

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

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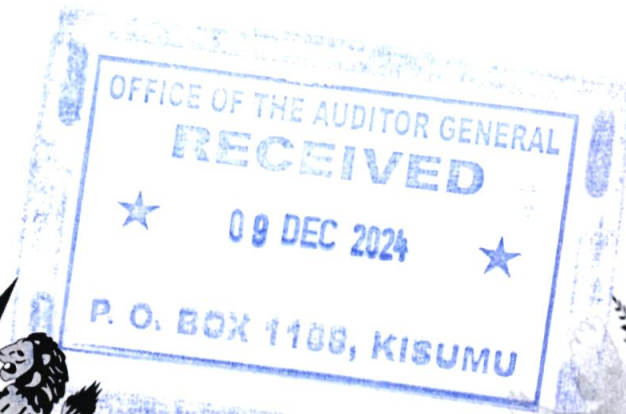
OF

THE AUDITOR-GENERAL

ON

**COUNTY ASSEMBLY OF
VIHIGA**

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



VIHIGA COUNTY ASSEMBLY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2024

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

Count Government of Vihiga
Vihiga County Assembly
Annual Report and Financial Statements For the year ended 30th June 2024

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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
MCA	Member of County Assembly
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

Comparative FY	Means the financial year preceding the current financial year.
Fiduciary Management	Means officers directly involved in management of entity's finances and resources

2. Key Entity Information and Management

(a) Background information

The County is constituted as per the constitution of Kenya is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes 36 Members of County Assembly (MCAs) elected to represent members of the public from their respective wards. The MCAs are responsible for making laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

(b) Key Management Team

The *entity's* day-to-day management is under the following key organs:

No.	Designation	Name
1.	Speaker of the County Assembly	Hon. Christopher Omulele
2.	Clerk of the County Assembly	Hon. Joab Ambaka Kilinga
3.	Head of Departments	
	Deputy clerk	Mrs. Perice Livamga
	Human Resources and Admin	Ms. Chrp. Abigael Nandoya
	Finance and accounting	Mr. Cpa. Miyinzi Oscar Jagona
	ICT and Hansard	Mr. Teddy Luvisia
	Legal Services	Mr. Rakewa Otieno

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer- Clerk	Hon. Joab Ambaka Kilinga
2.	Chief Finance Officer	Cpa. Miyinzi Oscar Jagona
3.	Principal Accountant	Cpa. Stephen Masambu
4.	Procurement Officer	MS. Juliet Asila

Key Entity Information and Management (Continued)

(d) Fiduciary Oversight Arrangements

PUBLIC ACCOUNTS AND INVESTMENTS COMMITTEE

There shall be a select committee to be known as **Public Accounts and Investment**, the members of which shall be nominated by the House business committee in consultation with County Assembly parties at the commencement of every County Assembly.

The mandate/function shall be to: -

1. The examination of the accounts showing the appropriation of the sum voted by the County Assembly to meet the public expenditure and of such other accounts laid before the county assembly as the committee may think fit.
2. The examination of the reports accounts and workings of the county public investments
3. The examination in the context of the autonomy and efficiency of the county public investments whether the affairs of the county public investments are being managed in accordance with sound financial or business principles and prudent commercial practices.

No	Member	Designation	Ward
1.	Hon. Caleb Ndolo	Chair	Jepkoyai
2.	Hon. Paul Tirra	Vice Chair	Central Bunyore
3.	Hon. Venna Kaisha	Member	Nominated
4.	Hon. Dominic Baraka	Member	North Maragoli
5.	Hon. Kelvin Mwangu	Member	South Luanda
6.	Hon. Micheal Okoba	Member	Emabungo
7.	Hon. Fredrick Mavisi	Member	Lugaga/Wamuluma
8.	Hon. Joyce Mayodi	Member	Nominated
9.	Hon. Gertrude Lumire	Member	Nominated
10.	Hon. Hellam Espira	Member	North East Bunyore
11.	Hon. David Onjiiri	Member	Luanda Township

No	Months	No of sittings
1.	July 2023	4
2.	August 2023	5
3.	September 2023	5
4.	October 2023	5
5.	November 2023	6
8.	February 2024	6
9.	March 2024	4
10.	April 2024	4
11.	May 2024	6
12.	June 2024	4

- **Audit Committee**

During the year, the audit committee membership was as follows:

No	Name	Designation
1	Cpa. Nebert Avutswa	Chairperson
2	Cpa. Harriet Mahasi	Member
3.	Cpa. Lucy Anangwe	Member
4.	MS. Linet Mugalitsi	Member
5.	Mr.Ken Ababu	Secretary

The audit committee sits from time to time to review and discuss internal audit reports and reports of the auditor general.

- **Finance committee activities**

- Concerned with matters related to public finance, monetary policies, public debt, investment and divestiture policies including county government parastatals , pricing policies , taxation policies, the investigation and inquiry into matters relating to expenditures in county departments including pending bills from suppliers and contractors, employee statutory deduction obligations , and oversight of the County departments responsible for Finance and Economic planning, treasury and Statistics and further study and review of all legislations referred to it.

- **Public Accounts and Investment committee**

- The committee undertakes the examination of the accounts showing the appropriation of the sum voted by the County Assembly to meet the public expenditure and of such other accounts laid before the County Assembly as the Committee may think fit, as well examines reports, accounts and workings of the County public investments; in the context of the autonomy and efficiency of the County public investments, whether the affairs of the County public investments, are being managed in accordance with sound financial or business principles and prudent commercial practices:

- **Budget and Appropriation committee**

- The committee was established to investigate, inquire into and report on all matters related to coordination, control and monitoring of the of the County budget; discuss and review

the estimates and make recommendations to the County Assembly; examine the County Budget Policy Statement presented to the County Assembly; examine Bills related to the County budget, including Appropriations Bills; and to evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays.

(e) Entity Headquarters

P.O. Box 90-50300
County Assembly Buildings
Majengo-Vihiga Road
MARAGOLI, KENYA

(f) Entity Contacts

Telephone: (254) 20 2094140
E-mail: Vihigaassembly@gmail.com
Website: vihigacountyassembly.go.ke

(g) Entity Bankers

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

2. Other Commercial Banks
Kenya commercial Bank
Mbale Branch
P.o box
Maragoli

Cooperative Bank of Kenya
Mbale Branch
P.o Box
Maragoli

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(h) Independent Auditor

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

(i) Principal Legal Adviser

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

(j) County Attorney,

Vihiga County Headquartes

3. Governance Statement

The County Assembly

The County Assembly is constituted by the MCAs of Vihiga county government. It is headed by the Speaker who is elected by the MCAs. The speaker is also the chairperson of the county assembly service board while the county assembly clerk is the secretary.

Section 10 (4) of the county governments 2012 provides that a county assembly shall observe the following order of precedence.

- a) The speaker of the county assembly.
- b) The leader of the majority party; and
- c) The leader of the minority party.

The Roles of the county assembly are outlined in Section 8 of the County Governments Act 2012 and they include:

- a) Vet and approve nominees for appointment to county public office as may be provided for in this Act or any other law.
- b) Perform the roles set out under Article 185 of the Constitution.
- c) Approve the budget and expenditure of the county government in accordance with Article 207 of the Constitution, and the legislation contemplated in Article 220(2) of the Constitution, guided by Articles 201 and 203 of the Constitution.
- d) Approve the borrowing by the county government in accordance with Article 212 of the Constitution.
- e) Approve county development planning; and
- f) Perform any other role as may be set out under the Constitution or legislation.

The County Assembly Executes its mandate, through committees which are broadly classified into two.

a) Select Committees

Select committees are generally responsible for overseeing the work of government departments and agencies.

b) Sectoral Committees

The mandate of Sectoral Committees is in respect to the subject matter assigned by the Standing Orders and is exercised within the limits contemplated under Part 2 of the Fourth Schedule to the Constitution.

The County Assembly has the following Select and Sectoral committees:

- a) Committee of Powers and Privileges
- b) Audit Committee
- c) Public Accounts/Investment Committee
- d) Budget and Appropriations Committee

a) Committee of Powers and Privileges

There is established committee known as the Committee of Powers and Privileges consisting of the Speaker, who shall be the chairperson of the Committee; and such other members of the county assembly as may be provided in the Standing Orders of the county assembly. The functions of the Committee of Powers and Privileges shall be to inquire into the conduct of a member whose conduct is alleged to constitute a breach of privileges accorded to the county assembly members by any legislation or standing orders and perform such other functions as may be specified by enabling legislation. The committee held 12 meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation	Ward
Hon. Christopher Omulele	Chairperson	Speaker
Hon. Erick Odei	Vice Chairperson	Gisambai
Hon. Pauline Amwata	Member	Central Maragoli
Hon. Zakayo Manyasa	Member	Mwibona
Hon. David Mwash	Member	Muhudu
Hon. Mishel Stika	Member	Nominated
Hon. Angote Carolyne	Member	Nominated

b) Audit Committee

The audit committee was constituted in 2017. Its mandate is to advise the County Government on institutional risk management and compliance. The committee held 4 meetings in FY 2024. The committee members during FY 2024 were:

Member	Designation
Cpa Nebert Avutswa	Chairperson
Cpa. Lucy Anangwe	Member

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Cpa. Harriet Mahasi	Member
Ms Abigael Nandoya	Member
Cpa. Peter Edemba	Member

c) Public Accounts/Investment Committee

The committee was formed to provide oversight on the County’s finances. The committee held quarterly mandatory meetings during the year. Additionally, it also held 4 extra sittings to deal with arising matters. The members who served in the committee during the year were:

Members		
Hon.Caleb Ndola	Chairperson	Jepkoyai
Hon.Vincent Atsiaya	Vice Chairperson	Wodanga
Hon. Paul Tira	Member	Central Bunyore
Hon. Hellum Esipira	Member	N.E Bunyore
Hon. Getrude Lumire	Member	Nominated
Hon. Venna Kaisha	Member	Nominated
Hon. Joyce Mayodi	Member	Nominated
Hon.Fredrick Mavisi	Member	Lugaga- Womuluma

d) Budget and Appropriations Committee

The budget and appropriations committee provides guidance in the budgetary process. It is charged with the budget making process and ensuring that there is public participation in the budget process. The members who served in the committee during the period were:

Member	Designation	Ward
Hon. Patrick Akhwale	Chairperson	Wemilabi
Hon. Collins Ayugu	Member	Banja
Hon. David Mwashu	Member	Shiru
Hon. Eric Odei	Member	Gisambai
Hon. Manoa Mboku	Member	Tambua
Hon. Zakoyo Manyasa	Member	Mwibona
Hon. Pauline Amwataa	Member	Central Maragoli
Hon. Paul Tirra	Member	Central Bunyore
Hon. Wimsy Osore	Member	West Bunyore
Hon. Florence Kegode	Member	Busali
Hon. Hellen Mwanika	Member	Nominated
Hon. Richard Muhiga	Member	Shamakhokho

e) Procedure and Rules Committee

There is established a committee known as Rules and Procedures

The Committee has the Speaker as the Chairperson

- I. The Committee 's mandate is to consider and report on matters relating to the Standing Orders.
- II. The Committee may propose amendments to the Standing Orders and any such amendments shall upon the approval of the County Assembly, take effect at the time appointed by the County Assembly.
- III. The Committee may propose rules for the orderly and effective conduct of Committee business and any such rules shall upon be approved by the County Assembly.

