue generation stations i.e., Maseno ATC, AMS and KDDC, that affected their operations. Following, the affected stations reported low activity thus registered very poor quarterly revenue collection KES 939,151 (33%) against a target of KES 2,841,400.
- iv. Delayed disbursement of ASDSP funds (KES 4.8M) by the County treasury from the CRF to operation account.
- v. Delayed funding of NAVCDP by the National treasury hampered implementation of the work plan.
- vi. Flood damage of 1800 acres of crop and 2 fish ponds

## **DEPARTMENT OF MEDICAL SERVICES, PUBLIC HEALTH & SANITATION.**

### **Major Departmental Achievements**

The department's achievements are categorized into three key programs: Leadership and General Administration, Curative Health Services, and Preventive Health Services.

#### Leadership and General Administration

- a) Health Facilities Digitization: Eight health facilities (e.g., Ratta Health Centre, Migosi Hospital, Lumumba Hospital, etc.) were mapped and identified for digitization. Also, 60 laptops were procured for North Seme Ward, Chulaimbo Hospital hub (Kisumu West, and Chiga Ward hub (East Kolwa).
- b) Budget Development: The FY 2024/25 budget was successfully developed, addressing key funding areas for the department.
- c) Integrated Support Supervision: Supervision was conducted across public, private, and faith-based health facilities in the seven sub-counties of Kisumu.
- d) Quarterly Performance Review: The department conducted reviews to evaluate progress based on the previous quarter's targets with all medical officers of health and medical superintendents.

#### Curative Health Services

- a) Outpatient Consultations: 3.5 million outpatient consultations were provided, marking an increase of 300,000 patients compared to the previous period.



- b) Inpatient Medical Care: 172,000 patients received inpatient care, though this represents a decrease of 10,000 from earlier in the year.
- c) Length of Hospital Stay: The average length of hospital stays was reduced from seven to five days across county hospitals.
- d) Drug Procurement: Drugs were procured and distributed on a need's basis to hospitals, health centers, and dispensaries.

#### Preventive Health Services

- a) Immunization Coverage: Full immunization coverage was maintained at 92%, a slight increase from the previous quarter's 91%.
- b) Environmental Health: Regulations for environmental health services were completed and operationalized.
- c) Skilled Deliveries: Skilled birth attendance improved from 90% to 91%.

## **DEPARTMENT OF SPORTS, CULTURE, GENDER & YOUTH AFFAIRS**

### **Major Departmental Achievements**

#### Sports Talent Development:

- a) The Department supported community youth sports organizations by providing uniforms and equipment to facilitate their activities. This contribution aimed to nurture sports talents at the grassroots level.
- b) A significant achievement was the Department's preparation, hosting, and participation in the 2024 East African Local Authorities Sports and Cultural Association (EALASCA) games, which showcased local talents and provided a platform for regional competition.
- c) The Kisumu All Stars Football Club was fully facilitated throughout the 2023-2024 National Super League season. This included financial and logistical support, helping the team finish in 5th place.

#### Cultural and Gender Development:

- a) The Department made notable strides in preserving cultural heritage by completing Phase One of the renovation works at the Kanyakwar Cultural Centre. This centre is pivotal for cultural activities and the preservation of local traditions.
- b) The development of a comprehensive Strategic Plan and the Gender Bill marked key milestones in gender mainstreaming and policy formulation. The Gender Bill is awaiting validation for its final draft.
- c) A five-day institutional strengthening and capacity building workshop was conducted, focusing on gender equality, with the outcome being a draft policy on sexual harassment.

### **Challenges**

- i. Insufficient budgetary allocation and Late disbursement of funds.
- ii. Inadequate personnel.
- iii. To address the above challenges, the Department has developed a strategy to cooperate with the Sub county, ward and Village administrators in monitoring and coordination of grassroots programs. Further to address financial challenges, the department continues to engage partners and to rely on their goodwill and support.

### **DEPARTMENT OF TRADE, COOPERATIVES, INDUSTRY AND MARKETING**

- i. Department qualified for matching fund of upto Ksh 250 million.
- ii. The amendment of the Kisumu County Enterprise Fund is at the pre-gazetment stage
- iii. The zero draft for the Kisumu County Enterprise Fund regulation is done
- iv. 737 equipment verified for stamping of trader's equipment
- v. 25 premises inspected for Fair trade practices and consumer protection
- vi. 150 participants comprising of women, youth and PWDs were empowered capacity built on Trade & Enterprise Development

### **Challenges**

- i. None commitment by the National Government to transfer the CAIP funds on time which may the derail the said project implementation.
- ii. Lack of suitable land for the establishment of the CAIP project. The department of Lands should fast-track the process.
- iii. Lack of legislation frameworks to implement the Kisumu County Enterprise Fund.
- iv. Delays on preparation and timely delivery of BoQs.



**DEPARTMENT OF WATER, ENVIRONMENT, CLIMATE CHANGE & NATURAL RESOURCES.**

**Major Departmental Achievements**

The achievements of the department are categorized based on water services, environmental management, and climate change initiatives.

**Water Services Achievements**

- a) **Development of Water Infrastructure:** Completed 19 water development projects in FY 2022/2023, benefiting over 17,000 people. Moreover, new water infrastructure was built, and 14 previously stalled or dysfunctional water projects were rehabilitated. Through partnership with STADA, the department drilled a new borehole at Ombaka Mixed Secondary School, serving 250 beneficiaries, while the Living Water Services Centre extended a 2.7 km water pipeline in Nyakach Sub-county, serving 2,000 people.
- b) **Policy and Regulation:** Developed a training manual for small-scale water service providers with the support of WASH partners. Also, the department oversaw the formation of Kisumu Rural Water and Sanitation Company to manage rural water services. There is an ongoing review of Kisumu County Water Policy and the finalization of the Departmental Strategic Plan.

**Environment and Natural Resource Achievements**

- a) **Solid Waste Management:** The department managed to evacuate solid waste from 25 major markets, collecting 10,000 tonnes of waste. Conducted five clean-up exercises, exceeding the target of two, in areas such as Ahero, Muhoroni, and Nyayo.
- b) **Tree Planting and Forest Conservation:** Planted 102,500 assorted tree seedlings in collaboration with Environment Network Partners, with significant activities in Muhoroni, Nyando, and Kisumu Central sub-counties. Also, adoption of 10 hectares of Kajulu Forest by Family Bank is ongoing.
- c) **Climate Change Mitigation:** Participatory Climate Risk Assessments (PCRA) were conducted in all 35 wards, and ward-level climate change committees were vetted and gazetted. Also developed the County Climate Change Action Plan, which is awaiting adoption by the assembly.

**Major Achievement**

- i. Awarded of 61 no dev projects; committed 1 no. Total 62 no projects
- ii. Developed 34 No BoQs for Ward based (FLLoCCA) projects
- iii. Accessed 9000 No. (approx) beneficiaries with safe water supply in collaboration with partners
- iv. Capacity building of 25 Water Management Committees on sustainable management (WASH partners Support).
- v. Enactment of the Kisumu County Water Act, 2023
- vi. Review of departmental Strategic Plan (Ongoing; initial stage)
- vii. Development of Regulations for Kisumu County Water Act (Ongoing; initial stage)
- viii. Review of the Kisumu County Water Policy (Ongoing; initial stage)
- ix. Official Launch of Climate Change Planning Committees and the County Environment Committee
- x. Installation of biogas plants in Tiengre and Ogada Secondary schools (SEACAP)
- xi. 5 No. Wards

**Challenges**

- i. Unbalanced staffing structure against requisite professionals;
- ii. Low departmental O & M funding (In fuels, oils, Plants and Equipment (light and heavy));
- iii. Inaccessible Kisumu County Designated Dumpsite at Kasese;
- iv. Weak Inter – Departmental (including City) Management support arrangements for the Kasese Dumpsite (esp. so in fuels, oils, Plants and Equipment (light and heavy));
- v. National Government Delay on release of FLoCCA project funds;
- vi. Delay in the transfer of County Contribution (100M) FloCCA to Special Purpose Account (Please clarify this?);
- vii. Inconsistency between the approved budget and the departmental programs;
- viii. Conflicting budget cycle with donor programming hence limiting the implementation of county's obligation on the provision of matching funds for the projects;
- ix. Low financial prioritization in support of Partnerships and networking;
- x. Natural resource degradation due to inappropriate management and exploitation

**DEPT. PUBLIC SERVICE, COUNTY ADMINISTRATION, PARTICIPATORY DEV,  
OFFICE OF THE GOVERNOR.**

**Major Departmental Achievements**

Directorate of Inspectorate and Security

- a) Equipping the Directorate: The directorate procured 100 regular uniforms, 50 ceremonialattires, and 8 sets of special regalia, improving officer visibility and morale.
- b) Security Forums: Organized two multi-sectorial security forums to strengthen collaboration with other departments and stakeholders on law enforcement and security.
- c) Traffic and Law Enforcement: Trained 100 officers in road and traffic management, significantly enhancing traffic flow and reducing congestion at critical points in the city,such as Kisumu Boys' roundabout.
- d) Deployment: Officers were deployed to different sectors, focusing on revenue-generatingunits and maintaining law and order in urban centers.

Directorate of Special Programs and Disaster Management

- a) Flood Mitigation: Desilted rivers in high-risk areas (e.g., Nyando and Muhoroni) to reduce flooding impacts during rainy seasons. These activities were critical in minimizingdamage and displacement in flood-prone zones.
- b) Emergency Response: Coordinated flood response and emergency relief efforts in collaboration with the Kenya Red Cross, particularly in areas affected by border clashesin Nyakach.
- c) Disaster Preparedness: Mapped disaster-prone areas and activated disaster management committees from the county to the ward level, ensuring coordinated responses to emergencies.

Directorate of Public Affairs

- a) Public Participation Policy: Successfully submitted the Kisumu County Public Participation Policy 2023 to the County Assembly for legislative review. This policy seeks to institutionalize citizen engagement in governance processes.
- b) Engagement on Key County Documents: Conducted public



participation forums for the Annual Development Plan (ADP) and County Budget Review and Outlook Paper (CBROP) in 35 wards, ensuring the public's voice was included in the decision-making process.

#### Directorate of Human Resource Management

- a) Staff Welfare and Performance: Enhanced performance management by implementing biometric attendance system. This system, which is currently at the procurement stage, will ensure accountability and efficiency in the county workforce.
- b) Senate Audit Queries: Provided leadership in responding to Senate queries on HR issues, demonstrating the department's accountability in managing human resources.
- c) Career Progression: Initiated the development of career progression guidelines and staff promotions to address stagnation among technical officers.

#### Special Delivery Unit (SDU)

- a) Performance Contracting: Completed the performance contract evaluations for FY 2022/2023 and initiated new contracts for FY 2023/2024, ensuring clear performance benchmarks across all county departments.
- b) Monitoring and Evaluation: Supported county departments in compiling their respective monitoring reports for major projects, ensuring that challenges were promptly addressed and performance improved.

#### Directorate of Transport

- a) Fleet Management System: Operationalized a Fleet Management System to monitor vehicle movement, fuel usage, and maintenance. This initiative reduced fuel wastage and improved accountability in fleet management.
- b) Vehicle Maintenance and Disposal: Initiated the disposal of obsolete vehicles and equipment while ensuring that all serviceable vehicles were repaired and maintained in good working condition.

○ .

### **CHALLENGES**

- i. Dilapidated offices at the Sub-counties; lack of essential office equipment such as printers and computers; inadequate supply of office stationery.



- ii. Lack of vehicle to boost mobility in supervision.
- iii. The directorate public affair lacks technical staff, motor vehicle and ICT office equipment.
- iv. Service delivery unit lacked motor vehicle for project monitoring purposes, office stationaries were not supplied from the pool procurement.
- v. Budgetary constraints to continue capacitating departments on the new performance contract guideline.
- vi. The directorate of Inspectorate had a number of retirees whose positions have not been filled thus maintaining a downward trend in personnel against growing responsibilities. Currently we have requests for deployments that the directorate is unable to meet accordingly.
- vii. Departments interfering with operations of directorate of inspectorate issuing Conflicting directives to officers and their leadership.
- viii. The Directorate has officers in positions but lack deserved designation making them demotivated.
- ix. The county government does not have adequate pieces of land with clean title deeds to attract investors.
- x. Staffing Challenges in Nairobi Office, the office is not operating optimally as two members of staff are out of contract and therefore limiting service delivery and performance.
- xi. Budgetary constraints in publication in the Kenya Gazette, for payment of legal fees and decrees and a lack of a vehicle to aide in service of court proceedings and/or to attend court matters in various stations.

## **The City of Kisumu**

### **Departmental Major Achievements**

#### **Refurbishment of Public Buildings and Facilities**

The city undertook the refurbishment of several key public buildings to improve their functionality and enhance the working environment for city staff. These refurbishments aimed to cut costs by reducing the need for new construction while ensuring the longevity of existing infrastructure.

During the reporting period, the Kisumu City Administration targeted to refurbish 4 public buildings. The department oversaw the refurbishment of 7 buildings, including the City Office, Slaughterhouse, Mama Ngina building,

and market facilities. The increased number of buildings refurbished was made possible through consolidated civil works funding under the city budget.

#### *Rehabilitation of Drainage Systems and Desilting of Rivers*

To mitigate the flooding that often affects various parts of the city during the rainy season, the city embarked on desilting drainage systems and rivers. This ensures smooth water flow, reducing the risk of water stagnation and associated health hazards.

The city of Kisumu targeted to rehabilitate 42 kilometers of drainage. During the reporting period, a total of 64.74 kilometers of drainage has been rehabilitated. This success was largely due to dual drainage systems installed along new and existing roads, contributing to the higher-than-expected coverage (Annex II provides a detailed breakdown).

#### *Street Lights Upgrade to Solar Power*

The shift from grid-powered street lights to solar-powered alternatives has not only improved public safety but also reduced the city's electricity costs. Solar lighting promotes a greener, more sustainable urban environment while ensuring that even during power outages, essential street lighting remains operational.

The target for this was installation of 30 new solar streetlights. A total of 50 new solar streetlights were installed across 25 new street poles along key areas such as Busia Road and Airport-Kicom Road. This project was fully implemented, with all systems now operational. (Annex VII provides further details on street lighting progress).

#### *Installation of Flood Lights*

Floodlights have been installed to enhance night-time visibility in public areas, particularly in markets and key business zones. This contributes significantly to public safety, especially in informal settlements where lighting is often poor. Targeted to install 7 floodlights. Installed 10 floodlights, with 8 already completed and 2 ongoing. Additional installations were possible due to the consolidated civil works vote. (Refer to Annex III for a breakdown of floodlight projects).

#### *Market Renovations*

Markets play a central role in Kisumu's economy, and efforts to modernize these facilities aim to improve security, prevent encroachment, and provide a clean, organized trading environment. The target was to renovate 4 markets. During the quarter, the department renovated and fenced 6 markets, with 1

project yet to commence. The renovation projects were completed in Otonglo, Riat, Nyamasaria, and Manyatta markets (See Annex IV for detailed progress reports).

#### Road Repair and Maintenance

Improving road access within the city is critical for facilitating trade, transportation, and general mobility, especially in densely populated areas. The city focused on the rehabilitation and maintenance of key access roads within the central business district (CBD) and informal settlements. The department targeted to repair 17.4 kilometers of roads, and 12.5 kilometers have been completed, with 5 projects finished and 2 pending commencement. The delay in completing all planned kilometers was primarily due to adverse weather conditions that hindered roadwork progress.

#### Public Toilets Construction

Sanitation remains a priority for Kisumu, especially within the CBD where foot traffic is high. The city aimed to construct public toilets to ensure proper hygiene and sanitation facilities for the public. Construction of Six (6) public toilets was planned, with four (4) completed while two (2) yet to commence. The completed projects are operational in various key areas, enhancing public hygiene standards. (Annex VI provides details on sanitation projects).

#### Solid Waste Management

To address the growing challenge of waste management, the city supplied and distributed wastebins and skips across various locations. This initiative is expected to improve cleanliness in the city and reduce waste dumping in public spaces. Targeted to supply 200 waste bins and 22 waste skips. All the 200 waste bins and 22 waste skips were delivered and distributed across strategic locations. However, garbage trucks are yet to be delivered due to the county's non-payment history, which affected supplier confidence.

#### Tree Planting Initiative

To counter the effects of urbanization on the environment, Kisumu initiated a massive tree-planting campaign aimed at greening the city and improving air quality. The target was to plant 400,000 trees. So far, 330,000 trees have been planted so far. Tree planting activities are ongoing and are contributing to the beautification and ecological sustainability of the city.

#### Training and Capacity Building

The city also focused on enhancing the capacity of its staff through training and development programs. Conducted 7 training activities for city staff aimed at improving service delivery and operational efficiency.

### **Department of Infrastructure, Energy & Public Works**

The department is divided into three broad directorates:

1. Energy Directorate: Focuses on enhancing energy access, promoting renewable energy, and supporting infrastructure for public lighting.
2. Transport & Mechanical Engineering Services: Manages the county's transport system and oversees the maintenance of county vehicles and equipment.
3. Roads & Public Works: Engages in the construction, maintenance, and rehabilitation of roads and public works, including government buildings.

#### **Departmental Achievements**

##### **Roads and Public Works**

During the financial year 2023-2024, the department achieved significant milestones in road construction, public infrastructure development, and energy projects despite facing numerous challenges:

- a) Roads Construction & Maintenance: the department opened 42.5 km of roads, graded 68.2 km, and graveled 14.3 km under the Machine-Based Roads Program. Moreover, they completed 202.1 km of County Roads Fund (CRF) projects out of the 263 km planned. These projects were delayed due to procurement bottlenecks caused by the late approval of the supplementary budget. An additional 1 km of the Namba-Kapiyo-Bodi Asat Road was tarmacked, bringing the total tarmacked length to 7 km under Phase I of the project. Lastly, they completed the construction of 13 high-mast floodlights in critical public spaces to enhance security and extend business hours.
- b) Public Works Projects: The department oversaw 240 development projects across various sectors, including Health, Education, and Tourism. These were documented and forwarded for procurement processes. Significant projects include the completion of the Governor's official residence.

##### **Transport and Mechanical Engineering Services**

- a) Vehicle & Equipment Maintenance: Maintained 7 light vehicles and 9 motorcycles, which are critical for project supervision and transportation needs. Also, ensured 8 earthmovers and 7 trucks were operational, although issues such as the unavailability of parts (e.g., steering rack assembly for vehicle KCA 305F) delayed some repairs.

##### **Energy Sector**



- a) Electrification Initiatives: Electrified 9 villages, benefiting approximately 1,200 households, as part of the county's rural electrification program. One additional village is awaiting design revisions for electrification. While high mast floodlights were installed in 13 markets to improve security and business operations, although one site remained incomplete.
- b) Energy Efficiency Initiatives: Audited 7 public facilities to promote energy conservation and enhance electricity efficiency. Final audit reports are pending completion. Completed a biogas installation at Ogada Secondary School under a clean cooking initiative to reduce reliance on non-renewable energy sources and lower greenhouse gas emissions.

#### Public Works Unit

The department managed the development of 240 projects across various sectors:

- Health & Sanitation: 102 projects
- Education, Human Resource Development & ICT: 89 projects
- Agriculture & Fisheries: 7 projects
- Tourism & Sports: 7 projects

All projects were documented and forwarded for procurement, signaling significant progress toward their implementation.

#### Transport & Mechanical Engineering Services

a) Vehicle Maintenance: Ensured the operational efficiency of 7 light vehicles and 9 motorcycles for project supervision. Maintained critical earth-moving equipment and trucks used in road construction projects. However, challenges such as parts procurement delays slowed maintenance activities.

#### Major Achievements.

- i. Upgrading of Number Kapiyo, Lolwe to Bitumen- 6km tarmacked, pending 2km and work completion rate of 82%.
- ii. The Phase I of the project is expected to end in March 2024.
- iii. The contractor is expected to resume back to site immediately since the pending payment balance of Ksh.28M had been paid by the County Treasury.
- iv. Total Payment certified is Ksh. 170,108,893.90
- v. The procurement process of 27 No. CRF roads have been completed, 17 No. roads at award stage and others at different stages of Procurement .
- vi. Developed 275 number of BQ for different departments
- vii. Electrified nine (9) villages
- viii. Performed seven energy audits and one biogas installed at Ogada secondary school

- ix. Revived stalled plants and equipment and continued inspection of county fleet.

**Challenges**

- i. Poor weather- Heavy rainfall which interferes with construction activities.
- ii. Heavy rains destroying roads and structures.
- iii. Escalating cost of Fuel ballooning the cost of construction.
- iv. Diversion of machines to funeral roads affects delivery of planned machine based works
- v. Limited number of technical staff delaying efficiency of work supervision.

**DEPARTMENT OF FINANCE, ECONOMIC PLANNING & ICT**

Major Departmental Achievements:

Debt Management:

Progress was made in settling pending bills, particularly in development. However, the accumulated bills remain a concern, with Kshs. 1.34 billion in development and Kshs. 668 million in recurrent bills pending at the close of the fiscal year. Specifically, the directorate settled Kshs. 848 million out of Kshs. 900 million worth of development pending bills, achieving a 94.2% burn-rate. The remaining pending bills at the end of FY 2023/2024 amounted to Kshs. 1.34 billion for development projects and Kshs. 668 million for recurrent expenditures.

