

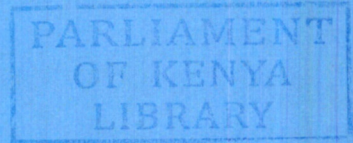
REPUBLIC OF KENYA



*Enhancing Accountability*

	PAPERS LAID
DATE	31/5/2023
TABLED BY	Majority Leader
COMMITTEE	—
CLERK AT THE TABLE	Chania.

**REPORT**



**OF**

**THE AUDITOR-GENERAL**

**ON**

**COUNTY EXECUTIVE OF  
KISUMU**

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



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**KISUMU COUNTY EXECUTIVE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2022**

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**KISUMU COUNTY EXECUTIVE  
Reports and Financial Statements  
For the year ended June 30, 2022**

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**KISUMU COUNTY EXECUTIVE**  
**Reports and Financial Statements**  
**For the year ended June 30, 2022**

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**1. Key Entity Information And Management**

**a) Background information**

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

**b) Key Management**

The Kisumu *County Executive's* day-to-day management is under the following key organs:

Office of the Governor

Department of Finance and Economic Planning
Department of Agriculture & Irrigation
Department of Livestock & Fisheries
Department of Environment and Climate change
Department of Water & Sewerage Service
Department of Business, Enterprise and Development
Department of General Administration & Public Partnership
Department of Health & Sanitation
Department of Education, IT and HRM
Department of Youth, Culture and Social Services
Department of Lands, Housing and Physical Planning
Department of Department of Transport and Infrastructure
Department of Commerce, Tourism & Heritage
Department of Energy and Industrialisation
Co-operative and Marketing
City of Kisumu
County Public Service Board

1.

**c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	H.E The Governor	H.E. Prof Peter Anyang' Nyong'o
2.	H.E Deputy Governor	Dr. Mathew Owili

No.	Designation	Name
3.	CECM Education, ICT & HRD	Dr. John Awiti
4.	CECM Health and Sanitation	Prof. Boaz Nyunya
5.	CECM Commerce Tourism and Heritage	Ms. Achie Ojany Alai
6.	CECM Roads Transport and Public Works	Dr Joyce Atieno Osogo
7.	CECM Industrialization, Energy and Enterprise Development	Mr Dickson Obungu
8.	CECM Lands, Housing and physical planning	Mr.Dickson Obungu
9..	CECM Finance and Economic Planning	Mr. George Okongo
10.	CECM Agriculture, Livestock and Fisheries	Mr. Gilchrist Owuor Okuom
11.	CECM Water, Environment and Natural Resources	Mr. Salmon Orimba

**d) Fiduciary Oversight Arrangements**

• ***Audit and finance committee activities***

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

• ***Parliamentary committee activities***

• ***County Assembly***

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

• ***Development partner oversight activities***

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

The County Treasury is mandated to prepare annual report on all the County Departments and submit the same to the County Assembly not later than three months after the end of each year in accordance with sec. 166(4) of the Public Finance Management Act, 2012. It is upon this backdrop that I forward the executive annual report for the year ended 30<sup>th</sup> June, 2022. The same report has been sent to the relevant statutory bodies as provided for in the PFM Act.

The report presents budget execution status covering the period 1<sup>st</sup> July, 2021 to 30<sup>th</sup> June, 2022, with comparative actual achievements and budgeted amounts for the previous year 2020/2021. It contains the revenue performance; both locally generated and an equitable share from the national revenue, grants to level 5 hospitals, User Fees, Maternity Fees, Road Maintenance Levy and donor funds and other development partners contributions for the year 2021/2022. Also included in the report are the annual budgeted revenues and expenditures for 2021/2022.

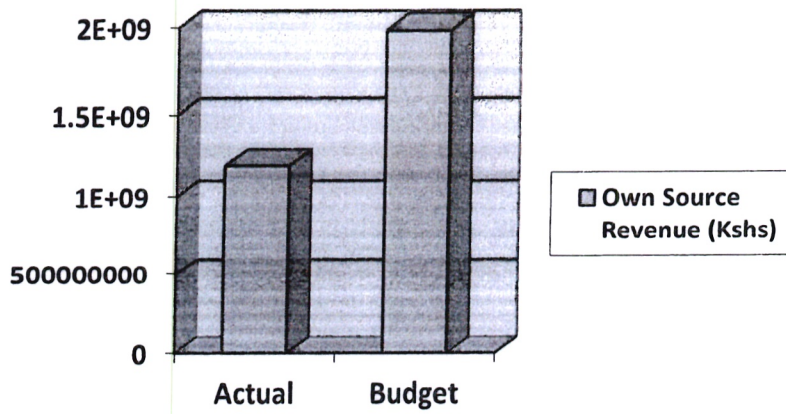
A detailed analysis of the revenue heads and their major classifications together with a detailed analysis of the payments has been included for better understanding of the figures contained herein.

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

During the year ended 30<sup>th</sup> June, 2022, the County received funding from the National government to the tune of Kshs,7,658,076,861 against final revised budget of Ksh.8,795,771,973.00

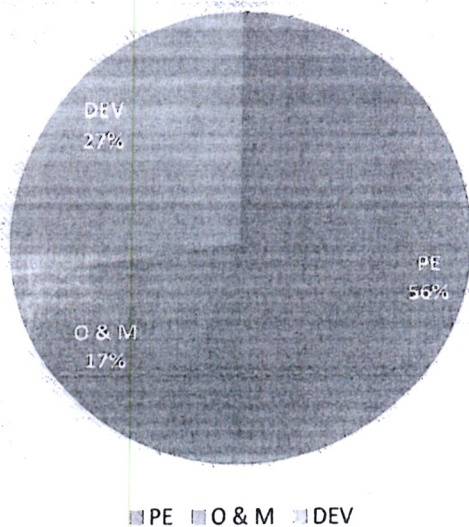
### **Chart 2. An analysis of own source Revenue-actual Vs Budgeted**

In addition, Kisumu County managed to collect Kshs.1,199,145,037 as own source revenue against a projection of Kshs.1,984,000,003



**Chart 3: An analysis of actual expenditure**

During the financial year the County Government of Kisumu spent a total of Kshs. 8,945,512,305 broken down into Kshs. 4,545,113,972 for Personnel Emoluments, Kshs. 1,373,472,273 for Operations & Maintenance and Kshs.2,174,179,382 for Development with an amount of Kshs. 852,746,679 transferred to the County Assembly.



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**Chart 4. Actual quarterly disbursements**

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

**Exchequer Issues For The Fy 2021/2022(Actual Credits)**

Descriptions	Quarter 1	Quarter 2	Quarter 3	Quarter4	Total
<b>Equitable share CRF</b>	1,324,312,974.00	2,006,534,809.00	1,324,312,974.00	2,728,887,341.00	<b>7,384,048,098.00</b>
DANIDA	0.00	0.00	0.00	7,573,500.00	<b>7,573,500.00</b>
World Bank-Kenya Devolution Support Programme(KDSP)		0.00	0.00	0.00	<b>0.00</b>
Conditional Allocations-Development of Youth Polytechnics	0.00	0.00	0.00	0.00	<b>0.00</b>
World Bank Grant for THS	0.00	0.00	0.00	51,445,866.45	<b>51,445,866.45</b>
WORLD BANK Grant for Devolution advice	0.00	0.00	0.00	0.00	<b>0.00</b>
Level 5 conditional Grant	0.00	0.00	0.00	0.00	<b>0.00</b>
Conditional allocations compensation for user fees foregone	0.00	0.00	0.00	0.00	<b>0.00</b>
Conditional allocations for leasing of medical equipment	0.00	0.00	0.00	0.00	<b>0.00</b>
Conditional allocations for RMLF	0.00	0.00	0.00	0.00	<b>0.00</b>
EU Grant for instruments for devolution advice (IDEAS)	31,676,176.00		0.00	0.00	<b>31,676,176.00</b>
IDA (World Bank) Climate Smart Agri Project (KCSAP)	0.00	0.00	0.00	160,534,810.30	<b>160,534,810.30</b>
IDA (World Bank) Kusp (UDG)	0.00	0.00	0.00	0.00	<b>0.00</b>
IDA (World Bank) Kusp ( urban Institutional Grant)	0.00	0.00	0.00	0.00	<b>0.00</b>
UHC Funds	0.00	0.00	0.00	0.00	<b>0.00</b>
Sweden ASDSP	0.00		0.00	22,798,410.00	<b>22,798,410.00</b>
EU Water tower protection and Climate change mitigation(SEA)	0.00	0.00	0.00		<b>0.00</b>
UNICEF					<b>0.00</b>
COVID-19 FUND	0.00	0.00	0.00	0.00	<b>0.00</b>
World Bank-Kenya Informal Settlement Improvement Project(K	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>Total share of National Revenue</b>	<b>1,355,989,150.00</b>	<b>2,006,534,809.00</b>	<b>1,324,312,974.00</b>	<b>2,971,239,927.75</b>	<b>7,658,076,860.75</b>

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

**Sign:**

  
**George Omondi Okong'o**

**CECM Finance and Economic Planning**

**COUNTY GOVERNMENT OF KISUMU**

### **3. Statement of Performance against County Predetermined Objectives**

#### **Introduction**

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

#### **Strategic development objectives**

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

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

The key development objectives of the Kisumu County's 2018-2022 CIDP are :

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

Below we present the progress made in attaining the objectives of the CIDP (2018-2022) for Kisumu County.

<i>Ref</i>	<i>Objective as per CIDP</i>	<i>Performance/Progress made up since 2018 up to date</i>	<i>Remarks (Explain the reasons underperformance/Overperformance)</i>
1.	Provide quality physical infrastructure in the County.		
2.			
3.			

**Progress on Attainment of Development Objectives from Annual Development Plan**

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

**1. GOVERNANCE AND ADMINISTRATION**

<b>MAIN OBJECTIVE</b>	<b>SPECIFIC OBJECTIVES AS PER CIDP</b>	<b>OUTCOME</b>	<b>INDICATOR</b>	<b>PERFORMANCE</b>
<i>To provide strategic leadership, policy direction and set the agenda for achieving socio-economic and political development in Kisumu County.</i>	<i>Supervision of Government programs and projects</i>	<ul style="list-style-type: none"> <li>▪ <i>Effective supervision of Government programs and projects.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Improved service delivery and timely completion of projects.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Departmental projects supervised.</i></li> <li>▪ <i>Service delivery in key government programs supervised.</i></li> </ul>
	<i>Coordination of Government programs and projects</i>	<ul style="list-style-type: none"> <li>▪ <i>Consultative coordination of Government</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Improved and functional execution of</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Seamless and coordinated government programs</i></li> </ul>

**KISUMU COUNTY EXECUTIVE**

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

		<i>t programs and projects.</i>	<i>Governme nt programs and projects.</i>	
	<i>Management of Government programs and projects</i>	<ul style="list-style-type: none"> <li>▪ <i>Ensure prudent and result oriented management</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Timely and efficient service delivery.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Full implementation of Government programs and projects.</i></li> </ul>

<b>Program/Sub-Program</b>	<b>Delivery Unit</b>		<b>Key Performance Indicators</b>	<b>Targets</b>	<b>Actuals</b>	<b>Comments</b>
				2021/2022		
<b>P001 GENERAL ADMINISTRATION AND PLANNING</b>	<i>Governance and Administration</i>	<i>Effective &amp; Efficient service delivery - to clients at various service delivery points. Communication of government Policies and Legislation through monthly/quarterly reports and Executive circulars. Quality program implementation</i>	<i>No. of public awareness forums.</i>	<i>3 Public forum per sub county. –</i>	<i>3 public forum per sub-county</i>	<i>Done as per the plan</i>
			<i>No. of County policy Documents developed and approved.</i>	<i>3 Policy documents approved –</i>	<i>None</i>	<i>The budget was inadequate.</i>
			<i>No. of quarterly/monthly meetings held - Quarterly reports</i>	<i>4 Quarterly progress reports produced.</i>	<i>4 quarterly reports produced</i>	<i>Done as planned.</i>

		<i>n and coordination Effective leadership and governance Enforcement of Government policies in the field</i>	<i>sent out Executive</i>			
			<i>Circulars sent out - Cabinet Memos</i>		<i>None</i>	<i>There was no cabinet memo drafted.</i>

**KISUMU COUNTY EXECUTIVE**

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

**2. CITY OF KISUMU**

<b>Department</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
<b>City of Kisumu</b>	<i>To Construct and rehabilitate markets</i>	<i>Increased and improved trading spaces</i>	<i>No of Market Rehabilitated</i>	<i>New markets constructed</i>
	<i>To develop intergrated data of all Traders</i>	<i>Efficiency in planning and improvement of Markets especially social amenties</i>	<i>No of Traders in every market</i>	<i>Effective future planning</i>
	<i>To increase designated parking slots</i>	<i>Reduction of congestion within CBD</i>	<i>No of Parking slots designated</i>	<i>Increased parking slots</i>
	<i>To construct and maintain Drainages</i>	<i>Reduction of floodings</i>	<i>Length of Drainage constructed and maintained</i>	<i>Reduced floodings</i>
	<i>To construct 3 satellite bus parks</i>	<i>Reduction of congestion in CBD and create economic hubs</i>	<i>No of bus parks constructed</i>	<i>CBD decongestion</i>
	<i>To develop cycle lanes, footpaths and souks</i>	<i>Improved road safety</i>	<i>-Km of cycle lanes and footpaths covered</i>	<i>Accessibility/Free Movement</i>
	<i>To relocate and improve Kachok dumpsite</i>	<i>Improved solid waste management</i>	<i>-No of souks constructed</i>	<i>Clean environment</i>
	<i>To open and improve roads and public infrastructure in informal settlements</i>	<i>-Improved access to services</i>	<i>Garbage totally evacuated</i>	<i>Accessibility/Free Movement</i>
		<i>-Improved livelihoods</i>	<i>-Length of new roads, drainages and walkways/cycle paths constructed</i>	

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**Budget Execution by Programmes and Sub-Programmes**

**3. TOURISM, CULTURE, ARTS AND SPORTS**

<b>MAIN OBJECTIVE</b>	<b>SPECIFIC OBJECTIVES</b>	<b>OUTCOME</b>	<b>INDICATOR</b>	<b>PERFORMANCE</b>
<i>To offer high quality tourism, culture, arts and sports facilities, products and services capable of competing on the global stage</i>	<i>To enhance service customer delivery</i>	<ul style="list-style-type: none"> <li>▪ <i>Efficiency in service delivery</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Improved Legal Framework in service delivery.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Culture and Arts Policy developed</i></li> <li>▪ <i>Sports Policy developed</i></li> </ul>
		<ul style="list-style-type: none"> <li>▪ <i>Goods and services procured</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Improved work environment</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Goods and Services procured and availed for use.</i></li> </ul>
		<ul style="list-style-type: none"> <li>▪ <i>Customer survey reports</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Improved customer relations</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Service Charter developed and prominently displayed.</i></li> <li>▪ <i>Complaints/Compliment Forms developed and availed for use.</i></li> </ul>
	<i>To enhance effectiveness of the county as a tourism destination</i>	<ul style="list-style-type: none"> <li>▪ <i>Networking and marketing</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Improved positioning of county tourism products</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Cultural festival held</i></li> <li>▪ <i>Two heritage sites refurbished</i></li> </ul>
		<ul style="list-style-type: none"> <li>▪ <i>Tourism Products Marketing</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Increased number of tourists</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>Increase of bed capacity from 6,000 to 8,300</i></li> </ul>

**KISUMU COUNTY EXECUTIVE**

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<i>Train board members on good governance</i>	<i>Competent board members</i>	<i>No of board members trained</i> <i>Training report</i>	<i>7 board members trained on E-Governance &amp; E-Service Delivery for Public Service</i>
<i>Procure communications, supplies and services</i>	<i>Communication, supplies and services procured</i>	<i>Quantity of communication supplies and services procured</i>	<i>Procurement of mobile phones and internet services done</i>
<i>Purchase a motor vehicle for office use</i>	<i>Vehicle purchased</i>	<i>No. of vehicle purchased and in use by the board</i>	<i>One (1) vehicle was purchased and is in use</i>
<i>Procure fuel, oil and lubricants</i>	<i>Fuel, oil and lubricants procured</i>	<i>Quantity of fuel, oil and lubricants procured</i>	<i>Approx 7,200 liters of fuel purchased for two vehicles</i>
<i>Repair, Maintenance &amp; Insurance</i>	<i>Repairs &amp; maintenance done</i>	<i>Maintenance report</i>	<i>Repairs and maintenance done for the 2 vehicles, insurance provided</i>
<i>Procure utilities, internet, supplies and services</i>	<i>Utility, supplies and services procured</i>	<i>Quantity procured</i>	<i>Internet services procured, water and electricity paid</i>
<i>Prepare reports to the CA</i>	<i>Reports prepared</i>	<i>Timely submission of reports</i>	<i>Annual Report for the year 2021 prepared</i>
<i>Review of discipline procedure manual</i>	<i>Final Discipline Procedure manual</i>	<i>Functional discipline procedure manual</i>	<i>Was not done due to resource constraints</i>

**SUB PROGRAMME 2: PROMOTE VALUES AND PRINCIPLES OF PUBLIC SERVICE**

<b>DEPARTMENT</b>	<b>OBJECTIVE</b>	<b>OUTCOME</b>	<b>INDICATOR</b>	<b>PERFORMANCE</b>
<b>COUNTY PUBLIC SERVICE BOARD</b>	<i>Review of Report on baseline survey on Compliance with Values and Principles under Articles 10 and 232 of the Constitution.</i>	<i>Final Report on Baseline Survey</i>	<i>Baseline survey report</i>	<i>Review completed and report officially submitted to the Board</i>
	<i>Implementation of Values and Principles Programmes</i>	<i>Values and principles programs implemented</i>	<i>No of programs implemented</i>	<i>Not implemented due to health restrictions and resource constraints</i>
	<i>Sensitize the public service on National Values and Principles as referred to in Articles 10 and 232</i>	<i>Public service Sensitized</i>	<i>Sensitization report</i>	<i>Sensitization on DIAs done through office of the County Secretary and during inductions, continuous distribution of copies of the Constitution to staff on needs basis.</i>
	<i>Monitor and evaluate compliance with National Values and Principles as referred to in Articles 10 and 232</i>	<i>Compliance monitored and evaluated</i>	<i>Monitoring and evaluation report</i>	<i>Continuous monitoring of board's activities done, reports available</i>
	<i>Prepare and submit regular Reports on promotion of National Values and Principles to the County Assembly</i>	<i>Regular reports submitted</i>	<i>Timely submission of reports</i>	<i>Done, CPSB Annual report prepared</i>