The Committee held a total of 16 meetings in the F/Y 2023/2024

The Committee Members during FY 2024 were;

Member		
Hon. Christopher Omulele	Chairperson	Speaker
Hon. Erick Odei	Vice-chairperson	Gisambai
Hon. Karega Manoah	Member	Tambua
Hon. Atsiaya Vincent	Member	Wodanga
Hon. Amwata Pauline	Member	Central Maragoli
Hon. Wimsey Osore	Member	West Bunyore
Hon. Carolyne Angote	Member	Nominated
Hon. Getrude Lumire	Member	Nominated
Hon. Janet Fundi	Member	Nominated

In addition to the above committees of the County Assembly, the County Assembly has an independent Audit Committee which was constituted in 2024 to comply with the PFM (County Government) regulations (2015) on the formation of audit committees for all Counties.

Communication with all Stakeholders

The County is committed to ensuring that all its stakeholders are provided with full and timely information about its programmes and performance. They are also given an opportunity to give feedback. In this regard, the County held an Annual consultative meeting in 2024 where the different stakeholders were invited for information sharing. This communication is important in ensuring that stakeholder expectations are aligned to the County's service delivery charter. The County Assembly also subjected 6 bills through public participation

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Below is a table of various bills that were taken through public participation

1.	The Vihiga County Appropriation Bill, 2023	Hon. Patrick Akhwale	30 th June, 2023	30 th June, 2023	30 th June, 2023	Passed
2.	The Vihiga Finance Bill, 2023	Hon. Janet Fundi	4 th October, 2023	7 th November, 2023	8 th November, 2023	Passed
3.	The Vihiga County Agriculture Sector Coordination Mechanism Bill, 2024	Hon, Mugata	-	-	-	Committee stage as at 12 th August 2024
4.	The Vihiga County Supplementary Appropriation Bill, 2023	Hon. Patrick Akhwale	21 st November, 2023	22 nd November, 2023	22 nd November, 2023	Passed
5.	The Vihiga County Supplementary Appropriation (No. 2) Bill, 2024	Hon. Patrick Akhwale		9 th may ,2024	9 th may ,2024	Passed

Risk management

Risk management is the process of identifying, assessing and controlling financial, legal, strategic and security risks to an organization's capital and earnings. These threats, or risks, could stem from a wide variety of sources, including financial uncertainty, legal liabilities, strategic management errors, accidents and natural disasters.

The County Assembly as a government entity has put various strategies to manage threats/risks exposed to. To reduce the risks, the County Assembly has applied resources to minimize, monitor and control the impact of negative events while maximizing positive events. The Established consistent, systemic and integrated approach to risk management will help to determine how best to identify, manage and mitigate significant risks.

- i. The Assembly has avoided investing in areas that may risk health of staff and members as well as avoided loosing funds
- ii. Contracting a medical cover for honorable members and staff
- iii. Renovation and construction of abolition block
- iv. Drilling of boreholes for provision of safe and clean water
- v. Contracting national police service to enhance security levels at the Assembly premise
- vi. Establishment of the internal Audit Committee
- vii. Capacity building of house leadership, the board and staff on integrity issues
- viii. The Assembly is in the process of ratifying the strategic plan

Compliance

The County Assembly of Vihiga is a public institution controlled by various pieces of law. It is under obligation to adhere to the rule of law in Kenya. The following are laws governing the County Assembly among other legal requirements;

- 1) Basic Education Act
- 2) Constitution of Kenya 2010
- 3) County Assembly Powers and Privileges Act
- 4) County Assembly Service Act
- 5) County Government Act
- 6) Intergovernmental relations Act
- 7) Public Appointments County Assembly Approval Act
- 8) Public Finance Management Act
- 9) Urban Areas and Cities Act
- 10) Public Health Act Cap 242

In order to comply with the above laws, the Assembly undertook the following: -

a) Scheduled regular internal audits

Regular internal audits were great tools to uncover inadequate and ineffective procedures would have led to not being compliant. Internal audits focused on the financial, operational, technological and regulatory aspects of Vihiga County Assembly. The internal auditor was given autonomy of operation while reviewing compliance, as well as implementing generally accepted auditing standard

b) Ensured employees follow procedures

The Assembly policies are not worth anything if it is not followed by employees. The management involved human resource in employee management. Most importantly, the assembly ensured that the employees were well empowered to understand policies and procedures well. Part of this was to ensure that they were well documented and readily available; both digitally and physically. Furthermore, office of Director Human Resource ensured that employees understood why policy and procedures are the way they are, or why they exist. The Assembly implemented employee training on how to properly adapt procedures. Where necessary we complimented employees, who comply and develop sanctions in case of violations.

c) Involved specialists

To prevent braking of law, the County Assembly ensured transparency in her operations. Furthermore, we involved specialists and consultants to be sure that everything is in order. This allowed members and employees to ask for advice when needed, to ensure actions and procedures were compliant. The legal section was key in offering legal advisories.

d) The Assembly maintained track with changing laws and regulations

Compliant is not something theoretical. It's a continuous process of scanning for changing laws and regulation, identifying the areas in which it impacts the Assembly, changing policy and implementing policy change, and monitoring e.g. the amendments on the County Government Act, 2012 and the Public Finance Management Act, 2012. The Changes were identified and applied accordingly hence the assembly stayed on top of changes.

e) The Assembly ensured that annual audited financial statements were submitted on time

The feedback was so crucial to ensure that standards were maintain and kept the County Assembly on truck

f) Operation under a safe and healthy workplace.

The Assembly has put in place satisfactory operational policies and procedures. Through the office of Chief Sargent-at Arms Incidental reporting and workplace health and safety checks were part of regular reporting to the office of the Clerk to enable monitor the County Assembly compliance.

g) Ensured regular Meetings.

The County Assembly incorporated regular meetings for Honourable Members, Service Board and the Senior management. The meetings were to uphold appraisals on the undertakings of the Assembly. Similarly, the Staff welfare had several meetings with the management to discuss welfare issues.

h) Provided employees with regular compliance training

To ensure regulatory compliance is everyone's responsibility. Therefore, the County assembly ensured that the staff follows the existing compliance policies. Several trainings were conducted for staff and honourable members which involved the Ethics and Anti-corruption Corruption Commission.

When Employees lack the necessary information to carry out their job in compliance with legal requirements risk unknowingly and likely to violate the rules.

Hence periodical training helped Honourable members and Staff to understand the importance of ethical issues and their own responsibility in ensuring regulatory compliance.

4. Foreword by the Clerk of the Assembly

(i) Budget performance

The county assembly had a total recurrent budget of Kshs; 720,518,819 and Kshs; 15,300,000 for development vote, this brings the total budget to Kshs; 735,818,819 for the year. There was a total of 2 supplementary budgets during the the year ended 30th june 2024. During the year, the county assembly received a total of kshs; 674,252,301 for the recurrent vote and kshs; 3,156,708 for development.

ii. Operational Performance

Article 176 (Chapter Eleven) of the Constitution of Kenya establishes County Governments consisting of a County Assembly and a County Executive. Further The County Assembly makes and passes all county laws required for the effective performance and exercise of the powers of the County Government. It also approves county policies, plans and budgets and oversights implementation by the County Executive

Under Article 185 of the Constitution of Kenya Vihiga County Assembly is vested with Authority to.

- 1) legislate
- 2) make any laws that are necessary for, or incidental to, the effective performance of the functions and exercise of the powers of the county government
- 3) While respecting the principle of the separation of powers, exercise oversight over the county executive committee and any other county executive organs.
- 4) receive and approve plans and policies for--
 - (a) The management and exploitation of the county's resources; and
 - (b) the development and management of its infrastructure and institutions.

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Vihiga County Assembly passed Five (5) bills that were assented to by His Excellency the Governor. So far there one bill (*The Vihiga County Agriculture Sector Coordination Mechanism Bill, 2024*) that is at the committee stage under the committee on Agriculture and Fisheries

In the Financial year 2023/24, the County Assembly of Vihiga passed one County Budgets and four supplementary budgets. The County Budget was taken through the public participation process where stakeholders submitted memos to the office the Clerk. Stakeholders included residents of Vihiga, Civil societies and The Kenya National Chamber of Commerce Vihiga Chapter. Below is a table indicating when the budgets were passed

1.	The Vihiga County Appropriation Bill, 2023	30 th June, 2023	Passed
2.	The Vihiga Finance Bill, 2023	8 th November, 2023	Passed
3.	The Vihiga County Supplementary Appropriation Bill, 2023	22 nd November, 2023	Passed
4.	The Vihiga County Supplementary Appropriation (No. 2) Bill, 2024	9 th may ,2024	Passed
5.	The Vihiga County Appropriation Bill, 2024	2 nd July, 2024	Passed

On matters oversight the County Assembly of Vihiga has summoned several officers at the executive to respond on key issues affecting the public of Vihiga County. Some of the department summoned to appear before the Assembly committee includes

- i. Department of finance and Planning appeared before the PAIC committee on interrogation of the Auditor General's report
- ii. All departments appeared before Sectorial committees to respond on interrogation on the County Budget estimates for FY 2024/25
- iii. Department of finance and Planning appeared before the Committee on Ward Based Projects to respond on the current status projects in Vihiga County
- iv. The County Secretary appeared before the Committee on Justice and Legal Affairs

. Further the County Assembly Committees made several sites visits including the committee on environment visiting the climate change programs, health committee visited all the Sub-County Hospitals to establish the status and working mechanism

There several motions that were also dispensed of by the County assembly to enhance the oversight role of the County Assembly as well as petitions being processed.

Performance by Key Development Projects

The County Assembly as a legislative Arm of the County Government has minimal development projects. More than 80% of her budget is utilized in four main programs namely Oversight, legislation, representation and administration,

In the financial year 2023/24, Vihiga County Assembly had two development projects which involved sinking of two boreholes and completion of the Speakers residence.