Responses Audit Queries:

The County Treasury appeared before the Senate PAC to respond to audit queries for FY 2019/2020, clearing all queries. However, queries from FY 2020/2021 and FY 2021/2022 were referred for further clarification. The CT also appeared before the County Assembly PIC/PAC and addressed audit queries for FY 2022/2023, obtaining a “Qualified” audit opinion on the financial statements.

**Financial and Budgetary Planning Achievements**

The department successfully developed, consolidated, and published the FY 2024/2025 County Budget Estimates, which were submitted to the County Assembly. The budget formulation was complemented by robust public participation through public hearings; ensuring citizens were involved in the fiscal planning process. Third and Fourth Quarter Budget Implementation Reports were published, highlighting financial performance, revenue collection, and expenditure management. Also, the County Finance

Department prepared and submitted the Appropriation Bill for the FY 2024/25 to the County Assembly, securing legislative backing for planned expenditures.

#### ICT Departmental Achievements

The ICT directorate made significant strides in the automation of government services and enhancing connectivity, these included:

- a) Biometric Time Attendance and Access Control System: This system was installed and commissioned across several government offices, improving workforce management and security.
- b) E-Cabinet System: The introduction of the e-Cabinet system allowed the county to go paperless during cabinet meetings, saving administrative costs and time.
- c) Internet Provision: Telkom Kenya provided 100Mbps internet to major government facilities, including City Hall, the Governor's Office, Fire Station, and Kisumu County Referral Hospital. This upgrade improved the efficiency of internal and external communications.
- d) Zone01 Center at Rotary: The center was fully equipped to promote digital literacy and skill-building for Kisumu's youth. The facility is part of the broader Zone01 Kisumu Program, aimed at transforming Kisumu into a technology hub and fostering job creation in the ICT sector.

#### **Major Achievements**

- i. The department has consistently demonstrated adherence to timelines for preparing and submitting various policy documents to the county assembly. The County Integrated Development Plan (CIDP) was officially launched during the State of the County address, with accessible bridged versions available at the directorate.
- ii. Approved documents, including the County Budget Review and Outlook Paper (CBROP), Annual Development Plan (ADP), and Finance Act, highlight the department's commitment to comprehensive governance.
- iii. The Department has received and analyzed all supplementary budget proposals from various departments. Done comprehensive assessment, detailed analysis of the proposed supplementary budgets and the corresponding vote balances.
- iv. Adherence to preparation and submission of statutory financial statement and reports (Main Financial Statements. ROR, COB report).
- v. Formation and Sensitization of Monitoring & Evaluation Committees in the 8 Sub counties.



- vi. Initiated development of the 2023 Kisumu County Statistical Abstract
- vii. Drafted the Kisumu County Monitoring and Evaluation Policy.
- viii. ICT Directorate in collaboration with Kisumu County Revenue Board is currently implementing and supporting Integrated Revenue Management System, which has since gone cashless.
- ix. manual

#### **Challenges**

- i. Inadequate funds and delayed disbursement of funds from the National and County, Treasury.
- ii. Lack of collective responsibility among the different directorates during planning.
- iii. Delays in Procurement process.
- iv. Network Congestion.

### **DEPT. OF EDUCATION, TECHNICAL TRAINING, INNOVATION & SOCIAL SERVICE**

#### **Major Achievements**

- i. Training of teachers on curriculum adoption supported by Moran Publishers was done in September and October 2023.
- ii. The department in partnership with PlayAction international(PAI) constructed a model ECDE center at Obwolo primary school in Kajulu ward, Kisumu East Sub County. The model center comprises of a playground, store, three classrooms and one office.
- iii. The department sponsored youth for training on Standards of Training Certificate and Watch keeping (STCW) at the Railway Training School, Kisumu campus in December 2023 with a pioneer class of 12.
- iv. The formation and inauguration of the Ward Bursary and Scholarship committees was concluded in mid-December 2023 and a new County Bursary and Scholarship Committee inaugurated on 15<sup>th</sup> January 2024.
- v. The department has successfully driven the process leading to the enactment of the ECDE Act 2023.
- vi. Facilitated the transfer of Capitation Grants to VTCs amounting to Ksh. 34,995,000.00 being 50 % of the budgeted allocation of Ksh. 70 million.

### **Challenges**

- i. Increased number of bright and needy children.
- ii. Late disbursement of bursary funding from the county treasury
- iii. Lack of state of art tools and equipment. Our VTCs lack modern tools and equipment, and staff establishment of 233, our deficit stands at 186 instructors.
- iv. Inadequate and poor infrastructure. There is need to increase and improve on VTC classrooms, laboratories and workshops.
- v. Inadequate government funding to learners in VTCs.

## **DEPT OF LANDS, HOUSING, PHYSICAL PLANNING & URBAN DEVELOPMENT.**

### **Major Departmental Achievements**

#### **Acquisition of GIS Land Data:**

The department, with the help of development partners, successfully acquired GIS data. This technology provides critical insights into the county's spatial characteristics—mapping out land resources, infrastructure, and environmental features. This data enables more informed decision-making by providing a visual and analytical foundation for land use planning and resource management.

#### **Approval of Kisumu City Physical and Land Use Planning Integrated Plan:**

One of the department's most significant achievements is securing approval for the Kisumu City Physical and Land Use Planning Integrated Plan. This plan serves as a comprehensive blueprint for Kisumu's growth, focusing on population management, environmental conservation, infrastructure development, and economic growth strategies. It ensures that the city's development is not only sustainable but also aligned with the long-term needs of residents.

#### **Establishment of GIS Laboratory:**

The department set up a GIS laboratory under the FAO's Digital Land Governance Program. This lab will digitize land records and enhance governance by enabling efficient access to spatial data, improving overall land management efficiency.

#### **Kenya Informal Settlement Improvement Program (KISIP):**

Under KISIP Phase II, the department successfully improved infrastructure in informal settlements within Kisumu and Muhoroni. This includes enhancements to roads, drainage systems, and public utilities, all aimed at improving living conditions in these areas.

**Affordable Housing Initiatives:**

The department negotiated with the national government to construct 480 affordable housing units at Lumumba Estate. Additionally, further discussions are ongoing with the National Housing Corporation (NHC) to develop additional affordable housing units in Ondiek Estate through a debt-swap arrangement.

**Major Achievements.**

- i. Public participation on valuation roll finalized and constituting valuation court in progress.
- ii. Land bank programme; Purchasing Land at Kabonyo kanyagwal, Lisuka Miwani, Barkorwa and Nyahera areas.
- iii. 10 markets earmarked for Planning in collaboration with Trade department: Koru, Nyakwere, Olute, Gita, Kiboswa, Kisian, Rabuor, Chiga and Gita market.
- iv. Development Approval: We are collaborating with Safaricom to integrate our systems with their platform, aiming to streamline the application submission, review, and approval process. This automation is anticipated to enhance efficiency and reduce processing times.
- v. KISSIP II project was launched which will target the informal settlement in Kisumu; Bandani, Manyatta A & B, Nyawita, Kibuye & Muhoroni. The project will include construction of Roads to Butimen, Pedestrian Walk Ways, Street & Security lighting, drainage systems in this areas to the tune of 1.4 Billion.
- vi. The GIS lab installation has been successfully completed, and we are in the final phase of integration with existing data and systems. This will have enhanced capabilities in data analysis, mapping, and decision-making.

**Challenges**

- i. Ward based projects: currently there is no legal framework governing the operationalization of these funds, CGK is working on a bill to be presented to the Assembly to address .
- ii. Need to work on Kisumu County Valuation for Rating Bill.
- iii. Need for Kisumu County Spatial Plan
- iv. Domestication of Meat Control Act Cap 356
- v. The Assembly to work with the Senate to repeal Tourism Act No.28 of 2011, which would allow formulation of County Act for improved Service Delivery.



*County Government of Kisumu (Executive)*  
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*for the year ended June 30th 2024*

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- vi. Need to fast track Kisumu County Enterprise Fund Act amendment and also develop the regulations
- vii. Need for Kisumu County Trade and Markets Act Amendment and develop regulations.

## **6. Environmental and Sustainability Reporting**

### **1. Sustainability strategy and profile**

The top management especially the accounting officer should refer to sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities, reference to international best practices and key achievements and failure.

### **2. Environmental performance**

#### **Introduction**

The Department of Water, Environment, Climate Change, and Natural Resources in Kisumu County plays a critical role in ensuring sustainable access to water, proper environmental management, and climate change mitigation and adaptation strategies. For the fourth quarter ending June 30th, 2024, the department handled a range of county-sponsored projects, with a primary focus on improving water service delivery and environmental sustainability. Further, the department was able to achieve the following in the Fy 2023/2024;

- The department managed 66 projects in the 2023/2024 fiscal year, with a completion rate of 71% (46 projects).
- Seven projects were terminated, one was stalled, two were cancelled, one is to be retendered, and work is still in progress on eight projects.
- 44 of the projects were related to water, while 22 focused on the environment. Notably, the Water Directorate completed 28 projects, while the Environment Directorate completed 18.

#### **Major Departmental categorized Achievements**

The achievements of the department are categorized based on water services, environmental management, and climate change initiatives.

#### **Water Services**

- c) Development of Water Infrastructure: Completed 19 water development

projects in FY 2022/2023, benefiting over 17,000 people. Moreover, new water infrastructure was built, and 14 previously stalled or dysfunctional water projects were rehabilitated. Through partnership with STADA, the department drilled a new borehole at Ombaka Mixed Secondary School, serving 250 beneficiaries, while the Living Water Services Centre extended a 2.7 km water pipeline in Nyakach Sub-county, serving 2,000 people.

- d) Policy and Regulation: Developed a training manual for small-scale water service providers with the support of WASH partners. Also, the department oversaw the formation of Kisumu Rural Water and Sanitation Company to manage rural water services. There is an ongoing review of Kisumu County Water Policy and the finalization of the Departmental Strategic Plan.

#### **Environment and Natural Resource Achievements**

- d) Solid Waste Management: The department managed to evacuate solid waste from 25 major markets, collecting 10,000 tonnes of waste. Conducted five clean-up exercises, exceeding the target of two, in areas such as Ahero, Muhoroni, and Nyayo.
- e) Tree planting and Forest Conservation: Planted 102,500 assorted tree seedlings in collaboration with Environment Network Partners, with significant activities in Muhoroni, Nyando, and Kisumu Central sub-counties. Also, adoption of 10 hectares of Kajulu Forest by Family Bank is ongoing.
- f) Climate Change Mitigation: Participatory Climate Risk Assessments (PCRA) were conducted in all 35 wards, and ward-level climate change committees were vetted and gazetted. Also developed the County Climate Change Action Plan, which is awaiting adoption by the assembly.

#### **Departmental Progress Report**



The department has shown steady progress in implementing its development agenda in FY 2023/2024. Below are key highlights:

### **Water Infrastructure**

The department facilitated completion of 46 county-funded development projects, while work is ongoing on eight projects that nearing completion in the next reporting period. Specific water projects included:

- a) Pipeline Extension: Completion of pipeline extension projects, such as the Kawino Water Pipeline, which now serves 750 beneficiaries.
- b) Borehole Drilling and Equipping: Several boreholes, such as Milugo Primary School's borehole, were drilled and equipped, benefiting 2,000 residents.
- c) Desilting: Various streams, such as the Nyajigo and Nyamasaria rivers, were desilted, which helped improve water flow and flood control.

### **Environmental and Climate Initiatives**

#### **a) Solid Waste Management:**

The department successfully managed solid waste evacuation in major markets across the county, collecting over 10,000 tons of waste. This involved key markets such as Ahero, Muhoroni, and

Shauri Yako, among others. Also, completed five community clean-up campaigns (against the target of two), which improved sanitation and hygiene in several towns and centers. Desilting and riverbank protection works were carried out on 18 streams and canals, including River Nyajigo and River Nyamasaria, to mitigate the effects of flooding and improve water flow in flood-prone areas.

#### **b) Tree Planting and Conservation**

A total of 102,500 tree seedlings were propagated and planted across key locations

such as Songhor Hills, Karateng Hills, Maseno University, and various schools. This reforestation effort focused on both public lands and private institutions. A significant portion of the reforestation effort was supported by partnerships with Family Bank, which adopted 10 hectares of Kajulu Forest.

**c) Climate Change Mitigation**

The department completed Participatory Climate Risk Assessment (PCRA) in all 35 wards and produced ward adaptation plans. However, several community-level capacities-building activities, such as training on the Climate Change County Fund (CCCF) mechanism, were delayed due to funding challenges. There is ongoing development of ward climate change adaptation plans, with some wards like Kabonyo and Nyalenda having proposed priority changes.

**3. Employee welfare**

County government of Kisumu has standardized employees welfare by having in place HR policies and procedure manual along with adherence to employment Act 2007 and county government act 2012.

Further in ensuring skills are improved towards career progression, management has put in place annual staff appraisal mechanism that allows staff to identify skills capacity development and professional subscriptions. To guarantee healthy and dedicated workforce, management has besides NHH managed to engage and insurance firm to offer comprehensive medical scheme to its entire workforce.

**4. Market place practices-**

With respect to market place practices, the county government has put in place elaborate supply chain and supplier relations through embracing open tender to aid in fair competition, entering into legal contract with successful bidders. In additional the

management has maintained a cordial relationship with unsuccessful bidders who are notified of the outcome within reasonable time to avert any possible misunderstanding. Willingly, the government has been working closely with the office of EACC which has been in the forefront to educate both the clients and the county official on the possible advantages of not engaging in corruption besides embracing e-procurement. These have been extended to offer the same privileges to AGPO and local industries.

### **5. Community Engagements**

The department successfully developed, consolidated, and published the FY 2024/2025 County Budget Estimates, which were submitted to the County Assembly. The budget formulation was complemented by robust public participation through public hearings; ensuring citizens were involved in the fiscal planning process. Third and Fourth Quarter Budget Implementation Reports were published, highlighting financial performance, revenue collection, and expenditure management. Also, the County Finance Department prepared and submitted the Appropriation Bill for the FY 2024/25 to the County Assembly, securing legislative backing for planned expenditures.



## **7. Statement of Management Responsibilities**

Section 164 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the County Treasury shall prepare financial statements of each County Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The County Executive Committee (CEC) member for Finance and Economic planning of the County Government is responsible for the preparation and presentation of the County Executive's financial statements, which give a true and fair view of the state of affairs of the County Executive for and as at the end of the financial year ended on June 30, 2024. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the county Executive; (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 county Executive; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Executive's financial statements, 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). The CEC member for finance is of the opinion that the County Executive's financial statements give a true and fair view of the state of the County Executive's transactions during the financial year ended June 30, 2024, and of its financial position as at that date.

The CEC member for finance further confirms the completeness of the accounting records maintained for the County Executive which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

*County Government of Kisumu (Executive)  
Annual Report and Financial Statements  
for the year ended June 30th 2024*

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The CEC member for finance confirms that the County Executive has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Executive's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Further the CEC member for finance confirms that the County Executive's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The County Executive's financial statements were approved and signed by the County Executive Committee Member for Finance on 15th September, 2023.

Signature.....

**George Omondi Okong'o**

**County Executive Committee Member – Finance and Economic Planning and ICT (E-Government) Services**



# REPUBLIC OF KENYA

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## REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF KISUMU FOR THE YEAR ENDED 30 JUNE, 2024

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### PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of County Executive of Kisumu set out on pages 1 to 51, which comprise of the statement of assets and liabilities as at



30 June, 2024 and the statement of receipts and payments, 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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of County Executive of Kisumu as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the County Government Act, 2012 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1.0 Inaccuracies in Compensation of Employees**

The statement of receipts and payments and as disclosed in Note 2 to the financial statements reflects an amount of Kshs.4,462,912,350 in respect of compensation of employees. However, the amount is at variance with the payroll ledger amount of Kshs.5,009,494,983 resulting in an unexplained and unreconciled variance of Kshs.546,582,633.

In the circumstances, the accuracy and completeness of Kshs.4,462,912,350 in respect to compensation of employees could not be confirmed.

#### **2.0 Use of Goods and Services**

The statement of receipts and payments reflects use of goods and services expenditure of Kshs.1,179,828,217 as disclosed under Note 3 to the financial statements. Review of documents provided for audit revealed the following anomalies.

##### **2.1 Unsupported Domestic Subsistence Allowances**

The expenditure includes payments amounting to Kshs.280,708,799 in respect of domestic travel and subsistence allowances. Review of the expenditure revealed per diems totalling Kshs.3,381,000 paid during the year under review were not supported with details of the nature of activities, requisitions, budgets and subsequent approvals by accounting officers. In addition, imprests issued for travels totalling Kshs.5,330,000 were supported with less days than the approved and paid ones.

In the circumstances, the regularity of domestic travel and subsistence allowances amounting to Kshs.8,711,000 could not be confirmed.

##### **2.2 Unaccounted for Fuel**

The expenditure includes payments amounting to Kshs.94,821,894 in respect of fuel, oil and lubricants. However, review of the supplier statement and work tickets provided for audit review revealed discrepancies in the fuel drawn. Examination, of procurement



documents provided for audit revealed that the payments were based on an expired contract agreement. Further, fuel amounting to Kshs.1,000,000 paid for could not be traced in the supplier statement. In addition, work tickets for fuel expenditure totalling Kshs.2,767,789 were not provided for audit review.

In the circumstances, the accuracy, occurrence and completeness of fuel, oil and lubricants expenditure of Kshs.94,821,894 could not be confirmed.

### **2.3 Unsupported Legal Expenses**

The expenditure includes payments amounting to Kshs.93,645,292 in respect of other operating expenses. Included in the expenditure is an amount of Kshs.46,078,251 paid to legal firms representing the County Executive in various legal cases and providing legal consultancy. Review of the documents provided for audit revealed the following anomalies:

- i. Expenditure amounting to Kshs.22,496,355 was not supported with documents such as such as list of pending legal cases, outstanding legal fees per case, contract agreements, procurement records, stage of proceedings of each case, fees paid up to date per case, breakdown of legal fees in fee notes and evidence of court attendance, rate as per advocate remuneration roll, statements or ledgers of advocates accounts and case files showing the value of each case were not provided for audit.
- ii. There was no approval by the County Executive Committee to engage the legal consultants' contrary to Section 16(1) of the Office of the County Attorney Act, 2020 which provides that a department or public entity established within a County Executive shall not engage the services of a consultant to render any legal services relating to the functions of the County Attorney without written approval of the County Executive Committee and a request to engage those services shall be in writing.
- iii. Management paid an amount of Kshs.3,000,000 to a legal firm as part of decretal fees. However, the certified decree and the current status of the legal case was not provided for audit. Further, the same legal firm was paid Kshs.5,570,979 for a court decree in matter of citing County Executive Committee Member (CECM) and Chief Officer Finance in contempt for disobeying orders of the court. No justification or explanation was provided for failure to abide to the Court orders which resulted in the wasteful expenditure.
- iv. Management made a payment of Kshs.14,200,000 to legal firm for an outstanding decretal debt. However, details and current status of the debt and acknowledgment for payment for the debt were not provided for audit.
- v. Management made a payment of Kshs.3,000,000 to a law firm for representing the County Government of Kisumu for claim of contempt of a court order for payments of Kshs.377,873,193. The Interim fee note dated 22 December, 2022 amounted to Kshs.6,793,496. Details of the order for payments of Kshs.377,873,193 were not provided. Further, the amount of Kshs.3,000,000 paid was a wasteful expenditure as it was avoidable.



In the circumstances, the validity and proper charge on public funds on expenditure of Kshs.46,078,251 on legal services could not be confirmed.

### **3.0 Transfers to Other Government Agencies**

The statement of receipts and payments and as indicated in Note 4 reflects Kshs.1,419,154,196 relating to transfers to other government units. Included in this amount is Kshs.486,367,221 in respect to Appropriation-In-Aid (AIA). However, examination of receiving entities records revealed AIA collection of Kshs.475,159,612 during the year resulting to a variance of Kshs.11,207,609, that had not been reconciled or explained.

In the circumstances, the accuracy and completeness of the transfers to other government units amount of Kshs.1,419,154,196 could not be confirmed.

### **4.0 Inaccuracies in Cash and Cash Equivalents**

The statement of assets and liabilities and as disclosed in Note 8A reflects cash and cash equivalents balance of Kshs.210,896,225 comprising of bank balances of Kshs.210,887,125 and cash balances of Kshs.9,100. However, review of the bank reconciliation statements for various accounts held by the County Executive had the following unsatisfactory issues:

- i. The bank reconciliation statement for the Kisumu County Deposit account reflects unpresented cheques amounting to Kshs.8,990,603 out of which stale cheques amounted to Kshs.2,901,984 which had not been reversed in the cash book.
- ii. The Kisumu County Universal Health Care Account reported a year-end bank balance of Kshs.9. The account has remained dormant for the past three years, with no significant transactions or activities recorded during this period.
- iii. Included in the cash and cash equivalents is an amount of Kshs.9,495,725 under the Kisumu County Deposit Account. However, the bank reconciliation statement as well as the manual cashbook reflects a balance of Kshs.18,486,329 resulting to a variance of Kshs.8,990,603 which has not been reconciled or explained.
- iv. Review of cashbooks and reconciliations provided for audit revealed four (4) bank accounts with a bank balance of Kshs.7,236,579 were not reported in the financial statements.