	<i>DIALS for 2019-2021</i>	<i>Report for submission to EACC.</i>	<i>Submitted DIALs</i>	<i>Done. DIALs collected, assessed and register prepared/maintained.</i>
<b>SUB PROGRAMME 3: IMPROVING PERFORMANCE OF STAFF</b>				
<b>DEPARTMENT</b>	<b>OBJECTIVE</b>	<b>OUTCOME</b>	<b>INDICATOR</b>	<b>PERFORMANCE</b>
<b>COUNTY PUBLIC SERVICE BOARD</b>	<i>Undertake change of terms of employment for ECDE Teachers from Contract to Permanent &amp; Pensionable</i>	<i>Motivated staff</i>	<i>No of staff confirmed</i>	<i>665 officers confirmed to Permanent &amp; Pensionable terms</i>
	<i>Undertake staff recruitment</i>	<i>Motivated staff</i>	<i>No of staff appointed</i>	<i>127 officers appointed to various positions</i>
	<i>Undertake change of terms for officers on short term contracts(6 months) to long term contract(3 years)</i>	<i>Motivated staff</i>	<i>Contract Extension Letters issued</i>	<i>61 officers employment terms changed from 6 months to 3 years</i>
	<i>Undertake staff contract renewals</i>	<i>Motivated staff</i>	<i>Contract renewal Letters issued</i>	<i>121 officers contracts extended</i>
	<i>Advise the Executive on OSHA, WIBA, Labour relations Act 2007, Employment Act 2007 and Labour Institutions Act</i>	<i>Executive advised on OSHA, WIBA, Labour relations Act 2007, Employment Act 2007 and Labour Institutions Act</i>	<i>No of consultative meetings held with the Executive</i>	<i>Board has continuously given advice where needed</i>
<b>SUB PROGRAMME 4: NETWORKING AND PARTNERSHIPS</b>				
<b>DEPARTMENT</b>	<b>OBJECTIVE</b>	<b>OUTCOME</b>	<b>INDICATOR</b>	<b>PERFORMANCE</b>
	<i>Sign MOUs with partners</i>	<i>Board receiving support from partners</i>	<i>No of MOUs signed</i>	<i>Partnership ongoing with LAPFUND, LAPTRUST</i>
	<i>Participate in national and international conferences, seminars</i>	<i>Networks and partnerships formed</i>	<i>No of conferences and seminars attended by Board and staff</i>	<i>Board members and staff participated in 10 national conferences and 2 international conference</i>

**5. DEPARTMENT OF AGRICULTURE**

<b>OBJECTIVES / PROGRAMME</b>	<b>OUTPUT/OUTCOME</b>	<b>PERFORMANCE INDICATORS</b>	<b>PERFORMANCE</b>
<i>Planning and Coordination Services</i>			

## KISUMU COUNTY EXECUTIVE

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

	Policy documents developed	4 No. of policy documents developed	8 policy documents drafted through collaboration with stakeholders
	Consultative meetings/workshops attended	2 No. of consultative meetings attended	12 Ad hoc activity
	KSCAP project implemented	KSCAP project implemented	1 Programme implementation on-going
	ASDSP project implemented	ASDSP project implemented	1 Programme implementation on-going
	EU-IDEAS project implemented	EU-IDEAS project implemented	1 on-going
	ABDP project implemented	ABDP project implemented	1 on-going
	FAO Food systems project implemented	FAO Food systems project implemented	1 on-going
Management of Human Resources	Departmental Staff salaries paid	326 No. of staff paid salaries	326 Staff paid
	Casual staff wages paid	13 No. of casual staff paid salaries	Approval for employment not yet done
Management of Stations and Capital Resources	Stations maintained	37 No. of stations maintained	3 maintained - Standing imprest for directors and Sub-County stations not yet disbursed
	Motorized boat procured	2 No. of motorized boats procured	2 Contract for project awarded
	Marine life saving jackets procured and distributed	100 No. of marine life saving jackets procured and distributed to fisherfolk	Contract for project awarded
Development of Human Resources	Staff capacity build in mgt/leadership knowledge/skills	4 No. of staff undergone short courses	No funds for activity
	Professional regulation facilitated	1 Veterinary directorate staff facilitated to renew their professional registration	Lack of funds
Agriculture Sector Planning, Performance and Information Management	Quarterly departmental Meetings conducted	2 No. of quarterly meeting conducted	4 quarterly meeting conducted
	Departmental annual workplan developed	1 Departmental annual work plan developed	1 done
	Staff performance evaluated	326 No. of staff evaluated	PAS conducted
	Professional group meetings conducted	1 No. of professional meetings conducted	Lack of funds
	Quarterly M & E done	2 No. of quarterly M&E done	1 done - Lack of funds
<b>Programme (P) 302; Promotion of Sustainable Land Use Outcome: Sustainable land use</b>			
Promotion of Soil and Water Conservation and Management	Farmer trainings/demos carried out	12 No. of field demos carried out	Lack of funds
	Waterways desilted	5 No. of waterways desilted	Contract for project awarded
Development of Urban, Peri-urban and Special Agriculture Projects	Demos on UPAP technologies conducted	4 No. of demos on UPAP technologies conducted	1 done - Lack of funds
<b>Programme (P) 303; Agriculture Productivity and Output Improvement Outcome: Increased agricultural productivity/production</b>			
Management of Agriculture Advisory services	Agricultural shows/exhibitions held/attended	Kisumu ASK	Activity disrupted by COVID-19
	Foreign travel facilitated	No. Foreign trips	1 Ad hoc activity.

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

	<i>Global agricultural events celebrated</i>	<i>2 No. of global agricultural events celebrated</i>	<i>Activity disrupted by COVID-19</i>
	<i>Field extension advisory services provided to farmers</i>	<i>6000 No. of farmers reached</i>	<i>4,000 farmers reached Inadequate facilitation</i>
	<i>Farm judging conducted</i>	<i>18 No. of Progressive farmers identified, selected and awarded</i>	<i>Activity to be achieved in 3<sup>rd</sup> quarter</i>
	<i>Staff trainings conducted on modern agricultural technologies</i>	<i>1 No. of staff trainings</i>	<i>2 Achieved through collaboration</i>
	<i>Farmer training done on modern agricultural technologies</i>	<i>2 No. of staff trainings</i>	<i>None - Lack of funds</i>
<i>Development of Crop, Livestock and Fisheries Value Chains</i>	<i>Dairy cows procured and distributed</i>	<i>177 No. dairy cows procured and distributed</i>	<i>Contract for the project awarded.</i>
	<i>Dairy goats procured and distributed</i>	<i>232 No. dairy goats procured and distributed</i>	<i>Contract for the project awarded.</i>
	<i>Fish cages supplied and installed</i>	<i>10 No. fish cages supplied and installed</i>	<i>Contract for the project awarded.</i>
	<i>Bee-kits supplied, distributed and installed</i>	<i>10 No. of bee-kits supplied and distributed</i>	<i>Contract for the project awarded.</i>
	<i>Commercial day-old chicks (DoCs) procured and distributed</i>	<i>10000 No. of DOCs procured and distributed</i>	<i>Contract for the project awarded.</i>
	<i>Poultry egg incubator units procured and distributed</i>	<i>8 No. of poultry egg incubator units procured and distributed</i>	<i>Contract for the project awarded.</i>
	<i>Battery cage systems procured and distributed</i>	<i>52 No. battery cage systems procured and distributed</i>	<i>Contract for the project awarded.</i>
	<i>Poultry unit constructed</i>	<i>1 No. of poultry units constructed</i>	<i>Requisitions done</i>
	<i>Haybarn constructed</i>	<i>1 No. Haybarn constructed</i>	<i>Requisitions done</i>
	<i>Beneficiary farmers recruited</i>	<i>400 No. of livestock beneficiary farmers recruited</i>	<i>1,200 recruited - Vetting exercise on-going</i>
<i>Management of Crop, Livestock and Fisheries Pests and Diseases</i>	<i>Surveillance missions of crop pests and diseases conducted</i>		<i>6</i>
	<i>Surveillance of livestock diseases conducted</i>	<i>Surveillance of livestock diseases conducted</i>	<i>1</i>
	<i>Assorted vaccines procured</i>	<i>20000 No. of doses of vaccines procured</i>	<i>Contract awarded</i>
<i>Development of Agriculture Mechanization</i>	<i>Modern rice mill procured</i>	<i>1 Modern rice mill procured</i>	<i>Requisition for procurement done</i>
	<i>Irrigation water pumps and accessories procured and distributed</i>	<i>60 No. of irrigation water pumps and accessories procured and distributed</i>	<i>60 Contract delivered. Distribution yet to be done</i>
	<i>AMS machinery well maintained</i>	<i>3 No. of tractors maintained</i>	<i>3</i>
	<i>Pasture/fodder conservation machinery procured</i>	<i>3 No. of machinery procured</i>	<i>0</i>
	<i>Farm mechanization services procured</i>	<i>500 acreage cultivated</i>	<i>200 acreage done</i>
<b>Programme (P) 304; Enhancement of Access to Agricultural Credit and Input</b>			
<b>Outcome: Access to Agricultural Credit and Input Enhanced</b>			
<i>Agriculture Credit Access</i>	<i>Farmers groups capacity build in credit access</i>	<i>3 No. of farmer trainings</i>	<i>None done - Lack of funds</i>

**KISUMU COUNTY EXECUTIVE**  
**Annual Report and Financial Statements for the year ended June 30, 2022.**

<i>Agriculture Input Access</i>	<i>Certified crop seeds procured and distributed</i>	<i>19 Tons of certified seeds procured and distributed</i>	<i>Contract awarded</i>
	<i>An e-voucher seed fund launched</i>	<i>e-voucher seed fund launched</i>	<i>Process on-gong</i>
	<i>Aquaculture inputs procured and distributed</i>	<i>2 No. Type of Aquaculture inputs procured and distributed</i>	<i>Contract awarded</i>
	<i>Cattle AI services provided</i>	<i>1000 No. of animals Inseminated</i>	<i>1,200 done</i>
<b>Programme (P) 305; Promotion of Agricultural Market Access and Product Development</b>			
<b>Outcome: Improved access to agricultural markets</b>			
<i>Promotion of Agribusiness</i>	<i>Livestock market surveys conducted</i>	<i>6 No. of monthly market surveys conducted</i>	<i>None - Lack of funds</i>
	<i>Farmers' capacity build in agribusiness</i>	<i>3 No. of farmer trainings</i>	<i>None - Lack of funds</i>
	<i>Maseno ATC Rehabilitated</i>	<i>Maseno ATC Rehabilitated</i>	<i>Requisition for procurement done</i>
	<i>ATC pap Konam constructed</i>	<i>ATC pap Konam constructed</i>	<i>Requisition for procurement done</i>
<i>Promotion of Value Addition</i>	<i>Farmers' capacity build on value addition</i>	<i>5 No. of farmer trainings</i>	<i>None - Lack of funds</i>
	<i>Civil works for Jubilee mkt and Kaloka beach procured</i>	<i>2 Civil works procured</i>	<i>2 Requisition for procurement done</i>
<i>Development of Post-harvest Handling Infrastructure</i>	<i>Muhoroni slaughter house rehabilitated</i>	<i>1 No. Muhoroni slaughter house rehabilitated</i>	<i>Need yet to be raised</i>
	<i>Fish bandas constructed (Nanga, Kobudho, Kagwel, Kete beach and Koguta beach fish Bandas)</i>	<i>5 No. of fish bandas constructed</i>	<i>Requisition for procurement done</i>
	<i>Farmers groups trained in agricultural produce handling</i>	<i>3 No of farmer trainings</i>	<i>None - Lack funds</i>
<i>Promotion of Product Safety and Quality Assurance</i>	<i>Service providers licensed and monitored</i>	<i>2 No. Type of service providers licensed and supervised</i>	<i>2 Veterinary service providers and BMUs licensed and supervised</i>
	<i>Livestock product and fish handling facilities inspected/Licensed</i>	<i>19 No. of livestock handling facilities licensed</i>	<i>19 Abattoirs licensed</i>
	<i>-Meat inspections Conducted -COTs issued</i>	<i>180 No. of daily routine meat inspections conducted</i>	<i>180 done - Routine activity in abattoirs</i>

**KISUMU COUNTY EXECUTIVE**
**Annual Report and Financial Statements for the year ended June 30, 2022.**

FY 2021-2022

<b>EDUCATION, ICT AND HUMAN CAPACITY DEVELOPMENT</b>	<i>To provide effective and efficient services to departments, organizations and the public in Kisumu County.</i>	<i>Enhanced coordination for the implementation of departmental programs</i>	<i>The departmental Strategic Plan</i>	1	
			<i>No. of policies developed</i>	2	
			<i>Annual work plans</i>	5	
			<i>No. of M&amp;E meetings and reports</i>	4	
			<i>No. of departmental performance review meetings</i>	10	
			<i>Enhanced integration of ICT in the departmental planning</i>	<i>No. of departments embracing ICT in their programs and projects</i>	10
			<i>Enhanced resource mobilization for the department</i>	<i>No. of proposals developed</i>	3
				<i>No. of MoU signed</i>	2
				<i>No. of strategic partner meetings held</i>	12
			<i>To promote ECD education in the County.</i>	<i>Improved ECDE infrastructure</i>	<i>No. of ECDE classrooms/Admin. Blocks/Ablution blocks constructed</i>
<i>No. of ECDE classrooms equipped with modern learning facilities</i>	684				
<i>Enhanced capacities of communities to provide ECDE services</i>	<i>No. of ECDE management committee formed</i>	684			
	<i>No. of ECDE management committee meetings held (minutes/reports)</i>	2052			
<i>Enhanced nutrition status of ECDE children</i>	<i>No. of ECDE centers benefiting from feeding program</i>	0			
<i>Enhanced school readiness skills for ECDE children</i>	<i>No. of ECDE centres equipped with outdoor and in-door learning facilities</i>	0			
<i>Enhanced capacities of ECDE teachers and DICECE trainers</i>	<i>No. of ECDE teachers and DICECE trainers capacity built on CBC curriculum</i>	727			
	<i>No. of QAS reports</i>	7			
<i>Enhanced performance of ECDE children in co-curriculum activities</i>	<i>No. of ECDE centers participating in drama and PE activities</i>	0			
<i>To promote youth empowerment in the County.</i>	<i>Improved VTC infrastructure</i>	<i>No. of new VETC constructed in the County</i>		0	
		<i>No. of VETC equipped with boarding facilities</i>	0		
		<i>No. of VETC equipped with modern tools</i>	1		
	<i>Enhanced training of youths on necessary technical skills</i>	<i>No. of benchmarking programs organized</i>	0		
		<i>No. of QAS conducted for VETC</i>	26		
		<i>No. peer review seminars initiated</i>	3		
		<i>No. of students enrolled on vocational skills</i>	5002		
		<i>No. of new/modern technical courses initiated</i>	1		
	<i>Enhanced advocacy, rebranding and repositioning of VETC</i>	<i>No. of collaborations and partnerships established (No. of MoUs signed)</i>	2		
		<i>Career guidance and counseling manual</i>	0		
		<i>No. of career guidance activities</i>	0		
	<i>Enhanced retention of post primary students in schools</i>	<i>No. of students/trainees benefiting from bursaries</i>	1400 scholarships		
	<i>Improved research and innovative projects in VETCs</i>	<i>No. of new projects</i>	0		
<i>No. of new modern courses</i>		1			

**KISUMU COUNTY EXECUTIVE**

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

		<i>Research/policy committee</i>	0
	<i>Enhanced resource mobilization</i>	<i>No. of proposals developed</i>	0
		<i>Amount of fees collected</i>	0
		<i>% of budget allocation for VETC</i>	0.008
	<i>Enhanced coordination and participation on sports, drama and symposium for youth development</i>	<i>No. of sports, drama and symposium organized for VETCs</i>	7
	<i>Enhanced youth empowerment programs</i>	<i>No. of YEC constructed</i>	0
		<i>% of youths recruited for empowerment programs</i>	30%
<i>To promote Socio-Economic empowerment and development to Women, Youth and PwDs in the County.</i>	<i>Enhanced coordination of interventions addressing current and emerging youth, women and PwD challenges in the County.</i>	<i>Youth, women and PwD empowerment policies</i>	1
		<i>Coordination framework</i>	
		<i>SGBV policies</i>	1
	<i>Safe shelter for GBV developed</i>	<i>No. of safe shelter constructed and equipped</i>	0
	<i>Strengthened advocacy and support for resource mobilization for gender programs</i>	<i>No. of youths, women and PwD programs supported</i>	7
	<i>Strengthened youth, women and PwD revolving fund</i>	<i>% allocated for youth, women and PwD for entrepreneurial development</i>	100% (24M)
	<i>Strengthened partnership and collaboration with stakeholders on gender issues in the County</i>	<i>No. of GSWG meeting reports/minutes</i>	10
		<i>No. of joint programs/projects undertaken</i>	25
	<i>Enhanced safety net program for the vulnerable in the County</i>	<i>No. of orphans/widows/elderly benefiting</i>	25 orphans 10 widows
		<i>Improved food security and livelihood</i>	<i>% of subsidy offered to the vulnerable group.</i>
	<i>Enhanced public advocacy and education</i>	<i>No. of information/empowerment centers constructed and equipped</i>	0
	<i>Strengthened community, family and individual resilience and capacity building</i>	<i>No. of families reached trained</i>	50
	<i>Improved psychosocial counseling and safety</i>	<i>No. of vulnerable groups counseled</i>	20
<i>To grow and expand a secure digital infrastructure in line with the dynamic ICT industry requirements</i>	<i>Enhanced establishment of a reliable infrastructure that will promote continuity of government business</i>	<i>% level of implementation</i>	20%
	<i>Enhanced integration of Information Security for Continuity of government operations and reduction of cyber security breaches across.</i>	<i>% level of implementation</i>	0
		<i>No. of cyber security committee reports/minutes</i>	0
		<i>No. of staff trained on cyber security, network and fibre data center</i>	0
	<i>Enhanced establishment and operationalization of digital Infrastructure sharing guidelines to prevent unnecessary duplication and waste of scarce ICT resources</i>	<i>% level of implementation</i>	20%
<i>Enhanced establishment of training programs(DLP, AJIRA, GDTP)to promote digital skills development for</i>	<i>Survey reports/minutes on DLP/AJIRA/GDTP</i>	1	
	<i>No. of ICT workshops/conferences organized</i>	3	

	<i>professionals in workplace and individuals (senior citizens, children, out-of-school youth, women and PWD) to enhance their Competences to perform basic and specialized task.</i>	<i>% level of implementation</i>	<i>80</i>
	<i>Enhanced building of platforms necessary for convenient rollout of online services</i>	<i>% level of implementation</i>	<i>100%</i>
	<i>Enhanced integration of core County government systems to support scalability and reuse of resources</i>	<i>% level of implementation</i>	<i>60%</i>
	<i>Enhanced conversion of government paper based data into electronic form to achieve a transparent way of government service delivery</i>	<i>% level of implementation</i>	<i>30%</i>
		<i>ICT user training reports</i>	<i>2</i>

**HEALTH SERVICES**

<b>DEPARTMENT</b>	<b>OBJECTIVES</b>	<b>OUTCOMES</b>	<b>INDICATOR</b>
	To provide quality curative and preventive medical services that are affordable, equitable, accessible and responsive to the needs of the people of Kisumu County	<ul style="list-style-type: none"> <li>-Effective and efficient management of health facilities</li> <li>-reduce number incidences of HIV</li> <li>-control environmental factors leading to ill health</li> <li>-reduce maternal and child morbidity &amp; mortality</li> <li>-reduce incidence of malaria</li> <li>-reduce incidences of TB CASES</li> <li>-reduce cases of Non-communicable diseases</li> <li>-improved curative and rehabilitative health services</li> </ul>	<ul style="list-style-type: none"> <li>-number of staff recruited</li> <li>-number of staff trained etc</li> <li>-number of facilities with gazette HFMCs</li> <li>-HR supervisions done</li> <li>-number of people counseled and tested HIV</li> <li>-number of male circumcised</li> <li>-% of HIV positive pregnant mothers provided with HAART</li> <li>- number of villages that are ODF</li> <li>-No of food samples taken</li> <li>-% of food handlers medically examined</li> <li>-% of disinfection and fumigation on call.</li> <li>-% of infants under six months exclusive breastfeeding</li> <li>-No of water samples taken for analysis</li> <li>-No of international travelers vaccinated</li> <li>- modernization of JOOTRH</li> <li>-Construction of modern cancer treatment center</li> <li>-Construction of neurology and neurosurgery v</li> </ul>

**KISUMU COUNTY EXECUTIVE**  
**Annual Report and Financial Statements for the year ended June 30, 2022.**

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#### **4. Environmental and Sustainability Reporting**

*Kisumu County exists to transform lives. This is our purpose; the driving force behind everything we do. It is what guides us to deliver on our development plan(s): putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence to ensure the County's sustainability.*

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

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

##### **2. Environmental performance**

Outline clearly, environmental policy guiding the organisation, provide evidence of the policy. Outline successes, shortcomings, efforts to manage biodiversity, waste management policy and efforts to reduce environmental impact of the organisation's products.