By sinking a borehole, the county Assembly will benefit in the following ways: -

- i. It's A Long-term Investment: - A water borehole is a long-term investment. It may seem like a large upfront cost, but a properly constructed water borehole will last at least ten to fifteen years with proper maintenance and minimal running or ongoing costs during that period.
- ii. The Water Borehole Will Increase Assembly Value: - Especially during the trying times of drought, as currently being experienced due to climatic changes, will alleviate the strain on the grid supply
- iii. The Assembly Will Save Money in The Long Run: - Though the drilling for and installation and proper maintenance of the water borehole may seem like, and probably does represent a large upfront cost, the borehole will actually save the Assembly money in the long run.
- iv. The boreholes Are Easy to Maintain: - If your water borehole has been properly constructed from the get-go, proper borehole maintenance is a breeze.
- v. Borehole Water Has Health Benefits: - Borehole water is rich in naturally occurring minerals and hasn't been treated or altered with any man-made chemical additives.
- vi. Enjoy an Uninterrupted Supply: - Sometimes accidents happen and water from the municipal line becomes temporarily unavailable due to burst mains or necessary maintenance on pipelines etc.

In the completion of the Speakers Residence was an effort to complete a directive that was given by the national government and hence this was intended to save cost paid to individuals in form of house allowance which in the long run turns out to be expensive or misused. But the county

assembly having completed the Speakers residence, this will save her money that was to be paid monthly inform of house allowance

Challenges and Recommendations

The County assembly had a duty to balance the elements of the projects implemented that is – time, money, scope and people – which exposed her to an array of unexpected obstacles to overcome. To help put things in perspective, here is an overview of the challenges and recommendations for conquering them.

- a) Impossible Deadlines: - The projects were not completed on time due to unavoidable circumstances. The odds of successfully completing a project under unreasonable deadlines are generally not feasible expectations.
- b) Resource Deprivation: by the National Government - In order for a project to be run efficiently and effectively, the sponsors must provide sufficient resources. Feasibility study shows how to define needs and obtain approval upfront, and helps the Assembly to assign and prioritize resources throughout the duration of a project. In this scenario the national treasury has failed to remit funds on time
- c) Inadequate risk management: - Having the foresight to identify potential ‘what if’ scenarios and making up contingency plans is an important aspect of project management. Projects rarely go exactly as planned because there are so many variables that can create unlimited possibilities.

Recommendations

- a) The County Assembly, will ensue the speed/velocity, which is the measure of work completed in a given time, is decided collectively by taking inputs from all stakeholders. This shall be done during the planning phase of the project. Further, frequent monitoring of deadlines by the assembly shall be a must. This ensures that any increase in scope (scope creep) during the execution of the project is either avoided or timelines modified as required.
- b) The County Assembly shall adopt a proper project programme tool, budgeting procedure and make realistic assumptions to avoid cost overruns. Planning the boundaries of the project (Scope) will be done keeping in mind the budget in hand. This will help budget limitations that could threaten the very

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success of a poorly budgeted project. Like everywhere else in project management, documenting will be key.

- c) The County Assembly will come up with alternate plans that the team may adopt if the project begins to spiral out of control. Having a system well designed to manage project risks will help in identifying the types of risks and mitigating them. Having a contingency plan in place will be critical. This plan shall identify all risks that the course of action to be taken if they materialize it.

..........

Name: Joab Ambaka Kilinga
Clerk of the County Assembly

5. Statement of Performance Against County Assembly Predetermined Objectives

Guidance

Strategic development objectives

The key mandate of the County Assembly of Vihiga is legislation, oversight, and representation. To achieve this, the Assembly’s program was documented in terms of objective, key performance indicators, and output. Below is the performance of the Assembly in FY 2024

Program 1	Objective	Outcome	Indicator	Performance	Remarks
Legislation, oversight and representation	5 Bills passed into Acts of the County Assembly	Improved service delivery to citizens	No of bills passed in the County Assembly	In FY 20 24 5 number of bills were passed	Good performance due to continuous training and capacity building
	Enhanced professional development of MCAs – Review standing orders	Review standing orders	% Increase in efficient Assembly operation	standing orders were reviewed and resulted to efficient operations	To continuously review orders to benefit the people of vihiga county

6. Corporate Social Responsibility Statement/Sustainability Reporting

(a) Sustainability strategy and profile

The county assembly has adopted several strategies to ensure that it is committed to serving the people of vihiga in its key mandates of representation, legislation and oversight roles according to the Constitution 2010. To achieve this, various strategies have been put in place to ensure we remain sustainable.

- i) The assembly continuously allocates resources to key areas that aim to enable the organization continue with its operations
- ii) establish a monitoring and evaluation systems to track the progress and impact of sustainability initiatives
- iii) organize workshops, seminars, and public events to engage citizens in environmental conservation efforts.
- iv) implement resource- efficient practices in all operations, including energy conservation, responsible water use and sustainable waste management.
- v) promote use of renewable energy sources, such as solar, in our owned facilities and encourage private entities to do the same through incentives and policies

b) Employee welfare

The county Assembly Service Board implemented a number of initiatives aimed at improving staff welfare matters as follows;

- i)Medical Scheme: The CASB runs a comprehensive medical scheme for staff members that covers both inpatient and outpatient and is renewed on a yearly basis.
- ii)Group Personal Accident Insurance and work injury Benefits Act (WIBA)
Implemented Group Personal Accident insurance and work injury benefits Act.
- iii)Pension Scheme: Implemented a contributory pension scheme for staff where staff contributes 12% and CASB 15% of the staff basic salary.
- iv)Drug and substance abuse programs; provision of support to the affected
- v)Mortgage and car loan scheme funds; The CASB has approved a number of mortgage

loan requests and car loan requests from staff. It administered by the cooperative bank Kenya.

c) Environmental performance:

The following activities activities were implemented to facilitate improvement of work environment at CASB.

- i) Refurbishment and maintenance of CASBs offices and ablution blocks/sanitary blocks
- ii) Fixing of firefighting equipment
- iii) Drilling of the borehole to provide water
- iv) Commissioning of the speakers' residence

V) Refurbishment of research rooms

Workplace Audits and safety measures;

i) Carried out annual occupational safety and health audit at the CASB in compliance with sec II (1) of Occupational safety and health Act (OSHA) 2007

ii) conducted a mock fire drill at the assembly building, to test the serviceability of firefighting facilities and assess level of staff preparedness in case of fire disasters.

iii) Carried out a technical inspection of firefighting facilities, fire alarm and smoke detection system at county Assembly buildings to determine adequacy and serviceability.

We have a human resource procedural revised in October 2018 for the county Assembly service. Recruitment plans are developed annually at the beginning of each financial year to enable it plan to fill the vacancies within the establishment. Within the manual, during recruitment, there is promotion of equality of opportunity in employment and will not discriminate directly or indirectly against an employee on the grounds of race, color, sex, language, religion, disability, pregnancy, mental status, HIV status and in respect of recruitment, training, promotion, terms and conditions of employment, termination of employment or any matters arising out of employment.

d) Market place practices-

1) Clear Procurement Policies

The County Assembly has transparent procurement policies that align with the *Public Procurement and Asset Disposal Act, 2015 [Rev. Edition 2022]*. This includes the use of competitive bidding processes, ensuring that contracts are awarded fairly and based on value for money. The Procurement Section thus;

- ✓ Regularly updates procurement policies to align with national guidelines.
- ✓ Publicly shares procurement procedures and criteria for selecting suppliers to ensure fairness and transparency.

2) Fair and Transparent Contracting

Our Contracts with suppliers are clear and fair, outlining the terms of service, payment schedules, and dispute resolution mechanisms. This ensures both parties understand their obligations. The Procurement Entity does;

- ✓ Draft contracts that clearly define deliverables, timelines and penalties for non-performance.
- ✓ Ensure contracts respect the rights of suppliers, including timely reviews and dispute resolution procedures.

3) Timely Payments

Respecting payment practices is crucial for maintaining strong supplier relationships. The Vihiga County Assembly endeavors to honor its payment obligations by processing invoices in a timely manner, as per agreed terms. The Procuring Entity;

Implements efficient invoice tracking and processing systems to ensure timely payments.

- ✓ Communicates payment timelines clearly in the contracts and proactively address any payment delays with the suppliers.

4) Supplier Diversity and Inclusion

The Assembly has ensured that it includes a diverse range of suppliers, such as small and medium-sized enterprises (SMEs), Youth, PWD and women-owned businesses. This promotes local economic growth and development. The Procurement Entity: Sets targets for engaging local, small and minority-owned businesses.

- ✓ Offers training and capacity-building opportunities to help local suppliers meet procurement standards.

5) Collaborative Supplier Relationships

The County Assembly has built long-term relationships with suppliers by fostering collaboration rather than transactional relationships. This involves regular communication and feedback to address challenges and opportunities. The Procuring Entity:

- ✓ Sets up regular meetings with key suppliers to discuss performance, challenges and opportunities for improvement.
- ✓ Establishes feedback mechanisms to allow suppliers to voice concerns or provide suggestions.

By following the above practices, Vihiga County Assembly has fostered a responsible supply chain and maintained strong, ethical relationships with suppliers, benefiting both the Assembly and its supply partners.

RESPONSIBLE ETHICAL PRACTICE

Vihiga County Assembly upholds responsible ethical practices and ensure a corruption-free environment through several measures, which include:

1) Legislation and Policies

Vihiga County Assembly passes laws and policies aimed at enhancing transparency, accountability, and good governance. These include anti-Corruption Laws, Public Finance Management Regulations, and Policies for public participation and access to information.

2) Oversight Role

The County Assembly has the mandate to oversee the actions of the County Executive. This involves ensuring that public resources are used responsibly and for the intended purposes through regular audits, scrutiny of budgets and tracking the implementation of county development projects.

3) Ethics and Anti-Corruption Training

Vihiga County Assembly conducts regular trainings for Members and Staff on ethical conduct, integrity and anti-corruption measures to foster a culture of transparency and accountability.

3) Public Participation and Stakeholder Engagement

By facilitating public participation in legislative processes and governance, the Vihiga County Assembly ensures that citizens are involved in decision-making, thus reducing opportunities for corruption and enhancing accountability.

4) Committee Investigations

The Vihiga County Assembly committees, especially the Public Accounts and Public Investments Committees (PAC/PIC), investigate irregularities in public spending. They review audit reports from the Auditor General and recommend actions against corrupt practice

5) Collaboration with Anti-Corruption Agencies

The County Assembly works with national bodies like the Ethics and Anti-Corruption Commission (EACC) and the Office of the Auditor General to identify, investigate and address corruption cases.

6) Code of Conduct

Members of the County Assembly (MCAs) and Staff are required to adhere to a strict code of conduct. This includes declaring their assets and liabilities to prevent conflicts of interest and holding them accountable for any unethical behavior.