In the circumstances, the accuracy and completeness of cash and cash equivalent balance of Kshs.210,896,225 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Executive of Kisumu Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe

that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Emphasis of Matter**

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

The statement of comparison and actual amounts (recurrent and development combined) reflects final receipts budget and actual on comparable basis of Kshs.12,557,553,292 and Kshs.8,584,243,710, respectively, resulting in an under-funding of Kshs.3,973,309,582 or 32% of the budget.

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

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

### **Other Matter**

#### **Unresolved Prior year Matters**

In the audit report of the previous year, several paragraphs were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources. However, Management has not resolved the issues or given any explanation for the failure to adhere to the provisions of the Public Sector Accounting Standards Board template as at 30 June, 2024.

### **Other Information**

The Management is responsible for the Other Information set out on page ii to xliv which comprise of Key Entity Information and Management, Governance Statement, Foreword by CECM Finance and Economic Planning, Statement of Performance Against County Predetermined Objectives, Environmental and Sustainability Reporting, and the Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the County Executive's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other



Information, I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that other information is not materially inconsistent with the financial statements.

### **Audit of Performance Information**

Review of performance as per monitoring and evaluation reports against County Predetermined Objectives for the year indicated that the County's 2023-2027 County Integrated Development Plan (CIDP) had identified key strategic development objectives. During the year under review Management implemented a program on procurement of dairy cows for Maseno ATC and KDDC. Chapter 8.1.2 of the monitoring and evaluation report indicated that twenty (20) in-calf dairy cows were delivered. However, the department did not provide evidence that the Department of Agriculture conducted tests to ascertain viability, quality and suitability of the cows before procurement. Further, a comprehensive project implementation status report was not provided for audit to confirm the effectiveness of programme.

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Failure to Submit Financial Statement by County Entities**

Five (5) County Level 4 hospitals did not prepare and submit their financial statements for the financial year ended 30 June, 2024 and prior years to the Auditor-General. These include Miranga Sub-County Hospital, Ober Kamoth Sub-County Hospital, Masogo Sub-County Hospital, Nyahera Sub-County Hospital and Rabuor Sub-County Hospital.

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

#### **2. Non-Compliance with Fiscal Responsibility on Wage Bill**

The statement of receipts and payments reflects payments totalling Kshs.4,462,912,350 in respect of compensation of employees representing 52% of the total receipts of Kshs.8,584,243,710. This was contrary to Regulation 25(1)(a) and (b) of the Public Finance Management (County Governments) Regulations, 2015 which requires that the County Government's expenditure on wages and benefits for its public officers shall not exceed 35% of the County Government's total revenue.

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

### **3. Irregular Payments to Members of County Assembly and Staff**

The statement of receipts and payments and as disclosed in Note 3 to the financial statements reflects use of goods and services amounting to Kshs.1,179,828,217 which includes domestic travel and subsistence of Kshs.280,708,799. The domestic travel and subsistence include imprest totalling Kshs.4,172,000 paid to County Executive staff members to facilitate County Assembly Budget and Appropriation Committee and Secretariat members for consultative meetings on proposed budget and Annual Development Plan 2024/2025. However, these payments which should have been paid by the County Assembly, were wrongly charged to the County Executive contrary to Section 162 of the Public Finance Management Act, 2012 which requires a public officer to ensure that resources within the officer's area of responsibility are used in a way that is lawful and authorized, effective, efficient, economical and transparent.

In the circumstances, the regularity of the domestic travel and subsistence amount of Kshs.4,172,000 could not be confirmed.

### **4. Irregular Payment to Machine Based Staff Allowances**

The statement of receipts and payments reflects transfer to other government entities of Kshs.1,419,154,196 as disclosed in Note 4 to the financial statements. Included in the amount is other capital grants and transfers of Kshs.596,898,258 out of which Kshs.2,384,450 was paid in respect to machine-based staff allowances. However, justification on why staff were getting extra payments for performing their normal duties within their workstations was not provided contrary to Section 162 of the Public Finance Management Act, 2012 which requires a public officer to ensure that resources within the officer's area of responsibility are used in a way that is lawful and authorized, effective, efficient, economical and transparent.

In the circumstances, the regularity of the machine-based staff allowances of Kshs.2,384,450 could not be confirmed.

### **5. Irregularities in Procurement**

The County Executive awarded various contracts in respect of provision of services. However, the following anomalies were observed:

- i. Review of records revealed that a payment of Kshs.928,000 and Kshs.2,699,235 were made for provision of documentary services for the State of County address by the Governor and provision of event management services for 2023 Finance Bill public participation respectively. However, the procurement was conducted outside IFMIS contrary to Regulation 49(2) of the Public Procurement and Asset Disposal Regulations, 2020. Further, during the public participation activity, it was noted that the service provider made partial deliveries as evidenced by the items in the LSOs which did not match with the delivery notes. The inspection and acceptance committee report did not contain details of the services provided. Additionally, the

approved supplementary budget for advertising and publicity was Kshs.500,000 resulting to excess expenditure of Kshs.2,199,235.

- ii. Review of payment voucher no.863988 amounting to Kshs.2,998,500 for event management and logistical support for the County Public Stakeholder Feedback revealed that the tender was awarded using request for proposal. However, review of minutes of evaluation committee held on 1 February, 2024, indicated that the committee did not carry out the preliminary and financial evaluations as per Regulation 74(1) of the Public Procurement and Asset Disposal Regulations, 2020. The basis of the professional opinion and recommendations to the Accounting Officer of February, 2024 could not be confirmed. In addition, no documentary evidence to show appointment of evaluation committee and market survey were provided for audit.
- iii. During the year under review, Management made a payment of Kshs.2,998,780 for provision of catering services during the World Food Day and World Rabies Day. However, the evaluation report and the invoices were dated 10 August, 2023 and 30 August, 2023 respectively, while the requisition to procure was dated 7 September, 2023. The records suggested that due process was not followed in the procurement as requisition to procure came after the delivery of the services contrary to Regulation 71(1) of the Public Procurement and Asset Disposal Regulations, 2020. Further, documentary evidence to confirm receipt of goods and services including the inspection and acceptance report in accordance with Section 48 of the Public Procurement and Assets Disposal Act, 2015 were also not provided.
- iv. Management paid Kshs.2,996,800 for inspectorate uniforms and Kshs.2,307,424 for office stationery supplies. However, both deliveries were made beyond thirty (30) days after issuance of Local Purchase Orders, contrary to the requirements of Regulation 52(1) of the Public Finance Management (County Governments) Regulations, 2015. Further the uniform supplier was not among registered suppliers.

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

## **6. Procurement Using Un-Prequalified Suppliers**

The statement of receipts and payments reflects use of goods and services totalling Kshs.1,179,828,217 as disclosed in Note 3 to the financial statements. Included in the amount is rental of produced assets expenditure of Kshs.23,228,672 out of which, Kshs.1,999,790 was incurred in respect of hiring of excavator machine for Miriu Ogenga Stream-Kabonyo. Review of procurement documents revealed that the firm was not prequalified under the required category. This was contrary to Section 106(2) of the Public Procurement and Asset Disposal Act, 2015, which require the accounting officer to give the request for quotations to persons that are registered by the procuring entity. Further, there was no evidence that the works were registered with National Construction Authority (NCA). This was contrary to Regulation 17(1) of the National Construction Authority Regulations, 2014 which requires that all construction works, contracts or projects either in the public or private sector to be registered with the Authority.



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

#### **7. Lack of Market Survey Reports**

Management entered into contracts totalling Kshs.1,499,045 for the supply and delivery of tyres. However, no evidence was provided to demonstrate that a market survey was conducted to confirm that the offers were at prevailing market prices, contrary to Regulation 90(1)(d)(ii) of the Public Procurement and Asset Disposal Regulations, 2020, which requires accounting officers to ensure offers are at prevailing market prices before entering into contracts.

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

#### **8. Delayed Execution of Consultancy Services on HR Manual**

Review of procurement and payment records revealed that the County Executive contracted consultancy services for reviewing the Kisumu County HR Policies and Procedures Manual, 2015, at a cost of Kshs.2,950,000 on 14 September, 2023. Although the consultant had been, the final document was not delivered within the three (3) month contract period, no contract extension was approved as required by Section 139(2) of the Public Procurement and Asset Disposal Act, 2015 and there was no evidence that the consultant's qualifications were considered in the tender evaluation, while key approvals and progress reports remain unprovided.

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

#### **9. Delayed Execution of Consultancy Services on Training Policy**

The County Executive contracted consultancy services for a training needs analysis at a cost of Kshs.2,920,000 on 4 September, 2023. However, the full payment was made despite the contract expiring without renewal or extension, contrary to Section 139(2) of the Public Procurement and Asset Disposal Act, 2015. In addition, no approved policy document, key approvals or progress reports were provided for audit. Further, no evidence that due diligence on the lead consultant's qualifications was done and were not provided for audit.

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

#### **10. Proposed Completion of Pap Konam Agriculture Training College**

Management entered into contracts for the construction of Konam Agriculture Training College, Phase I at a cost of Kshs.17,617,607 and Phase II at a cost of Kshs.39,869,732 totalling Kshs.57,487,339. However, critical documentation tender advertisement, tender security, tender evaluation minutes, professional opinion, performance bond, acceptance offer, inspection and acceptance reports, joint measurements and interim/ completion certificates issued by the inspection and acceptance committee and project implementation committee reports were not provided for audit verification on several requests.

In the circumstances, the validity and proper charge on public funds on expenditure of Kshs.57,487,339 spent on the project could not be confirmed.

### **11. Irregular Procurement of Energy Efficient Streetlights and High Masts**

Management entered into a contract for the supply, installation, testing & commissioning of energy efficient streetlights & high mast in Maseno & Kombewa in March, 2024 at a contract sum of Kshs.7,697,915. However, review of the tendering process revealed that the bid was irregularly awarded to a firm who did not satisfy the mandatory requirement as indicated in the evaluation reports. The winning bidder did not provide bid bond as required by the evaluation criteria which is contrary to Section 80(2) of the Public Procurement Assets and Disposal Act, 2015, which requires that the evaluation and comparison shall be done using the procedures and criteria set out in the tender documents.

In the circumstances, the contract was awarded to a firm that did not meet the mandatory requirements.

### **12. Failure to Rotate Service Providers**

Review of records revealed that the County Executive awarded travel agency and air ticketing contracts to five (5) service providers from the list of ten (10) registered/pre-qualified suppliers. It was noted out of the payments totalling Kshs.44,570,543, one (1) firm was awarded contracts totalling Kshs.39,037,353 or 88% across the County departments in the year under review. This is contrary to Regulation 91(5) of the Public Procurement and Asset Disposal Regulations, 2020 which requires the accounting officer to ensure a fair and equitable rotation amongst the persons in the list of registered suppliers. No justifiable reason was given to show why the Management preferred to award contracts to only the five (5) suppliers.

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

### **13. Unsupported Framework Agreements**

Review of procurement records revealed that Management entered into a contract totalling Kshs.29,702,592 for the supply and delivery of medical items through framework agreement. However, no documentary evidence was provided to show that Management prepared value for money assessment reports as required by Section 114(2) of Public Procurement and Asset Disposal Act, 2015 or that Management prepared and submitted to the Accounting Officer with a copy to the internal auditor quarterly reports detailing analysis of the items procured through framework agreements as required by Section 114(6) of Public Procurement and Asset Disposal Act, 2015. In addition, no documentary evidence was provided to show that the Accounting Officer reported the contracts awarded to Public Procurement Regulatory Authority as required in Section 138(2) of the Public Procurement and Asset Disposal Act, 2015.

In the circumstances, it was not possible to confirm the competitiveness in the procurement process valued at Kshs.29,702,592.



#### **14. Poor Contracts Administration**

The Department of Energy, Infrastructure and Public Works entered into various contracts with different contractors. The contract agreements were signed on 30 March, 2023 for a contract period of twelve (12) weeks. However, audit inspections in the month of September, 2024 and the project implementation status reports revealed the following:

- i. Review of twenty-seven (27) sampled projects revealed that they remained incomplete despite the expiry of the project duration and no document was provided for audit in respect of the extension of the project completion period. This was contrary to Section 88(2) of the Public Procurement and Asset Disposal Act, 2015 which states that the accounting officer of a procuring entity shall give in writing notice of an extension under subsection (1) to each person who submitted a tender.
- ii. In addition, the contractors' performance bonds had expired and there was no evidence that they had been renewed.
- iii. The contractors who were not on site failed to carry out the works as per the revised work plans and Management had initiated the process of terminating the contract by issuing a default notice to the contractor on 9 November, 2023 as provided by Section 151(2)(a)(g) of the PPADA, Public Procurement and Asset Disposal Act, 2015.
- iv. Further, there was disparity between completion levels as per the status report and the actual works carried as at the time of audit.

In the circumstances, value for money invested in the twenty-seven (27) sampled projects could not be confirmed.

#### **15. Idle Health Facilities**

During the year under review, Management awarded contracts for proposed construction to completion of Dago Kotiende and Kowino Maternity Unit and Rehabilitation at the Chulaimbo Sub-County Hospital at a cost of Kshs.10,880,291. Review of the projects indicated that the works were done as per the bill of quantities. However, physical verification in the month of September, 2024 revealed that the facilities were complete but remained idle. Further, there was evidence of vandalization of electrical works in the Hospital and the compounds were in a state of neglect.

In the circumstances, value for money on the expenditure of Kshs.10,880,291 incurred on the proposed health facilities could not be confirmed.

#### **16. Delay in Implementation of Contracts**

Review of records provided revealed that the County Executive entered into eleven (11) contracts on various dates. However, there was no evidence that the Project Management Committee held any site meetings to hand over the site and/or assess the implementation of the project. The Management did not give satisfactory reasons for delays in implementation of the contracts contrary to Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity



shall establish a procurement function which shall monitor contract management by user departments to ensure implementation of contracts in accordance with the terms and conditions of the contracts.

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

### **17. Late Commitment for Supply of Goods and Services**

Procurement records provided for audit indicated that expenditure commitments/contracts totalling Kshs.93,006,730 were made after 31 May, 2024 without the written approval of the Accounting Officer. This is contrary to Regulation 50(1) of the Public Finance Management (County Governments) Regulations, 2015 that requires all commitments for supply of goods or services to be done not later than 31 May each year, except with the express approval of the Accounting Officer in writing.

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

### **18. Irregular Termination of Contracts**

During the year under review, the Management terminated contracts under the Department of Energy, Infrastructure and Public Works due to non-performance by the contractors. However, the following exceptions were noted:

- i. The contracts were not terminated within reasonable time after the lapse of the contract period stipulated in the contract agreement.
- ii. There was no evidence of legal advice sought from the County Attorney or a designated legal officer within the County.
- iii. The contracts were terminated before the expiry of the dates indicated in the default notice.
- iv. Contract termination was initiated by the accounting officer contrary to Regulations 141 of the Public Procurement and Asset Disposal Regulations, 2020.
- v. There was no implementation committee that gave the recommendations for the termination and no report was written to Authority within fourteen (14) days as stipulated in Section 63(2) and (3) of the Procurement Act.

In the circumstances, the value for money obtained from the project could not be confirmed.

### **19. Automated County Revenue Management System**

During the year under review, Management awarded a tender for supply, delivery, design, development, installation, deployment, testing, commissioning and maintenance of fully automated County Revenue Management System at a contract sum of Kshs.49,556,676 on 31 October, 2023. Review of the payment voucher and supporting documents revealed the following anomalies:

- i. Clause 10 of the special contract terms required that the vendor should provide support and maintenance of the system for a period of three (3) years. However, a comprehensive service level agreement and annual maintenance contract had not been approved as at the time of this audit in September, 2024.
- ii. Clause 11 to the contract on hardware provision and maintenance stated that supplier was required to provide four hundred (400) branded android smart phones. However, review of the delivery notes revealed that three hundred and eighty-five (385) smart phones and two (2) tablets were delivered. It is not clear and Management has not explained the variation of the contract deliverables.
- iii. Review of clause 8.1 to the contract (Delivery and Documentation), revealed that Phase III on structured revenue streams advertisement, hire of county assets, land rates and physical planning integration to 3<sup>rd</sup> party systems was yet to be implemented five (5) months after the expiry of the contract period. There was no indication of approval for any extension given the delayed completion of the project contrary to Regulation 139(2)(a) of the Public Procurement and Assets Disposal Regulations, 2020 requiring justification from the tenderer for extension of contract period and approval from the accounting officer for the extension.

In the circumstances, the value for money invested in the Automated County Revenue Management System could not be confirmed.

## **20. Pending Bills**

Note 1 under other important disclosures to financial statements discloses pending bills of Kshs.2,735,945,419 as at 30 June, 2024. However, pending bills schedule provided for audit reflects pending bills totalling Kshs.2,743,140,069 resulting to an unreconciled balance of Kshs.7,194,650. The schedule provided for audit excluded outstanding rent arrears for liaison offices amounting to Kshs.27,425,508. Further, pending bills amounting to Kshs.1,493,858,913 which should have been paid as a first charge were still outstanding as at 30 June, 2024. This was contrary to Regulation 41(2) of the Public Finance Management (County Governments) Regulations, 2015 which provides that debt service payments shall be a first charge on the County Revenue Fund. Payments totalling Kshs.10,917,576 paid during the year under review were not listed or disclosed as part of the pending bills in the audited financial statements for the prior years. In addition, pending bills totalling Kshs.20,263,671 were over paid by Kshs.3,853,727. Management has not done an analysis for pending accounts payables at annex 2 and 3 as prescribed by the financial reporting template.

In the circumstances, Management was in breach of the law and continued accumulation of pending bills exposes the County Executive to potential losses and adversely affects the budgetary provisions.

## **21. Contingent Liability**

Note 10 under other important disclosures to financial statements discloses contingent liabilities for the current year of Kshs.3,326,834,404. However, the contingent liabilities

register at Annex 8 reflects a balance of Kshs.2,157,868,820 resulting to an unexplained and unreconciled variance of Kshs.1,168,965,584. Further, the contingent liabilities were also not supported by relevant documentary evidence.

In the circumstances, the status, validity and existence of the reported contingent liabilities of Kshs.3,326,834,404 could not be confirmed.

## **22. Unexplained Voided IFMIS Transactions**

Analysis of the Integrated Financial Management Information System payments transactions revealed that four thousand, one hundred and twenty-seven (4,127) transactions valued at Kshs.2,667,105,751 were voided during the year under review. However, Management did not provide supporting documents to the transactions by way of voided payment vouchers, requests to void, the National Treasury approvals and exchequer requisitions from the Controller of Budget. Further, reconciliation of voided payments to pending accounts payables and cancelled payments were not provided for audit review.

In the circumstances, the propriety of the cancellations could not be confirmed.

## **23. Regularity of Human Resource Management Practices**

### **23.1 Lack of an Annual Recruitment Plan**

During the audit review, it was noted that the Human Resource Department did not prepare and submit the recruitment plans to the County Public Services Board contrary to Section B(2)(1) of the Human Resource Policies and Procedures Manual for the Public Service of May, 2016 which requires every Ministry/State Department to prepare Human Resource Plans to support achievement of goals and objectives in their strategic plans and that the plans shall be based on comprehensive job analysis and shall be reviewed every year to address emerging issues and needs.

In the circumstances, Management may over or under employ officers which may negatively affect operations of the County.

### **23.2 Lack of Human Resource Plans and Policies**

Review of human resources records revealed that the County lacked approved key policy manuals for Human Resource Management, including a customized scheme of service, career progression guidelines and Human Resource Plans, making it impossible to confirm the appropriateness of the current staffing level for achieving the County's strategic objectives. This was contrary to the Human Resource Policies and Procedures Manual for the Public Service, 2016, which requires departments to prepare human resource plans. Additionally, staff promotions during the year were based solely on qualifications, as the County had not developed career progression guidelines. Further, the County did not maintain a skills inventory for its employees, hindering effective training, recruitment and succession management decisions.



In the circumstances, Management was in breach of the Public Service Policies and Procedures.

### **23.3. Irregular Promotion of County Staff**

Review of the payroll records revealed instances where thirty-nine (39) employees of the County Executive were promoted by two (2) or more job groups within a year. The basis of these unusual promotions was not supported by documentary evidence such as advertisements, a list of applicants, interview minutes and a budget for the promotions. Although the Management explained that the promotions were due to long stagnation, no proper justification was given to support of the unusual movement in job groups. This was contrary to Section B.25 of the Public Service Commission Human Resource Policy, 2016 which requires promotions in the public service to be based on qualifications and other requirements for appointment as stipulated in the career progression guidelines.