##### **3. Employee welfare**

Give account of the policies guiding the hiring process and whether they consider the gender ratio, whether they take in stakeholder engagements and how often they are improved. Explain efforts made in improving skills and managing careers, appraisal and reward systems. The organisation should also disclose their policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA.)

##### **4. Market place practices-**

The organisation should outline its efforts to:

###### **a) Responsible Supply chain and supplier relations-**

Explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.

###### **b) Responsible ethical practices-**

Corruption free environment

**c) Stewardship of goods an-**

Outline efforts to safeguard the rights and interests of its citizens

**5. Community Engagements**

Give evidence of community engagement including charitable giving (cash & material), Community Social Investment and any other forms of community.

**6. Others**

(The organisation gives details of CSR activities carried out in the year and the impact to the society. The statement may also include how the organisation promotes education, sports, healthcare, labour relations, staff training and development, and water and sanitation initiatives)

**5. Statement of Management Responsibilities**

Sections 163,164 and 165 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the County Treasury shall prepare financial statements of each County Government entity, receiver of receipts and consolidated financial statements for all County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The County Executive Committee (CEC) member for Finance and Economic planning of the County Government is responsible for the preparation and presentation of the County Executive's financial statements, which give a true and fair view of the state of affairs of the County Executive for and as at the end of the financial year ended on June 30, 2022. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the county Executive; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the county Executive; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Executive's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for finance is of the opinion that the County Executive's financial statements give a true and fair view of the state of the County Executive's transactions during the financial year ended June 30, 2022, and of its financial position as at that date.

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

**KISUMU COUNTY EXECUTIVE**  
**Annual Report and Financial Statements for the year ended June 30, 2022.**

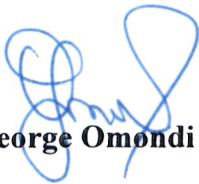
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The CEC member for finance confirms that the County Executive has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Executive's funds received during the year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

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

**Approval of the financial statements**

The County Executive's financial statements were approved and signed by the CEC member for finance on 30<sup>th</sup> September, 2022.



**George Omondi Okongo**

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

# REPUBLIC OF KENYA

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## REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF KISUMU FOR THE YEAR ENDED 30 JUNE, 2022

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### **Adverse Opinion**

I have audited the accompanying financial statements of County Executive of Kisumu set out on pages 1 to 51, which comprise of the statement of assets and liabilities as at 30 June, 2022, 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

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*Report of the Auditor-General on County Executive of Kisumu for the year ended 30 June, 2022*

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, because of the significance of the matters described in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of the County Executive of Kisumu as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the Public Finance Management Act, 2012 and the County Governments Act, 2012.

## **Basis for Adverse Opinion**

### **1. Unsupported Prior Year Adjustments**

The statement of assets and liabilities reflects prior year adjustments balance of Kshs.742,970,432 which includes an expenditure of Kshs.40,000,000 paid to National Hospital Insurance Fund (NHIF) for a medical insurance scheme without a supporting contract.

Further, the balance includes an expenditure on climate change balance of Kshs.3,594,426 whose cash flows and expenditure were not disclosed contrary to the end year procedures issued by The National Treasury which required Accounting Officers to disclose cash flows and expenditure on climate change.

In addition, the balance includes an amount of Kshs.3,004,475 for interim certificate No.1 dated 8 June, 2021 in respect of proposed completion of Ngege Dispensary in Nyakach Sub-county and an amount of Kshs.4,950,000 incurred on supply of a fogging machine.

The rest of the balance was not supported with authorized journal entries.

In addition, the statement of cash flows reflects changes in prior year adjustments of Kshs.634,655,676 which vary with the computed amount of negative Kshs.899,407,752. The variance was not explained..

In the circumstances, the accuracy, and cutoff of the prior year adjustments could not be confirmed.

### **2. Cash and Cash Equivalents**

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.1,228,336,891 which, as disclosed in Note 8A to the financial statements includes bank balances totalling to Kshs.1,228,144,862. The following observations were however made:

#### **2.1 Variances in Comparative Bank Balances**

The Note 8A to the financial statements discloses comparative balances for various bank accounts amounting to Kshs.5,195,711 which had not been reflected in the audited financial statements for the year 2020/2021 as indicated below:

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*Report of the Auditor-General on County Executive of Kisumu for the year ended 30 June, 2022*

<b>Name of the Bank Account</b>	<b>Bank Balances (Kshs.)</b>
Kisumu Aquaculture Business Dev. Prog	842,185
JOOTRH	41,635
Alcoholic Drink CTRL-KSM County	4,303,041
Seme Sub-County Imprests A/C	1,378
Kisumu Central Sub-County Imprests A/C	2,414
Kisumu East Sub-County Imprests A/C	1,337
Nyando Sub-County Imprests A/C	907
Nyakach Sub-County Imprests A/C	1,987
Kisumu West Sub-County Imprests A/C	827
<b>Total</b>	<b>5,195,711</b>

## 2.2 Anomalies in Bank Reconciliation Statements

Review of the bank reconciliation statements for various accounts held by the County Executive revealed the following anomalies:

- i. Payments in the bank statement not in the cash book amounted to Kshs.1,653,433 with some transactions outstanding since July, 2021. Management did not provide an explanation on the payments.
- ii. Payments in the cash book not in the bank statement (unpresented cheques) of Kshs.6,537,649. No reason was given for failure to replace or reverse them in the cash book. Similarly, there were receipts in bank statements not in cash book totalling to Kshs.207,950 for which no explanation was provided for non-inclusion in the cash book.
- iii. Receipts in the cash book not in the bank statements amounted to Kshs.411,437,692 whose details including source of the receipts and the date cleared by the bank were not provided for review.
- iv. Various bank balances amounting to Kshs.16,901,677 as at 30 June, 2022 were not supported with bank reconciliation statements, cash books and bank certificates.
- v. Note 8A to the financial statements discloses a balance of Kshs.160,534,832 held in a local bank account. However, the bank reconciliation statement as well as the manual cash book reflected a balance of Kshs.160,605,834 resulting to an unexplained variance of Kshs.71,002. Further, the reconciliation statement for 30 June, 2022 reflects balance as per bank statement of Kshs.117,127,997 while the bank certificate reflects a balance of Kshs.117,054,995, resulting to an unreconciled and unexplained variance of Kshs.73,002 between the two balances.
- vi. Similarly, the bank reconciliation statement for a project account reflected a balance of Kshs.8,527,727 as at 30 June, 2022. However, the bank certificate reflected a balance of Kshs.10,111,950 resulting to an unexplained variance of Kshs.1,584,223.

In the circumstances, the accuracy and completeness of the bank balance of Kshs.1,228,336,891 could not be confirmed.

### **3. Use of Goods and Services**

The statement of receipts and payments reflects use of goods and services balance of Kshs.1,074,027,052 and as further disclosed in Note 3 to the financial statements. Review of records revealed several unsatisfactory matters:

#### **3.1 Domestic Travel and Subsistence**

##### **3.1.1 Unsupported Payments for Domestic Travels**

- (i) Note 3 to the financial statements discloses use of goods and services amount of Kshs.1,014,027,057 which includes an amount of Kshs.178,231,080 under domestic travel and subsistence allowance. Included in this expenditure is an amount of Kshs.40,331,867 reflected as transfer to KCB – Kisumu, whose payment details were not provided for audit. Further, the expenditure includes amount of Kshs.11,436,490 indicated as payment to the Kenya Revenue Authority for income tax obligations. Management did not explain why PAYE should be paid through the domestic travel and subsistence account.
- (ii) Further, the expenditure includes an amount of Kshs.54,616,445 paid to twenty (20) members of staff as daily subsistence allowance, where some of the members received amounts ranging from Kshs.1,000,000 to Kshs.13,000,000 per person in the year under review. Management explained that the huge imprests had been taken out by team leaders on behalf of a group of employees and officers on official duty. However, supporting schedules for the group activities were not provided.
- (iii) In addition, the expenditure includes an amount of Kshs.301,000 paid to a travel firm for air tickets for staff. However, copies of air tickets, boarding passes, attendance list and activity report were not provided for audit. The expenditure also includes an amount of Kshs.4,491,100 paid in respect to attendance to workshops whose invitation letters and workshops, signed schedules to confirm attendance reports and minutes of deliberations held were not provided for audit review.
- (iv) Similarly, an amount of Kshs.510,850 was paid to two (2) firms for provision of air tickets. However, the firms were not in the prequalified list of suppliers.
- (v) In addition, a payment of Kshs.122,650 paid during the year was not supported by invoices for the year 2018/2019. However, the amount had not been included as a pending bill during the year 2020/2021. Further, documents including copies of air tickets, duly signed and rubberstamped passports and boarding passes were not provided for audit.
- (vi) Included in the domestic travel and subsistence is directly expensed imprest of Kshs.2,406,416 issued to an officer from the Department of Governance and Administration to facilitate a trip to India and undertake community engagement in the Nairobi Liaison Office on village council roles in road maintenance. However, Management did not explain the rationale for funding activities of the Department of Governance and Administration.

### 3.2 Unsupported Rentals of Produced Assets

Further, the balance includes expenditure on rentals of produced assets amounting to Kshs.13,074,217. The amount includes payments totalling to Kshs.4,939,200 relating to rental services for the Nairobi Liaison Office. However, lease agreement and other supporting documents were not provided for audit. Further, the rentals of produced assets balance includes a payment of Kshs.1,003,662 in respect of rent and rates for the Governor's house in the months of July and August, 2022 and an expenditure of Kshs.690,000 being six (6) months' rent for the Deputy Governor's house. However, the valuation report of the houses was not provided for audit review.

### 3.3 Wrong Charge Under Other Operating Expenses

In addition, the balance includes other operating expenses amounting to Kshs.251,682,137 which also includes purchase of furniture balance of Kshs.3,116,780 which had been charged to the wrong account.

In the circumstance, the accuracy, completeness and regularity of the use of goods and services amounting to Kshs.1,074,027,052 could not be confirmed.

## 4. Transfers to Other Government Entities

The statement of receipts and payments reflects transfers to other Government entities amounting to Kshs.2,157,907,922 and as disclosed under Note 4 to the financial statements. Review of documents provided for audit revealed the following unsatisfactory matters:

### 4.1 Unsupported Transfer of Funds

The balance includes transfers to Kisumu County Emergency Fund amounting to Kshs.128,013,000. Included in these transfers is an amount of Kshs.9,042,684 incurred on supply and delivery of food items. Although, there were supporting documents showing the nature and purpose of the items procured were of emergency in nature, Management did not explain reasons for procuring and paying for the food on behalf of Kisumu County Emergency Fund which is an autonomous entity.

### 4.2 Variances in Transfers to Other Government Entities

Further, the balance includes transfers amounting to Kshs.726,630,141 which varied with the amount reflected in the respective entity financial statements totalling to Kshs.593,977,267 as indicated in the table below :

	<b>Payee</b>	<b>Amount as Per the County's Financial Statements (Kshs.)</b>	<b>Amount as per the Entities Financial Statements (Kshs.)</b>
1.	City of Kisumu	491,964,572	489,444,572
2.	Kisumu County Emergency Fund	128,013,000	-
3.	Kisumu East District Hospital	70,681,923	60,500,000
4.	Kombewa District Hospital	8,146,442	8,201,901
5.	Muhoroni District Hospital	6,740,426	9,790,426
6.	Nyakach Sub-County Hospital	5,576,651	8,073,241
7.	Chulaimbo Sub-District Hospital	5,938,946	6,018,946
8.	Ahero Sub-District Hospital	9,568,181	11,948,181

### **4.3 Unsupported Other Capital Grants and Transfers**

In addition, the transfers to other Government entities includes other capital grants and transfers amounting to Kshs.309,570,004. The amount includes payments made to individuals, private enterprises, a consultancy firm, a bank, construction companies, auto mobile companies and public entities like the Commissioner of Domestic Taxes totalling to Kshs.228,078,614 which were not supported while transfers to various youth polytechnics and vocational training center self-help groups amounting to Kshs.71,775,500 were not supported with confirmation of receipts and accountability statements expenditure returns.

In the circumstances, the regularity, accuracy and completeness of transfers to other Government entities totalling to Kshs.1,026,484,255 could not be confirmed.

### **5. Acquisition of Assets**

The statement of receipts and payments reflects acquisition of assets amount of Kshs.924,670,289 which, as disclosed in Note 7 to the financial statements includes purchase of specialised plant, equipment and machinery amounting to Kshs.49,122,884 which further includes an expenditure of Kshs.13,820,404 incurred on the purchase of sports items supplied to various Wards. However, distribution list indicating the Ward name and beneficiaries, signed issue (S11) and receipt (S13) vouchers were not provided for audit. Further, the expenditure includes refurbishment of buildings amounting to Kshs.2,274,070 paid to a transport company whose supporting documents were not provided.

In the circumstances, the accuracy and completeness of acquisition of assets amounting to Kshs.16,094,474 could not be confirmed.

### **6. Discrepancies in the Integrated Financial Management System (IFMIS)**

Review of IFMIS data revealed the following anomalies:

#### **6.1 Voided Transactions**

One thousand two hundred and ninety-nine (1299) transactions in IFMIS totalling to Kshs.1,073,623,658 were voided. However, supporting documents such as the voided payment vouchers, request to void payments, The National Treasury approval and Exchequer requisitions from the Controller of Budget were not provided. Further, the voided payments were not disclosed as pending accounts payable. The utilization of funds meant for voided transaction was also not confirmed.

#### **6.2 Invoices Billed Greater than LPO/LSOs Amount**

Further, payments in IFMIS amounting to Kshs.341,128,265 were billed higher than the corresponding Local Purchase Orders'/Local Service Orders' amount of Kshs.282,741,220. No explanation was provided for over-invoicing the amount by Kshs.58,387,045.

#### **6.3 Transactions in System Payments but not Processed in Payment Details**

In addition, two hundred and fifty-two (252) payments amounting to Kshs.256,093,457 were reflected in the internet banking (IB) but were not in IFMIS payment details. This is

an indication that the payments were made outside IFMIS. No explanation was provided for failure to process the payments in IFMIS.

#### **6.4 Unexplained Cash Payments**

IFMIS records reflects cash payment for thirteen (13) transactions amounting to Kshs.88,546,249 which were not explained.

In the circumstances, the accuracy and completeness of the affected expenditures could not be confirmed.

#### **7. Lack of Fixed Assets Register**

As disclosed in Annex 6 to the financial statements, the summary of fixed assets register reflects assets with a historical cost brought forward and additional amount during the year of Kshs.6,247,139,791 and Kshs.924,670,289, respectively, totalling to Kshs.7,171,810,080. However, the amount differed with the supporting documents balance of Kshs.8,869,129,667 resulting to an unexplained variance of Kshs.1,697,319,587. Further, the supporting documents did not indicate the year of acquisition of the asset while eight (8) vehicles were not included in the list of motor vehicles.

In the circumstances, accuracy and completeness of assets valued at Kshs.7,171,810,080 as at 30 June, 2022 could not be confirmed.

#### **8. Irregular Purchase of Office Furniture and General Equipment**

Acquisition of assets expenditure includes an amount of Kshs.9,912,318 for purchase of office furniture and general equipment which further includes expenditure totalling to Kshs.1,739,990 incurred on purchase of various ICT items which was not done in e-procurement. However, the appointment letters for the Tender Opening and Evaluation Committees were not provided for audit review as required by the Public Procurement and Asset Disposal Act, 2015 and the above procurement process was not done in e-procurement contrary to Regulations 49(2) of the Public Procurement and Asset Disposal Regulations, 2020.

In the circumstances, the propriety and value for money on the above expenditures could not be confirmed.

#### **9. Irregular Contract**

Management entered into a contract to carry out fencing and equipping of tree nursery and production of 6,000 bamboo seedlings at a contract sum of Kshs.3,499,200. However, review of contract records provided revealed that the contractor was paid the full contract sum of Kshs.3,499,200. However, during physical inspection carried out in the month of July, 2022, it was revealed that there was no fence and bamboo nursery at the earmarked site.

In the circumstances, the propriety and value for money on Kshs.3,499,200 spent on this project could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Executive of Kisumu Management

in accordance with ISSAI 130 on 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 adverse opinion.

### **Key Audit Matters**

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

### **Other Matter**

#### **1. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts for the year under review reflects total budgeted receipts balance of Kshs.11,248,535,017 and actual receipts of Kshs.8,404,407,350 resulting to a budget shortfall of Kshs.2,844,127,667 or 25% of the budget. Similarly, the County Executive spent an amount of Kshs.8,945,512,306 against actual budget of Kshs.11,248,535,017 resulting to an under absorption of Kshs.2,303,022,711 or 20%. Further, the Management did not provide any footnote explanations for variances as required by the Public Sector Accounting Standards Board reporting template.