7) Whistleblower Protection

The County Assembly has put in place measures to protect whistleblowers who expose corrupt activities. This helps create a safer environment for reporting corruption without fear of retaliation.

By adopting and enforcing these measures, Vihiga County Assembly aims to foster an ethical environment that is resistant to corruption.

A. STEWARDSHIP OF GOODS AND SERVICES

Vihiga County Assembly handles the stewardship of goods and services and ensures the safeguarding of citizens' rights and interests through various policies, frameworks and practices. Below is an outline of how these efforts are managed effectively by the County Assembly:

1) Transparent Procurement and Contracting

Vihiga County Assembly ensures the procurement of goods and services is done transparently and in the best interest of citizens is essential to the stewardship process.

This has been achieved by;

- i. **Public Procurement and Disposal Act Compliance:** The Procuring Entity follows the guidelines in the *Public Procurement and Asset Disposal Act 2015 [Revised Edition 2022]*, ensuring fairness and competitiveness in awarding contracts.
- ii. **Tender Transparency:** The Procuring Entity makes procurement processes publicly available through tender notices and announcements to ensure that citizens are aware of government spending.
- iii. **Supplier Vetting:** The Procuring Entity ensures that suppliers and contractors provide quality services and goods by conducting thorough vetting, including financial stability, past performance and adherence to ethical standards.

2) Budgeting and Resource Allocation

The Vihiga County Assembly plays a vital role in approving budgets that allocate resources for goods and services to be delivered to the public, ensuring that they address local needs.

This has been accomplished through;

- i. **Participatory Budgeting:** By engaging citizens in the budgeting process to prioritize public projects that best serve their interests.

- ii. **Equitable Resource Allocation:** Through ensuring that resources for public services (healthcare, education, infrastructure) are distributed equitably across all parts of the county to meet citizens' needs.

3) Oversight and Accountability

The County Assembly has oversight authority over the Executive Arm of the County Government, ensuring that public funds are spent correctly and that services are delivered efficiently.

This is actioned through;

- i. **Committee Oversight:** This is established by oversight committees, such as the Public Accounts Committee (PAC), reviewing and scrutinizing procurement processes, budget implementation and the quality of services delivered.
- ii. **Audits and Reviews:** Regular audits of procurement, service delivery and asset management. This is conducted to assess the effectiveness of county spending and identify any cases of mismanagement or corruption.
- iii. **Follow-Up on Auditor General Reports:** Reviewing findings from the Auditor General and ensure appropriate corrective actions are taken where there are discrepancies or issues.

4) Citizen Engagement and Feedback Mechanisms

Engaging with citizens and creating platforms for feedback helps safeguard their interests, ensuring that goods and services meet their needs.

This is achieved through;

- i. **Public Participation Forums:** Organizing regular public participation forums where citizens can provide feedback on the quality of services and express their needs and priorities.
- ii. **Complaint Handling Systems:** Establishing a formal system for citizens to report grievances related to poor service delivery, delayed projects or corruption.

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By focusing on these areas, Vihiga County Assembly ensures that the rights and interests of its citizens are effectively safeguarded.

7. Statement of Management Responsibilities

Sections 164 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of a County Government Entity to prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly for the year ended 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 Assembly; (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 Assembly; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Clerk accepts responsibility for the County Assembly'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 Clerk is of the opinion that the County Assembly's financial statements give a true and fair view of the state of the County Assembly's transactions for the year ended June 30, 2024, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

The Clerk confirms that the County Assembly has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Assembly's funds received during the year under audit were used for the eligible purposes for which

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they were intended and were properly accounted for. Further the Clerk confirms that the County Assembly'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

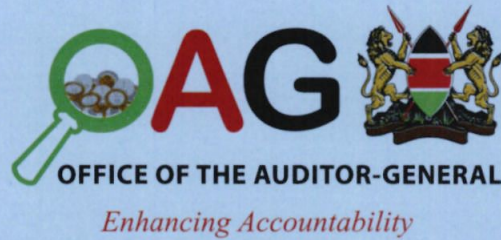
The County Assembly 's financial statements were approved and signed by the Clerk of the County Assembly on 30.08. 2024

.....
.....

Name: Joab Ambaka Kilinga
Clerk of the County Assembly

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF VIHIGA FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

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 Assembly of Vihiga set out on pages 1 to 29, which comprise of the statement of financial 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 Assembly of Vihiga 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 Governments Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Domestic Travel and Subsistence

The statement of receipts and payments reflects use of goods and services expenditure of Kshs.295,375,246 as disclosed in Note 4 to the financial statements. Included in the amount is domestic travel and subsistence of Kshs.99,269,794. However, domestic travel and subsistence expenditure of Kshs.2,726,500, paid to forty-one (41) Members of County Assembly (MCAs) and staff to facilitate report writing by the liaison committee on progress report for the first half of 2023 for 5 days from 22 to 26 September, 2023 was not supported by way of the Speaker's approval and the attendance list. Further, the venue and the means of travel to the venue was not indicated in the claim forms.

In the circumstances, the accuracy, occurrence and regularity of payments for domestic travel and subsistence expenditure of Kshs.2,726,500 could not be confirmed.

2. Unsupported Payment of Sitting and Mileage Allowances

The statement of receipts and payments reflects compensation of employees expenditure of Kshs.332,045,830 as disclosed in Note 3 to the financial statements. Included in the amount is Kshs.133,762,849 relating to personal allowances paid as salaries. Review of records provided for audit revealed that the Assembly paid sitting allowances amounting to Kshs.31,554,610. The Assembly consists of 19 committees with each member being entitled to membership of three (3) committees. Each committee is entitled to a maximum of 16 sittings per month. However, supporting documents including committee work plans, notice of meetings, minutes of the meetings, committee sittings attendance register and feedback reports for 18 committees were not provided for audit review. Further, schedules of the detailed individual payments for the sitting allowances including names and number of sittings for each member were not provided for audit.

In the circumstances, the accuracy, occurrence and regularity of the expenditure on sitting allowances of Kshs.31,554,610 could not be confirmed.

3. Unexplained Voided IFMIS Transactions

Review of the Integrated Financial Management Information System (IFMIS) financial transactions revealed that thirty (30) transactions with value of Kshs.24,930,327 were

voided during the year but were not supported by documents including 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 accuracy and regular use of funds from voided transactions amounting to Kshs.24,930,327 could not be confirmed.

4. Unsupported Cash Transactions

The Integrated Financial Management Information System (IFMIS) payment details report indicated sixty-five (65) transactions amounting to Kshs.289,842,772 were paid in cash during the year. Management has not provided documents in support of the transactions.

In the circumstances, the occurrence and regularity of payments amounting to Kshs.289,842,772 for the sixty-five (65) transactions could not be confirmed.

5. Unsupported Contingent Liabilities

Other important disclosure 4 on contingent liabilities reflects opening and closing balances of Kshs.2,797,250 and nil respectively against Court case No. 155 of 2020 between a firm of architects and the County Assembly settled through consent. However, Management did not provide documentation to support the settlement of the contingent liability.

In the circumstances, the completeness of the disclosures on contingent liability against Court case No. 155 of 2020 could not be confirmed.

6. Failure to Take Charge of Procured Heavy-Duty Land Cruiser Convertible Motor Vehicle

The statement of receipts and payments reflects acquisition of assets amount of Kshs.21,316,001 as disclosed in Note 7 to the financial statements. Included in the amount is Kshs.8,029,892 incurred on the purchase of heavy-duty land cruiser convertible motor vehicle priced at Kshs.10,181,374. However, although Management had paid the amount, the vehicle had not been delivered at time of audit in October, 2024. There is no evidence on the probable date of delivery of the vehicle.

In the circumstances, the existence and rightful ownership to the heavy-duty land cruiser convertible motor vehicle priced at Kshs.10,181,374 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Assembly of Vihiga 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 of budget and actual amounts: recurrent and development reflects final receipts budget and actual on comparable basis of Kshs.735,818,899 and Kshs.677,409,009 respectively, resulting to underfunding of Kshs.58,409,980 or 8% of the budget.

The underfunding 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, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board reporting template.

Other Information

The Management is responsible for the Other Information set out on page iii to xxxiii which comprise of Key Entity Information and Management, Governance Statement, Foreword by the Clerk of the Assembly, Statement of Performance Against County Assembly Predetermined Objectives, Corporate Social Responsibility Statement/Sustainability Reporting and Statement of Management Responsibilities Governance. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Assembly'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. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, 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. Irregular Funding of County Assemblies Forum and Society of Clerks on the Table

The statement of receipts and payments and as disclosed in Note 4, reflects an amount of Kshs.107,320,569 relating to operating expenses, which includes an amount of Kshs.1,050,000 comprising of Kshs.300,000 paid to County Assembly Forum and Kshs.750,000 paid to the Society of Clerks on the Table. This contravenes Section 149(1)(a) of the Public Finance Management Act, 2012 which provides that an accounting officer is accountable to the County Assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is lawful and authorized.

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

2. Regularity of Human Resource Management

2.1. Salaries Paid Outside Integrated Personnel and Payroll Database (IPPD)

Review of payroll records provided for audit revealed that the Assembly operated two payroll systems that is a manual (excel format) payroll system and the Integrated Personnel and Payroll Database (IPPD) system. However, three (3) MCAs and two (2) staff members were paid gross salaries of Kshs.5,638,324 outside the IPPD system. The use of the manual system involves manual calculations of deductions to arrive at net monthly pay, and constant updates of the data, which makes it prone to human errors.

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

2.2. Undefined Allowances in the Integrated Payroll and Personnel Database System

Review of the IPPD records revealed that eighty (80) employees were paid salary arrears more than once amounting to Kshs.36,783,666. These salary arrears processed through the IPPD system consisted of sitting allowances and monthly retainer paid to County Assembly Service Board members. No clear explanation was provided by the management regarding the reason why the allowances were paid as arrears.

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

2.3. Irregular Payment of House Allowance to the Speaker of the County Assembly

Review of IPPD payroll for the year under review revealed that the Speaker was paid rental house allowance despite the circular issued for the completion of the Speaker's residence. Further, physical verification of the Speaker's residence conducted on 10 September, 2024 revealed that the speaker occupies the residence. Additionally, scrutiny of the payroll revealed that some employees of the Assembly were paid the normal rental house allowance in addition to a special house allowance amounting to Kshs.6,411,355. This was contrary to the Salaries and Remuneration Commission circular that does not permit the payment of the special house allowance.

