

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

COUNTY REVENUE FUND

**FOR THE YEAR ENDED
30 JUNE, 2023**

COUNTY GOVERNMENT OF MIGORI

| PAPERS LAID | |
|--------------------|---------------|
| DATE | 19/03/2024 |
| TABLED BY | ML |
| COMMITTEE | - |
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COUNTY REVENUE FUND
COUNTY GOVERNMENT OF MIGORI
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2023.

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

County Government of Migori
County Revenue Fund
Annual Report and Financial Statements for the Financial Year ended 30th June,2023.

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1. Key Entity Information and Management

a) Background information

Article 207 of the Constitution of Kenya provides for the establishment of the County Revenue Fund into which shall be paid all money raised or received by or on behalf of the County Government.

b) Key Management

The County Revenue Funds day-to-day management is under the following key organs:

- CECM Finance and Economic Planning
- C.O Finance and Economic Planning
- Director Accounting Services/Finance

c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

| No. | Designation | Name |
|-----|---|---------------------------|
| 1. | CECM Finance and Economic Planning | - Mr Maurice O. Nyanjagah |
| 2. | Accounting Officer in charge of Finance | -Dr. Achuora John Odoyo |

d) Fiduciary Oversight Arrangements

- *Audit and Finance committee activities*
- *Senate Committee Activities*
- *County Assembly*
- *Controller of Budget*
- *Office of the Auditor General*

e) County Headquarters

P.O. Box 195 – 40400
SUNA MIGORI, KENYA

f) County Contacts

Telephone: (254) 726319450/ 73
6860086/ 770304976
E-mail: info@migori.go.ke
Website: www.migori.go.ke

g) County Bankers

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

h) Independent Auditors

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

2. STATEMENT BY THE CECM FINANCE AND ECONOMIC PLANNING

It gives me pleasure to present the County Government of Migori Financial Statements for the financial year ending 30th June 2023. The financial statements present the financial performance of the County Government over the past twelve months.

The promulgation of the constitution of Kenya, 2010 under Chapter 11 ushered Kenya into a new system of governance, replacing the centralised system with a devolved system of governance. The devolved system of Governance consists of the National Governance and 47 County Governments.

Financing of the County Governments.

Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Each County Government's equitably share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation and own generated revenues which is collected within the county. Our key local revenue sources for Migori County included Single business permits, cesses, trade centre/market fees, approval of plans, cattle auction fees among others.



Mr Maurice O. Nyanjagah
CEC- Finance and Economic Planning.
County Government of Migori.

3. STATEMENT OF MANAGEMENT RESPONSIBILITY

Article 207 of the Constitution, Sections 109 and 167 of the Public Finance Management Act, 2012 requires a County Revenue Fund established by the Constitution, an Act of Parliament or county legislation shall prepare financial statements for the Fund for each financial year in a form prescribed by the Public Sector Accounting Standards Board and submit to the Auditor General and a copy to the Commission on Revenue Allocation and the Controller of Budget.

The Accounting Officer of the County Government is responsible for the preparation and presentation of the County Revenue Fund Financial Statements, which give a true and fair view of the state of affairs of the Fund as at the end of the financial year ended on June 30, 2023. 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 Revenue Fund; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the County Executive; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

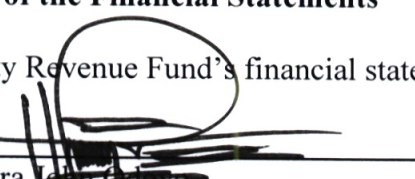
The Accounting Officer accepts responsibility for the County Revenue Fund's financial statements, which have been prepared on the Cash Basis Method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the County Revenue Fund's financial statements give a true and fair view of the state of the County Revenue Fund's transactions during the financial year ended June 30, 2023, and of its financial position as at that date.