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

#### **2. Pending Bills**

Disclosure 1 of other importance disclosure for the financial statements reflects pending accounts payable amounting to Kshs.2,416,382,496. The amount includes pending accounts payable amounting to Kshs.1,950,176,560 relating to 2020/2021 and earlier years which have not been paid. Further, details of the pending bills have not been disclosed in annexure 2 to the financial statements.

Failure to settle bills in the year to which they relate adversely affect the implementation of the subsequent year's budgeted programs as the pending bills form a first charge.

#### **3. 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, the Management had not resolved the issues nor given any explanation for failure to implement the recommendations

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

#### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness

and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **1. Compensation of Employees**

The statement of receipts and payments reflects compensation of employees balance of Kshs.4,545,113,972. Review of the expenditure records revealed the following:

#### **1.1 Irregular Recruitment Process**

The County Public Service Board advertised for one (1) vacancy in the position of Director, Supply Chain and thirteen (13) vacancies positions of Chief Supply Chain Management Officers in a local daily. However, the applications were to be received latest by 1 April, 2021 or 15 days after the advertisement. This is contrary to Section B 4(1) of the Public Service Commission Human Resource Policies Manual, 2016 which requires Government agencies to advertise all vacant posts in a manner that reaches the widest pool of potential applicants and allow for at least twenty-one (21) days before closing the advert.

#### **1.2 Non-Compliance with the One-Third of the Basic Salary Rule**

Review of the payrolls revealed that one hundred and fifty-four (154) employees earned net salaries less than a third of their basic pay. This was contrary to Section 19(3) of Employment Act, 2007 which stipulates that the total amount of all deductions which may be made by an employer from the wages of his employee at any one time shall not exceed two thirds of such wages or such additional or other amount as may be prescribed. This may expose the staff to pecuniary embarrassment.

#### **1.3 Irregular Retention of Staff Beyond Mandatory Retirement Age**

Review of the payroll for June, 2022 revealed that fourteen (14) employees who had attained the mandatory retirement age of 60 years were still in employment without explanation. This is contrary to Section D.21 of the Public Service Commission Human Resource Policies and Procedures Manual for the Public Service, 2016 on mandatory retirement age which states that all officers shall retire from the service on attaining the mandatory retirement age of 60 years or at 65 years for persons with disabilities and/or as may be prescribed by the Government from time to time.

#### **1.4 Irregular Payment of Special Duty Allowance**

As disclosed in Note 2 to the financial statements, Management paid personal allowances paid as part of salary amounting to Kshs.668,186,824. The amount includes special duty allowance of Kshs.1,500,869 paid to various officers for more than six (6) months. This is contrary to Section C.15 of the Public Service Commission Human Resource Policies and Procedures Manual, 2016, which states that the payment of special duty allowance will not be payable to an officer for more than six (6) months.

Further, review of payroll records revealed that eleven (11) officers were performing duties of posts that were more than two (2) grades higher than their substantive grades. This was contrary to the provisions of Section C 15(3) of the Public Service Commission Human Resource Policy and Procedures Manual for the Public Service, 2016 where officers shall not be called upon to perform duties of a post that is more than two (2) grades higher than the officer's substantive grade.

### **1.5 Irregular Engagement of Casuals**

Note 3 to the financial statements reflects routine maintenance - other assets amounting to Kshs.90,054,407. The amount includes casual wages expenditure balance of Kshs.12,487,450 incurred by the Department of Roads and Public Works. The casual employees had been engaged for a continuous period of more than three (3) months. However, the terms of employment were not converted to regular employment terms. This is contrary to Section 37 of the Employment Act, 2007 which provides for conversion of the casual employment to regular employment terms for employees who have worked in an entity continuously for more than two months.

### **1.6 Payment of Salaries Outside the Integrated Payroll and Personnel Database (IPPD)**

The statement of receipts and payments reflects compensation of employees balance of Kshs.4,545,113,972. The expenditure includes an amount of Kshs.503,156,098 paid outside the IPPD system. This is contrary to Treasury Circular No.13/2019 dated 28 August, 2019 which states that the allocation of personnel emoluments must be supported by Integrated Personnel Payroll Data (IPPD) and each Ministry, Department and Agency (MDA) will be required to provide this information to support personnel requirements. Management has attributed the failure to include some of the employees into the IPPD system to lack of payroll numbers, inability to define some of the cadre of staff into the system and the temporary nature of the engagement of some of the employees.

### **1.7 Non-Compliance with the Law on Fiscal Responsibility - Wage Bill**

The statement of receipts and payments reflects compensation of employees amounting to Kshs.4,545,113,972 which is equivalent to 54% of the total revenue of Kshs.8,404,407,350. This is contrary to Regulation 25(1)(b) of the Public Finance Management (County Governments) Regulations, 2015 which provides that the County Government's expenditure on wages and benefits for its public officers shall not exceed thirty-five (35) percent of the County Government's total revenue.

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

## **2. Unsatisfactory Construction of Ngege Dispensary**

During the years audit review, Management paid an amount of Kshs.3,004,475 in respect of proposed completion of Ngege Dispensary in Nyakach Sub-county. Review of records revealed that Management engaged a contractor at a cost of Kshs.3,060,387 for a period of three (3) months commencing 26 March, 2021. Physical inspection in the month of

November, 2022 revealed that although the dispensary was complete, wide cracks were observed along the walls and the dispensary had not been put into use as intended.

In the circumstances, value for money may not have been obtained in respect of Kshs.3,004,475 spent on the facility.

### **3. Delayed Completion of Projects**

As disclosed in Note 4 to the financial statements, the statement of receipts and payments reflects other capital grants and transfers amounting to Kshs.309,570,004. Included in this amount is Kshs.18,556,765 paid to a construction Company and Kenya Power and Lighting which was incurred on EU IDEAS Project. Review of contract records revealed that the County Executive entered into two contract agreements with a contractor on 25 September, 2019 for the construction to completion of administration and ablution block, and construction to completion of milk processing plant, cooling plant, power generator house and zero grazing unit at contract sums of Kshs.13,152,195 and Kshs.13,719,430, respectively.

Further, according to the contracts, the works were expected to be completed by 17 May, 2020 but the contractor requested for several extension with the last extension requested up to 17 September, 2021 which was sixteen (16) months after the initial completion date. Further, the performance security provided by the contractor from a local bank expired on 7 December, 2020. Payment records provided indicated that payments totalling to Kshs.34,227,998 had been made in respect of the Project.

In addition, site inspection carried out in the month of November, 2022 and January, 2023, revealed that, although the structures had been completed, the cooling plant and the administration block remained unused. The equipment procured including milking machines, cooling plants and the administration block had not been installed and the water tower and tank were destroyed due to the poor installation.

Whereas the grant contract indicated that VAT/taxes, duties and charges were not eligible, the electricity supply quotation indicated that connection cost will include 14% VAT of Kshs.968,014. Although Management committed process and apply of VAT exemption vide no evidence was provided in support of the application or evidence the granting of the exemption.

In the circumstances, the project had not been operationalized, thus delaying service delivery to the public.

### **4. Irregular Procurement of Consultancy Services**

During the year under review, Management paid an amount of Kshs.4,500,000 for consultancy on the development of the implementation plan of the Kisumu County COVID-19 Social Economic Re-engineering Recovery Strategy. Review of the procurement process for the consultancy service revealed that the procurement of the services was not done in e-procurement contrary to Regulations 49(2) of the Public Procurement and Asset Disposal Regulations, 2020. There was no evidence of open tendering as stipulated in the second schedule threshold matrix of the Public Procurement and Asset Disposal Regulations, 2020 and the tender evaluation report was not provided

for audit, contrary to Regulation 78(1) of the Public Procurement and Asset Disposal Regulations, 2020.

Further, the procurement for the consultancy service was not in the approved annual procurement plan contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which require preparation, approval and implementation of an annual procurement plan.

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

## **5. Acquisition of Assets**

The statement of receipts and payments reflects acquisition of assets balance of Kshs.924,670,289 as further disclosed in Note 7 to the financial statements. The following observations were made:

### **5.1 Unsatisfactory Construction of Roads**

The balance includes an amount of Kshs.80,027,061 in respect of construction of roads. The expenditure includes a payment of Kshs.5,221,429 for improvement of Pundo Kandara Junction Access Road. Management had entered into the contract with a construction firm on 25 February, 2020 at a contract sum of Kshs.5,221,636 for a period of ten (10) weeks. However, physical inspection in the month of November, 2022 revealed that the road was complete but the culverts and drainage works stated in the approved bill of quantity were not done as per the specifications.

Further, the expenditure includes a payment of Kshs.4,663,548 incurred on the improvement of Nubian Access Road which was not procured in e-procurement contrary to Regulations 49(2) of the Public Procurement and Asset Disposal Regulations, 2020.

### **5.2 Unsatisfactory Construction and Civil Works**

#### **5.2.1 Relocation of Agriculture Sheds**

The balance also includes construction and civil works amounting to Kshs.569,085,786 which further includes an expenditure of Kshs.3,932,430 incurred on the proposed relocation and reconstruction of agriculture sheds, acquisition of three thousand one hundred and sixty (3,160) assorted copies of 4th Annual State of the County speech book at a cost of Kshs.4,844,555 and event management services procured at a cost of Kshs.1,000,000. However, direct procurement method was used to procure the services contrary to Section 103(2) of the Public Procurement and Asset Disposal Act, 2015 without giving any justification.

#### **5.2.2 Construction of Market Sheds at Riat Market**

Further, the expenditure includes an amount of Kshs.7,430,618 incurred on construction of a modern market shade and fence at Riat Market. Review of procurement records revealed that Management awarded the contract to a construction company at a contract price of Kshs.8,452,850 for a contract period of three (3) months from the date of signing the contract. However, review of the project status and physical verification in July, 2022 revealed that certified works to date amounted to Kshs.7,580,618 but the market was yet to be put in use due to incomplete flooring, construction of stalls, fencing and electrical

works. No satisfactory explanation was provided for the stalling of works or delay in the project's completion and the Management had not made any budgetary provision to complete the remaining works.

### **5.2.3 Construction of Market Shed at Pap Onditi**

In addition, the expenditure includes an amount of Kshs.7,578,856 paid to a firm in respect to construction of a modern market at Pap Onditi at a contract sum of Kshs.42,400,400. The contract agreement was signed on 24 February, 2016 which was executable in three (3) phases. Information on the project indicated that the value of certified works as per the statement of account dated 23 June, 2020 amounted to Kshs.28,194,018 with a total of Kshs.15,171,073 having been paid. However, site inspection carried out in the month of July, 2022 indicated that the works had stalled and the contractor was not on site. Further, there were no budgetary provisions for the project in the financial year 2021/2022.

### **5.3 Unsatisfactory Rehabilitation of Civil Works**

Further, the balance on acquisition of assets includes rehabilitation of civil works amounting to Kshs.58,358,174 which further, includes an amount of Kshs.8,063,168 in respect to construction of Guba-Gita-Namba-Kabongo and Lela-Agulu-Mbaka-Oromo roads. The contract was awarded to a Company at a contract sum of Kshs.21,525,925 for a contract period of 16 weeks which ended on 14 March, 2022. However, physical inspection carried out in the month of July, 2022 revealed that the Lela-Agulu-Mbaka-Oromo road had not been started yet the contract agreement had expired.

### **5.4 Unsatisfactory Construction of Buildings**

In addition, the balance on acquisition of assets expenditure includes construction of buildings amounting to Kshs.118,870,669. The expenditure includes an amount of Kshs.24,019,773 paid for the proposed construction of a cancer center at Jaramogi Oginga Odinga Teaching and Referral Hospital at a contract price of Kshs.165,622,113. The contract was signed on 11 May, 2020 for a period was eighteen (18) months ending November, 2021. However, the project status report provided for audit review dated 17 February, 2022 reflected 61% progress of works twenty-one (21) months after the contract lapse. Physical inspection of the project in June, 2022 revealed that the project had stalled and the contractor was not on site.

Further, interim certificate number 5 dated 24 May, 2022 in respect of preliminary substructure works, superstructure branchy external walling and internal walling amounted to Kshs.48,256,344 against the bill of quantities amount of Kshs.38,461,895 resulting to unauthorized variation of quantities of Kshs.9,794,449. This is contrary to Section 139(1) of the Public Procurement and Asset Disposal Act, 2015.

In addition, Management paid an amount of Kshs.4,932,651 in respect of proposed Kosawo Dispensary. Review of records revealed that the contract was awarded to a contractor at a contract sum of Kshs.37,138,510 for a period of three (3) months. However, project inspection carried out in the month of July, 2022 revealed the project had stalled, and the contractor was not on site. Further, the contract period and the performance bond had since expired and there was no evidence of approval for contract extension.

## **6. Non-compliance with the Public Procurement and Assets Disposal Regulation, 2020**

During the year under review, Management made a cash expenditure totalling to Kshs.1,200,000 charged to catering services for board and committee meetings. The cash expenditure was incurred the form of imprests. This is contrary to the Second Schedule Threshold Matrix of the Public Procurement and Asset Disposal Regulations, 2020 which limits cash purchase to Kshs.50,000 per item per financial year for goods and services.

Further, an amount of Kshs.25,730,350 was made for the supply and delivery of various medical items. Review of documents in support of the payments revealed that suppliers registration certificates had expired. Management awarded tenders amounting to Kshs.3,564,110 to suppliers with expired and invalid PIN, tax certificates and AGPO certificates. This is contrary to Regulation 75 (1) of the Public Procurement and Asset Disposal Regulations, 2020 which provides for rejection of tenders which are not in conformity with the preliminary requirements.

In addition, the statement of assets and liabilities reflects an amount of Kshs.742,970,432 in respect of prior year adjustments which, as disclosed in Note 12 to the financial statements were payments made after 30 June, 2021. This balance includes an amount of Kshs.4,950,000 incurred on supply of a fogging machine through request for quotation. The balance exceeded the required threshold for use of request for quotations limit of Kshs.3,000,000 prescribed in the Second Schedule of the Public Procurement and Asset Disposal Regulations, 2020.

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

## **7. Non-Compliance with Public Procurement and Asset Disposal Act, 2015**

During the year under review, Management paid an amount of Kshs.1,504,050 for supply and delivery of medical drugs. Review of records indicated that the drugs were delivered on 31 August, 2021. However, inspection and acceptance certificate in relation to the goods was issued two (2) months before delivery. This is contrary to Section 48(3) of the Public Procurement and Asset Disposal Act, 2015 which requires the Inspection and Acceptance Committee to inspect goods, works or services immediately they are delivered.

In addition, procurement of goods and services amounting to Kshs.3,400,00 were split into two (2) contracts. This was contrary to Section 54(1) of the Public Procurement and Asset Disposal Act, 2015 which provides that no procuring entity may structure procurement as two or more procurements for the purpose of avoiding the use of a procurement procedure.

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

## **8. Long Outstanding Imprests**

The statement of assets and liabilities reflects outstanding imprests and advances balance of Kshs.54,120,090. The amount includes imprest totalling to Kshs.52,928,848 which has been outstanding for more than one year, dating back to the 2013/2014

financial year. Management has not provided any explanation for not recovering the long outstanding imprests from the salaries of the defaulting officers. Further, several officers held multiple imprests totalling to Kshs.33,180,906. This was contrary to Regulation 93(5) and (8) of the Public Finance Management (County Governments) Regulations, 2015 which requires that imprest be surrendered or accounted for within 7 working days after returning to duty station and prohibits issue of new imprests to officers with outstanding imprests.

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

#### **9. Unfunded Matching-Fund Programme**

Included in other capital grants of Kshs.309,570,004 is an amount of Kshs.35,000,000 paid to Rural Electrification and Renewable Energy Corporation (REREC) in respect of the Matching-Fund Programme. Management had entered into framework collaboration with the REREC on 9 September, 2021. The Corporation was to contribute up-to a maximum of Kshs.5,000,000 per constituency while Management mapped seven (7) areas and committed an amount of Kshs.35,000,000 for the project.

However, review of projects progress report revealed that the initial budget was estimated at Kshs.193,479,991 which was revised to Kshs.76,664,631. This was against the planned commitment charge of Kshs.70,000,000 resulting to a shortfall of Kshs.6,664,631. Analysis of the approved supplementary budget estimates for the financial year 2021-2022 also revealed that the additional commitment charge was not factored in the County contribution to REREC for Rural Electrification projects.

In the circumstances, the implementation of the matching fund programme is doubtful and value for an amount of Kshs.35,000,000 spent on the project could not be achieved.

#### **10. Irregular Payment to the Council of Governors**

During the year under review, Management paid an amount of Kshs.950,000 for activities of the Council of Governors. This is contrary to Section 37 of the Inter-Governmental Relations Act, 2012 which states that the operational expenses of the Council of Governors should be provided for in the annual estimates of the revenue and expenditure of the National Government.

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

#### **11. Failure to Bank Hospital Revenue**

Review of revenue records maintained at the Lumumba Sub-county Hospital revealed that an amount of Kshs.5,112,433 was collected during the year under review. However, analysis of bank statements revealed bankings of Kshs.4,479,840 resulting to unexplained unbanked revenue of Kshs.632,593. Further, review of building plans approvals files revealed that the Department of Finance invoiced a total of Kshs.16,741,730 during the year to various applicants who had submitted building plans for approvals. However, no evidence was provided to support receipt of funds. In addition, an amount of Kshs.8,703,350 was invoiced, received and deposited in a Kenya Commercial Bank (KCB) account but the Management did not provide a cash book and bank statements to confirm receipt and transfer of these funds to the County Revenue Fund.

This was contrary to Regulation 63(1) of the Public Finance Management (County Governments) Regulations, 2015 which states that an accounting officer and a receiver of revenue are personally responsible for ensuring that adequate safeguards exist and are applied for the prompt collection and proper accounting for, all county government revenue and other public moneys relating to their county departments or agencies.

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

## **12. Avoidable Expenditure**

The statement of receipts and payments reflects use of goods and services amount of Kshs.1,074,027,052 as disclosed in Note 3 to the financial statements. This amount includes other operating expenses amounting to Kshs.251,682,137 out of which an amount of Kshs.4,600,000 was in respect of a court award being principal of Kshs.1,316,000 and accrued interest of Kshs.3,284,000 arising from a legal case between a firm and Municipal Council of Kisumu. The court had awarded the plaintiff an amount of Kshs.1,316,000 subject to an interest of 14% per annum for any delayed payment. Payment of interest amounting to Kshs.3,284,000 on defrayment of delayed payments led to loss of public funds which could have been avoided

In the circumstances, effectiveness in use of public resources could not be confirmed.