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

2.4. Unspecified Study Leave Period

Review on personnel records revealed that an employee was granted a study leave having received a scholarship from the Russian Government. The study leave request was approved by the County Assembly Service Board on 17 January, 2022. However, the officer was requested to clarify the exact period of study in Russia as it was noted that it was not clearly indicated in the letter of offer. The officer did not respond to the Service Board. The documents availed for audit in support of the scholarship opportunity are written in Russian language posing a hindrance in interpretation. The employee's salary is still being processed through the IPPD System and is paid allowances. In the approval letter by the County Assembly Board the employee is eligible to 20% of training levy which should be deducted from the salary. Review of the payroll provided revealed that this deduction was not done.

In the circumstances, the authenticity of the study leave period and compensation thereof could not be confirmed.

2.5. Non-Compliance with Ward Partisan Staffing Levels

During the year under review, the Assembly advertised for the positions of MCA Office Manager thirty six (36 positions), MCA office assistant thirty six (36) positions and MCA Security Guard (36 positions) totaling to one hundred and one hundred and eight (108) positions. However, review of the recruitment report by the County Assembly Service Board indicated that the successful candidates for the positions were one hundred and twenty-one (121) Ward Office staff against a maximum of one hundred and eight (108) that had been included in the advertisement.

Further, scrutiny of personal records revealed that the employment contracts were executed between the ward staff and the Members of the County Assembly and not with the County Assembly Service Board. This was contrary to the Act which provides for the County Assembly Service Board to execute the appointment and confirmation of officers and other staff.

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

2.6. Non-Compliance with Law on Ethnic Composition

Review of records provided for audit revealed that the total number of employees of the Assembly was two hundred and forty-one (241) out of which two hundred and twenty-eight (228) or 95 % of the total number were members of the dominant ethnic community in the County. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008.

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

2.7. Non-Compliance with the One Third of Basic Salary Rule

Review of the payroll revealed that some officers were earning salaries less than a third of their basic pay. This was contrary to Section 19(3) of the Employment Act, 2007, which states that the total amount of deduction of the wages of an employee shall not exceed two-thirds (2/3) of such wages.

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

2.8. Lack of an Approved Human Resources Establishment

Review of records revealed that the Assembly did not have in place an approved staff establishment to indicate the authorized staffing levels for each category of employees. Further, no evidence was provided to indicate that the Assembly had carried out job evaluation to determine the staff requirements for each category contrary Part B.5(2) of the County Public Service Human Resource Manual which states that all vacancies shall be declared in a prescribed format which shall include: the number of vacancies; when the vacancy occurred; whether the vacancy is within the authorized establishment and other relevant details.

Additionally, review of human resource records revealed that the staff establishment was one hundred and ninety-seven (197) employees, while Management indicated that they had two hundred and forty-one (241) employees. Other records indicated that the Assembly had ninety-three (93) employees which represents overall understaffing of one hundred and four (104) employees. It is therefore not clear, and Management has not provided an explanation on the exact staffing levels at the Assembly.

It was also noted that Assembly' Service Board did not develop Human resource plans and annual recruitment plans.

In the circumstances, Management is in breach of the law and the Assembly may not be getting value for its money.

2.9. Late Remittance of Statutory Deductions

During the year under review, the Assembly made late remittances of statutory deductions. Review of payroll bank remittance reports in respect of statutory deductions revealed instances of late remittance of National Social Security Fund and National Health Insurance Fund deductions. The law requires that payments for NHIF and NSSF

are to be made by the 9th of the following month. Late remittance of statutory deductions could lead to unnecessary penalties.

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

3. Regularity of Imprest Management

3.1. Outstanding Imprests

Review of ledgers, records and payment details in September, 2024 revealed that an amount of Kshs.5,621,599 was issued between July, 2023 and June, 2024 but had not been surrendered by 30 June, 2024. Additionally, analysis of the imprest register revealed that it had not been updated to indicate the current outstanding imprest balance. Management has not provided an explanation for not recovering the outstanding imprests from the salaries of the defaulting officers. Further, the imprest schedule provided revealed that several officers were holding multiple imprests contrary to the Regulation 93(8) of the Public Finance Management (County Government) Regulations, 2015 which states that an imprest holder must surrender the first imprest before being issued with another one.

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

3.2. Irregular Payment of Retreat Allowance

An amount of Kshs.901,600 was paid to seventeen (17) officers as facilitation for reviewing, developing, and producing the strategic plan. This is a job responsibility that is factored in determining the relative worth of a job, the result of which informs the remuneration of a job. This payment is contrary to the SRC circular dated 7 August, 2023 on review and advice on allowance in public services. (Retreat allowances).

In the circumstances, the regularity of the expenditure could not be confirmed. In addition, Management was in breach of the law.

3.3. Irregular Use of Imprest on Procurement of Goods and Services

Review of records provided revealed that Management contracted a service provider to supply tea and snacks for one hundred and fifty (150) staff at a contract sum of Kshs.3,700,000. However, the payment for the services was made through imprests issued to a member of staff instead of paying directly to the service provider. This was contrary to Regulation 93(3) of the Public Finance Management (County Governments) Regulations, 2015, which provides that temporary imprests shall be issued in respect of official journeys and are intended to provide officers with funds with which they can meet travelling, accommodation and incidental expenses.

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

3.4. Incomplete Imprest Warrants and Registers

Review and analysis of imprest warrants shows that they were incomplete as key details were not filled, such as the designation of the imprest holder, personal numbers and their

respective department. This was observed in all the warrants provided during the year. Similarly, the temporary imprest register was found to be incomplete, with several columns left blank, including the due date for surrender, surrender departmental voucher number, and the imprest register was not updated to indicate the outstanding balance. Additionally, the personal numbers of the imprest holders were not recorded in the register.

In the circumstances, the accuracy and completeness of the imprest holders' information could not be confirmed.

4. Regularity of Procurement and Award of Contracts

4.1. Irregularities in the Construction of the Speaker's Residence

Review of project payments as at September 2024 in relation to the proposed Speaker's residence indicated that the Assembly spent Kshs.38,681,687 on construction of the speaker's residence which was more than the contract sum of Kshs.34,493,609 by Kshs.4,186,944 or 12.1%. No approvals for the variations were provided for audit. In addition, the Assembly separately contracted the following works:

- (i) A firm to undertake the proposed erection of a boundary wall, landscaping and paving at the speaker's residence at a contract sum of Kshs.19,786,352;
- (ii) A firm for construction of an external Toilet at the Speaker's Residence at Kshs.1,447,294;
- (iii) A firm for construction of Elevated Tank at the Speaker's Residence, at Kshs.1,790,680;
- (iv) A firm for Drilling and Equipping of Boreholes at the Speaker's Residence for Kshs.3,385,500;
- (v) A firm for provision of Interior design or decorating in the Speaker's House at Kshs.1,986,117; and
- (vi) A firm for supply and delivery of furniture at the Speaker's Official residence at Kshs.2,983,000.

As at the time of audit, the Assembly had spent a total of Kshs.73,446,130 contrary to the Salaries and Remuneration Commission circular of May, 2019 which gave a ceiling of Kshs.35 Million for the construction of the Speaker's Residence.

Further, the Speaker's residence stands on approximately 1.15 hectares or 2.87 acres' piece of land. This contravened the acreage limit of up to 1 acre in the Salaries and Remuneration Commission circular. In addition, the land on which the Speaker's residence is built indicates that it was purchased from a private owner at Kshs.10,000,000. This was contrary to the Salaries and Remuneration Commission circular which stated that Counties should construct the houses on public land owned by the County.

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

4.2. Delays in Completion of Boundary Wall, Landscaping and Paving at Speakers Residence

The Assembly awarded a contract for the proposed erection of boundary wall, landscaping and paving at Speaker's residence to a construction company at a contract sum of Kshs.19,786,352 with the commencement and completion dates of 29 September, 2022 and 30 June, 2023 respectively.

However, the following anomalies were noted:

- i. Physical verification carried out on 10 September, 2024 revealed that the Project was not complete despite the agreed completion date of 30/6/2023;
- ii. No documentation was provided for the revised completion date and approval of the same by the accounting officer;
- iii. No project's technical status report as at 30 June, 2024 and at the time of audit was provided;
- iv. Management did not provide inspection and acceptance reports to authenticate works were completed;
- v. Final project accounts were not provided for audit;
- vi. Latest Project Implementation Team Reports were not provided for audit; and
- vii. Performance Bond expired on 26 October, 2023 and has not been renewed.

In the circumstances, the public may not have gotten value for money incurred in the construction of the Speaker's House.

4.3. Irregularities in the Drilling of Borehole at the Assembly and the Speaker's Residence

The Assembly awarded a contract for the drilling and equipping of boreholes at the precincts of the Assembly and the Speaker's residence to a local company at a contract sum of Kshs.6,771,000. The works commenced on 24 May, 2024 and the Project was completed and inspected on 19 June, 2024 with the defect's liability period ending on 19 September, 2024.

However, the following anomalies were noted during physical verification carried out on 10 September, 2024:

- i. Preparation of operations manual and training of staff to man the project costing Kshs.30,000 was yet to be done;
- ii. Planting of water friendly trees amounting to Kshs.50,000 for environmental sustainability was yet to be done;

- iii. A copy of the Performance Bond of Kshs.300,000 was not provided in the procurement file;
- iv. The Certificate of Completion was yet to issued;
- v. Defects Liability Certificate was yet to be issued;
- vi. Final Accounts were yet to be done; and
- vii. The Assembly does not have a title for the land they currently occupy which was needed before National Environmental Management Authority approval for the drilling.

In the circumstances, the County Assembly of Vihiga may not have got value for money.

4.4. Limited Value for Money in Procurement of Local Area Network (LAN) and Internet Connection

The Assembly contracted a company for the supply, delivery, installation, testing and commissioning of structured cabling for Local Area Network and Internet Connection to the Assembly in 2017 at a contract sum of Kshs.6,400,717. The work completion, hand over and commissioning certificate was given on 03 July, 2017. Further, another company was awarded a contract for supply, delivery, installation and testing of items needed for internet connection to the National Fibre Back Bone in the 2022/2023 financial year and were paid Kshs.499,500 in April 2023. However, the following anomalies were noted:

- i. At the time of audit in September, 2024, there was no LAN internet connectivity at the Assembly despite Kshs.6,706,659 having been spent on the same;
- ii. The contract agreement between the Assembly and the second company was not signed by the procuring entity; and
- iii. Inspection and Acceptance Certificate to show that works completed were inspected and approved was not provided for audit verification.

In the circumstances, the Assembly did not get value for the money spent on the LAN network of Kshs.6,706,659.