In the circumstances, Management was in breach of the Public Service Policies and Procedures.

### **23.4. Irregular Payment of Salaries Outside the IPPD**

Review of personnel records indicated that the County Executive had two (2) payroll systems in operation – a manual payroll and an Integrated Personnel and Payroll Database (IPPD) system. The supporting documents revealed salary payments amounting to Kshs.210,009,458 were processed through the manual payroll which is prone to errors. Although the Management attributed this to lack of payroll numbers, inability to define some of the cadre of staff in the system and the temporary nature of engagement of some of the employees, this was contrary to the National Treasury Circular Ref. TNT/IFMIS/INT/100 'A' (60) dated 18 May, 2021 which requires payroll to be managed through the IPPD system.

In the circumstances, Management was in breach of the National Treasury Circular.

### **23.5 Retention of Staff Beyond Mandatory Retirement Age**

During the audit review, examination of the payroll provided for audit revealed that seventy-nine (79) employees who had attained the retirement age of 60 years were still appearing in the June, 2024 payroll. This was contrary to gazette Notice Ref No.OP.CAB.2/7A of March, 2009 and Section D. 21 of Human Resource Policies and Procedures Manual for the Public Service, 2016. The policy stipulates that all officers shall retire from the service on attaining the mandatory retirement age of 60 years or 65 years for persons with disabilities and/or as may be prescribed by the government from time to time. Management did not provide explanation for the anomaly.

In the circumstances, Management is in breach of the Public Service Policies and Procedures.

### **23.6 Non-Compliance with a Third of Basic Salary Rule**

Review of the County Government payroll for the year indicated that in the month of June, 2024, the net salaries for four hundred and fourth-nine (449) officers totalling



Kshs.3,831,569 were less than the calculated one third of their respective basic pay. This was contrary to Section C (3) Human Resource Policies and Procedures Manual for the Public Service May, 2016 which requires that public officers shall not over-commit their salaries beyond two thirds (2/3) of their basic salaries. No explanations were provided for the anomaly.

In the circumstances, Management is in breach of the Public Service Policies and Procedures.

### **23.7 Employees on Acting Capacity Beyond Stipulated Period**

Review of the human resource records provided revealed that thirteen (13) members of staff had been appointed in acting capacity. The members of staff had acted for more than six (6) months. This was in contravention of paragraph C.14(1) of the Human Resource Policies and Procedures Manual for the Public Service, 2016 which requires that when an officer is eligible for appointment to a higher post and is called upon to act in that post pending advertisement of the post, he is eligible for payment of acting allowance at the rate of twenty percent (20%) of his substantive basic salary and that acting allowance will not be payable to an officer for more than six (6) months.

In the circumstances, Management is in breach of the Public Service Policies and Procedures.

### **23.8 Non-Compliance with Affirmative Action on Gender, Ethnicity and Regional Distribution**

Review of the Integrated Personnel and Payroll Database (IPPD) records for the month of June, 2024 revealed that the County Executive had a workforce of four thousand six hundred and thirty-two (4,632). However, out of this number, four thousand and fifty-six (4,056) were members of the dominant community. This represents 87% of the total workforce contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 that requires public establishment to seek to represent the diversity of the people of Kenya in employment of staff. In addition, the County Executive recruited three hundred and ninety-five (395) employees during the year under review, out of which three hundred and ninety (390) or 99% were from the dominant ethnic community.

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

### **23.9 Staff Recruitment**

The County Public Service Board advertised for various positions that were filled in the current year under review in the Agriculture and Health Departments. However, review of the approved staff establishment revealed that the optimum staffing level allowed for these were exceeded. This is contrary to Section A.15 of the Human Resource Policies and Procedures Manual for Public Service, May, 2016, which states that the functions of Ministerial Human Resource Management Advisory Committees (MHRMAC) entail making recommendations to the Authorized Officer regarding: - inter alia (viii) establishment and complement control. Further, the documentary evidence for the



recruitment process for boarding forty-six(46) city casual workers through memo Ref: KPSB/20/04/2024 and Ref: KPSB/34/04/2024 was not provided for audit.

In the circumstances, Management was in breach of the public service policies and procedures.

### **23.10 Irregular Payment of Social Security Benefits**

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects social security benefits payments of Kshs.85,169,981. Review of the expenditure revealed that the amount includes gratuity payments of Kshs.1,571,788 to a Senior Assistant Administrator who was on contractual terms since 3 June, 2013. However, Management has not provided evidence that the case was referred to the County Public Service Board (CPSB) for renewal. The officer had been on contract for more than 10 years contrary to Section B.15 of the County Human Resource Manual, 2013 which states that contract employment will be kept to a maximum period of five years. Contracts can be renewed for another period of five years once.

Similarly, the social security benefits include gratuity of Kshs.1,109,839 payable to a County Senior Staff member who had been reinstated back to service in July, 2020 after resignation in 2017. However, documents to support the reappointment and re-designation by the County Public Service Board (CPSB) were not provided for audit review.

In the circumstances, the validity and regularity of gratuity benefits of Kshs.2,681,627 could not be confirmed.

### **24 Irregularities in Imprests Management**

The statement of assets and liabilities reflects outstanding imprests and advances balance of Kshs.5,151,666 which was issued during the year under review. Review of records revealed that as at the time of the audit the imprests which ought to have been surrendered had not been surrendered. This was contrary to Regulation 93(5) and (8) of the Public Finance Management (County Governments) Regulations, 2015 which requires that imprest be surrendered or accounted for within seven (7) working days after returning to duty station and prohibits issue of new imprests to officers with outstanding imprests. Further, there were instances of staff members issued with multiple imprests totalling Kshs.2,005,600. This was contrary to Regulation 93(4)(b) and Regulation 93(5) of the Public Finance Management (County Governments) Regulations, 2015 which requires that before issuing temporary imprests, the Accounting Officer shall ensure that the applicant has no outstanding imprests.

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

### **25 Salary Bank Account**

Review of bank records provided for audit revealed that the County Executive Salary Account held at the KCB had been overdrawn up to Kshs.3,004,716,885 during the year under review. However, Management did not provide details and authorization of any



agreement between the County Executive and the Bank for the overdraft facility. This was contrary to Regulation 82(7) of the Public Finance Management (County Governments) Regulations, 2015 which states that no official County Government bank account shall be overdrawn, nor shall any advance or loan be obtained from a bank account for official purposes beyond the limit authorized by the County Treasury in line with Section 119(4) of the Public Finance Management Act, 2012.

Further, the overdraft of Kshs.3,004,716,885 was over and above the required threshold of Kshs.484,595,306 being 5% on the most recent County Government revenue of Kshs.9,691,906,112. This was contrary to Section 107(3) of the Public Finance Management Act, 2015 which states that short term borrowing shall be restricted to management of cash flows and shall not exceed five percent of the most recent audited County Government revenue.

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

## **26 Unauthorized Inter-Accounts Transfers**

The statement of assets and liabilities and as disclosed in Note 10 to the financial statements reflects deposits and retentions balance of Kshs.9,495,726 being retention amount held till end of defect liability at 10% of project cost. Review of the deposit bank statement revealed that the Management transferred Kshs.7,455,150 to recurrent account. However, there was no authorization for the inter-account transfers contrary to Regulation 47(1)(e) of the Public Finance Management (County Government) Regulations, 2015 which states that allocations earmarked by the County Treasury for a specific purpose may not be used for other purposes, except with treasury's approval.

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

## **27 Construction of Governor's Residence**

Management awarded a construction contract for the construction of Governor's residence at a cost of Kshs.42,510,290 on 3 February, 2023 for a period of eight (8) months. Project verification conducted in September, 2024 revealed that the Governor's residential building under phase one had been completed and occupied. However, the completion certificate and the inspection and acceptance report were not provided for audit. Further, the Management awarded another construction company a contract of Kshs.48,483,827 in respect of phase II resulting in aggregated total cost for the project of Kshs.90,994,117. This was contrary to the Salaries and Remuneration Commission (SRC) issued Circular No. SRC/TS/COG/6/61/48 VOL11(64) dated 20 May, 2019 on cost limits for Governor's residences set out at Kshs.45,000,000.

In the circumstances, Management was in breach of the Salaries and Remuneration Commission (SRC) Circular.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in

the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### Basis for Conclusion

#### 1. Management of Hired Car Services

Review of payment vouchers provided revealed that Kshs.4,169,800 was paid to a firm in respect of car hire for County visitors for various activities. However, there was no documentary evidence to confirm that the transport officer certified and confirmed that the departments did not have enough vehicles to justify hiring of the vehicles. Further, no evidence was provided for audit to confirm if the County has a transport policy guideline on management of transport.

In the circumstances, the effectiveness of internal controls over management of hired car services could not be confirmed.

#### 2. Weaknesses in Internal Audit Function

Review of the internal audit function and governance revealed the following weaknesses:-

- i. During the year under review, the County Executive had an internal audit function in place with a total staff of seven (7) officers. Review of the approved staff establishment of the County Government revealed that internal audit department was supposed to be staffed with twenty (20) officers. This resulted to understaffing of thirteen (13) officers contrary to Regulation 155(2)(a) of the Public Finance Management (County Governments) Regulations, 2015, which states that an Accounting Officer shall ensure that the organizational structure of the internal audit unit facilitates the entity to accomplish its internal audit responsibilities. Information obtained from the Management indicated that the officers carrying out duties of the internal audit were employed as ward administrators and deployed to the unit casting doubt on the effectiveness of the unit.
- ii. Further, the internal audit function submitted to Management thirteen (13) audit reports on various Departments and Sections outlining the recommendations to be affected by the Management. However, Management has not provided evidence of implementation of the audit recommendations.



- iii. In addition, it was noted that the internal audit department lacked functional independence since the internal audit was not functionally reporting to the Audit Committee in place. This was contrary to Regulation 155(1) of the Public Finance Management (County Governments) Regulations, 2015 which requires the head of the internal audit unit in a County Government entity to enjoy operational independence through the reporting structure by reporting administratively to the Accounting Officer and functionally to the Audit Committee.
- iv. Further, contrary to Regulation 159(2) of the Public Finance Management (County Governments) Regulations, 2015, the Committee did not publish an annual report on the review of the independence, performance and competence of the Internal Audit Unit.

In the circumstances, the effectiveness of the internal controls, risk management and governance systems for the County Executive could not be confirmed.

### **3. Lack of Risk Management Policy**

The management did not have an approved Risk Management Policy and therefore, had no approved processes and guidelines on how to mitigate operational, legal and financial risks as stipulated under Regulation, 158 of the Public Finance Management (County Governments) Regulations, 2015. Further, contrary to Regulation 158(1) of the Public Finance Management (County Governments) Regulations, 2015 no risk assessment activity was carried out during the year. Therefore, Management lacked rational means to identify operational and other risks faced by the County Executive, to assess the likelihood of their occurrence and significance and to establish means to mitigate their possible effects.

In the circumstances, the effectiveness of the County Executive risk management processes could not be confirmed.

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

### **Responsibilities of the Management and 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, the Management is responsible for assessing the County Executive's ability to continue to sustain services, disclosing, as applicable,



matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

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

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


### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

27 December, 2024



County Government of Kisumu (Executive)  
Annual Report and Financial Statements  
for the year ended June 30th 2024

9. Statement of Receipts and Payments for the year ended 30th June 2024

	Notes	FY 2023-2024 Kshs	FY 2022-2023 Kshs
<b>Receipts</b>			
Transfers from the CRF	1	8,584,243,710	8,533,526,659
<b>Total receipts</b>		<b>8,584,243,710</b>	<b>8,533,526,659</b>
<b>Payments</b>			
Compensation of employees	2	4,462,912,350	4,374,160,138
Use of goods and services	3	1,179,828,217	1,234,220,223
Subsidies			
Transfers to other government entities	4	1,419,154,196	937,513,458
Other grants and transfers	5	277,500,000	205,000,000
Social security benefits	6	85,169,981	117,994,224
Acquisition of assets	7	1,283,587,481	1,570,295,208
<b>Total payments</b>		<b>8,708,152,234</b>	<b>8,439,183,251</b>
<b>Surplus/deficit*</b>		<b>(123,908,524)</b>	<b>94,343,408</b>

The Deficit of Kshs.123,908,524 was as a result expenditures made out of funds held in the special a purpose accounts at the beginning of the FY. This is captured as part of bank balances under note 8A.comparative column.

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 15<sup>th</sup> Sept.2024 and signed by:

.....  
Name: Paul Njenga Waweru  
Chief Officer - Finance

.....  
Name: CPA. Martin Opiyo  
Director Finance  
ICPAK M/No. 15141



County Government of Kisumu (Executive)  
Annual Report and Financial Statements  
for the year ended June 30th 2024

10. Statement of Assets and Liabilities as at 30th June 2024

	Notes	FY 2023-2024 Kshs	FY 2022-2023 Kshs
<b>Financial assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	8A	210,887,125	365,843,516
Cash balances	8B	9,100	102,050
<b>Total cash and cash equivalents</b>		<b>210,896,225</b>	<b>365,945,566</b>
Outstanding imprests and advances	9	5,151,666	41,505,499
<b>Total financial assets</b>		<b>216,047,891</b>	<b>407,451,065</b>
<b>Financial liabilities</b>			
Deposits and retentions	10	9,495,726	(76,990,376)
<b>Net financial assets</b>		<b>206,552,165</b>	<b>330,460,689</b>
<b>Represented by</b>			
Fund balance b/fwd.	11	330,460,689	1,258,207,092
Prior year adjustments	12		(1,022,089,811)
Surplus/deficit for the year		(123,908,524)	94,343,408
<b>Net financial position</b>		<b>206,552,165</b>	<b>330,460,689</b>

The Deficit of Kshs.123,908,524 was as a result expenditures made out of funds held in the special a purpose accounts at the beginning of the FY. This is captured as part of bank balances under note 8A.comparative column.

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on \_15<sup>th</sup> Sept.2024 and signed by:



.....  
Name: Paul Njenga Waweru  
Chief Officer - Finance



.....  
Name: CPA. Martin Opiyo  
Director Finance  
ICPAK M/No. 15141

*County Government of Kisumu (Executive)  
Annual Report and Financial Statements  
for the year ended June 30th 2024*

**11. Statement of Cash Flows for the period ended 30<sup>th</sup> June 2024**

	Note	FY 2023-2024 Kshs	FY 2022-2023 Kshs
<b>Receipts from operating income</b>			
Transfers from the CRF	<b>1</b>	8,584,243,710	8,533,526,659
Miscellaneous receipts			
<b>Total receipts from operating income</b>		<b>8,584,243,710</b>	<b>8,533,526,659</b>
<b>Payments for operating expenses</b>			
Compensation of employees	<b>2</b>	4,462,912,360	4,374,160,138
Use of goods and services	<b>3</b>	1,179,828,217	1,234,220,223
Subsidies			
Transfers to other government entities	<b>4</b>	1,419,154,196	937,513,458
Other grants and transfers	<b>5</b>	277,500,000	205,000,000
Social security benefits	<b>6</b>	85,169,981	117,994,224
Finance costs, including loan interest			
Other payments			
<b>Total payments for operating expenses</b>		<b>7,424,564,754</b>	<b>6,868,888,043</b>
<b>Net receipts/ (payments) from operations</b>			
<b>Adjusted for:</b>			
Prior year adjustments	<b>12</b>		( 1,022,089,811)
Decrease/(increase) in outstanding imprests & advances	<b>13</b>	36,353,833	12,614,591
Increase/(decrease) in deposits and retentions	<b>14</b>	(67,494,650)	52,740,487
<b>Net cash flow from operating activities</b>		<b>1,128,538,139</b>	<b>707,903,883</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets	<b>7</b>	1,283,587,481	1,570,295,208
<b>Net cash flows from investing activities</b>		<b>(1,283,587,481)</b>	<b>1,570,295,208</b>
<b>Cash flow from Financing activities</b>			
Repayment of principal on domestic and foreign Borrowing			
<b>Net cash flow from financing activities</b>			
<b>Net increase in cash and cash equivalents</b>		<b>(155,049,341)</b>	<b>(862,391,325)</b>

*County Government of Kisumu (Executive)  
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		FY 2023-2024	FY 2022-2023
	Note	Kshs	Kshs
Cash and cash equivalents at beginning of the year		365,945,566	1,228,336,891
Cash and cash equivalents at end of the year		210,896,225	365,945,566

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 15<sup>th</sup> Sept, 2024 and signed by:



.....  
Name: Paul Njenga Waweru  
Chief Officer Finance



.....  
Name: CPA. Martin Opiyo  
Director Finance  
ICPAK Member Number. 15141



**KISUMU COUNTY EXECUTIVE**  
**Annual Report and Financial Statements**  
**For the year ended June 30th 2024**

**12. Statement of Comparison of Budget & Actual Amounts (Recurrent and Development Combined) for the year ended 30<sup>th</sup> June 2024**

	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Receipts</b>						
Transfers from the CRF	12,468,601,119	88,952,173	12,557,553,292	8,584,243,710	3,973,309,582	68
<b>Total</b>	<b>12,468,601,119</b>	<b>88,952,173</b>	<b>12,557,553,292</b>	<b>8,584,243,710</b>	<b>3,973,309,582</b>	<b>68</b>
<b>Payments</b>						
Compensation of employees	5,027,965,489	(1,217,507)	5,026,747,982	4,462,912,360	597,215,450	89
Use of goods and services	2,055,534,436	228,782,505	2,284,316,941	1,179,828,217	1,276,855,409	52
Transfers to other government units	1,476,893,811	(5,574,379)	1,471,319,432	1,419,154,196	52,165,236	96
Other grants and transfers	290,000,000	20,000,000	310,000,000	277,500,000	32,500,000	90
Social security benefits	160,796,558	(1,755,000)	159,041,558	85,169,981	73,871,577	54
Acquisition of assets	3,457,410,825	(151,283,446)	3,306,127,379	1,283,587,481	2,022,539,898	39
<b>Total</b>	<b>12,468,601,119</b>	<b>88,952,173</b>	<b>12,557,553,292</b>	<b>8,708,152,234</b>	<b>3,849,401,058</b>	<b>69</b>
<b>Surplus/(Deficit)</b>				<b>(123,908,524)</b>		

a). The 68% realization on transfers from CRF was occasioned by the non-disbursement of the June exchequer by the National Treasury coupled with the low collection of OSR during the FY under review.

b). The 88% utilization level on Compensation of employees excludes salary payments relating to the month of June 2024 and the City of Kisumu (Self-reporting entity)

**County Government of Kisumu (Executive)  
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c.) *The Deficit of Kshs. 123,908,524 was as a result of expenditures made out of funds held in the special purpose accounts at the beginning of the FY. This is captured as part of bank balances under note 8A comparative column.*

(d.) *The 52% utilization level on use of goods was as a result of austerity measures put in place by the administration to cut down on avoidable expenditures, non-disbursement of the June exchequer by the National Treasury and the low collection of OSR during the FY under review leading to less funds being available for requisition/payment.*

(e.) *The expenditure on acquisition of Assets was at 39% due to non-disbursements of the June exchequer by the national treasury coupled with delayed clearances by the OCOB.*

(f.) *The changes between the original budget and the final budget were as a result of reallocations within the budget which were effected through a supplementary budget approved by the County Assembly.*

(g.) *The total budget for receipts is Kshs. 12,557,553,292 which is what ought to have been transferred from CRF to the paying accounts if all the funds were received/collected.*

The County Executive's financial statements were approved on 15<sup>th</sup> Sept., 2024 and signed by:

.....  


**Name: Paul Njenga Waweru  
Chief Officer Finance**

.....  


**Name: CPA. Martin Opiyo  
Director Finance  
ICPAK Member Number: 15141**

*County Government of Kisumu (Executive)  
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**A: Statement of Comparison of Budget & Actual Amounts – Recurrent for the year ended 30<sup>th</sup> June 2024**

	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Receipts</b>						
Transfers from the CRF	8,175,866,481	360,135,578	8,536,002,059	6,907,480,316	1,628,521,743	81
<b>Total</b>	<b>8,175,866,481</b>	<b>360,135,578</b>	<b>8,536,002,059</b>	<b>6,907,480,316</b>	<b>1,628,521,743</b>	<b>81</b>
<b>Payments</b>						
Compensation of employees	5,027,965,489	(1,217,507)	5,026,747,982	4,462,912,360	597,215,450	89
Use of goods and services	2,055,534,436	228,782,505	2,284,316,941	1,179,828,217	1,104,488,724	52
Transfers to other government units	413,747,092	46,048,013	459,795,105	443,373,269	16,421,836	96
Other grants and transfers	290,000,000	20,000,000	310,000,000	277,500,000	32,500,000	90
Social security benefits	160,796,558	(1,755,000)	159,041,558	85,169,981	73,871,577	54
Acquisition of assets	227,822,906	68,277,567	296,100,473	99,596,340	196,504,133	34
<b>Total</b>	<b>8,175,866,481</b>	<b>360,135,578</b>	<b>8,536,002,059</b>	<b>6,548,380,167</b>	<b>1,987,621,892</b>	
<b>Surplus/(deficit)</b>				<b>359,100,149</b>		

a) The 81% realization on transfers from CRF was occasioned by the non-disbursement of the June exchequer by the National Treasury coupled with the low collection of OSR during the FY under review.

b) The 88% utilization level on Compensation of employees excludes salary payments relating to the City of Kisumu

(c) The 52% utilization level on use of goods was as a result of austerity measures put in place by the administration to cut down on avoidable expenditures, non-disbursement of the June exchequer by the National Treasury and the low collection of OSR during the FY under review leading to less funds being availed for requisition/payment.