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter 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 overall governance were not effective.

### **Basis for Conclusion**

#### **Weak Controls Over Fuel Expenditure**

Included in the use of goods expenditure amount of Kshs.1,074,027,052 were fuel costs amounting to Kshs.68,968,625. Review of the fleet management system, motor vehicle records and the supplier statement for the period under review revealed instances of fuel drawn but not recorded in the work tickets, fuel drawn in the supplier statement, detail orders and the amounts recorded in the work tickets which varied with the Management reports. Further, fuel drawn by two (2) vehicles was not supported with detailed orders, a fuel register, work tickets and suppliers' records while some grounded motor vehicles were drawing fuel for the period they were not in use.

In the circumstances, effectiveness of controls over fuel records and management could not be confirmed.

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

### **Responsibilities of Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the County Executive's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to dissolve the County Executive or to cease operations.

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

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

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

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

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

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County Executive's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date

of my audit report. However, future events or conditions may cause the County Executive to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the County Executive to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

20 April, 2023

**KISUMU COUNTY EXECUTIVE****Annual Report and Financial Statements for the year ended June 30, 2022.****7. Statement of Receipts and Payments for the year ended 30th June 2022.**

		2021-2022	2020-2021
	Notes	Kshs	Kshs
<b>Receipts</b>			
Exchequer releases (Transfers from the CRF)	1	8,404,407,350	8,928,215,210
Proceeds from sale of assets			
Other receipts			1,248,063,960
<b>Total receipts</b>		<b>8,404,407,350</b>	<b>10,176,279,174</b>
<b>Payments</b>			
Compensation of employees	2	4,545,113,972	4,464,057,566
Use of goods and services	3	1,074,027,052	1,131,806,559
Subsidies			
Transfers to other government entities	4	2,157,905,922	2,644,103,952
Other grants and transfers	5	224,209,938	291,194,619
Social security benefits	6	19,585,133	21,305,587
Acquisition of assets	7	924,670,289	1,215,902,542
Finance costs, including loan interest			
Repayment of principal on domestic & foreign Borrowing			
Other payments			
<b>Total payments</b>		<b>8,945,512,306</b>	<b>9,768,370,824</b>
<b>Surplus/deficit</b>		<b>(541,104,956)</b>	<b>407,908,350</b>

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



.....  
Ag. Chief Officer Finance

Name: Wilson Opondo Abiero

ICPAK Member Number



.....  
Head of Accounting Services


Name: Keziah Okoth


ICPAK Member Number 4499

8. Statement of Assets and Liabilities as at 30th June 2022

		2021-2022	2020-2021
	Notes	Kshs	Kshs
<b>Financial assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	8A	1,228,144,862	2,457,925,416
Cash balances	8B	192,029	329,485
<b>Total cash and cash equivalent</b>		<b><u>1,228,336,891</u></b>	<b><u>2,458,254,901</u></b>
Outstanding imprests and advances	9	54,120,090	87,465,098
<b>Total financial assets</b>		<b>1,282,456,981</b>	<b>2,545,719,999</b>
<b>Financial liabilities</b>			
Deposits and retentions	10	24,249,889	3,437,519
<b>Net financial assets</b>		<b>1,258,207,092</b>	<b>2,542,282,480</b>
<b>Represented by</b>			
Fund balance b/fwd.	11	2,542,282,480	1,977,936,810
Prior year adjustments	12	(742,970,432)	156,437,320
Surplus/deficit for the year		(541,104,956)	407,908,350
<b>Net financial position</b>		<b>1,258,207,092</b>	<b>2,542,282,480</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 30<sup>th</sup> Sept, 2022 and signed by:

.....  
  
 Ag. Chief Officer Finance  
 Name: Wilson Opondo Abiero  
 ICPAK Member Number

.....  
  
 Head of Accounting Services  
 Name: Keziah Okoth  
 ICPAK Member Number 4499

**KISUMU COUNTY EXECUTIVE**

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

**9. Statement of Cash Flows for the period ended 30th June 2022.**

		<b>2021-2022</b>	<b>2020-2021</b>
	<b>Notes</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Receipts from operating income</b>			
Exchequer releases (Transfers from the CRF)	<b>1</b>	8,404,407,350	8,928,215,210
Other receipts			1,248,063,960
<b>Payments for operating expenses</b>			
Compensation of employees	<b>2</b>	4,545,113,972	4,464,057,566
Use of goods and services	<b>3</b>	1,074,027,052	1,131,806,558
Subsidies			
Transfers to other government units	<b>4</b>	2,157,905,922	2,644,103,951
Other grants and transfers	<b>5</b>	224,209,938	291,194,618
Social security benefits	<b>6</b>	19,585,133	21,305,586
Finance costs, including loan interest			
Other payments			
<b>Adjusted for:</b>			
<b>Other adjustments Prior year adjustments</b>	<b>12</b>		
Decrease/(increase) in outstanding imprests & advances	<b>13</b>	33,345,008	(27,365,912)
Increase/(decrease) in deposits and retentions	<b>14</b>	20,812,370	24,331,046
Other Adjustments-Changes in Prior Year Adjustments		634,655,676	(156,437,319)
<b>Net cash flow from operating activities</b>		<b>(305,247,721)</b>	<b>1,783,283,077</b>
<b>Cash flow from investing activities</b>			
Proceeds from sale of assets			
Acquisition of assets	<b>7</b>	924,670,289	1,215,902,542
<b>Net cash flows from investing activities</b>		<b>924,670,289</b>	<b>1,215,902,542</b>
<b>Cash flow from borrowing activities</b>			
Repayment of principal on domestic and foreign Borrowing			
<b>Net cash flow from financing activities</b>		<b>0</b>	<b>0</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,229,918,010</b>	<b>567,380,535</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>2,458,254,901</b>	<b>1,890,874,366</b>
<b>Cash and cash equivalents at end of the year</b>		<b>1,228,336,891</b>	<b>2,458,254,901</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Executive's financial statements were approved on 30<sup>TH</sup> September, 2022 and signed by:



.....  
**Ag. Chief Officer Finance**  
**Name: Wilson Opondo Abiero**  
**ICPAK Member Number**



.....  
**Head of Accounting Services**  
**Name: Keziah Okoth**  
**ICPAK Member Number 4499**

10. Statement of Comparison of Budget & Actual Amounts

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	c-d	d/c %
<b>Receipts</b>						
Exchequer releases (Transfers from the CRF)	11,216,858,841	31,676,176	11,248,535,017	8,404,407,350	2,844,127,667	75
Proceeds from sale of assets						
Other receipts						
<b>Total</b>	<b>11,216,858,841</b>	<b>31,676,176</b>	<b>11,248,535,017</b>	<b>8,404,407,350</b>	<b>2,844,127,667</b>	<b>75</b>
<b>Payments</b>						
Compensation of employees	4,481,809,406	405,860,241	4,887,669,647	4,545,113,972	342,555,675	93
Use of goods and services	1,709,097,974	(84,938,236)	1,624,159,738	1,074,027,052	550,132,686	66
Subsidies						
Transfers to other government units	2,046,368,195	(123,373,987)	1,922,994,208	2,157,905,922	(234,911,714)	112
Other grants and transfers	227,7000,000	(2,000,000)	225,700,000	224,209,938	1,490,062	99
Social security benefits	77,424,141	(47,960,755)	29,463,386	19,585,133	9,878,253	66
Acquisition of assets	2,674,459,125	(115,911,087)	2,558,548,038	924,670,289	1,633,877,749	36
Finance costs, including loan interest						
Repayment of principal on borrowings						
Other payments						

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	Year Utilised %
	a	b	c=a+b	d	e=a-d	f=d/c %
<b>Total</b>	<b>11,216,858,841</b>	<b>31,676,176</b>	<b>11,248,535,017</b>	<b>8,945,512,306</b>	<b>2,303,022,712</b>	<b>80</b>
<b>Surplus/(Deficit)</b>						

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

.....  
**Ag. Chief Officer Finance**  
**Name: Wilson Opondo Abiero**  
**ICPAK Member Number**

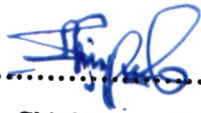
.....  
**Head of Accounting Services**  
**Name: Keziah Okoth**  
**ICPAK Member Number 4499**

## 11. Statement of Comparison of Budget &amp; Actual Amounts: Recurrent


Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>Receipts</b>						
Exchequer releases (Transfers from the CRF)	7,659,992,724	11,741,000	7,671,733,724	6,974,691,423	697,042,301	91
Proceeds from sale of assets						
Other receipts						
<b>Total</b>	<b>7,659,992,724</b>	<b>11,741,000</b>	<b>7,671,733,724</b>	<b>6,974,691,423</b>	<b>697,042,301</b>	<b>91</b>
<b>Payments</b>						
Compensation of employees	4,481,809,406	405,860,241	4,887,669,647	4,545,113,972	342,555,675	93%
Use of goods and services	1,709,097,974	(84,938,236)	1,624,159,738	1,074,027,052	550,132,686	66%
Subsidies						
Transfers to other government units	1,021,826,930	(151,950,163)	869,876,767	868,396,829	1,479,938	100%
Other grants and transfers	227,700,000	(2,000,000)	225,700,000	224,209,938	1,490,062	99%
Social security benefits	77,424,141	(47,960,755)	29,463,386	19,585,133	9,878,253	66%
Acquisition of assets	142,134,273	(107,270,087)	34,864,186		34,864,186	0%
Finance costs, including loan interest						
Repayment of principal on borrowings						
Other payments						
<b>Total</b>	<b>7,659,992,724</b>	<b>11,741,000</b>	<b>7,671,733,724</b>	<b>6,731,332,924</b>	<b>940,400,800</b>	<b>88%</b>

Receipts/expense item	Original Budget	Adjustment	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>Surplus/(deficit)</b>						

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



.....  
**Ag. Chief Officer Finance**  
**Name: Wilson Opondo Abiero**  
**ICPAK Member Number**



.....  
**Head of Accounting Services**  
**Name: Keziah Okoth**  
**ICPAK Member Number 4499**

## 12. Statement of Comparison of Budget &amp; Actual Amounts: Development

Receipt/expense item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>Receipts</b>						
Exchequer releases (Transfers from the CRF)	3,556,866,117	19,935,176	3,576,801,293	1,429,715,927	2,147,085,366	40%
Proceeds from sale of assets						
Other receipts						
<b>Total</b>	<b>3,556,866,117</b>	<b>19,935,176</b>	<b>3,576,801,293</b>	<b>1,429,715,927</b>	<b>2,147,085,366</b>	<b>40%</b>
<b>Payments</b>						
Compensation of employees						
Use of goods and services						
Subsidies						
Transfers to other government units	1,024,541,265	28,576,176	1,053,117,441	1,289,509,093	(236,391,652)	122%
Other grants and transfers						
Social security benefits						
Acquisition of assets	2,532,324,852	(8,641,000)	2,523,683,852	924,670,289	1,599,013,563	37%
Finance costs, including loan interest						
Repayment of principal on borrowings						
Other payments						
<b>Totals</b>	<b>3,556,866,117</b>	<b>19,935,176</b>	<b>3,576,801,293</b>	<b>2,214,179,382</b>	<b>1,362,621,911</b>	<b>62%</b>
<b>Surplus/(deficit)</b>						

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



.....  
**Ag. Chief Officer Finance**  
**Name: Wilson Opondo Abiero**  
**ICPAK Member Number**



.....  
**Head of Accounting Services**  
**Name: Keziah Okoth**  
**ICPAK Member Number 4499**

### 13. Budget Execution by Programmes and Sub-Programmes

Sub Program	Description	Original Budget	Adjustments	Final Budget	Actual	Budget utilization difference
		KShs	KShs	KShs	KShs	KShs
	<b>General Administration and Planning Services</b>	<b>1,212,066,729.00</b>	<b>19,814,940.00</b>	<b>1,231,881,669.00</b>	<b>876,827,028.40</b>	<b>355,054,640.60</b>
101015060	Planning and Coordination Services	496,337,477.00	21,740,028.00	518,077,505.00	505,576,156.85	12,501,348.15
101045060	Planning and administration	715,729,252.00	-1,925,088.00	713,804,164.00	371,250,871.55	342,553,292.45
	<b>County Survey Services</b>	<b>1,290,000.00</b>	<b>-485,000.00</b>	<b>805,000.00</b>	<b>530,000.00</b>	<b>275,000.00</b>
102015060	County Survey	1,290,000.00	-485,000.00	805,000.00	530,000.00	275,000.00
	<b>Physical Planning &amp; Housing</b>	<b>13,350,000.00</b>	<b>-10,530,950.00</b>	<b>2,819,050.00</b>	<b>1,064,000.00</b>	<b>1,755,050.00</b>
103015060	Physical planning services	12,250,000.00	-10,183,950.00	2,066,050.00	506,000.00	1,560,050.00
103025060	county housing management	1,100,000.00	-347,000.00	753,000.00	558,000.00	195,000.00
	<b>Promotion of sustainable land use</b>	<b>700,000.00</b>	<b>-267,445.00</b>	<b>432,555.00</b>	<b>341,355.00</b>	<b>91,200.00</b>
104015060	Promotion of Soil and Water Management	700,000.00	-267,445.00	432,555.00	341,355.00	91,200.00
	<b>Agriculture Productivity Improvement</b>	<b>102,461,872.00</b>	<b>-7,501,101.00</b>	<b>94,960,771.00</b>	<b>38,149,369.00</b>	<b>56,811,402.00</b>
105015060	Management of Agriculture Advisory services	1,300,000.00	-825,250.00	474,750.00	333,250.00	141,500.00
105025060	Promotion of Crop production Value Chains	85,100,000.00	-2,777,061.00	82,322,939.00	32,256,409.00	50,066,530.00
105035060	Promotion of Livestock Production Value Chains	5,701,000.00	-2,801,000.00	2,900,000.00	200,000.00	2,700,000.00
105055060	Management of Stations	9,810,872.00	-915,790.00	8,895,082.00	5,101,710.00	3,793,372.00
105075060	Development of Product Quality Assurance	550,000.00	-182,000.00	368,000.00	258,000.00	110,000.00
	<b>Agricultural Productivity Improvement</b>	<b>10,300,000.00</b>	<b>-10,090,000.00</b>	<b>210,000.00</b>	<b>65,000.00</b>	<b>145,000.00</b>
106015060	Agriculture Credit Access	300,000.00	-90,000.00	210,000.00	65,000.00	145,000.00
106025060	Agriculture input Access	10,000,000.00	-10,000,000.00	0	0	0
	<b>Promotion of market access and products development</b>	<b>12,700,000.00</b>	<b>-277,500.00</b>	<b>12,422,500.00</b>	<b>3,024,165.00</b>	<b>9,398,335.00</b>
107015060	Promotion of Agribusiness	200,000.00	-50,000.00	150,000.00	50,000.00	100,000.00
107025060	Promotion value addition	12,500,000.00	-227,500.00	12,272,500.00	2,974,165.00	9,298,335.00

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

	<b>Revenue Generation and Management</b>	<b>25,649,231.00</b>	<b>0</b>	<b>25,649,231.00</b>	<b>25,649,230.15</b>	<b>0.85</b>
108015060	Local Revenue Mobilization	25,649,231.00	0	25,649,231.00	25,649,230.15	0.85
	<b>Urban Planning &amp; Development Control</b>	<b>53,467,514.00</b>	<b>1,496,665.00</b>	<b>54,964,179.00</b>	<b>45,588,700.35</b>	<b>9,375,478.65</b>
109015060	Urban planning and development	53,467,514.00	1,496,665.00	54,964,179.00	45,588,700.35	9,375,478.65
	<b>County Roads and Public Works Management</b>	<b>1,077,840,838.00</b>	<b>-40,755,916.00</b>	<b>1,037,084,922.00</b>	<b>300,642,123.10</b>	<b>736,442,798.90</b>
201015060	General administration & planning	575,416,176.00	-42,255,916.00	533,160,260.00	181,477,580.10	351,682,679.90
201025060	Road construction and maintenance services	502,424,662.00	1,500,000.00	503,924,662.00	119,164,543.00	384,760,119.00
	<b>Administration, Planning and Support Services</b>	<b>1,680,452,563.00</b>	<b>164,764,083.00</b>	<b>1,845,216,646.00</b>	<b>1,456,192,328.50</b>	<b>389,024,317.50</b>
203015060	Administrative services	1,680,452,563.00	164,764,083.00	1,845,216,646.00	1,456,192,328.50	389,024,317.50
	<b>Energy Production</b>	<b>74,322,514.00</b>	<b>-3,997,824.00</b>	<b>70,324,690.00</b>	<b>52,165,869.55</b>	<b>18,158,820.45</b>
205025060		26,145,000.00	362,200.00	26,507,200.00	13,419,249.00	13,087,951.00
205035060	Climate Change	2,100,000.00	-1,500,000.00	600,000.00	520,000.00	80,000.00
205045060	Petroleum and Electricity	46,077,514.00	-2,860,024.00	43,217,490.00	38,226,620.55	4,990,869.45
	<b>Mining Efficiency</b>	<b>102,750,000.00</b>	<b>-8,306,994.00</b>	<b>94,443,006.00</b>	<b>24,044,556.00</b>	<b>70,398,450.00</b>
206045060	Mining Efficiency	2,000,000.00	-419,200.00	1,580,800.00	1,229,343.00	351,457.00
206055060	Resource Mobilization	23,800,000.00	-1,461,670.00	22,338,330.00	20,217,416.00	2,120,914.00
206065060	Green Energy	76,950,000.00	-6,426,124.00	70,523,876.00	2,597,797.00	67,926,079.00
	<b>Roads General Administration and Planning</b>	<b>47,089,048.00</b>	<b>-14,000,000.00</b>	<b>33,089,048.00</b>	<b>23,767,543.00</b>	<b>9,321,505.00</b>
207015060	Public Works	1,500,000.00	0	1,500,000.00	1,495,182.00	4,818.00
207045060	Mechanical Engineering Services	45,589,048.00	-14,000,000.00	31,589,048.00	22,272,361.00	9,316,687.00
	<b>ICT Services</b>	<b>2,465,000.00</b>	<b>-1,104,195.00</b>	<b>1,360,805.00</b>	<b>1,064,805.00</b>	<b>296,000.00</b>
208015060	ICT Services	2,465,000.00	-1,104,195.00	1,360,805.00	1,064,805.00	296,000.00
	<b>General Administration and Policy making Services</b>	<b>72,703,963.00</b>	<b>-32,728,305.00</b>	<b>39,975,658.00</b>	<b>13,740,246.60</b>	<b>26,235,411.40</b>
301015060	Infrastructure Development	4,553,963.00	-127,000.00	4,426,963.00	3,734,713.00	692,250.00
301025060	Trade Support Services	68,150,000.00	-32,601,305.00	35,548,695.00	10,005,533.60	25,543,161.40
	<b>Regulation and Verification of Weights</b>	<b>7,795,000.00</b>	<b>-1,020,160.00</b>	<b>6,774,840.00</b>	<b>117,040.00</b>	<b>6,657,800.00</b>
302015060	Verification and Calibration of Weighing Equipment	7,795,000.00	-1,020,160.00	6,774,840.00	117,040.00	6,657,800.00
	<b>Tourism Development and Management</b>	<b>15,745,000.00</b>	<b>-114,670.00</b>	<b>15,630,330.00</b>	<b>5,070,830.00</b>	<b>10,559,500.00</b>