4.5. Irregularities in Supply, Delivery and Fitting of Interior Design and Decorating of the Speaker's House

A contract of Kshs.1,986,117 was awarded to a company for the supply, delivery and fitting of interior design and decorating of the Speaker's House. However, a physical verification done on 10 September, 2024 revealed the following anomalies:

- (i) Two portrait photos of the President and the Governor were yet to be brought into the residence. This costed Kshs.8,000;

A market survey report on flower pots was not provided for audit, despite each costing between Kshs.45,000 and Kshs.55,000. The eight (8) flower pots purchased were

natural with non-live plants for the visitors' lounge, living room, dining room, stair case and family room; and one decorative mirror costing Kshs.55,000 was yet to be supplied.

In the circumstances, the County Assembly has not got value for money.

4.6. Incomplete Procurement Plan

The procurement plan did not indicate planned delivery of items, implementation or completion dates for all works, goods and services, whether some procurements were to be procured within a single year or under a multi-year period or whether any items may be aggregated for procurement as a single package or for procurement through any applicable arrangement for common user items.

Further, the annual procurement plan was not prepared according to the format specified in the Third Schedule of Regulation 42 of the Public Procurement and Asset Disposal Regulations, 2020.

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

5. Legal Expenses

5.1. Unsupported Pending Legal Case

Former County Executive Committee Members in the County Government of Vihiga were impeached and they sort redress in court. A judgement was issued on 28 November, 2023 that their rights were infringed during the impeachment process and each one of them was awarded general damages of Kshs.1,800,000 and exemplary damages of Kshs.250,000 payable by the Assembly. However, the details of the judgement and appeal if any were not provided for audit review to confirm the details stated in the case. Additionally, the Assembly is yet to pay the money as per the judgement.

In the circumstances, the regularity of the legal expenditure could not be confirmed.

5.2. Irregular Legal Expenses

Review of documents revealed that the Assembly awarded a contract to a local firm for the proposed design and architectural works at the Assembly Headquarters and renovation of office block on 15 April, 2014. However, a dispute arose between the contractor and the client which was subjected to an arbitration and ruled by the High Court of Kenya. Later the case was taken to the Court of Appeal and the court ordered the Assembly to deposit a decretal sum of Kshs.31,653,818 in an interest earning joint account at any branch of Cooperative Bank of Kenya Ltd. During the year 2021/2022, the Assembly deposited Kshs.20,000,000 in the joint account.

However, the following inadequacies were noted:

- i. Management did not provide the contract agreement to confirm the contract sum for works done by the contractor;
- ii. Although the Assembly has paid the contractor Kshs.33,509,587 as at the time of audit as ordered by the court, there was no evidence of works done;
- iii. The court ordered that the decretal sum be deposited into a joint bank account. However, Management failed to provide minutes for opening the bank account together with bank statements up to 30 June, 2023 (except for the period March, 2021 to September, 2022) hence, transactions into and out of the bank account could not be verified;
- iv. The joint bank account at Cooperative Bank, Nairobi Business Centre Branch was in the name of a third party and not the Assembly; and
- v. The said bank account was an interest earning account. However, the details of interest earned and how it was accounted for was not provided for audit review.

In the circumstances, the propriety of the legal expenses could not be confirmed.

6.0 Long Outstanding Tax Arrears

Review of the list of pending bills provided for audit revealed that the Assembly owed Kenya Revenue Authority an amount of Kshs.8,594,234 as at 30 June, 2024 relating to PAYE and Withholding Tax arrears for the period July 2021 to June, 2022. This tax obligation has been outstanding for over two (2) years. An assessment demand notice indicated variances in taxes declared in PAYE and withholding taxes amounting to Kshs.10,495,195 resulting in penalties and interests amounting to Kshs.2,099,039. A debt payment agreement between KRA and the Assembly indicated that the tax liability was to be fully offset by 30 May, 2024. However, only Kshs.4,000,000 had been paid so far, resulting in outstanding tax arrears of Kshs.8,594,234.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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. Ineffective Internal Audit Function and Committee

Review of internal controls and governance structure of the Assembly revealed that the Internal Auditor did not issue any audit reports during the year under review, contrary to Regulation 159(1) of Public Finance Management (County Government) Regulations, 2015 which mandates the head of internal audit to assess his own effectiveness through internal performance appraisal and carry out annual review of the performance of the internal audit activity commenting on its effectiveness in the annual report to the County Treasury.

Additionally, it was noted that the Internal Audit Department has only two officers despite the fact that the staff establishment mandates four officers. Further, Audit Committee members were appointed in the month of June 2024, close to the end of financial year, therefore failing to meet the legal requirement of holding at least four meetings in the year ended 30 June, 2024.

Furthermore, analysis shows that there was an outgoing audit committee whose term ended in 23 September, 2023. However, the Committee held a meeting on November, 2023, forty days after their term had expired to approve the audit work plan for the 2023/2024 financial year, which may undermine the integrity of governance process given that the Audit Committee lacked the legal authority to represent the Assembly, which may render their decisions invalid.

In the circumstances, the effectiveness of the Internal Audit Function and Committee could not be confirmed.

2. Lack of a Risk Register

The County Assembly does not have a risk register in place. As a result, risks that could hinder the delivery of its objectives have not been identified and mitigated accordingly.

In the circumstances the operations of the County Assembly are being run without risk consciousness.

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

Responsibilities of the Management and 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, Management is responsible for assessing the County Assembly's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

Those charged with governance are responsible for overseeing the Assembly'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

23 December, 2024

Count Government of Vihiga
Vihiga County Assembly
Annual Report and Financial Statements For the year ended 30th June 2024

9. Statement of Receipts and Payments for The Year Ended 30th June 2024

	Note	2023-2024	2022-2023
		KShs	KShs
Receipts			
Transfers from the CRF	1	677,409,009	620,381,221
Miscellaneous receipts	2		20,336,539
Total receipts		677,409,009	640,717,760
Payments			
Compensation of employees	3	332,045,830	348,393,601
Use of goods and services	4	295,375,246	242,773,913
Transfers to other government entities	5	18,659	17,187,955
Social security benefits	6	23,383,159	17,646,638
Acquisition of assets	7	21,316,001	17,143,742
Finance costs	8	425,651	38,310
Total payments		672,564,546	(643,184,159)
Surplus/deficit		4,844,463	(2,466,399)

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30.08. 2024 and signed by:

.....
Name: Joab Ambaka Kilinga
Clerk of the Assembly

.....
Name: Miyinzi Oscar Jagona
Chief Finance Officer – County Assembly
ICPAK Member Number:24443

*Count Government of Vihiga
Vihiga County Assembly
Annual Report and Financial Statements For the year ended 30th June 2024*

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

Financial assets	Note	2023-2024	2022-2023
		KShs	KShs
Cash and cash equivalents			
Bank balances	9A	145,515	400,789
Cash balances	9B	-	-
Total cash and cash equivalents		145,515	400,789
Imprests and Advances	10	5,489,399	389,664
Total financial assets		5,634,914	790,451
Represented by			
Fund balance b/fwd	11	790,451	3,170,937
Prior Year Adjustment	12.		103,911
Surplus/(deficit) for the year		4,844,463	(2,466,399)
Net Financial Position		5,634,914	790,451

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30.08 2024 and signed by:

..........

Name: Joab Ambaka Kilinga
Clerk of the Assembly

..........

Name: Miynzi Oscar Jagona
Chief Finance Officer – County Assembly
ICPAK Member Number: 24443

Count Government of Vihiga
Vihiga County Assembly
Annual Report and Financial Statements For the year ended 30th June 2024

11. Statement of Cash Flows for The Period Ended 30th June 2024

2023			
		2024	2023
Cash flows from operating activities			
Receipts from operating income			
Transfers from the CRF	1	677,409,009	620,381,222
Miscellaneous receipts	2		20,336,539
Total receipts from operating income		677,409,009	640,717,761
Payments for operating expenses			
Compensation of employees	3	(332,045,830)	(348,393,601)
Use of goods and services	4	(295,375,246)	(242,773,913)
Transfers to other government entities	5	(18,659)	(17,187,955)
Social security benefits	6	(23,383,159)	(17,664,638)
Finance costs	8	(425,651)	(38,310)
Total payments for operating expenses		(651,248,545)	(626,058,417)
Net receipts/(payments) from operating activities		26,160,464	14,659,344
Adjusted for:			
Prior year adjustment	12		103,911
Decrease/(increase) in accounts receivable:	13	(5,099,735)	2,452,436
Net cash flows from operating activities		21,060,729	17,215,691
Cashflow from investing activities			
Acquisition of assets	7	(21,316,001)	(17,143,742)
Net cash flows from investing activities		21,316,001	(17,143,742)
Net increase in cash and cash equivalents			
		(255,272)	71,949
Cash & cash equivalent at Start of the year		400,786	328,837
Cash & cash equivalent at end of the year		145,514	400,786

Count Government of Vihiga
Vihiga County Assembly
Annual Report and Financial Statements For the year ended 30th June 2024

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30.08. 2024 and signed by:


.....

Name: Joab Ambaka Kilinga
Clerk of the Assembly


.....

Name: Miyinzi Oscar Jagona
Chief Finance Officer – County Assembly
ICPAK Member Number: 24443

12. Statement Of Comparison of Budget & Actual Amounts: Recurrent and Development for year ended 30th June 2024

Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	B	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Transfers from the CRF	714,071,318	21,747,581	735,818,899	677,409,009	58,409,890	92%
Other receipts						
Total	714,071,318	21,747,581	735,818,899	677,409,009	58,409,890	92%
Payments						
Compensation of employees	319,205,248	16,994,376	336,199,624	332,045,830	4,153,794	98%
Use of goods and services	328,266,070	10,280,803	338,546,873	295,375,246	43,171,627	87%
Social security benefits	19,000,000	4,678,354	23,678,354	23,383,159	295,195	98.7%
Acquisition of assets	47,500,000	(11,005,952)	36,494,048	21,316,001	15,178,047	71%
Transfers to other Govt Entities				18,659	(18,659)	
Finance costs	100,000	800,000	900,000	425,651	474,349	47%
Total	714,071,318	21,747,581	735,818,899	672,564,546	63,254,353	
Surplus/ deficit	0			4,844,463		

(a) There was a 71% utilization on Acquisition of Assets due to late disbursements of funds. The items had already been procured and the assembly will budgeted during the first supplementary

(b) Finance cost was utilized at 47% due to difficulties in accessing salary overdraft from partner banks

(c) There was 88 utilization on use of goods and services due to late disbursement of funds. The same will be budgeted during the supplementary budget

The changes in the original budget and the final budget is due to reallocations within the budget and introduction of unspent balances for the financial year 2023

The entity financial statements were approved on 30.08. 2024 and signed by:



.....
Name: Joab Ambaka Kilinga
Clerk of the Assembly



.....
Name: Miyinzi Oscar Jagona
Chief Finance Officer – County Assembly
ICPAK Member Number: 24443

12A Statement of Comparison of Budget & Actual Amounts: Recurrent for the year ended 30th June 2024

Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	B	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Transfers from the CRF	698,771,318	21,747,581	720,518,899	674,252,301	43,109,890	94%
Other receipts	-	-	-	-	-	-
Total	698,771,318	21,747,581	720,518,899	674,252,301	43,109,890	94%
Payments						
Compensation of employees	319,205,248	16,994,376	336,199,624	332,045,830	4,153,794	98.8%
Use of goods and services	328,266,070	10,280,803	338,546,446	295,375,246	43,171,200	87%
Transfers to other government entities		-		18,659	(18,659)	(100%)
Social security benefits	19,000,000	4,678,354	23,678,354	23,383,159	295,195	99%
Acquisition of assets	32,200,000	(11,005,952)	21,194,048	18,159,293	121,953	100%
Finance costs	100,000	800,000	900,000	425,651	474,349	48%
Total	698,771,318	21,747,581	720,518,899	669,407,838	47,954,353	-
Surplus/ deficit	-	-	-	4,844,463	-	-

(a) There was underutilization for use of goods and acquisition of assets due to no late disbursements of funds from the treasury

(b) The reallocations were done between the votes

The entity financial statements were approved on 30.08.2024 and signed by:

.....