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- (d). The expenditure on acquisition of Assets was at 34% due to non- disbursements of the June exchequer by the national treasury coupled with delayed clearances by the OCOB.
- (e). The changes between the original budget and the final budget were as a result of reallocations within the budget which were effected through a supplementary budget approved by the County Assembly.
- f). The total budget for receipts is Kshs. 8,536,002,059 which is what ought to have been transferred from CRF to the paying accounts if all the funds were received /collected.

The County Executive's financial statements were approved on 15<sup>th</sup> Sept.2024 and signed by



**Name: Paul Njenga Waweru**  
**Chief Officer Finance**



**Name: CPA. Martin Opiyo**  
**Director Finance**  
**ICPAK Member Number: 15141**

**B. Statement of Comparison of Budget & Actual Amounts: Development for the year ended 30<sup>th</sup> June 2024**

	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Receipts</b>						
Transfers from the CRF	4,292,734,638	(271,183,405)	4,021,551,233	1,676,763,394	2,344,787,839	42
<b>Total</b>	<b>4,292,734,638</b>	<b>(271,183,405)</b>	<b>4,021,551,233</b>	<b>1,676,763,394</b>	<b>2,344,787,839</b>	<b>42</b>
<b>Payments</b>						
Transfers to other government units	1,063,146,719	(51,622,392)	1,011,524,327	975,780,927	35,743,400	96
Acquisition of assets	3,229,587,919	(219,561,013)	3,010,026,906	1,183,991,141	1,826,035,765	39
<b>Totals</b>	<b>4,292,734,638</b>	<b>(271,183,405)</b>	<b>4,021,551,233</b>	<b>2,159,772,068</b>	<b>1,861,779,165</b>	<b>54</b>
<b>Surplus/(deficit)</b>				<b>(483,008,674)</b>		

- a). The 42% realization on transfers from CRF was occasioned by the non-disbursement of the June exchequer by the National Treasury coupled with the low collection of OSR during the FY under review.
- b). The Deficit of Kshs. 483,008,674 was as a result expenditures made out of funds held in the special a purpose accounts at the beginning of the FY. This is captured as part of bank balances under note 8A.comparative column.
- (c). The expenditure on acquisition of Assets was at 39% due to non- disbursements of the June exchequer by the national treasury coupled with delayed clearances by the OCOB.
- (d). The changes between the original budget and the final budget were as a result of reallocations within the budget which were effected through a supplementary budget approved by the County Assembly.
- e). The total budget for receipts is Kshs. 4,021,551,233 which is what ought to have been transferred from CRF to the paying accounts if all the funds were received /collected.

The County Executive's financial statements were approved on 15<sup>th</sup> Sept,2024 and signed by:



.....  
**Name: Paul Njenga Waweru**  
**Chief Officer Finance**



.....  
**Name: CPA. Martin Opiyo**  
**Director Finance**  
**ICPAK Member Number: 15141**



**C. Budget Execution by Programmes and Sub-Programmes for the year ended 30<sup>th</sup> June 2024**

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Program	Sub Program	Description	Original Budget	Adjustments	Final Budget	Actual	Budget utilization difference
			KShs	KShs	KShs	KShs	KShs
		<b>General Administration and Planning Services</b>	<b>1,473,252,749</b>	<b>-112,606,044</b>	<b>1,360,646,705</b>	<b>929,454,419</b>	<b>431,192,286</b>
	101015060	Planning and Coordination Services	581,403,801	8,629,141	590,032,942	437,879,203	152,153,739
	101045060	Planning and administration	891,848,948	-121,235,185	770,613,763	491,575,217	279,038,547
<b>103005060</b>		<b>Physical Planning &amp; Housing</b>	<b>14,228,875</b>	<b>-1,280,500</b>	<b>12,948,375</b>	<b>9,796,813</b>	<b>3,151,562</b>
	103015060	Physical planning services	14,228,875	-1,280,500	12,948,375	9,796,813	3,151,562
<b>104005060</b>		<b>Promotion of sustainable land use</b>	<b>488,550</b>	<b>-197,750</b>	<b>290,800</b>	<b>176,000</b>	<b>114,800</b>
	104015060	Promotion of Soil and Water Management	488,550	-197,750	290,800	176,000	114,800
<b>105005060</b>		<b>Agriculture Productivity Improvement</b>	<b>94,499,287</b>	<b>213,788,578</b>	<b>308,287,865</b>	<b>43,373,673</b>	<b>264,914,192</b>
	105015060	Management of Agriculture Advisory services	18,978,200	-5,042,772	13,935,428	3,034,000	10,901,428
	105025060	Promotion of Crop production Value Chains	6,641,500	-3,561,519	3,079,981	2,363,381	716,600
	105035060	Promotion of Livestock Production Value Chains	18,269,703	0	18,269,703	13,721,489	4,548,214
	105055060	Management of Stations	49,464,384	222,905,869	272,370,253	23,746,903	248,623,350
	105075060	Development of Product Quality Assurance	1,145,500	-513,000	632,500	507,900	124,600
<b>106005060</b>		<b>Agricultural Productivity Improvement</b>	<b>1,288,750</b>	<b>-749,961</b>	<b>538,789</b>	<b>328,500</b>	<b>210,289</b>
	106015060	Agriculture Credit Access	849,750	-721,961	127,789	0	127,789
	106025060	Agriculture input Access	439,000	-28,000	411,000	328,500	82,500

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107005060		Promotion of market access and products development	5,912,500	-862,500	5,050,000	1,988,000	3,062,000
	107015060	Promotion of Agribusiness	473,500	-473,500	0	0	0
	107025060	Promotion value addition	5,439,000	-389,000	5,050,000	1,988,000	3,062,000
108005060		<b>Revenue Generation and Management</b>	<b>21,855,964</b>	<b>0</b>	<b>21,855,964</b>	<b>19,892,088</b>	<b>1,963,876</b>
	108015060	Local Revenue Mobilization	21,855,964	0	21,855,964	19,892,088	1,963,876
109005060		<b>Urban Planning &amp; Development Control</b>	<b>91,007,461</b>	<b>14,000,000</b>	<b>105,007,461</b>	<b>65,101,218</b>	<b>39,906,243</b>
	109015060	Urban planning and development	91,007,461	14,000,000	105,007,461	65,101,218	39,906,243
201005060		<b>County Roads and Public Works Management</b>	<b>1,105,672,041</b>	<b>-15,767,562</b>	<b>1,089,904,479</b>	<b>548,431,325</b>	<b>541,473,154</b>
	201015060	General administration & planning	566,272,041	-35,867,562	530,404,479	387,845,177	142,559,302
	201025060	Road construction and maintenance services	539,400,000	20,100,000	559,500,000	160,586,148	398,913,852
203005060		<b>Administration, Planning and Support Services</b>	<b>2,058,436,139</b>	<b>-56,340,800</b>	<b>2,002,095,339</b>	<b>1,625,164,653</b>	<b>376,930,686</b>
	203015060	Administrative services	2,058,436,139	-56,340,800	2,002,095,339	1,625,164,653	376,930,686
205005060		<b>Energy Production</b>	<b>79,000,000</b>	<b>-3,043,468</b>	<b>75,956,532</b>	<b>14,235,895</b>	<b>61,720,637</b>
	205025060		72,800,000	0	72,800,000	12,743,895	60,056,105
	205035060	Climate Change	6,200,000	-3,043,468	3,156,532	1,492,000	1,664,532
206005060		<b>Mining Efficiency</b>	<b>28,628,000</b>	<b>-834,600</b>	<b>27,793,400</b>	<b>23,670,364</b>	<b>4,123,036</b>
	206045060	Mining Efficiency	1,208,000	-834,600	373,400	185,800	187,600
	206055060	Resource Mobilization	27,420,000	0	27,420,000	23,484,564	3,935,436
207005060		<b>Roads General Administration and Planning</b>	<b>26,051,994</b>	<b>0</b>	<b>26,051,994</b>	<b>15,835,430</b>	<b>10,216,564</b>



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	207015060	Public Works					
			2,500,000	0	2,500,000	2,476,934	23,066
	207045060	Mechanical Engineering Services					
			23,551,994	0	23,551,994	13,358,496	10,193,498
<b>208005060</b>		<b>ICT Services</b>	<b>65,000,000</b>	<b>5,074,676</b>	<b>70,074,676</b>	<b>41,399,458</b>	<b>28,675,218</b>
	208015060	ICT Services					
			65,000,000	5,074,676	70,074,676	41,399,458	28,675,218
<b>301005060</b>		<b>General Administration and Policy making Services</b>	<b>81,864,384</b>	<b>-229,567</b>	<b>81,634,817</b>	<b>14,690,962</b>	<b>66,943,855</b>
	301015060	Infrastructure Development					
			21,017,181	-129,567	20,887,614	3,987,750	16,899,864
	301025060	Trade Support Services					
			60,847,203	-100,000	60,747,203	10,703,212	50,043,991
<b>302005060</b>		<b>Regulation and Verification of Weights</b>	<b>22,250,000</b>	<b>-3,030,000</b>	<b>19,220,000</b>	<b>1,204,400</b>	<b>18,015,600</b>
	302015060	Verification and Calibration of Weighing Equipment					
			22,250,000	-3,030,000	19,220,000	1,204,400	18,015,600
<b>303005060</b>		<b>Tourism Development and Management</b>	<b>22,250,000</b>	<b>1,472,996</b>	<b>23,722,996</b>	<b>5,346,645</b>	<b>18,376,351</b>
	303015060	Tourism Development					
			3,900,002	0	3,900,002	1,093,070	2,806,932
	303035060	Tourism Event Management					
			18,349,998	1,472,996	19,822,994	4,253,575	15,569,419
<b>304005060</b>		<b>Administration Planning and Support</b>	<b>155,324,183</b>	<b>566,326</b>	<b>155,890,509</b>	<b>100,166,628</b>	<b>55,723,881</b>
	304015060	Administration planning					
			155,324,183	566,326	155,890,509	100,166,628	55,723,881
<b>305005060</b>		<b>Co-Operative Development and Management</b>	<b>3,900,000</b>	<b>1,500,000</b>	<b>5,400,000</b>	<b>1,728,800</b>	<b>3,671,200</b>
	305055060	Co-operative Governance					
			3,900,000	1,500,000	5,400,000	1,728,800	3,671,200
<b>306005060</b>		<b>Enterprise Development</b>	<b>201,700,000</b>	<b>-85,779,400</b>	<b>115,920,600</b>	<b>274,700</b>	<b>115,645,900</b>
	306015060	Business Development Services					
			201,700,000	-85,779,400	115,920,600	274,700	115,645,900
<b>401005060</b>		<b>Preventive &amp; Promotive Health Services</b>	<b>108,512,257</b>	<b>0</b>	<b>108,512,257</b>	<b>99,974,956</b>	<b>8,537,302</b>

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	401015060	Environmental health and sanitation	62,621,434	0	62,621,434	61,081,449	1,539,985
	401035060	Disease surveillance	600,000	0	600,000	513,500	86,500
	401045060	Health promotion service	45,290,823	0	45,290,823	38,380,006	6,910,817
<b>402005060</b>		<b>Health Curative Services</b>	<b>2,480,000</b>	<b>-30,000</b>	<b>2,450,000</b>	<b>447,500</b>	<b>2,002,500</b>
	402015060	Essential Service	360,000	0	360,000	158,000	202,000
	402025060	Elimination of communicable and non-communicable disease	360,000	0	360,000	203,700	156,300
	402035060	Reproductive Health	1,760,000	-30,000	1,730,000	85,800	1,644,200
<b>403005060</b>		<b>General Administration, Operational Research and Planning</b>	<b>3,151,800,741</b>	<b>-11,620,273</b>	<b>3,140,180,468</b>	<b>2,783,807,599</b>	<b>356,372,869</b>
	403035060	Governance and leadership	423,646,001	-710,081	422,935,920	188,442,079	234,493,841
	403045060	Human resource for Health	2,728,154,740	-10,910,192	2,717,244,548	2,595,365,520	121,879,028
<b>404005060</b>		<b>Preventive Health Care</b>	<b>39,050,398</b>	<b>0</b>	<b>39,050,398</b>	<b>29,222,294</b>	<b>9,828,104</b>
	404015060	Primary healthcare Services	39,050,398	0	39,050,398	29,222,294	9,828,104
<b>405005060</b>		<b>Health Sector support Program (DANIDA)</b>	<b>11,132,698</b>	<b>0</b>	<b>11,132,698</b>	<b>4,594,683</b>	<b>6,538,015</b>
	405015060	Health Promotive Services	11,132,698	0	11,132,698	4,594,683	6,538,015
<b>407005060</b>		<b>Jaramogi Oginga Odinga Teaching and Referral Hospital</b>	<b>115,000,000</b>	<b>0</b>	<b>115,000,000</b>	<b>85,000,000</b>	<b>30,000,000</b>
	407015060	Jaramogi Oginga Odinga Teaching and Referral Hospital	115,000,000	0	115,000,000	85,000,000	30,000,000
<b>408005060</b>		<b>Kisumu County Referral Hospital</b>	<b>42,000,000</b>	<b>0</b>	<b>42,000,000</b>	<b>42,000,000</b>	<b>0</b>
	408015060	Kisumu County Referral Hospital	42,000,000	0	42,000,000	42,000,000	0
<b>409005060</b>		<b>Medical and Bio-Medical Services</b>	<b>253,174,534</b>	<b>-6,300,000</b>	<b>246,874,534</b>	<b>83,936,430</b>	<b>162,938,104</b>



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	409015060	County and Sub-County Hospital Services	253,174,534	-6,300,000	246,874,534	83,936,430	162,938,104
<b>501005060</b>		<b>Early Childhood Development.</b>	<b>33,411,122</b>	<b>0</b>	<b>33,411,122</b>	<b>32,776,071</b>	<b>635,051</b>
	501015060	Promotion of early childhood education.	33,411,122	0	33,411,122	32,776,071	635,051
<b>502005060</b>		<b>Youth Training and Development</b>	<b>117,420,000</b>	<b>-99,374,152</b>	<b>18,045,848</b>	<b>1,371,733</b>	<b>16,674,115</b>
	502015060	Youth Polytechnics Services	16,400,000	990,000	17,390,000	985,300	16,404,700
	502025060	Youth Training Facilities	101,020,000	-100,364,152	655,848	386,433	269,415
<b>504005060</b>		<b>Gender and Social Dev.</b>	<b>2,573,000</b>	<b>-1,005,750</b>	<b>1,567,250</b>	<b>501,000</b>	<b>1,066,250</b>
	504015060	Gender & Disability Mainstreaming	577,500	-14,250	563,250	0	563,250
	504025060	Social Dev. Facilities	1,795,500	-991,500	804,000	501,000	303,000
	504055060	Betting Control Services	200,000	0	200,000	0	200,000
<b>505005060</b>		<b>Early Child Education Management</b>	<b>336,490,263</b>	<b>200,000</b>	<b>336,690,263</b>	<b>222,539,163</b>	<b>114,151,100</b>
	505015060	Early Child Education	336,490,263	200,000	336,690,263	222,539,163	114,151,100
<b>506005060</b>		<b>Sports Management and Development</b>	<b>31,554,385</b>	<b>-2,442,140</b>	<b>29,112,245</b>	<b>14,476,248</b>	<b>14,635,998</b>
	506015060	Sports Management	9,274,375	-1,942,140	7,332,235	1,463,800	5,868,435
	506025060	Talent Development	22,280,010	-500,000	21,780,010	13,012,448	8,767,563
<b>507005060</b>		<b>Sports Stadia Development</b>	<b>7,943,400</b>	<b>1,973,100</b>	<b>9,916,500</b>	<b>2,013,383</b>	<b>7,903,117</b>
	507015060	Sports Academy	7,943,400	1,973,100	9,916,500	2,013,383	7,903,117
<b>508005060</b>		<b>Alcoholic Drinks</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>
	508015060	Alcoholic Drinks	100,000	0	100,000	0	100,000
<b>514005060</b>		<b>Routine Nutritional Survey</b>	<b>2,000,000</b>	<b>0</b>	<b>2,000,000</b>	<b>256,200</b>	<b>1,743,800</b>



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	514015060	Routine Nutritional Survey	2,000,000	0	2,000,000	256,200	1,743,800
<b>515005060</b>		<b>Pre-Primary Policy and Legislation</b>	<b>20,220,000</b>	<b>50,000,000</b>	<b>70,220,000</b>	<b>9,577,312</b>	<b>60,642,688</b>
	515015060	Primary Policy and Legislation	20,220,000	50,000,000	70,220,000	9,577,312	60,642,688
<b>517005060</b>		<b>Youth Training and Legislation</b>	<b>99,082,281</b>	<b>-277,300</b>	<b>98,804,981</b>	<b>76,760,382</b>	<b>22,044,599</b>
	517015060	Youth Training and Legislation	99,082,281	-277,300	98,804,981	76,760,382	22,044,599
<b>701005060</b>		<b>General Administration and Planning services</b>	<b>80,889,250</b>	<b>2,880,750</b>	<b>83,770,000</b>	<b>25,801,747</b>	<b>57,968,253</b>
	701025060	Development and Management of County Administrative systems	80,770,000	3,000,000	83,770,000	25,801,747	57,968,253
	701065060	Human Resource development services	119,250	-119,250	0	0	0
<b>702005060</b>		<b>Management of County affairs and Special Programmes</b>	<b>26,000,800</b>	<b>20,000,000</b>	<b>46,000,800</b>	<b>17,209,683</b>	<b>28,791,117</b>
	702015060	Emergency, Relief, Disaster Management and Control	15,200,000	20,000,000	35,200,000	12,688,603	22,511,397
	702025060	Inter-Government Coordination and protocol	10,800,800	0	10,800,800	4,521,080	6,279,720
<b>703005060</b>		<b>Inter-Governmental relations, Communication and Protocol</b>	<b>37,500,000</b>	<b>0</b>	<b>37,500,000</b>	<b>19,486,028</b>	<b>18,013,972</b>
	703015060	Governor's Press Service and Communication	22,500,000	0	22,500,000	10,365,378	12,134,622
	703025060	Internal Auditing Services	15,000,000	0	15,000,000	9,120,650	5,879,350
<b>704005060</b>		<b>County Public Service Board</b>	<b>1,608,229,395</b>	<b>241,427,098</b>	<b>1,849,656,493</b>	<b>1,312,686,391</b>	<b>536,970,102</b>
	704015060	General Administration and Support services	1,355,291,007	234,439,384	1,589,730,391	1,191,662,623	398,067,768
	704025060	Human Resource Recruitment and Development	251,646,788	3,590,000	255,236,788	119,425,568	135,811,220
	704045060	Promotion of Values and Principles	1,291,600	3,397,714	4,689,314	1,598,200	3,091,114

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705005060		<b>Public Financial Management</b>	<b>222,742,939</b>	<b>23,988,631</b>	<b>246,731,570</b>	<b>183,731,920</b>	<b>62,999,650</b>
	705015060	Revenue Mobilization	140,000,000	-10,000,000	130,000,000	99,091,050	30,908,950
	705035060	management of public financial resources	16,000,000	6,600,000	22,600,000	12,750,400	9,849,600
	705055060	Budget Formulation & Coordination Services	66,742,939	27,388,631	94,131,570	71,890,470	22,241,100
<b>706005060</b>		<b>County Planning and Development Coordination Services</b>	<b>95,103,719</b>	<b>67,189,350</b>	<b>162,293,069</b>	<b>80,245,294</b>	<b>82,047,775</b>
	706015060	Policy Formulation & Planning	52,249,719	47,743,981	99,993,700	49,414,645	50,579,055
	706025060	Monitoring & Evaluation	42,854,000	19,445,369	62,299,369	30,830,649	31,468,720
<b>707005060</b>		<b>County Communication &amp; Ict Services</b>	<b>13,000,000</b>	<b>-4,210,057</b>	<b>8,789,943</b>	<b>2,383,557</b>	<b>6,406,386</b>
	707015060	Management Information System	13,000,000	-4,210,057	8,789,943	2,383,557	6,406,386
<b>709005060</b>		<b>Representation services &amp; public participation</b>	<b>3,300,000</b>	<b>0</b>	<b>3,300,000</b>	<b>2,000,000</b>	<b>1,300,000</b>
	709025060	Public participation services	3,300,000	0	3,300,000	2,000,000	1,300,000
<b>711005060</b>		<b>County Planning and Development Co ordination Services</b>	<b>12,530,000</b>	<b>0</b>	<b>12,530,000</b>	<b>5,234,225</b>	<b>7,295,775</b>
	711005060	County Planning and Development Co ordination Services	12,530,000	0	12,530,000	5,234,225	7,295,775
<b>902005060</b>		<b>Conservation and management of natural lecosystem</b>	<b>430,703,191</b>	<b>-159,556,558</b>	<b>271,146,633</b>	<b>93,997,807</b>	<b>177,148,826</b>
	902015060	Sustainable Access to safe Water	1,897,362	-569,762	1,327,600	1,061,200	266,400
	902025060	Water resources & Sewerage services	428,805,829	-158,986,796	269,819,033	92,936,607	176,882,426
<b>904005060</b>		<b>Environmental Planning And Management</b>	<b>5,243,044</b>	<b>-829,600</b>	<b>4,413,444</b>	<b>2,127,900</b>	<b>2,285,544</b>
	904025060	Environment Conservation Of Natural Resources	1,220,244	-260,000	960,244	93,900	866,344

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	904035060	Solid Waste Management	4,022,800	-569,600	3,453,200	2,034,000	1,419,200
<b>906005060</b>			<b>2,076,000</b>	<b>-737,800</b>	<b>1,338,200</b>	<b>487,200</b>	<b>851,000</b>
	906015060	Pollution Control	2,076,000	-737,800	1,338,200	487,200	851,000
<b>907005060</b>			<b>14,726,825</b>	<b>1,996,450</b>	<b>16,723,275</b>	<b>11,245,558</b>	<b>5,477,718</b>
	907015060	Culture and Heritage Development	11,928,200	2,298,175	14,226,375	10,060,408	4,165,968
	907025060	Artistic Talent Development	2,798,625	-301,725	2,496,900	1,185,150	1,311,750
		<b>Grand Total</b>	<b>12,478,601,119</b>	<b>78,952,173</b>	<b>12,557,553,292</b>	<b>8,708,152,234</b>	<b>3,849,301,058</b>



### **13. Significant Accounting Policies**

The key accounting policies adopted in the preparation of these financial statements are set out below:

#### **a) Statement of compliance and basis of preparation**

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The receivables and payables are disclosed in the Statement of Assets and Liabilities. The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the County Executive all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented. The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

#### **b) Reporting entity**

The financial statements are for the Kisumu County Executive. The financial statements encompass the reporting entity as specified under section 164 of the PFM Act 2012.