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

303015060	Tourism Development	8,540,000.00	447,990.00	8,987,990.00	2,477,630.00	6,510,360.00
303035060	Tourism Event Management	7,205,000.00	-562,660.00	6,642,340.00	2,593,200.00	4,049,140.00
	<b>Administration Planning and Support</b>	<b>101,682,017.00</b>	<b>1,505,309.00</b>	<b>103,187,326.00</b>	<b>68,092,473.10</b>	<b>35,094,852.90</b>
304015060	Administration planning	101,682,017.00	1,505,309.00	103,187,326.00	68,092,473.10	35,094,852.90
	<b>Co-Operative Development and Management</b>	<b>22,780,000.00</b>	<b>-4,292,215.00</b>	<b>18,487,785.00</b>	<b>13,302,960.00</b>	<b>5,184,825.00</b>
305015060	Extension services	10,000,000.00	-1,011,310.00	8,988,690.00	7,048,640.00	1,940,050.00
305055060	Co-operative Governance	12,780,000.00	-3,280,905.00	9,499,095.00	6,254,320.00	3,244,775.00
	<b>Enterprise Development</b>	<b>100,910,000.00</b>	<b>-47,217,678.00</b>	<b>53,692,322.00</b>	<b>319,322.30</b>	<b>53,372,999.70</b>
306015060	Business Development Services	100,910,000.00	-47,217,678.00	53,692,322.00	319,322.30	53,372,999.70
	<b>Industrial Development</b>	<b>605,384.00</b>	<b>-314,384.00</b>	<b>291,000.00</b>	<b>291,000.00</b>	<b>0</b>
307015060	Renovation and operationalization of C.I.D.Cs	605,384.00	-314,384.00	291,000.00	291,000.00	0
	<b>Preventive &amp; Promotive Health Services</b>	<b>349,679,322.00</b>	<b>-107,705,000.00</b>	<b>241,974,322.00</b>	<b>183,784,782.75</b>	<b>58,189,539.25</b>
401015060	Environmental health and sanitation	187,355,269.00	-100,350,000.00	87,005,269.00	87,005,268.10	0.9
401025060	Community health strategy	1,100,000.00	-600,000.00	500,000.00	0	500,000.00
401035060	Disease surveillance	15,000,000.00	-6,755,000.00	8,245,000.00	8,045,000.00	200,000.00
401045060	Health promotion service	146,224,053.00	0	146,224,053.00	88,734,514.65	57,489,538.35
	<b>Health Curative Services</b>	<b>141,315,014.00</b>	<b>-2,864,485.00</b>	<b>138,450,529.00</b>	<b>72,163,510.95</b>	<b>66,287,018.05</b>
402025060	Elimination of communicable and non-communicable disease	3,500,000.00	-2,350,000.00	1,150,000.00	777,400.00	372,600.00
402035060	Reproductive Health	137,815,014.00	-514,485.00	137,300,529.00	71,386,110.95	65,914,418.05
	<b>General Administration, Operational Research and Planning</b>	<b>2,899,479,396.00</b>	<b>184,478,676.00</b>	<b>3,083,958,072.00</b>	<b>3,065,340,993.80</b>	<b>18,617,078.20</b>
403035060	Governance and leadership	52,194,000.00	-26,531,084.00	25,662,916.00	14,259,975.85	11,402,940.15
403045060	Human resource for Health	2,847,285,396.00	211,009,760.00	3,058,295,156.00	3,051,081,017.95	7,214,138.05
	<b>Health Sector support Program (DANIDA)</b>	<b>160,792,947.00</b>	<b>-22,748,891.00</b>	<b>138,044,056.00</b>	<b>62,994,128.50</b>	<b>75,049,927.50</b>
405015060	Health Promotive Services	160,792,947.00	-22,748,891.00	138,044,056.00	62,994,128.50	75,049,927.50
	<b>Jaramogi Oginga Odinga Teaching and Referral Hospital</b>	<b>296,334,964.00</b>	<b>-150,000,000.00</b>	<b>146,334,964.00</b>	<b>146,334,964.00</b>	<b>0</b>
407015060	Jaramogi Oginga Odinga Teaching and Referral Hospital	296,334,964.00	-150,000,000.00	146,334,964.00	146,334,964.00	0

	<b>Kisumu County Referral Hospital</b>	<b>60,000,000.00</b>	<b>-5,000,000.00</b>	<b>55,000,000.00</b>	<b>47,895,155.00</b>	<b>7,104,845.00</b>
408015060	Kisumu County Referral Hospital	60,000,000.00	-5,000,000.00	55,000,000.00	47,895,155.00	7,104,845.00
	<b>Medical and Bio-Medical Services</b>	<b>303,800,000.00</b>	<b>-69,600,000.00</b>	<b>234,200,000.00</b>	<b>128,139,422.20</b>	<b>106,060,577.80</b>
409015060	County and Sub-County Hospital Services	303,800,000.00	-69,600,000.00	234,200,000.00	128,139,422.20	106,060,577.80
	<b>Early Childhood Development.</b>	<b>38,578,941.00</b>	<b>0</b>	<b>38,578,941.00</b>	<b>38,407,684.25</b>	<b>171,256.75</b>
501015060	Promotion of early childhood education.	38,578,941.00	0	38,578,941.00	38,407,684.25	171,256.75
	<b>Youth Training and Development</b>	<b>30,000,000.00</b>	<b>-8,689,990.00</b>	<b>21,310,010.00</b>	<b>3,562,380.00</b>	<b>17,747,630.00</b>
502015060	Youth Polytechnics Services	30,000,000.00	-8,689,990.00	21,310,010.00	3,562,380.00	17,747,630.00
	<b>Gender and Social Dev.</b>	<b>9,940,000.00</b>	<b>-1,394,300.00</b>	<b>8,545,700.00</b>	<b>2,863,700.00</b>	<b>5,682,000.00</b>
504015060	Gender & Disability Mainstreaming	8,320,000.00	-691,300.00	7,628,700.00	2,417,700.00	5,211,000.00
504055060	Betting Control Services	1,620,000.00	-703,000.00	917,000.00	446,000.00	471,000.00
	<b>Early Child Education Management</b>	<b>364,100,000.00</b>	<b>-59,269,200.00</b>	<b>304,830,800.00</b>	<b>128,382,731.00</b>	<b>176,448,069.00</b>
505015060	Early Child Education	364,100,000.00	-59,269,200.00	304,830,800.00	128,382,731.00	176,448,069.00
	<b>Sports Management and Development</b>	<b>48,010,000.00</b>	<b>1,600,000.00</b>	<b>49,610,000.00</b>	<b>18,752,114.00</b>	<b>30,857,886.00</b>
506015060	Sports Management	48,010,000.00	1,600,000.00	49,610,000.00	18,752,114.00	30,857,886.00
	<b>Sports Stadia Development</b>	<b>4,970,000.00</b>	<b>-687,850.00</b>	<b>4,282,150.00</b>	<b>1,156,600.00</b>	<b>3,125,550.00</b>
507015060	Sports Academy	4,970,000.00	-687,850.00	4,282,150.00	1,156,600.00	3,125,550.00
	<b>Alcoholic Drinks</b>	<b>1,600,000.00</b>	<b>-1,006,925.00</b>	<b>593,075.00</b>	<b>379,075.00</b>	<b>214,000.00</b>
508015060	Alcoholic Drinks	1,600,000.00	-1,006,925.00	593,075.00	379,075.00	214,000.00
	<b>Pre-Primary Policy and Legislation</b>	<b>25,160,000.00</b>	<b>-2,370,700.00</b>	<b>22,789,300.00</b>	<b>9,658,895.00</b>	<b>13,130,405.00</b>
515015060	Primary Policy and Legislation	25,160,000.00	-2,370,700.00	22,789,300.00	9,658,895.00	13,130,405.00
	<b>Youth Training and Legislation</b>	<b>79,799,894.00</b>	<b>11,060,120.00</b>	<b>90,860,014.00</b>	<b>72,424,620.00</b>	<b>18,435,394.00</b>
517015060	Youth Training and Legislation	79,799,894.00	11,060,120.00	90,860,014.00	72,424,620.00	18,435,394.00
	<b>General Administration and Planning services</b>	<b>298,250,736.00</b>	<b>50,078,928.00</b>	<b>348,329,664.00</b>	<b>266,527,347.70</b>	<b>81,802,316.30</b>
701015060	Administration and Formulation of County policy	0	0	0	-478,000.00	478,000.00
701025060	Development and Management of County Administrative systems	268,490,736.00	52,951,087.00	321,441,823.00	243,723,730.70	77,718,092.30

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701065060	Human Resource development services	1,400,000.00	-572,000.00	828,000.00	492,000.00	336,000.00
701085060	Social Responsibility Including Civic and Public Engagement	28,360,000.00	-2,300,159.00	26,059,841.00	22,789,617.00	3,270,224.00
	<b>Management of County affairs and Special Programmes</b>	<b>8,100,000.00</b>	<b>-2,910,024.00</b>	<b>5,189,976.00</b>	<b>2,399,691.00</b>	<b>2,790,285.00</b>
702025060	Inter-Government Coordination and protocol	8,100,000.00	-2,910,024.00	5,189,976.00	2,399,691.00	2,790,285.00
	<b>Inter-Governmental relations, Communication and Protocol</b>	<b>28,228,460.00</b>	<b>8,646,128.00</b>	<b>36,874,588.00</b>	<b>18,698,261.00</b>	<b>18,176,327.00</b>
703015060	Governor's Press Service and Communication	19,609,952.00	8,002,700.00	27,612,652.00	11,013,825.00	16,598,827.00
703025060	Internal Auditing Services	8,618,508.00	643,428.00	9,261,936.00	7,684,436.00	1,577,500.00
	<b>County Public Service Board</b>	<b>865,953,722.00</b>	<b>189,479,714.00</b>	<b>1,055,433,436.00</b>	<b>696,388,283.45</b>	<b>359,045,152.55</b>
704015060	General Administration and Support services	714,216,507.00	263,690,651.00	977,907,158.00	646,705,364.45	331,201,793.55
704025060	Human Resource Recruitment and Development	144,431,891.00	-73,642,937.00	70,788,954.00	43,819,483.00	26,969,471.00
704035060	Human Resource Audit and Staff Rationalization	770,000.00	0	770,000.00	730,435.00	39,565.00
704045060	Promotion of Values and Principles	6,535,324.00	-568,000.00	5,967,324.00	5,133,001.00	834,323.00
	<b>Public Financial Management</b>	<b>245,103,929.00</b>	<b>-10,721,786.00</b>	<b>234,382,143.00</b>	<b>106,646,997.20</b>	<b>127,735,145.80</b>
705015060	Revenue Mobilization	88,637,256.00	-13,443,022.00	75,194,234.00	25,740,110.20	49,454,123.80
705025060	assets management	2,050,000.00	387,675.00	2,437,675.00	1,728,575.00	709,100.00
705035060	management of public financial resources	6,420,000.00	-1,765,300.00	4,654,700.00	2,806,575.00	1,848,125.00
705055060	Budget Formulation & Coordination Services	147,996,673.00	4,098,861.00	152,095,534.00	76,371,737.00	75,723,797.00
	<b>County Planning and Development Coordination Services</b>	<b>61,006,649.00</b>	<b>30,912,625.00</b>	<b>91,919,274.00</b>	<b>36,922,389.50</b>	<b>54,996,884.50</b>
706015060	Policy Formulation & Planning	31,048,246.00	34,878,389.00	65,926,635.00	20,373,581.00	45,553,054.00
706025060	Monitoring & Evaluation	29,958,403.00	-3,965,764.00	25,992,639.00	16,548,808.50	9,443,830.50
	<b>County Communication &amp; Ict Services</b>	<b>650,000.00</b>	<b>-340,000.00</b>	<b>310,000.00</b>	<b>193,100.00</b>	<b>116,900.00</b>
707015060	Management Information System	650,000.00	-340,000.00	310,000.00	193,100.00	116,900.00
	<b>Representation services &amp; public participation</b>	<b>7,500,000.00</b>	<b>-2,806,000.00</b>	<b>4,694,000.00</b>	<b>570,970.00</b>	<b>4,123,030.00</b>
709025060	Public participation services	7,500,000.00	-2,806,000.00	4,694,000.00	570,970.00	4,123,030.00

	<b>County Planning and Development Co ordination Services</b>	<b>7,450,000.00</b>	<b>-2,937,950.00</b>	<b>4,512,050.00</b>	<b>2,468,200.00</b>	<b>2,043,850.00</b>
711005060	County Planning and Development Co ordination Services	7,450,000.00	-2,937,950.00	4,512,050.00	2,468,200.00	2,043,850.00
	<b>Conservation and management of natural lecosystem</b>	<b>128,386,715.00</b>	<b>2,675,778.00</b>	<b>131,062,493.00</b>	<b>60,777,542.10</b>	<b>70,284,950.90</b>
902015060	Sustainable Access to safe Water	700,000.00	-328,801.00	371,199.00	150,000.00	221,199.00
902025060	Water resources & Sewerage services	127,686,715.00	3,004,579.00	130,691,294.00	60,627,542.10	70,063,751.90
	<b>General Administration and Planning Services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
903015060	Policy planning & Administration	0	0	0	0	0
	<b>Environmental Planning And Management</b>	<b>6,484,559.00</b>	<b>-543,159.00</b>	<b>5,941,400.00</b>	<b>5,459,900.00</b>	<b>481,500.00</b>
904025060	Environment Conservation Of Natural Resources	2,466,159.00	-1,520,359.00	945,800.00	654,200.00	291,600.00
904035060	Solid Waste Management	4,018,400.00	977,200.00	4,995,600.00	4,805,700.00	189,900.00
		<b>3,041,920.00</b>	<b>-120,943.00</b>	<b>2,920,977.00</b>	<b>2,192,870.00</b>	<b>728,107.00</b>
906015060	Pollution Control	3,041,920.00	-120,943.00	2,920,977.00	2,192,870.00	728,107.00
		<b>4,015,000.00</b>	<b>-115,250.00</b>	<b>3,899,750.00</b>	<b>1,229,373.00</b>	<b>2,670,377.00</b>
907015060	Culture and Heritage Development	4,015,000.00	-115,250.00	3,899,750.00	1,229,373.00	2,670,377.00
-	<b>Grand Total</b>	<b>11,216,858,841.00</b>	<b>31,676,176.00</b>	<b>11,248,535,017.00</b>	<b>8,132,765,627.00</b>	<b>3,115,769,390.00</b>

(NB: This statement is a disclosure statement indicating the utilisation in the same format at the County budgets which are programmatic)

## **14. Significant Accounting Policies**

The key 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 deposits and retentions.

The receivables and payables are disclosed in the Statement of Assets and Liabilities.

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

The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

### **2. Reporting entity**

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

### **3. Recognition of receipts and payments**

#### **a) Recognition of receipts**

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

**Significant Accounting Policies (Continued)**

**i) Transfers from the County Revenue Fund (CRF)**

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

**ii) Proceeds from sale of assets**

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

**b) Recognition of payments**

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

**i) Compensation of employees**

Salaries and Wages, Allowances, 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) Interest on borrowing**

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

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

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

**Significant Accounting Policies (Continued)**

**v) Acquisition of fixed assets**

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

**4. In-kind contributions**

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

**5. Third Party Payments**

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

**Significant Accounting Policies (Continued)****a) 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 2022, this amounted to KShs 24,249,889 compared to KShs 3,437,519 in prior period as indicated on note 10.

*(There were no other restrictions on cash during the year)*

**7. 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.

**8. 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.

## **9. Non-current assets**

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

## **Significant Accounting Policies (Continued)**

### **10. Pending bills**

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

### **11. Contingent Liabilities**

Section 185 (2) (i) of the PFM Act requires the County Government to report on the payments made, or losses incurred, by the county government to meet contingent liabilities as a result of loans during the financial year, including payments made in respect of loan write-offs or waiver of interest on loans

A contingent liability is:

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

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships. The County Executive does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. Note xx and Annex 7 of this financial statement is a register of the contingent liabilities in the year.