Name: Joab Ambaka Kilinga
Clerk of the Assembly

.....

Name: Miyinzi Oscar Jagona
Chief Finance Office – County Assembly
ICPAK Member Number: 24443


County Government of Vihiga
Vihiga County Assembly -
Annual Report and Financial Statements For the year ended 30th June 2024

12B Statement Of Comparison of Budget & Actual Amounts: Development for the year ended 30th June 2024

Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts						
Transfers from the CRF	15,300,000	-	15,300,000	3,156,708	12,143,292	20.6%
Proceeds from sale of assets	-	-	-	-	-	-
Total	15,300,000	-	15,300,000	3,156,708	12,143,292	20.6%
Payments						
Transfers to other government entities	-	-	-	-	-	-
Acquisition of assets	15,300,000	-	15,300,000	3,156,708	12,143,292	20.6%
Total	15,300,000	-	15,300,000	3,156,708	12,143,292	-
Surplus/ deficit	-	-	-	-	-	-

There was undeutilisation on acquisition of assets due to non-disbursement of funds for the projects undertaken

The entity financial statements were approved on 30.08.2024 and signed by:

.....


Name: Joab Ambaka Kilinga
Clerk of the Assembly

.....


Name: Miyinzi Oscar jagona
Chief Finance Office – County Assembly
ICPAK Member Number: 24443

13. Budget Execution by Programmes and Sub-Programmes

Programme/Sub-Programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	% Budget utilization
	2024	2024	2024	2024	2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Programme 1	-	-	-	-	-
Administrative Services	468,105,512	21,747,581	489,853,093	452,564,546	92%
Programme 2	-	-	-	-	-
Legislation, Oversight and Representation	245,965,806	-	245,965,806	220,000,000	81%
Total	714,071,318	21,747,581	735,818,899	672,564,546	-

14. Significant Accounting Policies

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

1. 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 third party deposits and retentions. The statement of assets and liabilities, although not a requirement of the IPSAS Cash Standard, has been included to disclose information on some classes of receivables and payables as outlined above.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the entity 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.

2. Reporting entity

The financial statements are for the *vihiga* County Assembly. The financial statements encompass the reporting entity as specified in section 164 of PFM Act 2012.

3. Recognition of receipts and payments

a) Recognition of receipts

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

Significant Accounting Policies (Continued)

i) Transfers from the Exchequer/ County Treasury

Transfer from the Exchequer 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 notified to the receiving entity.

ii) Other Receipts

Other receipts relate to receipts such as tender fees among others. These are recognised in the financial statements when the associated cash is received.

b) Recognition of payments

The entity recognises all expenses when the event occurs, and the related cash has actually been paid out by the entity.

i) Compensation of employees

Salaries and Wages, Allowances, Statutory Contribution 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) 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.

4. In-kind contributions

In-kind contributions are donations that are made to the *entity* 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 *entity* 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.

5. Third Party Payments

This relates to payments done directly to supplier on behalf of the county governments 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 government is detailed in the notes to this financial statement.

6. 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.

7. 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 30th June 2024 this amounted to Kshs 0 compared to Kshs 0 in prior period as indicated on note . *There were no other restrictions on cash during the year.*

8. 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.

9. 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.

10. 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 entity fixed asset register a summary of which is provided as a memorandum to these financial statements.

11. 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 *entity* at the end of the year. Pending bill 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.

12. 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 Entity 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. Annex 6 of this financial statement is a register of the contingent liabilities in the year.

13. Contingent Assets

The Entity 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 Entity 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.

14. 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 28th June 2023 for the period 1st July 2023 to 30 June 2024 as required by law. There was 2 number of supplementary budgets passed in the year. A high-level assessment of the County Assembly actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

15. Comparative figures

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

16. Subsequent events

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

17. Prior Period Adjustment

During the year, errors that have been corrected are disclosed *under note 26* explaining the nature and amounts.

18. 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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15. Notes to the Financial Statements

1. Transfer From CRF

	2023-2024	2022-2023
	Kshs	Kshs
Transfers from the county treasury for Q1	112,355,269	56,618,736
Transfers from the county treasury for Q2	220,530,586	174,217,774
Transfers from the county treasury for Q3	131,317,185	101,158,435
Transfers from the county treasury for Q4	213,205,969	292,386,276
Cumulative amount	677,409,009	620,381,221

2. Miscellaneous Receipts

	2023-2024	2022-2023
	Kshs	Kshs
Reciepts		20,336,539
Total		20,336,539

**(Give a brief description of other receipts including write backs and recoveries where applicable)*

3. Compensation Of Employees

	2023-2024	2022-2023
	Kshs	Kshs
Basic salaries of permanent employees	92,493,709	88,838,161
Basic salaries Mcas	44,475,586	41,088,603
Basic Salary- ward staff	35,404,710	25,086,125
Personal allowances paid as salary	133,762,849	176,699,084
Personal allowances paid as reimbursements	6,636,000	
Pension And other Social Security contributions	16,595,296	16,501,628
Contribution to Compulsory national social schemes	2,677,680	180,000
Total	332,045,830	348,393,601

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Notes to the Financial Statements

4. Use of Goods and Services

	2023-2024	2022-2023
	Kshs	Kshs
Utilities, supplies and services	468,294	250,908
Communication, supplies and services	224,350	118,792
Domestic travel and subsistence	99,269,794	104,474,047
Foreign travel and subsistence		
Printing, advertising and information supplies & services	2,694,855	1,536,525
Rentals of produced assets	2,835,650	3,343,500
Training expenses	3,836,114	6,749,610
Hospitality supplies and services	17,131,807	23,372,809
Insurance costs	29,505,445	29,874,366
Specialized materials and services	4,853,020	801,000
Office and general supplies and services	3,705,275	6,144,078
Fuel, oil and lubricants	2,476,048	1,747,836
Other operating expenses	107,320,569	57,406,291
Routine maintenance – vehicles and other transport equipment	1,119,621	1,639,675
Routine maintenance – other assets	9,934,404	5,314,475
Total	295,375,246	242,773,913

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Notes to the Financial Statements (Continued)

5. Transfers to Other Government Entities

Description	2023-2023 Kshs	2022-2023 Kshs
Car Loan Scheme Fund		
Vihiga County Treasury	18,659	17,187,955
Total	18,659	17,187,955

6. Social Security Benefits

Government Pension and Retirement Benefits	2023-2024	2022-2023
Gratuity Mcas	13,946,488	11,455,762
Gratuity Ward Staff	9,436,671	6,208,876
Total	23,383,159	17,664,638

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Notes to the Financial Statements (Continued)

7. Acquisition of Assets

	2023-2024		2022-2023	
	Kshs		Kshs	
Construction of buildings				
Refurbishment of buildings				
Construction and civil works	3,156,708		14,474,337	
Purchase of vehicles and other transport equipment	8,029,892			
Purchase of household furniture and institutional equipment	9,347,400		10,000	
Purchase of ICT equipment	782,000		2,659,405	
Total acquisition of non- financial assets	21,316,001		17,143,742	

8. Finance Costs

	2023-2024		2022-2023	
	Kshs		Kshs	
Interest on domestic borrowings (non-govt)	425,651		0	
Bank Charges			38,310	
Total	425,651		38,310	

The

9. Cash and Bank Balances

9A. Bank Balances

Name Of Bank Account Name & Currency	Account Number	Type of Acc. (Cur. Dep. etc)	2023-2024		2022-2023	
			Kshs		Kshs	
<i>Co-operative Bank Kenya Shillings</i>	01141471295100	Recurrent	24,267		2190	
<i>Co-operative bank Kenya shillings</i>	01141246327100	Recurrent	103,913		103,913	

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Kenya Commercial Bank- Kenya shillings	1240161565	Reccurent	11,260	223
Central Bank of Kenya	1000195355	Reccurent	6075	
Central Bank of Kenya	1000195347	Development		294,463
Total			145,515	400,789

9B. Cash in Hand

	2023-2023	2021-2022
	Kshs	Kshs
Cash In Hand – Held In Domestic Currency	0	0
Total	0	0

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Notes To The Financial Statements (Continued)

10. Imprests and Advances

<i>Description</i>	<i>2023-2024</i>	<i>2022-2023</i>
	<i>Kshs</i>	<i>Kshs</i>
Government Imprests	5,489,399	180,041
Salary Advance		209,623
Total	5,489,399	389,664

<i>Breakdown Of Imprest And Salary Advances</i>	<i>2023-2024</i>	<i>2022-2023</i>
<i>Department</i>	<i>Kshs</i>	<i>Kshs</i>
Imprests		
Finance and Accounting		0
Human Resource And Administration	5,189,399	60,040
Clerks Department	300,000	120,000
Hansard Department		0
Sub-Total	5,489,399	180,040
Salary Advance		
Clerks Department		209,623
Sub-Total		209,623
Grand Total	5,489,399	389,664

**See Annex 5 for a detailed analysis of the outstanding imprests.*

11. Fund Balance Brought Forward

<i>Description</i>	<i>2023-2024</i>	<i>2022-2023</i>
	<i>Kshs</i>	<i>Kshs</i>
Bank Accounts		400,786
Cash In Hand		
Imprests and advances		389,663
Third party deposits and retentions		
Total		740,449