#### **c) Recognition of receipts and payments**

##### **i) Recognition of receipts**

The County Executive recognises all receipts from the various sources when the event occurs, and the related cash has been received by the Executive.

##### **ii) Transfers from the County Revenue Fund (CRF)**

Transfer from CRF is recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and a notification received by the entity.

##### **iii) Proceeds from sale of assets**

Proceeds from the sale of assets are recognised in the statement of receipts and payments when the related monies from the sale are received by the entity.

**Significant Accounting Policies (Continued)**

**d) Recognition of payments**

The County Executive recognises all expenses when the event occurs, and the related cash has been paid out.

**i) Compensation of employees**

Salaries and Wages, Allowances, and statutory contributions for employees are recognized in the period when the compensation is paid.

**ii) Use of goods and services**

Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

**iii) Interest on borrowing**

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.

**iv) Repayment of borrowing (principal amount)**

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. *The stock of debt is disclosed as an annexure to the County consolidated financial statements. (if applicable).*

**v) Acquisition of fixed assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment. A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

**Significant Accounting Policies (Continued)**

**e) In-kind contributions**

In-kind contributions are donations that are made to the County Executive in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the County Executive includes such value in the statement of receipts and payments both as receipts and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

**f) Third Party Payments**

This relates to payments done directly to supplier on behalf of the county Executive such as; national government may fund the operation of health or education program; a donor may pay directly for construction of a given market etc. Details of payments by third parties on behalf of the county Executive is detailed in the notes to these financial statements.

**g) 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.

***Restriction on cash***

Restricted cash represents amounts that are limited /restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30<sup>th</sup> June 2024, this amounted to KShs 9,495,726 compared to KShs 76,990,376 in prior period as indicated on note 10. *(There were no other restrictions on cash during the year)*



**Significant Accounting Policies (Continued)**

**h) Imprests and Advances**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year is treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**i) Third Party Deposits and Retention**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted and prescribed by the Public Sector Accounting Standards Board. Other liabilities including pending bills are disclosed in the financial statements.

**j) Non-current assets**

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the County Executive's fixed asset register a summary of which is provided as a memorandum to these financial statements.

**k) Pending bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the County Executive at the end of the year. Pending bills form a first charge to the subsequent year budget and when they are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

**Significant Accounting Policies (Continued)**

**l) Contingent Liabilities**

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) A present obligation that arises from past events but is not recognised because:
  - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
  - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships.

The County Executive does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. Note xx and *Annex 7* of this financial statement is a register of the contingent liabilities in the year.

**m) Contingent Assets**

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

**Significant Accounting Policies (Continued)**

**n) Budget**

The 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 Executive's budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on for the period 1<sup>st</sup> July 2023 to 30 June 2024 as required by law. There was one number of supplementary budgets passed in the year. A high-level assessment of the County Executive's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

**o) Comparative figures**

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

**p) Subsequent events**

Events subsequent to submission of the financial year end financial statements to the National Treasury and other stakeholders with a significant impact on the financial statements may be adjusted with the concurrence of National Treasury.

**q) Prior Period Adjustment**

During the year, errors that have been corrected are disclosed *under note 12* explaining the nature and amounts.

**r) Related Party Transactions**

Related party means parties are related if one party has the ability to:

- a) Control the other party or
- b) Exercise significant influence over the other party in making financial and operational decisions, or if the related party entity and another entity are subject to common control.

Related party transaction is a transfer of resources or obligations between related parties regardless of whether a price is charged.



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**14. Notes to the Financial Statements**

**1. Transfer from the CRF**

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Total exchequer releases for quarter 1	1,634,046,284	1,140,473,713
Total exchequer releases for quarter 2	1,726,310,042	1,365,480,135
Total exchequer releases for quarter 3	1,766,469,424	1,457,732,575
Total exchequer releases for quarter 4	3,457,417,960	4,569,840,236
<b>Total</b>	<b>8,584,243,710</b>	<b>8,533,526,659</b>

**2. Compensation of Employees**

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Basic salaries of permanent employees	3,746,386,338	3,650,619,529
Basic wages of temporary employees	79,148,448	80,000,001
Personal allowances paid as part of salary	637,377,574	643,540,608
Personal allowances paid as reimbursements		
Personal allowances provided in kind		
Employer contribution to compulsory national social schemes		
Employer contribution to compulsory national health insurance schemes		
Pension and other social security contributions		
Social benefit schemes outside government		
Other personnel payments		
<b>Total</b>	<b>4,462,912,360</b>	<b>4,374,160,138</b>

*The expenditure on Compensation of employees excludes salary payments relating to the City of Kisumu (Self reporting entity)-Kshs.269,676,713 ,Salary payments for the month of June 2024- Kshs 468,959,958, May 2024 Loan deductions-Kshs 32,865,374, May 2024 NSSF deductions- Kshs.7,787, 060 which were outstanding/unpaid as at 30<sup>th</sup> June 2024 due to inadequate budgetary allocations but includes Compensation of employees amounting to Kshs.232,706,482 relating to the FY 2022/2023 which were paid during the FY under review.*

*The increase in personnel Emoluments was as a result of salary increments to the County Executive Committee Members, County Secretary, the general annual salary increments and hiring of new employees by the county.*

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

**3. Use of Goods and Services**

Utilities, supplies and services	69,351,765	114,446,353
Communication, supplies and services	2,948,876	19,249,924
Domestic travel and subsistence	280,708,799	177,814,736
Foreign travel and subsistence	30,810,859	17,061,560
Printing, advertising and information supplies & services	57,128,081	48,071,296
Rent and Rates	23,228,672	11,331,274
Training expenses	15,428,458	20,193,911
Hospitality supplies and services	140,699,159	111,126,700
Insurance costs	123,073,317	185,788,774
Specialized materials and services	164,516,211	44,494,818
Office and general supplies and services	32,993,449	118,321,546
Fuel, oil and lubricants	94,821,894	76,126,997
Other operating expenses (including bank charges)	93,645,292	241,138,696
Routine maintenance – vehicles and other transport equipment	27,174,673	34,983,790
Routine maintenance – other assets	23,298,712	14,069,848
<b>Total</b>	<b>1,179,828,217</b>	<b>1,234,220,223</b>

*The reduction in the utilization level on use of goods was as a result of austerity measures put in place by the administration to cut down on avoidable expenditures, non-disbursement of the June exchequer by the National Treasury and the low collection of OSR during the FY under review leading to less funds being availed for requisition/payment.*



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

**4. Transfer to other Government entities**

Description	FY 2023/2024	
	Kshs	Kshs
<b>Transfers to county government entities</b>		
City Of Kisumu	422,908,693	456,590,380
Jaramogi Oginga Odinga Teaching And Referral Hospital	85,000,000	110,000,000
Kisumu East District Hospital	41,075,722	26,140,000
Kombewa Sub-County Hospital	2,960,912	1,488,473
Muhoroni Sub-County Hospital	2,473,316	1,801,862
Nyakach Sub-County Hospital	1,824,556	2,104,852
Lumumba Sub-County Hospital	2,439,318	1,243,643
Chulaimbo Sub-County Hospital	2,409,886	1,287,514
Ahero Sub-County Hospital	3,335,730	2,028,836
Kisumu Lakefront Development Ltd	5,500,000	15,700,000
Lake Region Economic Bloc	355,000	
Other Current Transfers, Grants And subsidies	41,229,368	41,720,300
Kisumu County Revenue Board	64,365,779	
Other Capital Grants And Transfers	596,898,258	140,130,738
Kisumu County Climate Change Fund	146,377,658	



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Kisumu County Emergency Fund		72,276,860
Kisumu County Assembly Car Loan And Mortgage		50,000,000
Kisumu County Executive Car Loan And Mortgage		15,000,000
<b>Transfers To Other Counties</b>		
(Insert Name Of Budget Agency)		
(Insert Name Of Budget Agency)		
<b>Transfers To National Government Entities</b>		
<b>Total</b>	<b>1,419,154,196</b>	<b>937,513,458</b>

-There was a significant increase in expenditure under this item line during the year under review due to the following reasons:-

-There were new entities created by the County govt. in to which additional funds were transferred.

-In order to improve on the provision of Health services, additional funding was done to the various health facilities under capital grants.

**5.Other Grants and Transfers**

	FY 2023-2024	FY 2022-2023
Scholarships and other educational benefits	205,000,000	205,000,000
Emergency relief and refugee assistance	72,500,000	
Subsidies to small businesses, cooperatives, and self employed		
<b>Total</b>	<b>277,500,000</b>	<b>205,000,000</b>

- There was a significant increase under this item arising out of a misclassification. During the previous fy 2022-23 an amount of Kshs. 72,276,860 transferred to Kisumu County Emergency fund was erroneously captured under transfers to other govt. entities and not other grants and transfers

**6.Social Security Benefits**

	FY 2023-2024	FY 2022-2023
Social Security Benefits	85,169,981	117,994,225
Employer Social Benefits		
<b>Total</b>	<b>85,169,981</b>	<b>117,994,224</b>

(The expenditure excludes payments relating to the month of June 2024 and City of Kisumu (Self reporting entity)

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

**7.Acquisition of Assets**

Non-financial assets	FY 2023-2024	
	Kshs	
Purchase of buildings		
Construction of buildings	38,811,733	16,153,397
Refurbishment of buildings		479,515
Construction of roads	124,586,148	217,907,156
Construction and civil works	105,310,305	1,301,697,011
Overhaul and refurbishment of construction & civil works		
Purchase of vehicles and other transport equipment	56,949,200	5,729,680
Overhaul of vehicles and other transport equipment		
Purchase of household furniture and institutional equipment	4,298,861	2,280,533
Purchase of office furniture and general equipment	29,847,494	
Purchase of specialized plant, equipment and machinery	25,202,670	3,785,261
Rehabilitation and renovation of plant, machinery and equip.		
Purchase of certified seeds, breeding stock and live animals	2,279,689	5,456,103
Research, studies, project preparation, design & supervision	885,471	16,806,552
Rehabilitation of civil works	895,415,909	
Acquisition of strategic stocks and commodities		
Acquisition of ICT Equipment's		
Acquisition of land		
Acquisition of intangible assets		
<b>Total acquisition of non- financial assets</b>	<b>1,283,587,481</b>	<b>1,570,295,208</b>
<b>Financial assets</b>		
Domestic public non-financial enterprises		
Domestic public financial institutions		

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Total acquisition of financial assets		
Total acquisition of assets	1,283,587,481	1,570,295,208

- There was reduced expenditure on acquisition of Assets due to non- disbursements of the June exchequer by the national treasury coupled with delayed clearances by the OCOB.

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

**8.Cash and Bank Balances**

**8A. Bank Balances**

	Account Number	Indicate whether Recurrent, Development, Revenue, Fund, Deposit or Project	2023	2024
			Kshs	Kshs.
<i>Kisumu county Development A/c (kshs)</i>	1000170867	Development	4,751	1,595,178
<i>Kisumu county Recurrent A/c (kshs)</i>	1000170956	Recurrent	395	18,956
<i>Kisumu county Revenue fund A/c (Kshs)</i>	1000171488	Revenue	60,510,420	234,335,252
<i>Kisumu county Road maintenance Levy A/c (Kshs)</i>	1000270993	Fund	896,372	896,372
<i>Kisumu county Deposit A/c(Kshs)</i>	1000233524	Deposit	9,495,726	66,218,486
<i>Kisumu county Transforming Healthcare A/c(Kshs)</i>	1000336749	Project	544,975	1,005,855
<i>Kisumu county Climate Smart Agric. Project A/c (Kshs)</i>	1000360941	Project		22,774,117
<i>Kisumu county Agric. Sec.Dev. Supp. Program A/c (Kshs)</i>	1000364618	Project		4,830,936
<i>Kisumu county Youth Polytechnics A/c (Kshs)</i>	1000367989	Operations	7,516,000	8,557,281
<i>Kisumu County Kenya Urban Supp. Prgm.A/c (Kshs)</i>	1000395354	Project	1,634,916	1
<i>Kisumu county Dairy Enterp.Dev.A/c (Kshs)</i>	1000397896	Project	400,391	2,972,335
<i>Kisumu county Devolution support prgm.A/c (Kshs)</i>	1000433345	Project	656,709	12,742,939



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Kisumu county Universal Health Care A/c (Kshs)	1000447265	Project	9	10
Kisumu county primary Health care A/c (Kshs)	1000560215	Project	119,790	501,426
Kisumu county PrAECTICE Project	1000654724	Project	9,012,723	5,259,365
Kisumu county climate change Fund A/C (Kshs)	1000470615	Project	120,093,948	4,135,007
Kisumu County Nat Agriculture Vakue Chain-	1000720093	project	0	
Kisumu County Equalization Fund Acc-	100737107	project	0	
Kisumu County Changemaker Project A/C No.	1000743018	Project	0	
Kisumu County Informal Improvement Project A/C No.	1000744747	Project	0	
Kisumu County Aggregate and Industry A/C No.	1000744758	Project	0	
Kisumu County Community Health Promotion A/C NO.	1000744766	project	0	
<b>Total</b>			<b>210,887,125</b>	<b>365,945,566</b>

**8 B Cash in Hand**

Cash in hand – Held in Domestic Currency	9,100	102,050
Cash in hand – Held in Foreign Currency		
<b>Total</b>	<b>9,100</b>	<b>102,050</b>

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

Cash in hand should also be analysed as follows:

	FY 2023-2024	FY 2022-2023
	KSh	KSh
Nyakach		35,590
Muhoroni	9,100	31,680
Nyando		13,290
City of Kisumu		3,700
Arito Langi Health centre		
Ojola Sub county Hospital		
Kisumu West/Seme		17,790
<b>Total</b>	<b>9,100</b>	<b>102,050</b>

**9. Outstanding imprests and advances**

	FY 2023-2024	FY 2022-2023
	KSh	KSh
Government Imprests	5,151,666	41,505,499
Salary Advance		
Clearance accounts		
<b>Total</b>	<b>5,151,666</b>	<b>41,505,499</b>

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IMPREST REGISTER

Department : ACCOUNTS AND FINANCE			
PF/NO	Vendor Name		Designation
20140052697	WYCLIFFE MONYE OPONDO		N.A.
Invoice Num	Due Date	Payment Date	Amount
IMP NO 18910	30/12/2023	12/07/2023	500,000.00
Outstanding Balance			500,000.00
Department : AUDIT DEPARTMENT			
PF/NO	Vendor Name		Designation
20140068015	GODFREY OCHIENG DIENYA		N.A.
Invoice Num	Due Date	Payment Date	Amount
IMP NO 17855	30/09/2023	14/09/2023	57,000.00
IW 21507	15/06/2024	22/05/2024	118,000.00
Outstanding Balance			175,000.00
20170145258	LENNOX ONYANGO OMONDI		N.A.
Invoice Num	Due Date	Payment Date	Amount
IMP 18923	30/01/2024	17/01/2024	380,000.00
Outstanding Balance			380,000.00
Department : EDUCATION			
PF/NO	Vendor Name		Designation
20200441258	NICHOLAS ODHIAMBO GOODY MIGOT		N.A.
Invoice Num	Due Date	Payment Date	Amount
IMP NO 18824	30/08/2023	15/08/2023	105,000.00
Outstanding Balance			105,000.00
20200441389	BENSON OUMA WAMBIA		N.A.
Invoice Num	Due Date	Payment Date	Amount
IMP NO 18822	30/08/2023	15/08/2023	66,500.00
Outstanding Balance			66,500.00
20200464141	PAULINE AWINO MAGIGE		N.A.
Invoice Num	Due Date	Payment Date	Amount
IMP 114886	11/01/2023	11/08/2023	27,200.00
Outstanding Balance			27,200.00
20210528866	JULIET ADHIAMBO OTIENO		KIU SCMA
Invoice Num	Due Date	Payment Date	Amount
IMP 17887	30/11/2023	16/11/2023	500,000.00
IMP 17886	30/11/2023	20/11/2023	150,000.00
Outstanding Balance			650,000.00
20210553243	GEORGE OWINO OGOL		N.A.
Invoice Num	Due Date	Payment Date	Amount
IW 21375	30/06/2024	28/05/2024	20,000.00
IMP 21539	30/06/2024	21/06/2024	280,000.00
Outstanding Balance			300,000.00



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20230198940	MARTIN OKODE OPIYO		KIU chief finance officer
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP 18930	28/02/2024	15/02/2024	84,000.00
<b>Outstanding Balance</b>			<b>84,000.00</b>
6876928	BARIDI LUKAS MANYASI PAUL OKECH		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
imp17888	30/11/2023	16/11/2023	485,000.00
<b>Outstanding Balance</b>			<b>485,000.00</b>
20200441428	EMMA MERCYLINE OTIENO		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP 17867	11/01/2023	11/08/2023	72,200.00
<b>Outstanding Balance</b>			<b>72,200.00</b>
20200441494	AUDRINE PERPETUA AJIKI		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
CLAIM	30/12/2023	19/12/2023	46,000.00
<b>Outstanding Balance</b>			<b>46,000.00</b>
<b>Department : Information and Communication Technology ICT</b>			
<b>PF/NO</b>	<b>Vendor Name</b>		<b>Designation</b>
20170104346	MAXWEL OTIENO OBURA		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP NO 18844	30/09/2023	09/05/2023	30,000.00
<b>Outstanding Balance</b>			<b>30,000.00</b>
<b>Department : Kisumu County- Ministry of Finance and Planning</b>			
<b>PF/NO</b>	<b>Vendor Name</b>		<b>Designation</b>
20160159213	CHARLES OTIENO LUSI		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
KDSP WORKSHOP	15/06/2024	22/05/2024	28,900.00
<b>Outstanding Balance</b>			<b>28,900.00</b>

**2,949,800.00**

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**IMPREST REGISTER**  
Kisumu - Public Service County Administration  
and Participatory Development

<b>Department : ADMINISTRASTION HEADQUARTERS</b>			
<b>PF/NO</b>	<b>Vendor Name</b>		<b>Designation</b>
19930008772	PATRICK SAMWEL OKETCH OCHIENG		KIU Ag Director Govern & Admin
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP 20598	30/06/2024	25/09/2023	150,000.00
<b>Outstanding Balance</b>			<b>150,000.00</b>
1996020739	JUDITH OMOGO AKINYI		N.A.