## **Significant Accounting Policies (Continued)**

### **12. Contingent Assets**

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

### **13. 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 xxx for the period 1<sup>st</sup> July 2021 to 30 June 2022 as required by law. There was one number of supplementary budgets passed in the year. A high-level assessment of the County Executive's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

### **14. Comparative figures**

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

### **15. Subsequent events**

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

**Significant Accounting Policies (Continued)**

**16. Prior Period Adjustment**

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

**17. 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.

**KISUMU COUNTY EXECUTIVE****Annual Report and Financial Statements for the year ended June 30, 2022.**

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**15. Notes to the Financial Statements****1. Exchequer Releases( Transfer from the CRF)**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Total exchequer releases for quarter 1	1,134,619,233	587,930,400
Total exchequer releases for quarter 2	2,673,548,587	2,366,187,119
Total exchequer releases for quarter 3	1,692,684,885	1,495,528,421
Total exchequer releases for quarter 4	2,903,554,645	4,478,450,687
<b>Total</b>	<b>8,404,407,350</b>	<b>8,641,655,246</b>

*Provide a brief explanation and explain significant change from prior period)*

## Notes to the Financial Statements (Continued)

## 2. Compensation of Employees

	2021-2022	2020-2021
	Kshs	Kshs
Basic salaries of permanent employees	3,792,069,614	3,452,030,875
Basic wages of temporary employees	84,857,534	104,574,717
Personal allowances paid as part of salary	668,186,824	872,555,489
Personal allowances paid as reimbursements		
Personal allowances provided in kind		
Employer contribution to compulsory national social schemes		
Employer contribution to compulsory national health insurance schemes		34,896,486
Pension and other social security contributions		
Social benefit schemes outside government		
Other personnel payments		
<b>Total</b>	<b>4,545,113,972</b>	<b>4,464,057,566</b>

*(Give brief explanation including the comparative number of employees. Explain what other personnel costs relate to, explain significant change from prior period)*

## Notes to the Financial Statements (Continued)

## 3. Use of Goods and Services

	2021-2022	2020-2021
	KShs	KShs
Utilities, supplies and services	84,963,039	173,841,741
Communication, supplies and services	6,309,313	3,439,709
Domestic travel and subsistence	178,231,080	209,022,216
Foreign travel and subsistence	22,042,064	6,999,118
Printing, advertising and information supplies & services	25,798,202	40,835,976
Rentals of produced assets	13,074,217	7,680,790
Training expenses	11,409,296	64,112,142
Hospitality supplies and services	73,793,157	82,459,515
Insurance costs	134,321,868	104,809,529
Specialized materials and services	67,140,919	66,726,784
Office and general supplies and services	31,240,058	33,168,089
Fuel, oil and lubricants	68,968,625	83,009,697
Other operating expenses	251,682,137	181,319,305
Routine maintenance – vehicles and other transport equipment	14,998,671	36,830,391
Routine maintenance – other assets	90,054,407	37,551,558
<b>Total</b>	<b>1,074,027,052</b>	<b>1,131,806,559</b>

## Notes to the Financial Statements (Continued)

## 4. Transfer to Other Government entities

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>Transfers to county government entities</b>		
<b>Current Grants to Government &amp; Other Levels of Governments</b>		326,129,659
KISUMU LAKEFRONT DEVELOPMENT LTD	13,810,000	
COVID 19 RESPONSE KISUMU COUNTY	20,000,000	
KISUMU COUNTY EMERGENCY FUND	128,013,000	
CITY OF KISUMU	491,964,572	
JARAMOGI OGINGA ODINGA TEACHING AND REFERRAL HOSPITAL	146,334,964	
KISUMU EAST DISTRICT HOSPITAL	70,681,923	
KOMBEWA DISTRICT HOSPITAL-KISUMU COUNTY	8,146,442	
MUHORONI DISTRICT HOSPITAL	6,740,426	
NYAKACH SUB COUNTY HOSPITAL RECURRENT	5,576,651	
LUMUMBA HEALTH CENTRE-KISUMU COUNTY	7,526,476	
CHULAIMBO SUB DISTRICT HOSPITAL-KISUMU	5,938,946	
AHERO SUB DISTRICT HOSPITAL-KISUMU COUNTY	9,568,181	
Capital Grants to Government Agencies & Other Levels of Government		
Other Current Transfers Grants & Subsidies	81,287,658	643,865,648
Transfer to County Assembly	852,746,679	738,793,294
<b>Transfers to other counties</b>		
Other capital grants and transfers	309,570,004	935,315,351
(Insert name of budget agency)		
<b>Transfers to national government entities</b>		
Transfer to the council of governors		
Transfer to xxx		
<b>Total</b>	<b>2,157,905,922</b>	<b>2,644,103,952</b>

**KISUMU COUNTY EXECUTIVE**

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

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*(Provide the nature and purpose of transfers and are these transfers to be recovered. The transfers under this note should be that done to self-reporting entities, explain significant change from prior period)*

## Notes to the Financial Statements (Continued)

## 5. Other Grants and Payments

	2021-2022	2020-2021
	Kshs	Kshs
Scholarships and other educational benefits	205,000,000	205,000,000
Emergency relief and refugee assistance	19,209,938	86,194,619
Subsidies to small businesses, cooperatives, and self employed		
<b>Total</b>	<b>224,209,938</b>	<b>291,194,619</b>

*(Provide explanation as to what other grants and payments relate to and who is the beneficiary explain significant change from prior period)*

## 6. Social Security Benefits

	2021-2022	2020-2021
	Kshs	Kshs
Government Pension and Retirement Benefits	19,585,133	21,305,587
Social Security Benefits		
Employer Social Benefits		
<b>Total</b>	<b>19,585,133</b>	<b>21,305,587</b>

*(Explain where the benefits are remitted and who the beneficiaries are, explain significant change from prior period)*

**KISUMU COUNTY EXECUTIVE**  
**Annual Report and Financial Statements for the year ended June 30, 2022.**

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

**7. Acquisition of Assets**

<b>Non- financial assets</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of buildings		
Construction of buildings	118,870,669	117,652,074
Refurbishment of buildings	2,274,070	
Construction of roads	80,027,061	194,037,391
Construction and civil works	569,085,786	473,668,824
Overhaul and refurbishment of construction & civil works		
Purchase of vehicles and other transport equipment	4,600,000	54,789,000
Overhaul of vehicles and other transport equipment		
Purchase of household furniture and institutional equipment	73,778	
Purchase of office furniture and general equipment	9,912,318	24,648,907
Purchase of specialized plant, equipment and machinery	49,122,884	126,576,783
Rehabilitation and renovation of plant, machinery and equip.		6,456,236
Purchase of certified seeds, breeding stock and live animals	30,348,549	9,096,150
Research, studies, project preparation, design & supervision	1,997,000	49,953,244
Rehabilitation of civil works	58,358,174	159,023,933
Acquisition of strategic stocks and commodities		
Acquisition of land		
Acquisition of intangible assets		
<b>Total acquisition of non- financial assets</b>	<b>924,670,289</b>	<b>1,215,902,542</b>
<b>Financial assets</b>		
Domestic public non-financial enterprises		
Domestic public financial institutions		
<b>Total acquisition of financial assets</b>		
<b>Total acquisition of assets</b>	<b>924,670,289</b>	<b>1,215,902,542</b>

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

# KISUMU COUNTY EXECUTIVE

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

### Notes to the Financial Statements (Continued)

#### 8. Cash and Bank Balances

##### 8A. Bank Balances

Name Of Bank, Account Name & Currency	Account Number	Indicate whether Rec, Dev, Dep e.t.c	2021-2022		2020-2021	
			Kshs		Kshs	
<b>CBK ACCOUNTS</b>						
Kisumu County Development A/c (Kshs)	1000170867	Development		293,636		355,765.00
Kisumu County Recurrent A/c (Kshs)	1000170956	Recurrent		5,360		17,364.05
Kisumu Revenue fund A/c (Kshs)	1000171488	Revenue A/c		773,964,399		2,131,924,345.50
Kisumu County Road Maintainance Levy A/c (Kshs)	1000270993	Fund		90,997,196		32,041,827.00
Kisumu County Deposit A/c (Kshs)	1000233524	Deposits		24,249,889		3,437,519.00
Kisumu County Transforming Health Care A/c (Kshs)	1000336749	Project		60,463		22,192,422.60
Kisumu County Climate Smart Agriculture Project A/c (Kshs)	1000360941	Project		160,534,832		71,859,021.00
Kisumu County Agric Sec Dev. Supp Program A/c (Kshs)	1000364618	project		22,798,410		
Kisumu County Youth Polytechnics A/c (Kshs)	1000367989			15,953,192		13,655,745.00
Kisumu County Kenya Urban Supp Program A/c (Kshs)	1000395354	Project		1		579,240.50
Kisumu County Dairy Enterprise Dev A/c (Kshs)	1000397896	Project		6,613,340		25,085,835.50
Kisumu County Devolution Support Program A/c (Kshs)	1000433345	Project		64,158,683		31,605,747.00
Kisumu County Universal Health Care A/c (Kshs)	1000447265			10		199,999.00
Kisumu County Primary Health Care	1000560215	Project		7,573,500		0
Kisumu County Climate Change Fund A/c (Kshs)	1000470615	Project		3,524,998		0
<b>KCB ACCOUNTS</b>						
KCB Imprest/Operations Account - (kshs)	1142145549	Operations A/C		6,948		490,666.44
Kisumu County Cost & Contingency Fund A/C - (kshs)	1177287080	Contingency A/C		81,694		2,642,453.00
Kenya Climate Smart Agric Project A/C (Kshs)	1271583917	Development		8,322,217		17,424,112.75

**KISUMU COUNTY EXECUTIVE**
**Annual Report and Financial Statements for the year ended June 30, 2022.**

KCB - Kisumu County Plant & Equipment A/C - (Kshs)	1203503865	Operations A/C	4,528,364	(886,519.70)
Maseno ATC-DFE A/c (Kshs)	1149539208	Operations	1,574,224	4,985,373.30
KCB Salary A/C (Kshs)	1217991565	Imprest A/C	5,237	1,107,016.98
KCB Revenue Collection Account (Kshs)	1141991705	Revenue A/c	13,908,855	72,224,115.16
Chief Officer MasenoATC A/c (Kshs)	1148451196	Revenue A/c	997	2,740,477.50
Kisumu ABDP Programme	1275614418	Project	114	842,185
KCB Health Rev	1155423712	Revenue	89,014	0
Kisumu Aquaculture Business Dev. Prog	12755614418	Project		842,185
JOOTRH	1150668849	Operations		41,635.35
Alcoholic Drink CTRL-KSM County	1165958372	Revenue		4,303,040.60
<b>CO.OPERATIVE BANK ACCOUNTS</b>				
Ksm County Rev A/C	011417166976600	Operations A/C	1,464,853	
KISUMU COUNTY RESOURCE MOBILIZATION-(Kshs)	01141766220700		8,697	793,252.00
Kisumu County Health Revenue Account A/c (Kshs)	01141766981100	Revenue A/C	139,600	846,689.02
Kenya Urban Support Program A/c (Kshs)	01141739621700	Project	196,419	8,392,729.35
Seme Sub-County Imprests A/C	01141662180300	Operations		1,378
Kisumu CentralSub-County Imprests A/C	01141662180000	Operations		2,414
Kisumu East Sub-County Imprests A/C	01141662180100	Operations		1,337
Nyando Sub-County Imprests A/C	01141662180600	Operations		907
Nyakach Sub-County Imprests A/C	01141662180400	Operations		1,987
Kisumu West Sub-County Imprests A/C	01141662180200	Operations		827
<b>OTHER BANKS</b>				
Kisumu City KUSP UDG A/C - SBM Bank (Kshs)	0152378640001	project	1,427,148	39,226.33
Kisumu County Salary Accounty A/C - ABSA Bank(Kshs)	2029561888	Recurrent A/C	36,104	39,178.10
KISUMU COUNTY INFORMAL SETTLEMENT IMPROVEMENT PROJECT A/C NO-SBM Bank	0152392538001	Project	1,101,939	0

**KISUMU COUNTY EXECUTIVE****Annual Report and Financial Statements for the year ended June 30, 2022.**

Agric Sector Dev Support Prog ASDSP Kisumu County A/C (Kshs)- <b>National Bank of Kenya</b>	01071209261200	project	24,153,898	8,884,209.00
City of Kisumu A/C no. – <b>Equity Bank(Kshs)</b>	1700280863160	Operations	370,631	9,344.00
Kisumu County Operations A/c - <b>Family Bank</b>	025000029519	Operations		58,373.88
Kisumu County Salaries A/c- <b>Family Bank</b>	025000025445	Salaries		(19,829.16)
Kisumu County Commerce and Tourism A/c - <b>Family Bank</b>	025000025819	Operations		11,508
<b>Grand Total</b>			<b>1,228,144,862</b>	<b>2,457,925,416.00</b>

*Note: Amount should be as per amount in the cash book and bank reconciliation statements prepared for each account held.*

*These balances do not include bank balances for self-reporting entities and revenue collection accounts as at reporting date.*

**8 B Cash in Hand**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Cash in hand – Held in Domestic Currency	192,029	329,485
Cash in hand – Held in Foreign Currency		0
<b>Total</b>	<b>192,029</b>	<b>329,485</b>

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

Cash in hand should also be analysed as follows:

	2021-2022	2020-2021
	Kshs	Kshs
Nyakach	36,720	28,370
Muhoroni	40,860	19,330
Nyando	31,320	25,695
City of Kisumu	79,180	236,420
Arito Langi Health Centre	349	
Ojola Sub-county Hospital	280	
Kisumu West/Seme	3,320	19,670
<b>Total</b>	<b>192,029</b>	<b>329,485</b>

*[Provide cash count certificates for each]***9. Outstanding imprests and advances**

Description	2021-2022	2020-2021
	Kshs	Kshs
Government Imprests	54,120,090	87,465,098
Salary Advance		
Clearance accounts		
<b>Total</b>	<b>54,120,090</b>	<b>87,465,098</b>

*[Include a breakdown of the outstanding receivables above or as an annex to the notes if the list is longer than 1 page.]*

Breakdown of Imprest and Salary Advance per Department	2021-2022	2020-2021
Imprest	Kshs	Kshs
Department Xx		
Department Xx		
Department Xx		
<b>Sub-Total</b>		
<b>Salary Advance</b>		
Department Xx		
Department Xx		
<b>Sub-Total</b>		
<b>Grand Total</b>		

*\*See Annex XXXX for a detailed analysis of the outstanding imprests and salary advance.*

**KISUMU COUNTY EXECUTIVE**  
**Annual Report and Financial Statements for the year ended June 30, 2022.**

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

**10. Deposits and Retention**

	2021-2022	2020-2021
	Kshs	Kshs
Deposits		
Retention Monies	24,249,889	3,437,519
<b>Total</b>	<b>24,249,889</b>	<b>3,437,519</b>

*[Provide short appropriate explanations as necessary]*

**11. Fund Balance Brought Forward**

	2021-2022	2020-2021
	Kshs	Kshs
Bank Accounts	2,457,925,416	1,890,819,766
Cash in Hand	329,485	54,600
Accounts Receivables	87,465,098	114,831,010
Accounts Payables	(3,437,519)	(27,768,566)
<b>Total</b>	<b>2,542,282,480</b>	<b>1,977,936,810</b>

*[Provide short appropriate explanations, as necessary. The fund balances brought forward refers to the previous financial year's closing balances]*

**12. Prior Year Adjustments**

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

	Balance b/f FY 2020-2021 as per audited financial statements	Adjustments during the year relating to prior periods	Adjusted ** Balance b/f FY 2020-2021
Description Of The Error	Kshs	Kshs	Kshs
Bank Account Balances			
Cash in Hand			
Accounts Payables			
Receivables			
Others –Payments made after 30/06/2021		(742,970,432)	
-Hospital bank balances	(156,437,320)		
<b>Total</b>	<b>(156,437,320)</b>	<b>(742,970,432)</b>	<b>(586,533,112)</b>

*\*\* (The adjusted balances are not carried down on the face of the financial statement. County Executive to provide disclosure on the adjusted amounts) (Explain whether the prior year relates to errors noted in prior year, changes in estimates or accounting policy. Provide explanations for the prior year adjustments made their nature and effect on the fund balance of the County Executive).*

## Notes to the Financial Statements (Continued)

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Imprest and Advances As At 1 <sup>st</sup> July (A)	87,465,098	114,831,010
Imprest and Advances As At 30 <sup>th</sup> June (B)	54,120,090	87,465,098
Increase)/ Decrease In Imprest and Advances (C=(B-A))	<b>33,345,008</b>	<b>(27,365,912)</b>

(Receivable as at 1<sup>st</sup> July for FY 2020/21 should be the same as receivable as at 30<sup>th</sup> June for FY 2021/22)

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Deposits and Retention s as at 1 <sup>st</sup> July (A)	3,437,519	27,768,566
Deposits and Retention as at 30 <sup>th</sup> June (B)	24,249,889	3,437,519
Increase/ (Decrease) in Deposits and Retentions C= B-A	<b>20,812,370</b>	<b>24,331,046</b>

(Payables as at 1<sup>st</sup> July for FY 2020/21 should be the same as Payable as at 30<sup>th</sup> June for FY 2021/22)

## Other Important Disclosures

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

	Balance b/f FY 2020- 2021	Additions for the period	Paid during the year	Balance c/f FY 2021-2022
Description	Kshs	Kshs	Kshs	Kshs
Construction of Buildings	203,973,758.47	24,780,504.00	83,596,844.50	145,157,417.97
Construction of Civil Works	1,003,861,061.96	458,069,445.89	215,864,721.13	1,246,065,786.72
Supply of Goods	359,742,320.86	230,027,380.00	87,505,802.39	502,263,898.47
Supply of Services	382,599,418.89	302,908,270.04	162,612,295.42	522,895,393.51
<b>Total</b>	<b>1,950,176,560.18</b>	<b>1,015,785,599.93</b>	<b>549,579,663.44</b>	<b>2,416,382,496.67</b>

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

	Balance b/f FY 2020-2021	Additions for the period	Paid during the year	Balance c/f FY 2021-2022
Description	Kshs	Kshs	Kshs	Kshs
Senior management				
Middle management				
Unionisable employees				
Others				
<b>Total</b>				

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**Other Important Disclosures (Continued)**

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

	Balance b/f FY 2020-2021	Additions for the period	Paid during the year	Balance c/f FY 2021-2022
Description	Kshs	Kshs	Kshs	Kshs
Amounts due to National Government Entities				
Amounts due to County Government Entities				
Amounts due to Third Parties				
<b>Total</b>				

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

**4. External Assistance**

	FY 2021-2022	FY 2020-2021
Description	Kshs	Kshs
External Assistance received in Cash		
External Assistance received as Loans and Grants		
External Assistance received In Kind- as Payment by Third Parties		
<b>Total</b>		

**Other Important Disclosures (Continued)****a) External assistance relating to loans and grants**

	FY 2021-2022	FY 2020-2021
Description	Kshs	Kshs
External Assistance received as Loans		
External Assistance received as Grants		
<b>Total</b>		

**b) Undrawn external assistance**

	Purpose for which the undrawn external assistance may be used	FY 2021-2022	FY 2020-2021
Description		Kshs	Kshs
Undrawn External Assistance - Loans			
Undrawn External Assistance - Grants			
<b>Total</b>			

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

	FY 2021-2022	FY 2020-2021
Description	Kshs	Kshs
Multilateral Donors		
Bilateral Donors		
International Assistance Organization		
Ngos		
National Assistance Organization		
<b>Total</b>		

(Provide details for external assistance e, g. Economic development or welfare objective, Emergency relief, Trading activities etc.)

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**Other Important Disclosures (Continued)**

**d. Non-monetary external assistance**

	<b>FY 2021-2022</b>	<b>FY 2020-2021</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
Goods		
Services		
<b>Total</b>		

*This may occur when goods such as vehicles, computers, medical equipment, food aid etc are contributed to a county by donors, NGO etc.*

*N/B: Disclose the basis on which the value of goods and services were determined (This may be by : depreciated historical cost of physical assets, price attached on the goods, an assessment of value by the management of transferor, recipient on Third Party, Fair value measurement.*

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

<b>Payments made by Third Parties</b>	<b>FY 2021-2022</b>	<b>FY 2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Compensation of Employees		
Use of Goods and Services		
Subsidies		
Transfers to Other Government Entities		
Other Grants and Transfers		
Social Security Benefits		
Acquisition of Assets		
Finance Costs, including Loan Interest		
Repayment of Principal on Domestic & Foreign Borrowing		
Other Payments		
<b>Total</b>		

*N/B The above sub-classification will be adopted based on the purpose of the external assistance and how the external assistance was used.*

**Other Important Disclosures (Continued)****f. External Assistance paid by Third Parties on behalf of the County Executive by Source**

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

	FY 2021-2022	FY 2020-2021
Description	Kshs	Kshs
National Government		
Multilateral Donors		
Bilateral Donors		
International Assistance Organization		
Ngos		
National Assistance Organization		
<b>Total</b>		

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

This relates to payments done directly to supplier on behalf of the county Executive such as national government may fund the operation of health or education program, a donor may pay directly for construction of a given market etc.