12. Prior Year Adjustments

Description Of The Error	Balance As Reported In The Original Financial Statements Kshs	Adjustments Being Made In This Year Relating To Prior Periods Kshs	Adjusted Balance W/ For 2022-2023 Kshs
Bank Account Balances	296,878	103,911	400,789
	296,878	103,911	400,789

The adjustment relates to understatement of bank account balances for 2022-2023

13. Changes in Imprests and Advances

Description	2023-2024 Kshs	2022-2023 Kshs
Opening Imprests and Advances As At 1 st July 2023	389,663	2,842,100
Closing Imprests and Advances As At 30 th June 2024	5,489,399	389,663
Change In Imprests and Advances	5,099,736	2,452,437

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Other Disclosures

1. Pending Accounts Payable (See Annex 1)

Description	Balance b/f 2023-2024 KShs	Additions for the year KShs	Paid during the year KShs	Balance c/f 2023-2024 KShs
Construction Of Buildings	0	3,393,000		3,393,000
Sinking of Boreholes	-	6,771,000	-	6,771,000
Construction Of Civil Works	0		3,156,708	3,156,708
Supply Of Goods	0			
Supply Of Services	0			
Total		6,771,000	3,156,708	

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2. Other Pending Payables (See Annex 3)

Description	Balance at 1 st July 2023	Additions for the year	Paid during the year	Balance at 30 th June 2024
	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government entities				
Amounts due to County Government entities	72,918,984	-	72,918,984	-
Amounts due to third parties				
Total	72,918,981		72,918,984	

3. 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 Assembly:

- i) Members of County Assembly.
- ii) Key management personnel that include the Clerk of the Assembly and heads of departments.
- iii) The County Executive.
- iv) County Ministries and Departments.
- v) Other County Government entities including corporations, funds and boards.
- vi) The National Government.
- vii) Other County Governments; and
- viii) State Corporations and Semi-Autonomous Government Agencies.

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Related party transactions:

	2023-2024	2022-2023
	Kshs	Kshs
Compensation to Key Management		
Compensation to the Speaker, Deputy Speaker and the MCAs	130,761,641	123,812,905
Key Management Compensation (Clerk and Heads of departments)	16,922,620	30,252,784
Total Compensation to Key Management	147,684,261	154,065,689
<u>Transfers to related parties</u>		
Transfers to other County Government Entities such as car and mortgage schemes		
Transfers to other entities under the county	18,659	17,187,084
Total Transfers to related parties	18,659	17,187,084
<u>Transfers from related parties</u>		
Transfers from the CRF	721,440,175	620,381,222
Total Transfers from related parties	721,440,175	620,381,222

4. Contingent Liabilities

	2023-2024	2022-2023
	Kshs	Kshs
Court case 155 of 2020 against the entity	-	2,797,249.73
Constitutional petition no. E.006 OF 2021 – The Entity Vs Dr, Amos Kutwa and 5others	8,200,000	
Total	8,200,000	2,797,249.73

(Give details- Update ANNEX 8 Contingent liabilities register)

5. Progress On Follow 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. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue/ Observations from Auditor	Management Comments	Status (Resolved/ Not Resolved)	Timeframe (Put a date when you expect the issue to be resolved)
1.	Un- supported Compensation of Employees	These is due to configuration of the IPPD programme. Mcas allowances are classified as arrears .	Not resolved	After meeting with PAIC
2.	Unsupported domestic travel allowance	The items were well captured through the journal vouchers provided to OAG	Not resolved	After meeting with PAIC
3.	Excessive Payment of Daily Subsistance Allowance	The officers were doing their official duties that warranted them to be out of station. These are activities that could not be carried out at the duty station. For example official invites to the speaker by senate, CAF, and others. This was within budgetary allocation	Not resolved	After meeting with PAIC
4.	Un- supported Insurance costs	Insurance policies from the underwriters availed	Resolved	30.09.2024

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Reference No. on the external audit Report	Issue/ Observations from Auditor	Management Comments	Status Resolved/Not Resolved	Timeframe (Put a date when you expect the issue to be resolved)
5.	Un-supported transfers to other government entities	Confirmation from county treasury of the receipts	Not resolved	30.09.2024
6	Un-supported Cash and Bank Balances	We did not have any cash on hand to warrant a board of survey. Bank certificates and statements were availed	Not resolved	30.12.2024
7.	Un-supported imprests and salary advances	Salary advances recovered and imprests not supported to be supported	Resolved	30.06.2024
8	Un-supported contingent liabilities	Documents not submitted since they were with EACC	Not resolved	30.12.2024
9	Pending Payables	Longstanding payable to car loan and mortgage was settled	resolved	30.06.2024
10	Unresolved prior year matters	Several issues remain unresolved since they emanated from courts processes which the management has exhausted all the appeal mechanisms	Not resolved	

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report;

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- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.



.....
Clerk of the County Assembly

Date: 30.08.2024

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16. Annexes

Annex 1 – Analysis Of Pending Accounts Payable

Supplier Name or Services	Date Invoiced/Contract	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance
			a	b	C	d=a+b-c	
Construction Of Buildings& Boreholes							
1. Pekals Ltd	12/06/2024	Construction of speakers residence	38,681,686	3,393,000	-	-	3,393,000
2. Serve Academy	18/06/2024	Boreholes at speakers&assembly hqs	6,771,000	-	6,771,000		6,771,000
3.							
Sub-Total							
Construction Of Civil Works							
4. Pekals Ltd			19,786,352	886,170	-		886,170
Sub-Total							
Supply Of Goods							
5. CFAO Motors Kenya LTD	24/04/2024	Supply of Motor Vihecle	9,733,773	-	9,733,773	8,029,892	1,703,880
Sub-Total							
Supply Of Services							
6. Kenya revenue Authority			0	0	12,594,234	6,000,000	6,594,234

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Supplier of Goods or Services	Date Invoiced/Contracted	Particulars	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance
Vihiga county assembly Mcas and staff	30/06/2024	Daily subsistence	-	-	17,949,226	-	17,949,226
County assemblies Forum	01/07/2023	CAF subscription fee	5,000,000		-	-	5,000,000
SOCCATT	04/07/2022	Subscription fee	750,000		-	350,000	400,000
							42,697,510

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Annex 4 – Summary of Non-Current Asset Register

Asset class	Balance at the beginning of the year (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Impairment/(out) during the year (Kshs)	Historical Cost e/f (Kshs)
Land	10,400,000	-	-	-	10,400,000
Buildings and structures	105,116,718				105,116,718
Transport equipment	23,943,000	8,029,892			31,972,892
Office equipment, furniture and fittings	22,801,015	9,347,400			32,148,415
ICT equipment	23,722,817	782,000			24,504,817
Machinery and equipment	3,432,360				3,432,360
Construction and Civil works	-	3,156,708			3,156,708
Infrastructure assets					
Heritage and cultural assets					
Intangible assets					
Work in progress					
Total	189,415,910	21,316,000			210,731,910

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Annex 5 – Analysis Of Accounts Receivables

(a) Government Imprest

Name Of Officer Or Institution	Date Imprest Taken	Amount Taken KShs	Amount Surrendered KShs	Balance KShs
Albert Mugata	08/12/2023	150,000		150,000
Bonface Shanga	08/12/2023	150,000		150,000
Caroline Angote	08/12/2023	150,000		150,000
David Mwash	08/12/2023	150,000		150,000
Dominic Baraka	08/12/2023	150,000		150,000
Eric Odei	13/10/2023	55,400		55,400
Erick Odei	08/12/2023	150,000		150,000
Fankline Muhindi	13/10/2023	47,000		47,000
Frankline Muhind	18/08/2023	150,000		150,000
Frankline Muhindi	8/12/2023	150,000		150,000
Getrude Lumire	8/12/2023	150,000		150,000
Hellam Esipira	8/12/2023	150,000		150,000
Hellen Mwanika	8/12/2024	150,000		150,000
Jacob Odera	8/12/2024	150,000		150,000
Joyce Mayodi	8/12/2024	150,000		150,000
Manoah Mboku	8/12/2024	47,000		47,000
Micheal Okoba	16/08/2024	47,000		47,000
Micheal okoba	18/08/2023	150,000		150,000
Micheal okoba	18/12/2023	150,000		150,000
Mishel Stika	16/08/2023	47,000		47,000
Mishel Stika	18/12/2024	150,000		150,000
Patrick Akhwale	13/10/2023	47,000		47,000
Patrick Akhwale	8/12/2024	150,000		150,000
Patrick Akhwale	18/08/2023	150,000		150,000
Patrick Kigumba	18/08/2023	150,000		150,000
Patrick Kigumba	8/12/2023	150,000		150,000

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Paul Tirrah	8/12/2023	150,000		150,000
Paul Tirrah	8/12/2023	47,000		150,000
Pauline Amwata	8/12/2023	150,000		150,000
Richard Muhiga	8/12/2023	47,000		47,000
Ritah Atieno	16/08/2023	47,000		47,000
Ritah Atieno	18/08/2027	150,000		150,000
Venna Kaisha	12/08/2023	150,000		150,000
Wimsy Osore	8/12/2023	150,000		150,000
Benson Inganji	18/08/2023	95,600		95,000
Elvis Sichenga	15/12/2023	30,000		30,000
Elvis Sichenga	13/06/2023	50,000		50,000
Iris Anyiso	12/09/2023	45,000		45,000
James Nemali	8/12/2024	150,000		150,000
Josephine Evelia	8/12/2024	150,000		150,000
Juliet Asila	14/02/2024	50,599		50,599
Juliet Asila	4/02/2024	6,000		6,000
Maxwell Didi	18/08/2024	118,000		118,000
Maxwell Didi	18/12/2023	45,000		45,000
Micheal Oloo	18/12/2023	35,600		35,600
Arthur Ngeresa	18/12/2023	36,600		36,600
Noeline Khasiala	15/12/2024	239,600		239,600
Oliver Okoba	18/8/2023	95,600		95,600
Oliver Okoba	18/12/2023	36,600		36,000
Peris Odari	08/12/2023	150,000		150,000
Micheal Oloo	3/07/2023	87,200		87,200
Syamba Raychelle	13/10/2023	36,600		36,600
Total		5,489,399		5,489,399

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Annex 8: Contingent Liabilities Register

	Nature of contingent liability	Payable to	Currency	Estimated Amount Kshs	Expected date of payment	Remarks
1.	Court award	Dr. Amos Kutwa	KSHS	2,050,000	6 TH MAY 2024	
2.	Court Award	Pamela Mbagaya Kimwele	KSHS	2,050,000	6 th MAY 2024	
3.	Court Award	Eng. Elvuna Keseko	KSHS	2,050,000	6 th MAY 2024	
4.	Court Award	Jiseve Mbuni	KSHS	2,050,000	6 th may 2024	
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						