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<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
iw18468	12/03/2023	10/06/2023	100,000.00
<b>Outstanding Balance</b>			<b>100,000.00</b>
ID 20519040	EZRA UTHANT ANGIELA		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP 19821	30/06/2024	28/11/2023	600,000.00
<b>Outstanding Balance</b>			<b>600,000.00</b>
20010006041	Calleb Kipkoech Samoi		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IW 18466	10/09/2023	18/10/2023	8,000.00
IW21443	24/07/2024	25/06/2024	21,000.00
<b>Outstanding Balance</b>			<b>29,000.00</b>
<b>Department : COUNTY DEPARTMENT OF FINANCE AND ECONOMIC PLANNING</b>			
<b>PF/NO</b>	<b>Vendor Name</b>		<b>Designation</b>
20200114932	WILSON NOI NINDO		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP 19815	30/06/2024	17/11/2023	10,000.00
IMP 19880	30/06/2024	02/06/2024	42,000.00
<b>Outstanding Balance</b>			<b>52,000.00</b>
<b>Department : DEPARTMENT GOVERNANCE AND ADMINISTRATION</b>			
<b>PF/NO</b>	<b>Vendor Name</b>		<b>Designation</b>
722235620	PATRICK OGADA MADANJI		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMPREST NO 21434	30/06/2023	20/06/2024	63,550.00
<b>Outstanding Balance</b>			<b>63,550.00</b>
11383856	ALOICE SILVAN OGWENO AGER		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP18457	30/06/2024	09/12/2023	262,000.00
IIMP18496	30/06/2023	26/10/2023	531,074.00
IMP NO 18496 SURRENDER		07-Feb-24	-431,074.00
IMP19842	30/06/2024	25/01/2024	300,000.00
<b>Outstanding Balance</b>			<b>662,000.00</b>
20170104159	ROBERT OUKO DETE		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP 21414	30/06/2024	06/10/2024	34,516.00
<b>Outstanding Balance</b>			<b>34,516.00</b>

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20170104177	EVANCE ODW'JOR ALALAH		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP 19885	30/06/2024	02/06/2024	33,600.00
<b>Outstanding Balance</b>			<b>33,600.00</b>
20170145507	EDDY REUBEN ILLAH		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP 18494	30/06/2023	26/10/2023	479,554.00
IMP NO 18494 SURRENDER		23-Jan-24	-379,554.40
<b>Outstanding Balance</b>			<b>99,999.60</b>
20170144377	DAVID AMAYO WADULO		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP 19805	30/06/2024	30/11/2023	89,600.00
<b>Outstanding Balance</b>			<b>89,600.00</b>
20220571049	JUDITH ANYANGO OLUOCH		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP18497	30/06/2024	11/08/2023	60,400.00
IMP19833	30/06/2024	24/01/2024	77,200.00
<b>Outstanding Balance</b>			<b>137,600.00</b>
<b>Department : Governance</b>			
<b>PF/NO</b>	<b>Vendor Name</b>		<b>Designation</b>
20200454625	RUTH ADHIAMBO OSEWE		N.A.
<b>Invoice Num</b>	<b>Due Date</b>	<b>Payment Date</b>	<b>Amount</b>
IMP20593	30/06/2024	18/09/2023	150,000.00
<b>Outstanding Balance</b>			<b>150,000.00</b>

**2,201,865.60**

**TOTALS**

**5,151,665.60**



County Government of Kisumu (Executive)  
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Notes to the Financial Statements (Continued)

10. Deposits and Retention

	FY 2023-2024		FY 2022-2023	
Deposits	9,495,726		76,990,376	
Retention Monies				
<b>Total</b>	<b>9,495,726</b>		<b>76,990,376</b>	
<b>Ageing analysis for</b>				
<b>Ageing analysis: (deposits and retentions)</b>	<b>FY 2023-2024</b>	<b>% of the Total</b>	<b>FY 2022-2023</b>	<b>% of the Total</b>
Under one year	9,495,726	100	76,990,376	100
1-2 years				
2-3 years				
Over 3 years				
<b>Total (tie to above total)</b>	<b>9,495,726</b>	<b>100</b>	<b>76,990,376</b>	<b>100</b>

11. Fund Balance Brought Forward

Bank Accounts	365,843,516	1,228,144,862
Cash in Hand	102,050	192,029
Outstanding Imprests and Advances	41,505,499	54,120,090
Third party deposits and retention	76,990,376	(24,249,889}
<b>Total</b>	<b>330,460,689</b>	<b>1,258,207,092</b>

12. Prior Year Adjustments

A prior period adjustment really applies to the correction of an error in the financial statements of a prior period.

Description Of the Error	Balance 1/1/2023		
	Kshs	Kshs	Kshs

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Bank Balances of Kshs. 15,602,322 in Revenue Collection Accounts erroneously captured in the both the CRF and Main Statements and Kshs. 370,630 bank balance relating to the City of Kisumu, a self-reporting entity and Kshs. 41,444,001 relating to other commercial bank Accounts during the FY2021/2022	(57,416,953)		
Transfers to the City of Kisumu(overstatement)	(2,520,000)		
Transfers to County Assembly erroneously captured in both CRF and main executive statements-2021/2022	(852,746,679)		
Error on Kenya Road Board balance	(93,100,824)		
Previous financial years outstanding Imprests initially omitted	(18,305,355)		
Refundable amount to Deposits and Retentions Account due from recurrent A/c	2,000,000		
<b>Total</b>	<b>(1,022,089,811)</b>		

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Notes to the Financial Statements (Continued)

**13. Increase/ (Decrease) in Outstanding Imprests and Advances**

Description	FY 2023-2024	
	KSh	
Imprest and Advances as at 1 <sup>st</sup> July ,2023(A)	41,505,499	54,120,090
Imprest and Advances as at 30 <sup>th</sup> June 2024(B)	5,151,666	41,505,499
Increase)/ Decrease in Imprest and Advances (C=(B-A))	<b>36,353,833</b>	<b>12,614,591</b>

**14. Increase/ (Decrease) in Deposits and Retention**

Description	FY 2023-2024	
	KSh	
Deposits and Retention s as at 1 <sup>st</sup> July 2023(A)	76,990,376	24,249,889
Deposits and Retention as at 30 <sup>th</sup> June 2024(B)	9,495,726	76,990,376
Increase/ (Decrease) in Deposits and Retentions C= B-A	<b>67,494,650</b>	<b>52,740,487</b>



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**3. Other Important Disclosures**

**1. Pending Accounts Payable (See Annex 2)**

	Balance b/f FY 2022-2023	Additions for the year	Paid during the year	Balance c/f FY 2023-2024
	Kshs	Kshs	Kshs	Kshs
Construction of Buildings	65,314,692.46	519,106,426.00	227,421,537.00	356,999,581.46
Construction of Civil Works	823,815,445.25	383,447,790.30	195,216,072.00	1,012,047,163.55
Supply of Goods	539,149,476.50	196,052,675.40	111,307,335.00	623,894,816.90
Supply of Services	610,001,932.00	143,479,615.00	10,477,689.00	743,003,858.00
<b>Total</b>	<b>2,038,281,546.21</b>	<b>1,242,086,506.70</b>	<b>544,422,633.00</b>	<b>2,735,945,419.91</b>

**2. Pending Staff Payables (See Annex 3)**

	Balance b/f FY 2022-2023	Additions for the year	Paid during the year	Balance c/f FY 2023-2024
	Kshs	Kshs	Kshs	Kshs
Senior management				
Middle management				
Unionisable employees- June 2024 Salaries		468,959,958		468,959,958
May 2024 Loan Deductions		32,865,374		32,865,374
May 2024 NSSF Deductions		7,787,060		7,787,060
Others				
<b>Total</b>		<b>509,612,392</b>		<b>509,612,392</b>

**3. Other Pending Payables (See Annex 4)**

	Balance b/f Insert FY	Additions for the year	Paid during the year	Balance c/f FY 2023-2024
	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government Entities				
Amounts due to County Government Entities				

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Amounts due to Third Parties				
<b>Total</b>				

*(Provide explanations for the prior year adjustments made their nature and effect on the fund balance of the County)*

**Other Important Disclosures**

**4. External Assistance**

External Assistance received in Cash		
External Assistance received as Loans and Grants		
External Assistance received In Kind- as Payment by Third Parties		
<b>Total</b>		

**a) External assistance relating to loans and grants**

External Assistance received as Loans		
External Assistance received as Grants		
<b>Total</b>		

*(Total here to tie to line 2 of note 4)*

**b) Undrawn external assistance**

	Purpose for which the undrawn external assistance is used		
Undrawn External Assistance - Loans			
Undrawn External Assistance - Grants			
<b>Total</b>			

*(This is a disclosure of the assistance not yet received as per donor agreements)*

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**Other Important Disclosures**

**c) Classes of providers of external assistance**

	FY 2023-2024	
	Kshs	
Multilateral Donors		
Bilateral Donors		
International Assistance Organization		
NGOs		
National Assistance Organization		
<b>Total</b>		

*(Provide details for external assistance e, g. Economic development or welfare objective, Emergency relief, Trading activities etc. The total here should tie to totals of note 4)*

**d) Non-monetary external assistance**

	FY 2023-2024	
	Kshs	
Goods		
Services		
<b>Total</b>		

*This may occur when goods such as vehicles, computers, medical equipment, food aid etc are contributed to a county by donors, NGO etc. N/B: Disclose the basis on which the value of goods and services were determined (This may be by : depreciated historical cost of physical assets, price attached on the goods, an assessment of value by the management of transferor, recipient on Third Party, Fair value measurement The totals here tie with line 3 of note 4).*



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**Other Important Disclosures**

**e) Purpose and use of external assistance.**

	FY 2023-2024	2022-2023
Compensation of Employees		
Use of Goods and Services		
Subsidies		
Transfers to Other Government Entities		
Other Grants and Transfers		
Social Security Benefits		
Acquisition of Assets		
Finance Costs, including Loan Interest		
Repayment of Principal on Domestic & Foreign Borrowing		
Other Payments		
<b>Total</b>		

*N/B The above sub-classification will be adopted based on the purpose of the external assistance and how the external assistance was used. (The total here should tie to the note 4 on external assistance)*

**f) External Assistance paid by Third Parties on behalf of the County Executive by Source**

*This relates to external assistance paid directly by third parties to settle obligations on behalf of the County Executive.*

National Government		
Multilateral Donors		
Bilateral Donors		
International Assistance Organization		
NGOs		
National Assistance Organization		
<b>Total</b>		

*(This note should tie to line 3 of note 4 on external assistance)*

**Other Important Disclosures**

**5. Payments by Third Party on Behalf of the County Executive**

This relates to payments made directly to supplier on behalf of the county Executive. For example, the national government may fund the operations of health or education program, a donor may pay directly for construction of a given market etc.

**5.1 Classification by Source**

	FY 2023-2024	FY 2022-2023
National Government		
Multilateral Donors		
Bilateral Donors		
International Assistance Organization		
NGOs		
National Assistance Organization		
Other County Entities		
Others		
<b>Total</b>		

*(Third party payments may be done by other entities that are not providers of external assistance)*

**5.2 Classification of payments made by Third Parties by Nature of expenses.**

	FY 2023-2024	FY 2022-2023
Compensation of employees		
Use of goods and services		
Subsidies		
Transfers to other government units		
Other grants and transfers		
Social security benefits		
Acquisition of assets		
Finance costs, including loan interest		
Repayment of principal on domestic & foreign borrowing		
Other payments		
<b>Total</b>		

*N/B The above subclassification will be adopted based on the appropriate county's operations*



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**6. Commercial Bank Balances as at 30<sup>th</sup> June 2024**

	<b>2023/2024</b>	<b>2022/23</b>
<b>Name of Bank, Account No. &amp; Currency</b>	<b>Kes</b>	<b>Kes</b>
<b>KCB ACCOUNTS</b>		
KCB Imprest/Operations Account - 1142145549 - kshs	2,136	282,184
Kenya Climate Smart Agric Project A/C NO.1271583917		12,648,587
Kisumu ABDP Programme-1275614418	862,059	1,378
KCB - Kisumu County Plant & Equipment A/C 1203503865 - kshs		1,801,785
Maseno DFF-A/C . 1149539208	2,650,386	1,008,464
KCB Salary A/C 1217991565	3,406,128	3,406,128
<b>CO.OPERATIVE BANK ACCOUNTS</b>		
KISUMU COUNTY RESOURCE MOBILIZATION-01141766220700-CO-OP	4,003,953	4,003,953
Kenya Urban Support Program A/c No. 01141739621700	23,669	107,700
<b>OTHER BANKS</b>		
Kisumu City KUSP UDG -A/C No: 0152378640001-SBM Bank	147,647	159,042
KISUMU COUNTY INFORMAL SETTLEMENT IMPROVEMENT PROJECT A/C NO. 0152392538001-SBM	69,548	
Kisumu County Salary Accounty A/C No: 2029561888- ABSA Bank		35,524
KISUMU COUNTY INFORMAL SETTLEMENT IMPROVEMENT PROJECT II A/C NO. 0152392538003-SBM	1,843,475	15,022,480
Agric Sector Dev Support Prog ASDSP Kisumu County A/C No: 01071209261200		8,043,547
	<b>13,009,001</b>	<b>46,520,772</b>

**Other Important Disclosures**

**7. Related Party Disclosures**

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS.

The following comprise of related parties to the County Executive:

- i) Key management personnel that include the Governor, the Deputy Governor Members of the County Assembly, CECs and Chief Officers for various County Ministries and Departments.
- ii) County Ministries and Departments.
- iii) The National Government.
- iv) Other County Governments Entities and
- v) State Corporations and Semi-Autonomous Government Agencies.



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**Related party transactions**

	<b>FY 2023-2024</b>	<b>FY 2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Key Management Compensation (Governor, CEC Members And Cos)		
<b><u>Transfers To Related Parties</u></b>		
Transfer to County Assembly	836,065,890	869,794,309
Transfers to Other County Government Entities	1,419,154,196	937,513,458
Transfers to Development Projects		
Transfers to Non-Reporting Entities E.G Schools And Welfare		
Transfers to County Water Service Providers		
Expenses paid on Behalf Of County Water Service Providers		
<b>Total Transfers To Related Parties</b>	<b>2,255,220,086</b>	<b>1,807,307,767</b>
<b><u>Transfers From Related Parties</u></b>		
	8,584,243,710	8,533,526,659
Transfers From the CRF	<b>8,584,243,710</b>	<b>8,533,526,659</b>
Transfers From National Government MDAs		
Transfers From SCs And SAGAs - National Government		
(Insert Any Other Transfers Received)		

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**Other Important Disclosures**

**8. Establishment of other County Government Entities**

The PFM Act, 2012 section 182 enables the County Government to establish and dissolve County Corporations/ entities. For purposes of follow up on financial reporting, audit and disclosure, outlined below is a list of entities established by the County Government since inception.

Entity	Date Established	Location	Chairman
County Assembly	2013	County Assembly	Mr. Owen Ojuok
Education Fund	2014	County Headquarter	Mr. Fredrick Mula Osewe
Trade Fund	2016	County Headquarter	Mr. Bovince Ochieng
City Of Kisumu	2013	City Hall	Mr. Abala Wanga
Car And Mortgage Fund	2014	County Headquarter	Mr. Evans Ogweno
KIWASCO	2003	KIWASCO Headquarter	Mr. Thomas Odongo
JOOTRH	1969	JOOTRH	Dr. George Rae
Kisumu County Emergency Fund	2018	County Headquarter	Mr. George Okong'o
Kisumu Lakefront Development Ltd	2021	County Headquarter	Mr. George Owino Ogol

**9. Leasing of Medical Equipment**

Amounts relating to leased medical equipment is included in the County Allocation Revenue Act and is budgeted for by the Counties. This amount is deducted at source and therefore not included in the exchequer. Since this is not a cash item, it is not included in the statement of receipts and payments. In the current financial year, amounts relating to leased medical equipment was Kshs xxx and Kshs xxx for the comparative Financial year.

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**10. Contingent Liabilities**

Contingent Liabilities	FY 2023-2024	FY 2022-2023
	Ksh	Ksh
Court Case Against the Entity	2,157,868,820	
LAPTRUST	216,525,571	
NSSF	558,980,792	
LAPFUND	381,639,221	
Medallion	11,820,000	
<b>Total</b>	<b>3,326,834,404</b>	

*(Give details- Update ANNEX 8 Contingent liabilities register)*



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**11. Program for Results (PforR) Disclosure**

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

Name of PforR: xxxxxx		Name of Financing Partners: xxx and xxx					
Expenditure	Opening Balance by Previous Period		Current Period		Total Commitment		
	Budget	Actual	Budget	Actual	Budget	Actual	
Program code							
Sub-program							
Sub-program							
<b>Sub-total</b>							
Program code							
Sub-program							
Sub-program							
<b>Sub-total</b>							
<b>Total</b>	xx	xx	xx	xx	xx	xx	xx

*Expenditure Details\* - Provide the details per your expenditure framework requirements. (Program, sub-program, and or economic Item)*

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**12. Progress On Follow-Up On Prior Year Auditor's Recommendations**

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

	ISSUE	Management comments	Status	Remarks
1.	Budgetary Control Performance	The expenditures are drawn from the AIEs	Resolved	
2.	Pending Bills		Un resolved	
3.	Prior Year Matters	This Has Been Resolved through journals	Resolved	
4.	Lack of Fixed Asset Register	The County have put in Place an inventory management system and is working on acquiring a new system	In progress	



.....  
**George Omondi Okong'o**

**County Executive Committee Member – Finance and Economic Planning**

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Date



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**15. Annexes**

**Annex 1 – Analysis Of Transfers From the CRF**

DATE	DESCRIPTION	TRANSACTION CODE	GRANTS	EQUITABLE SHARE	TOTAL
04-Jul-23	Grant climate change	FT23185BMZ8C	11,000,000		
28-Jul-23	Equitable Share July	FT23209FMCH4		710,752,810	
31-Jul-23	Grant PRActice	FT23212S2KQD	8,451,078		
30-Aug-23	Exchequer issue	FT23242F2F2W		668,943,822	
28-Sep-23	Exchequer issue	FT232717BB50		710,752,810	
	<b>Q1</b>		<b>19,451,078</b>	<b>2,090,449,442</b>	<b>2,109,900,520</b>
6th OCT 23	Grant Agriculture Sector devpt Program	FT232795XSD3	500,000		
16TH NOV 23	Exchequer issue	FT233205NH8L		668,943,822	
27TH DEC 23	Exchequer issue	FT233618JZ1Q		710,752,810	
	<b>Q2</b>		<b>500,000</b>	<b>1,379,696,632</b>	<b>1,380,196,632</b>
3RD JAN 24	Local revenue KCB	FT240032JH22			
3RD JAN 24	Grant PRActice	FT24003TXSCH	9,296,677		
31ST JAN 24	Exchequer issue	FT24031LZGNB		668,943,821	
7TH FEB 2024	Grant K.INST.SWEDEN(ChangeMaker)	FT24038QHDZF	15,051,795		
20TH FEB 24	Exchequer issue	FT240515Q978		710,752,810	

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13-Mar-24	Local revenue KCB(ASDSP)	FT24073FCV2S	536,771		
20-Mar-24	TRFS Payments(PV 001725)	FT240801YFH5	195,112,951		
28-Mar-24	Grant KISIP	FT24088Q1FH4	150,000,000		
	<b>Q3</b>		<b>369,998,194</b>	<b>1,379,696,631</b>	<b>1,749,694,825</b>
02-Apr-24	Grant Floca	FT240933HG54	55,427,000		
03-Apr-24	Grant Floca	FT24094SLV0Y	62,481,666		
16-Apr-24	Exchequer issue	FT24107QJRZK		710,752,810	
08-May-24	Grant KISIP	FT24129WFDBY	86,342,842		
24-May-24	Exchequer issue	FT24145VFXQC		668,943,821	
20-Jun-24	Exchequer issue	FT24172SSTLT		752,561,800	
21-Jun-24	Grant Danida	FT241732G65N	12,474,000		
24-Jun-24	Grant KISIP2	FT24176SBJJG	63,657,158		
25-Jun-24	Grant Floca	FT24177527TG	55,427,000		
26-Jun-24	Exchequer issue	FT24178PVQHG		710,752,810	
	<b>Q4</b>		<b>335,809,666</b>	<b>2,843,011,241</b>	<b>3,178,820,907</b>
	<b>TOTAL</b>		<b>725,758,938</b>	<b>7,692,853,946</b>	<b>8,418,612,884</b>

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Equitable Share					
Level 5 Hospitals					
DANIDA - Universal Healthcare in Devolved Units Programme					
World Bank – THUSCP					
National Agricultural & Rural Inclusive Growth Project (NARIGP)					
Kenya Devolution Support Programme					
Youth Polytechnic support grant					
Abolishment of user fees in health centres and dispensaries					
Kenya Urban Support Programme					
Agriculture Sector Development Support Project (ASDSP)					
Kenya Climate Smart Agriculture Project (KCSAP)					



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Water and Sanitation Development Project					
Construction of County Headquarters					
<b>Total</b>					

*Note: The above comprises transfers from the Exchequer based on CARA, comprising of equitable share, Level 5 and donor funds. Where there are changes in CARA amend as appropriate.*

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**Annex 2 – Analysis Of Pending Accounts Payable**

[REDACTED]								Comments
				a	b	c	d=a+b-c	
<b>Construction Of Buildings</b>								
1.								
2.								
<b>Sub-Total</b>								
<b>Construction Of Civil Works</b>								
3.								
4.								
<b>Sub-Total</b>								
<b>Supply Of Goods</b>								
5.								
6.								
<b>Sub-Total</b>								
<b>Supply Of Services</b>								
7.								
<b>Sub-Total</b>								
<b>Grand Total</b>								
<p><i>Note: Pending bills comprise goods and services rendered and invoiced but not yet settled and does not include commitments</i></p>								