**5.1 Classification by Source**

	FY 2021-2022	FY 2020-2021
Description	Kshs	Kshs
National Government		
Multilateral Donors		
Bilateral Donors		
International Assistance Organization		
Ngos		
National Assistance Organization		
<b>Total</b>		

**Other Important Disclosures (Continued)**

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

<b>Payments made by third parties</b>	<b>FY 2021-2022</b>	<b>FY 2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees		
Use of goods and services		
Subsidies		
Transfers to other government units		
Other grants and transfers		
Social security benefits		
Acquisition of assets		
Finance costs, including loan interest		
Repayment of principal on domestic & foreign borrowing		
Other payments		
<b>Total</b>		

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

**6. Related Party Disclosures**

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

The following comprise of related parties to the County Executive:

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

**Other Important Disclosures (Continued)**

**Related party transactions**

	2021- 2022	2020- 2021
	Kshs	Kshs
Key Management Compensation (Governor, CEC Members And Cos)		
<b><u>Transfers To Related Parties</u></b>		
Transfer to the County Assembly	852,746,679	738,793,294
Transfers to Other County Government Entities	1,305,159,243	643,865,648
Transfers to Development Projects		1,261,445,009
Transfers to Non-Reporting Entities E.G Schools And Welfare		
Transfers to County Water Service Providers		
Expenses paid on Behalf Of County Water Service Providers		
<b>Total Transfers To Related Parties</b>	<b>2,157,905,922</b>	<b>2,644,103,951</b>
<b><u>Transfers From Related Parties</u></b>		
Transfers From The Exchequer	8,404,407,350	8,641,655,246
Transfers From MDAs		286,441,381
Transfers From SCs And SAGAs - National Government		
(Insert Any Other Transfers Received)		
<b>Total Transfers From Related Parties</b>	<b>8,404,385,860</b>	<b>8,928,096,627</b>

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

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

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**Other Important Disclosures (Continued)**

Entity	Date Established /Date taken over	Location	Accounting Officer responsible
County Assembly	2013	County Assembly	Mr. Owen Ojuok
Education Fund	2014	County Headquarter	Ms. Penina Onyango
Trade Fund	2016	County Headquarter	Mr. Daniel Okia
City of Kisumu	2013	County Headquarter	Mr. Abala Wanga
Car & Mortgage Fund	2014	County Headquarter	Mr. Evans Otieno
KIWASCO	2003	KIWASCO Headquarter	Mr. Thomas Odongo
PWD Fund	2016	County Headquarter	Ms. Penina Onyango

**8. Disclosure of Balances in Revenue Collection Accounts**

County Government Own source revenue is recognized in the financial statements when it has been swiped to CRF. Revenue collection account balances need to be disclosed at the end of the reporting period as below. Revenue collection accounts should be swept to CRF on reporting dates.

Name Of Bank, Account No. & Currency	Amount in bank account currency*	Ex. rate (if in foreign currency)	2021-2022 Kshs	2020-2021 Kshs
<i>KCB Revenue Collection A/C1141991705</i>	KES		13,908,855.38	72,224,115.16
<i>Health Revenue Account A/c No1155423712.</i>	KES		89,014	
<i>Chief Officer Maseno Agricultural Training Centre A/C 1148451196</i>	KES		997	2,740,477.50
<i>Kisumu County Health Revenue Account A/C 01141766981100</i>	KES		139,600.00	
<i>Kisumu County Revenue Account A/C 0114171766976600</i>	KES		1,464,853.02	846,689.02
<b>Total</b>			<b>15,603,319.40</b>	<b>75,811,281.68</b>

**Other Important Disclosures (Continued)****9. Leasing of Medical Equipment**

Amounts relating to leased medical equipment is included in the County Allocation Revenue Act and is budgeted for by the Counties. This amount is deducted at source and therefore not included in the exchequer. Since this is not a cash item, it is not included in the statement of receipts and payments In the year 2021/22 amounts relating to leased medical equipment was Kshs xxx (2021-2022 Kshs xxx)

**10. Contingent Liabilities**

<b>Contingent Liabilities</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Court Case Xxx Against The Entity		
Bank Guarantees In Favour Of Subsidiary		
Contingent Liabilities Arising From Ppps		
<b>Total</b>		

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

**11. Covid- 19 Funds**

<b>Covid-19 Funds</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Receipts</b>		
Balance c/d	149,162	0
Receipts From The National Government (Note 3)		82,682,844
Other Donations For Covid-19 Received Directly-County Govt. of Kisumu (Note 2)	20,000,000	50,000,000
Non-Conditional Grant-Credit interests	332,517	
<b>Total Receipts</b>	<b>20,481,679</b>	<b>132,682,844</b>
<b>Payments</b>		
Specialised materials(PPEs, Gears,Gumboots and Masks	4,644,225	
Purchase Of Covid 19 Materials- Masks, Sanitizers Etc		78,422,523
Advertisements and awareness	26,534	
Purchase Of Beds And ICU Units		16,276,647
Subsidies To The Community		
Transport Services	400,000	
Contracted Professional Services	1,474,137	
Payment Of Hospital Bills		

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Purchase of Uniforms and Clothing-staff	11,236,099	
Donations To Schools And Other Institutions		
Maintainance of Buildings		
Other Expenses (Specify)		
Daily Subsistance Allowance	858,000	
Board, Conference and Accommodation	487,130	
Catering services(office floats/operations)		17,067,011
Laboratory supplies(swabs, viral media transport)	1,200,000	20,455,053
Bank charges	16,500	312,448
<b>Total Payments</b>	<b>20,342,625</b>	<b>132,533,682</b>
<b>Balance In The Covid 19 Fund</b>	<b>139,054</b>	<b>149,162</b>

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

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

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)
	Compensation of Employees constituting 51% of total Expenditures	This was caused by drop in budgeted receipts	Unresolved	30/06/2023
	Budget performance analysis under collection of own revenue	The County experienced reduced trade volumes in the county due to COVID 19 leading to low revenue performance in the year.	Unresolved	30/6/2023
	Under performance of recurrent and development expenditure	The underperformance was as a result of a shortfall in Own Source Revenue and late disbursement of Exchequer by the National Treasury	Unresolved	30/06/2023
	Inaccurate fixed Asset Register	The management has engaged a consultant to help in preparing the register and the report is yet to be released/commissioned	Unresolved	30/6/2023
	Lack of integration of Revenue collection systems	The management is exploring ways of integrating the five Revenue collection systems into one	Unresolved	30/6/2023

**Guidance Notes:**

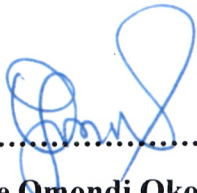
- (i) Use the same reference numbers as contained in the external audit report.

**KISUMU COUNTY EXECUTIVE**

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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 County Executive 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.



.....  
**George Omondi Okongo**

**CEC, County Treasury**

**Date: 30<sup>th</sup> Oct,2022**

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**17. Annexes**

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

REFERENCE NO.	TRANSACTION DETAILS	AMOUNT(KSHS,)	CATEGORY
FT21242X4W5M	Account Transfer	2,526,850	RECURRENT
FT21242LMXJ5	Account Transfer	698,358,250	RECURRENT
FT212457WDZ5	Account Transfer	51,231,411	RECURRENT
FT212453FJD5	Account Transfer	382,502,722	RECURRENT
<b>QUARTER 1</b>		<b>1,134,619,233</b>	
FT21279RC5YR	Account Transfer	11,652,692	RECURRENT
FT212799RR37	Account Transfer	54,598,414	RECURRENT
FT212793PYDX	Account Transfer	85,334,964	RECURRENT
FT21279DM5S3	Account Transfer	415,315,999	RECURRENT
FT21302W5PD9	Account Transfer	2,561,620	RECURRENT
FT213022GLFY	Account Transfer	20,000,000	RECURRENT
FT213023GY7G	Account Transfer	42,478,852	RECURRENT
FT2130204WWZ	Account Transfer	53,666,002	RECURRENT
FT21302Y365Z	Account Transfer	55,000,000	RECURRENT
FT21305H2RS7	Account Transfer	30,000,000	RECURRENT
FT213067J816	Account Transfer	7,567,272	RECURRENT
FT21306QCC2Z	Account Transfer	402,544,093	RECURRENT
FT213074RJ92	Account Transfer	314,614,565	DEVELOPMENT
FT21307CGT23	Account Transfer	19,365,393	RECURRENT
FT21335Z81M7	Account Transfer	31,676,176	DEVELOPMENT
FT21335BYHWG	Account Transfer	89,597,441	RECURRENT
FT21335HSZMF	Account Transfer	378,781,430	RECURRENT
FT213424DQKS	Account Transfer	4,242,321	DEVELOPMENT
FT21342N9RX6	Account Transfer	21,653,107	RECURRENT
FT21342640GF	Account Transfer	82,682,844	RECURRENT

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FT213424W335	Account Transfer	85,981,505	RECURRENT
FT21363992RG	Account Transfer	1,541,350	DEVELOPMENT
FT21363VPF3R	Account Transfer	20,000,000	RECURRENT
FT21363T0PST	Account Transfer	55,662,608	RECURRENT
FT21363HPJQC	Account Transfer	387,029,939	RECURRENT
<b>QUARTER 2</b>		<b>2,673,548,587</b>	
FT22003C6NQP	Account Transfer	35,498,000	DEVELOPMENT
FT22003WX542	TREASURY ORDER DD 03012022	2,500,000	DEVELOPMENT
FT22003KV0HD	TREASURY ORDER DD 03012022	16,500,000	DEVELOPMENT
FT22003L27SY	Account Transfer	23,040,434	RECURRENT
FT22003TTY4D	Account Transfer	47,500,000	RECURRENT
FT22017QM4RN	Account Transfer	31,332,416	DEVELOPMENT
FT22017C3RC8	Account Transfer	5,262,250	RECURRENT
FT220178D2WN	Account Transfer	101,915,720	RECURRENT
FT2203454TKX	Account Transfer	409,033,463	RECURRENT
FT22035ZKJ65	Account Transfer	69,664,108	DEVELOPMENT
FT22035CDF41	Account Transfer	20,000,000	RECURRENT
FT22035Q7PX6	Account Transfer	44,856,645	RECURRENT
FT22035QPJVR	Account Transfer	107,040,720	RECURRENT
FT220471C8Q7	Account Transfer	17,658,347	RECURRENT
FT22060NJMNY	Account Transfer	10,150,820	RECURRENT
FT220603H30Z	Account Transfer	51,250,000	RECURRENT
FT22067YL7ZV	Account Transfer	382,667,843	RECURRENT
FT22076404YF	Account Transfer	19,720,495	DEVELOPMENT
FT22076D98FQ	Account Transfer	25,000,000	RECURRENT
FT22076QQ742	Account Transfer	60,000,000	RECURRENT
FT220760ZG05	Account Transfer	40,000,000	RECURRENT
FT22077D6X50	Account Transfer	110,738,851	RECURRENT
FT22083TVCM8	TREASURY ORDER DD 23032022	7,000,000	DEVELOPMENT

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FT22083637JR	TREASURY ORDER DD 23032022	24,144,773	DEVELOPMENT
FT22083C20NG	TREASURY ORDER DD 23032022	30,210,000	DEVELOPMENT
<b>QUARTER 3</b>		<b>1,692,684,885</b>	
FT22103LV8KQ	TREASURY ORDER DD 12042022	418,349,525	RECURRENT
FT22118KF92K	Account Transfer	5,025,000	DEVELOPMENT
FT221189J3Q8	Account Transfer	35,000,000	DEVELOPMENT
FT22118MNYFM	Account Transfer	51,250,000	RECURRENT
FT22118MC2C6	Account Transfer	84,264,950	RECURRENT
FT221245G48N	Account Transfer	377,121,897	RECURRENT
FT22131YG3ZR	Account Transfer	3,256,445	RECURRENT
FT221314J8HJ	Account Transfer	39,549,067	RECURRENT
FT22136S3W6M	Account Transfer	39,468,785	DEVELOPMENT
FT22136937GV	Account Transfer	113,901,207	DEVELOPMENT
FT2213605JPL	TREASURY ORDER DD 13052022	10,000,000	DEVELOPMENT
FT22136ZWFT1	Account Transfer	37,967,393	RECURRENT
FT221360DWCW	Account Transfer	55,945,964	RECURRENT
FT221532Y3ZQ	TREASURY ORDER DD 31052022	10,194,308	RECURRENT
FT22158RPRRW	Account Transfer	31,000,488	RECURRENT
FT221581G1FX	Account Transfer	260,920,483	RECURRENT
FT221679PMMN		8,000,000	DEVELOPMENT
FT22167ZB9P2	Account Transfer	18,000,000	RECURRENT
FT221670DYQS	Account Transfer	18,206,274	RECURRENT
FT22167P99FW	Account Transfer	38,013,000	RECURRENT
FT221678NN8W	Account Transfer	144,752,880	RECURRENT
FT22181DX4D4	Account Transfer	2,000,000	DEVELOPMENT
FT22181V21K9	Account Transfer	22,798,410	DEVELOPMENT
FT221815DFCX	Account Transfer	117,054,974	DEVELOPMENT
FT22181KK6SY	Account Transfer	211,450,006	DEVELOPMENT

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FT22181H73JH	Account Transfer	3,455,520	RECURRENT	
FT221819Y38D	Account Transfer	7,573,500	RECURRENT	
FT221821QF03	Account Transfer	256,464,964	RECURRENT	
FT22185LS3GG	Account Transfer	51,445,866	RECURRENT	
FT221880MD4Q	Account Transfer	43,479,837	DEVELOPMENT	
FT22188MT7MR	Account Transfer	87,456,538	DEVELOPMENT	
FT22188M6XSL	Account Transfer	145,436,966	DEVELOPMENT	
FT2218853T0V	Account Transfer	15,317,072	RECURRENT	
FT22188NZRSQ	Account Transfer	139,433,326	RECURRENT	
<b>QUARTER 4</b>		<b>2,903,554,645</b>		
<b>TOTAL</b>		<b>8,404,407,350</b>		

*Note: The above comprises transfers from the Exchequer from CARA, comprising of equitable share, Level 5 and donor funds released through the exchequer.*

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

Supplier Of Goods Or Services	Date Contracted	Original Amount	Balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
			a	b	c	d=a+b-c	
<b>Construction Of Buildings</b>							
1.							
2.							
<b>Sub-Total</b>							
<b>Construction Of Civil Works</b>							
3.							
4.							
<b>Sub-Total</b>							
<b>Supply Of Goods</b>							
5.							
6.							
<b>Sub-Total</b>							
<b>Supply Of Services</b>							
7.							
<b>Sub-Total</b>							
<b>Grand Total</b>							
<i>Note: Pending bills comprise goods and services rendered and invoiced but not yet settled and does not include commitments</i>							

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

Name of Staff	Job Group	Date Contracted	Original Amount	Amount Paid To-Date	Outstanding Balance 2021-2022	Outstanding Balance 2020-2021	Comments
			a	b	c=a-b		
<b>Senior Management</b>							
2.							
3.							
<b>Sub-Total</b>							
<b>Middle Management</b>							
4.							
5.							
<b>Sub-Total</b>							
<b>Unionisable Employees</b>							
6.							
7.							
<b>Sub-Total</b>							
<b>Others (specify)</b>							
8.							
9.							
<b>Sub-Total</b>							
<b>Grand Total</b>							

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

Name	Brief Transaction Description	Date Contracted	Original Amount	Amount Paid To Date	Outstanding Balance 2021-2022	Outstanding Balance 2020-2021	Comments
			a	b	c=a-b		
<b>Amounts Due To National Govt Entities</b>							
1.							
2.							
<b>Sub-Total</b>							
<b>Amounts Due To County Govt Entities</b>							
3.							
4.							
<b>Sub-Total</b>							
<b>Amounts Due To Third Parties</b>							
5.							
<b>Sub-Total</b>							
<b>Others (Specify)</b>							
6.							
<b>Sub-Total</b>							
<b>Grand Total</b>							

**Annex 5 –Analysis Of imprests and Advances**  
**(a) Government Imprest**

<i>Name Of Officer Or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>

**(b) Salary Advance**

<i>Name Of Officer</i>	<i>Date Advanced</i>	<i>Amount Advanced</i>	<i>Amount Recovered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>

**Annex 6 – Summary Of Non-Current Asset Register**

<b>Asset Class</b>	<b>Historical Cost at (Kshs) 2020-2021</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Transfers in/(out) during the year (Kshs)</b>	<b>Historical Cost of (Kshs) 2020-2021</b>
Land	2,753,928,477				<b>2,753,928,477</b>
Buildings And Structures	1,165,005,022.90	121,144,739			<b>1,286,149,761.90</b>
Transport Equipment	244,238,680	4,600,000			<b>248,838,680.00</b>
Office Equipment, Furniture And Fittings	99,303,508.80	9,986,096			<b>109,289,604.80</b>
ICT Equipment	72,556,619				<b>72,556,619.00</b>
Machinery And Equipment	152,416,831.60	49,122,884			<b>201,539,715.60</b>
Heritage And Cultural Assets	-				
Biological Assets	22,892,529.60	28,351,881			<b>51,244,410.60</b>
Intangible Assets	70,336,868.50	1,997,000			<b>72,333,868.50</b>
Infrastructure Assets- Roads, Rails	1,666,461,253.60	709,467,689			<b>2,375,928,942.60</b>
Work In Progress	-				
<b>Total</b>	<b>6,247,139,791.00</b>	<b>924,670,289.00</b>			<b>7,171,810,080.00</b>

*NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Executive. Additions during the year should tie to note 17 on acquisition of assets during the year. Ensure a complete fixed asset register is separately prepared in line with guidelines from The National Treasury.*

**KISUMU COUNTY EXECUTIVE**  
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**Annex: 9 Reporting of Climate Relevant Expenditures**

Name of the Organization  
 Telephone Number  
 Email Address  
 Name of CEO/MD/Head

Name and contact details of contact person (in case of any clarifications) .....

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

**KISUMU COUNTY EXECUTIVE**  
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**Annex 10 Disaster Expenditure Reporting Template**

Date:						
Entity:						
Period to which this report refers (FY)	Year			Quarter		
Name of Reporting Officer						
Contact details of the reporting officer:	Email			Telephone		
Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

**KISUMU COUNTY EXECUTIVE**  
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**Annex 11: – Bank Reconciliation/FO 30 Reports**

*(Attach FO 30 Reports from IFMIS for all CBK Accounts)*