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**Annex 3 – Analysis Of Pending Staff Payables**

	Contractual	Statutory	Other	Other	Other	Other	Comments
			a	b	c=a-b		
<b>Senior Management</b>							
1.							
2.							
<b>Sub-Total</b>							
<b>Middle Management</b>							
3.							
4.							
<b>Sub-Total</b>							
<b>Unionisable Employees</b>							
5.							
6.							
<b>Sub-Total</b>							
<b>Others (specify)</b>							
7.							
8.							
<b>Sub-Total</b>							
<b>Grand Total</b>							



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**Annex 4 – Analysis Of Other Pending Payables**

[Redacted]							Comments
			a	b	c=a-b		
<b>Amounts Due To National Govt Entities</b>							
1.							
2.							
<b>Sub-Total</b>							
<b>Amounts Due To County Govt Entities</b>							
3.							
4.							
<b>Sub-Total</b>							
<b>Amounts Due To Third Parties</b>							
5.							
<b>Sub-Total</b>							
<b>Others (Specify)</b>							
6.							
<b>Sub-Total</b>							
<b>Grand Total</b>							

Annex 5 –Analysis Of imprests and Advances

(a) Government Imprest

Name Of Officer Or Institution	Amount Imprested	Amount Repaid	Amount Surplus	Balance as at (insert current FY)
<b>Total</b>				

(b) Salary Advance

Name Of Officer	Amount Advanced	Amount Repaid	Amount Surplus	Balance as at (insert current FY)
<b>Total</b>				

Annex 6 – Summary of Non-Current Asset Register

Land	2,753,928,477	29,960,000.00			2,783,888,477.00
Buildings And Structures	1,302,789,673	38,811,733.00			1,341,601,406.00
Transport Equipment	254,568,360	67,870,950.00			322,439,310.00
Office Equipment, Furniture And Fittings	111,517,205	13,637,822.95			125,155,027.95
ICT Equipment	72,556,619	20,508,532.30			93,065,151.30
Machinery And Equipment	205,277,848	2,880,000.00			208,157,848.00
Heritage And Cultural Assets					-
Biological Assets	54,700,513	2,279,689.00			56,980,202.00
Intangible Assets	89,140,420	23,208,141.00			112,348,561.00
Infrastructure Assets- Roads, Rails	3,898,533,109	1,055,885,964.00			4,954,419,073.00
Work In Progress					





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**Annex 7 – Inter-Entity Transfers**

1	CITY OF KISUMU	173,540,897	25,779,446	54,021,600	169,566,751	422,908,694	422,908,694	-	
2	JOOTRH	30,000,000		25,000,000	30,000,000	85,000,000	85,000,000	-	
3	KISUMU EAST DISTRICT HOSPITAL	15,000,000		28,075,722		41,075,722	41,075,722	-	
4	KOMBEWA SUB-COUNTY HOSPITAL	1,530,456		1,430,456		2,960,912	2,960,912	-	
5	MUHORONI SUB-COUNTY HOSPITAL	1,786,658		1,886,658		2,473,316	2,473,316	-	
6	NYAKACH SUB-COUNTY HOSPITAL	600,000	924,278	1,500,278		1,824,556	1,824,556	-	
7	LUMUMBA SUB-COUNTY HOSPITAL	1,319,659		1,119,659		2,439,318	2,439,318	-	
8	CHULAIMBO SUB-COUNTY HOSPITAL	1,209,443		1,200,443		2,409,886	2,409,886	-	
9	AHERO SUB-COUNTY HOSPITAL	1,717,865		1,617,865		3,335,730	3,335,730	-	
10	KISUMU COUNTY REVENUE BOARD	5,000,000	21,869,500	7,496,279	30,000,000	64,365,779	64,365,779	-	
11	KISUMU LAKEFRONT DEVELOPMENT LTD	5,500,000				5,500,000	5,500,000	-	
12	KISUMU COUNTY CLIMATE				146,377,658	146,377,658	146,377,658	-	

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	CHANGE FUND ACCOUNT								
13	KISUMU COUNTY EMERGENCY FUND		42,500,000	30,000,000		72,500,000	72,500,000	-	
14	KISUMU COUNTY EDUCATION FUND		51,250,000	61,500,000	92,250,000	205,000,000	205,000,000	-	
	<b>TOTAL</b>	<b>237,204,978</b>	<b>142,323,224</b>	<b>214,848,960</b>	<b>468,194,409</b>	<b>1,058,171,571</b>	<b>1,058,171,571</b>		

.....  
**CPA. MARTIN OPIYO**  
 Director of Finance  
 County Executive  
 ICPAK No. 15141

  
 .....  
 Director of Finance  
 Fund/project/board/water company/hospital



**Annex 8 – Contingent Liabilities Register**

					ORIGIN/RESPONSIBLE DEPARTMENT	CLAIM & DATE	SUM/AWARDED		
1	Original Filed 20/10/2018	373/2018	<b>KISUMU COUNTY EXECUTIVE</b> <b>Annual Report and Financial Statements</b> <b>For the year ended June 30th 2024</b>	1) Eng. Adda Kodero Vincent. 2) Dr. Ominde Elizabeth Mary 3) George Ongaya Okoth 4) Barak Otieno 5) Jennipher Atieno Kere 6) Rose Auma Kisia Omondi 7) Johnson Owuor 8) Rhoda Atieno Ahono Obadha 9) Michael Oduor Onyango	Claim for Gratuity and salary arrears for the CECs	FINANCE & HR	KES.20,338,043.75	KES 26,638,910.04 (20,338,043.75)  6,300,866.25	KES 6,300,866.25
2	2015	KSM/HCC/Misc. APP. No. 104 OF 2015(Consolidated with Misc App. No, 105 – 195 OF 2015. Misc. Giving Rise to KSM/HCC/JR/ No.54/2017	KENNETH OKETCH PUNDO – VS- MCK	Decree enforcement	COUNTY ATTORNEY	150,165,922.95	174,193,122.20 (23,727.35) 150,465,922.95 AS AT 19/4/2016		
3	26/11/2019	KSM/CMC/558/2019	SAMIC CONSTRUCTION CO. LTD	Unpaid Certificate(Mosque Usodho Corner Mbuta Road)	ROADS & INFRASTRUCTURE	4,394,080.00	6,863,838.00	2,469,758.00	
4	26/11/2019	KSM/CMCC/559/2019	SAMIC CONSTRUCTION CO. LTD	Unpaid Certificate(Kilo – Piccadilly Road)	ROADS & INFRASTRUCTURE	614,394.00	1,294,276.00	679,882.00	
5	18/08/2009	KSM/HCC/130/2009	ALLOYCE ODHIAMBO OBUNGA	Industrial Dispute. Decree on terminal dues	DEFUNCT MCK	4,200,000.00	12,432,000.00	8,232,000.00	
6		VARIOUS MATTERS(From the defunct MCK)	OTIENO RAGOT	Advocate/ Client Bill of Cost	DEFUNCT MCK	475,000,000.00	475,000,000.00	475,000,000.00 (NEED TO DO A JOINT RECONCILIATION WITH THE ADVOCATE)	
7	15/06/2021	KSM/MCC/238/2021	ELYCO MOTORS LIMITED	Unpaid Certificate	TRANSPORT	1,543,416	2,360,959.81	817,543.81	
8	2017	KSM/CMCC/154/2017	CAROLYNE ACHIENG NGARE	Workman's Injury(Fatal)	H/R (Settled)	3,878,581.60	5,200,000	1,321,418.40	
9	24/10/2019	KSM/L&ENV./40/2019	AMINA ACHIENG OCHIENG T/A TILAPIA BEACH HOTEL	Demolition of Tilapia Beach	CITY OF KISUMU	N/A	75,000,000	106,500,000.00( COUNTY HAS APPEALED THOUGH)	
10	2001	KS./HCC/316/2001	CHEMHard LTD –VS- MCK	Unfulfilled Contractual Obligations	DEFUNCT MCK	5000,000.00	17,000,000	12,000,000/-	
11	2011	KSM/HC/PET/52/2011	RACHEL AUMA OWITI	Land Repossession(MCK)	DEFUNCT MCK	450,000.00	728,959	278,959.00	
12	31/12/2010	KSM/CMC/579/2010	ERICK OKEYO –VS- MCK	Rent Dispute.	DEFUNCT MCK	Counter Claim filed for arrears 2,470,000	2,470,000		
13	14/10/2019	KSM/HCC/18/2019	MEPTAX –VS- COUNTY GVT. OF KISUMU & KSM CITY BOARD.	Unfulfilled Contract Obligations(MCK)	DEFUNCT MCK	75,000,000	75,000,000	106,500,000.00( COUNTY HAS APPEALED )	
14	2014	KSM/CMCC/254/2014	SAFETY SURVEYORS LTD –VS- KISUMU MUNICIPAL COUNCIL	Unpaid Certificate	DEFUNCT MCK/FINANCE	6,319,513.30	16,936,295.60	10,616,782.30.	

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15	2014	KSM/E&LR/21/2014	MWAMU & CO. ADVOCATES(Arising out of Samuel Ogonji Matter	Labour Dispute	H/R	500,000(Cost Awarded)	800,000(Settled by way of enforcement)	300,000
16	8/6/2005	KSM/HCC/26/2005	MCK -VS- NATIONAL HOUSING CORPORATION	Dispute over NHC's intention to sell Council Estates	DEFUNCT MCK	Counter Claim for 565,071,199.78	1,028,103,460.90	431,803,555.578 x3 +1,028,103,460.90 =2,323,514,127.63
17	2012	KSM/MISC./236/2012	GULF FABRICATORS -VS- MCK	SEKOU TOURE SEWERAGE TRUNK CONTRACT	DEFUNCT MCK	23,000,000	178,885,826	155,885,826.00
18	16/5/2019	WINAM/SRMCC/67/2019	JETHRO JADEVERA ADORI & TIMOTHEO ADORI	FATAL ACCIDENT INVOLVING COUNTY VEHICLE	JROORITH	N/A	595,442 ADD 14% Interest for 2 years 166,723.76 = 762,165.76	166,723.76
19	04/07/2021	KSM/ELRC/CAUSE/E042/2021	HUMPREY OKUKU NAKTITARI -VS- COUNTY GVT. OF KISUMU & COUNTY SECRETARY.	CLAIM FOR GRATUTTY	H/R	4,320,000	5,570,979.00	1,250,979
20	2021	KSM/CMC/E226/2021	URIM LIMITED -VS- COUNTY GOVERNMENT OF KISUMU & ANOR.	Unpaid Certificate	Health/ KSM County Hospital	17,013,546.53	18,171,734.53	
21	28/4/2017	KSM/CMCC/217/2017	LIVINGSTONE MALANGO MASINDE (Suing as a guardian and next of friend of Ellen ONDECHE -VS- JROOTRH & JAMES OBONDI	Medical Negligence	JRTOOTRH	1000,000	1,560,000	560,000
22	28/9/2017	KSM/CIV/APPEAL /139/2017	KSM PSB & THE GOVERNOR, PROF. PETER NYONGO -VS- SAMUEL OKURO & OTHERS (NYAMWAYA & CO. ADVOCATES)	Labour Dispute(Wrongful Dismissal)	H/R	3,369,912 (Cost)	5,257,062.72	1,887,150.75
23	20/9/2021	KSM/ELRC/PET/36/2017	MAYWOOD AUCTIONEERS-VS-COUNTY GOVERNMENT OF KISUMU	Auctioneer's Fee		561,683.70	561,683.70	
24	10/9/2021	KSM/E&LR/JR/APP.NO.E 014/2021	R -VS- CEM FINANCE, CFSB & LUCY MATENGO (EX PARTE APPLICANT)	Labour Dispute(Breach of Employment Contract)Arising out of KSM/E&LR/CAUSE/282/2018	H/R	5,523,293	2,539,120(1/2/2022) ADD interest @ 14% x 5 years(355,476.80 x5) 1066430.40 =3,605,550.40	1,066,430.40
25	2014	WINAM/SRMCC/109/2014	ISAAC OTIENO T/A BASILIK ENTERPRISES -VS- COUNTY GOVERNMENT OF KISUMU	Unpaid Certificate	DEFUNCT MCK	246,558	354,913	108,355.00
26	Feb 2018	KSM/CMCC/149/2018	MICHAEL OMONDI -VS- COUNTY GOVERNMENT OF KISUMU	Workman Injuries	TRANSPORT(Settled)	N/A	1,670,000	N/A
27	25/11/2021	KSM/E&L Appeal/E083/2021	ANNA ANYANGO(Suing as the Legal Representative of the Estate of FLORA ANUDO OGEMBO(Deceased) ...Appellant -VS- ZAKARIA OGARE	APPEAL (Property Dispute)	DEFUNCT MCK	N/A	6,050,104.68	-



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			ODERO & COUNTY GOVT. OF KISUMU					
28	2001	KSM/HCC/611/2001	LAKE MANUFACTURERS –VS- MUNICIPAL COUNCIL OF KISUMU	Unpaid Certificate	DEFUNCT MCK	1,700,000	6,100,000.00	4,400,000.00
29	2020	KSM/ELRC/30/2020	JAMES AGGREY MWAMU – VS- KISUMU COUNTY GOVERNMENT	Labour Dispute	H/R	1,770,000.00	2,265,600	495,600.00
30	2021	NYANDO/SPM/CIV/E09 0/2021	CHRISTINE ANYANGO OLUOCH –VS- COUNTY GOVERNMENT OF KISUMU	Accident involving County Vehicle	TRANSPORT	NA	1,952,275.00 ADD 14% Interest 273,318.50 =2,255,593.50	273,318.50
31	2021	KSM/ELC/PET/E019/202 1	JOSEPH GOYE ONYANGO – VS- THE MED. SUPT. NYAHERA SUB-COUNTY HOSPITAL & 4 OTHERS	Property Dispute. Land Acquired under Compulsory Acquisition but not paid	LANDS & HOUSING	5,631,766.00	7,208,660.48	1,576,894.48
32	2021	KSM/HCCC/MISC/APP/E 116/2021	ONSONGO & COMPANY ADVOCATES –VS- COUNTY GOVT. OF KISUMU AND ANOR.	Advocate/Client Bill of cost		171,150.00	243,033.00	71,883.00
34	2019	KSM/HCC/MISC./CIV/AP P/162/2019	JANE STAUSSE & BETTY ASUNA T/A STAUSSE & ASUNAH ADVOCATES	Advocate/Client Bill of Cost		147,090.00	229,460	82,370.00
35	2019	KSM/HC/MISC./APP/163 /2019	JANE STAUSSE & BETTY ASUNA T/A STAUSSE & ASUNAH ADVOCATES	Advocate/Client Bill of Cost		54,114.00	84,417.84	30,303.84
36	2019	KSM/HC/MISC./APP/164 /2019	JANE STAUSSE & BETTY ASUNA T/A STAUSSE & ASUNAH ADVOCATES	Advocate/Client Bill of Cost		134,497.36	209,815.90	205,318.54
37	2019	KSM/HC/MISC./APP/167 /2019	JANE STAUSSE & BETTY ASUNA T/A STAUSSE & ASUNAH ADVOCATES	Advocate/Client Bill of Cost		87,829.40	137,013.85	49,184.45
38	2019	KSM/HC/MISC.APP/169	JANE STAUSSE & BETTY ASUNA T/A STAUSSE & ASUNAH ADVOCATES	Advocate/Client Bill of Cost		76,143.00	118,783.10	42,640.10
39	2019	KSM/ELRC/73/2019	MESHACK OLUOCH OGOLA – VS- COUNTY GOVERNMENT OF KISUMU	Industrial Dispute	H/R	-	283,175 ADD 14% Interest(39,644.5 0)x2 yrs =79,289	79,289
40	2021	KIAMBU/HCC/MISC/APP /E082/2021	SIMIYU OPONDO KIRANGA & CO. ADVOCATES –VS- COUNTY GOVERNMENT OF KISUMU	Advocate/Client Bill of Cost	H/R (Settled)	4,553,539	5,828,529.90	1,274,990.90
41	2021	KSM/ELC/PET/E014/202 1	PAMELA ANYANGO KIDHA – VS-CAROLINE AKINYI OTIENO & COUNTY GOVERNMENT OF KSM & CHIEF OFFICER HEALTH	Property Dispute	LANDS & PHYSICAL PLANNING	-	2,150,000.00 ADD 14% Interest(301,000) x 2 yrs 602,000.00 =2,752,000.00	602,000.00
42	2023	KSM/HCCCOM/MMARB	COUNTY GOVT. OF KSM –VS- CORETECH	Commercial Dispute	FINANCE & IT		140,000,000.00	-

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43	2023	KSM/ELRC/E048/2023	KENYA NATIONAL UNION OF NURSES –VS- COUNTY GOVERNMENT OF KISUMU & KISUMU COUNTY PUBLIC SERVICE BOARD	Labour Dispute	H/R		2,415,000	-
44	2021	KSM/HCCC/MISC/NO./E 25/2021	WASUNA & COMPANY ADVOCATES –VS- COUNTY GOVERNMENT OF KISUMU	ADVOCATE/CLIENT BILL OF COST	CITY BOARD	165,975.00	189,211.50	23,236,5
45	2021	KSM/HCCC/MISC/E023/2021	WASUNA & COMPANY ADVOCATES –VS- COUNTY GOVERNMENT OF KISUMU	ADVOCATE/CLIENT BILL OF COST	DEFUNCT MCK	141,600.00	161,424.00	19,824.00
46	2021	KSM/HCCC/MISC/E026/2021	WASUNA & COMPANY ADVOCATES –VS- COUNTY GOVERNMENT OF KISUMU	ADVOCATE/CLIENT BILL OF COST	DEFUNCT MCK	100,875.00	114,997.50	14,122.50
47	2021	KSM/HCCC/MISC/E024/2021	WASUNA & COMPANY ADVOCATES –VS- COUNTY GOVERNMENT OF KISUMU	ADVOCATES/CLIENT BILL OF COST	GREY	1,800,687.50	2,052,777.75	252,096.25
48	2021	KSM/HCCC/MISC/E010/2021	WASUNA & COMPANY ADVOCATES –VS- COUNTY GOVERNMENT OF KISUMU	ADVOCATES/CLIENT BILL OF COST	DEFUNCT CCK	1,486,174.50	1,694,238.93	208,064.43
49	2019	KSM/ELRC/PET/NO/28/2019	APONDI (Cost arising from) SAMUEL ONYANGO OKELLO AND ANOR. –VS- THE COUNTY GVT. OF KISUMU	TAXED COST OF SUIT	HR/EXECUTIVE	381,657.00	595,384.92	213,727.92
50	2015	KSM/ELC/856/2015	MAURICE ODAWO ONDURU –VS- COUNTY GOVERNMENT OF KISUMU	PROPERTY DISPUTE	DEFUNCT MCK	218,618.00	279,831.10	61,213.10
51	2022	KSM/MISC/E055/2022	MANYONGE WANYAMA & ASSOCIATES LLP –VS- COUNTY SECRETARY, CHIEF OFFICER FINANCE & COUNTY EXECUTIVE COMMITTEE MEMBER FOR FINANCE	ADVOCATE'S/BILL OF COST	HR/GOVERNANCE	TAXED AT KES 1,449,887	1,652,871.18	202,984.18
52	16/3/2021	KSM/CMC/ELC/E034/2021	DOMINIC ODONDI AUMA – VS- VICTOR SANDE & COUNTY GOVT. OF KISUMU	Property Dispute	Defunct MCK/ City		490,629.00	
53	2018	KSM/CMC/ELC/86/2018	MONICA ABOM –VS- COUNTY GVT. OF KISUMU	Boundary Dispute/ Demolition	Roads & Public Works		651,070.00	
54	2024	ARBITRATION (Cost)	CORETECH SYSTEMS LIMITED –VS- COUNTY GOVERNMENT OF KISUMU	Commercial Dispute/ Contract Dispute	ICT & Governance	15,000,000	8,070,556.94	
55	2015	KSM/CMCC/226/2019	MAJOCK CONSTRUCTION CO. LIMITED –VS- COUNTY GOVERNMENT OF KISUMU	Commercial Dispute	Defunct MCK/ City	12,362,771	21,016,710.70	
		Total					2,157,868,820.82	



Annex: 9 Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Flocca	Financing locally led climate action	To deliver locally led climate resilience actions and strengthen county government capacity to manage climate risk	Use of goods staff allowances	1,590,230 1,540,500	1,102,945 2,753,300	5,820,759 1,467,300	50,000 2,028,500	WB,DANIDA,CID A&KFW	County Government of Kisumu



Annex 10 Reporting on Disaster Expenditure

Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
		Emergency	Floods –Kano plains	Food and non-food items	28,807,463	Paid
				Civil Works	82,510,414	Paid
				Emergency expenses pending bills	32,254,887	Yet to be paid