The Accounting Officer further confirms the completeness of the accounting records maintained for the County Revenue Fund which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control. The Accounting Officer confirms that the County Revenue Fund has complied fully with applicable Government Regulations and the terms of external financing covenants, Further, Accounting Officer confirms that the County Revenue Fund'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 Revenue Fund's financial statements were approved and signed on 25th July 2023

Signature


Dr. Achuora
Chief Officer – Finance and Economic Planning
County Government of Migori

4. OVERVIEW OF THE COUNTY REVENUE FUND OPERATIONS

Background

Article 207 of the Constitution of Kenya provides for the establishment of a County Revenue Fund into which shall be paid all money raised or received by or on behalf of the County Government. As outlined under Section 109 of the Public Finance Management (PFM) Act, 2012 the County Treasury is responsible for administration of the County Revenue Fund. The County Revenue Fund is maintained as the County Exchequer Account at the Central Bank of Kenya.

Receipts into the County Revenue Fund

County Government revenue is received through appointed County Receiver of Revenue by the County Executive Committee Member for Finance to the County Treasury pursuant to Section 157 (1) of the PFM Act 2012. Other receipt includes Exchequer releases, grants from development partners, proceeds from domestic and foreign borrowings, and other miscellaneous deposits in the County Revenue Fund Account.

Transfers from the County Revenue Fund

The withdrawal of funds from the County Revenue Fund is authorized by the County appropriation Act. The County Treasury is required to seek the Controller of Budget's approval for withdrawal of funds from the County Revenue Fund to the County Executive and County Assembly bank accounts. These entities are responsible for the administration of their respective approved budgets.

Financial Reporting requirements

The Accounting Officer for the County Revenue Fund is required to prepare and submit the financial statements to the Auditor-General and a copy to the Controller of Budget, and the Commission on Revenue Allocation.

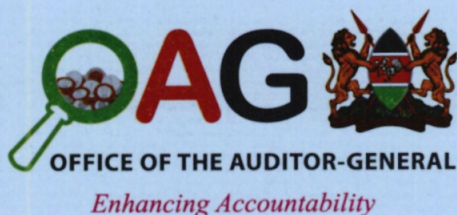
This statement therefore covers the operations of the County Exchequer Account for the financial year ended 30th June 2023.



Dr. Achuora John Odoyo
Chief Officer – Finance and Economic Planning

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON COUNTY REVENUE FUND FOR THE YEAR ENDED 30 JUNE, 2023 - COUNTY GOVERNMENT OF MIGORI

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of County Revenue Fund set out on pages 1 to 11, which comprise the statement of receipts and payments and statement of comparison of budget and actual amounts for the year then ended, and a summary of

Report of the Auditor-General on County Revenue Fund for the year ended 30 June, 2023 - County Government of Migori

significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the County Revenue Fund as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Revenue Fund Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

1. Budgetary Control and Performance

The statement of comparison of budget actual amounts for the year ended 30 June, 2023 reflects payments of Kshs.8,615,837,245 against budgeted payments of Kshs.10,356,987,742 resulting to under absorption of Kshs.1,741,150,497 (or 17%).

The underutilization of funds may have impacted negatively on the delivery of goods and services to the public or may be an indication of over-budgeting.

2. Late Exchequer Releases

The statement of receipts and payments reflects Exchequer releases of Kshs.8,645,422,084 as disclosed in Note 1 to the financial statements which includes Kshs.2,041,280,214 received by the County Government from the National Treasury towards the end of the month of June, 2023 as detailed below:

| Date | Details | Amount (Kshs.) |
|---------------|----------------|---------------------------|
| 09 June, 2023 | FT23160YRLNV | 720,451,840 |
| 20 June, 2023 | FT23171D4QMN | 680,426,738 |
| 26 June, 2023 | FT23177T2HW2 | 640,401,636 |
| Total | | 2,041,280,214 |

Late Exchequer releases could have adverse effects on the implementation on the planned activities and projects.

My opinion is however not modified in respect of the above matters.

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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that, nothing 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

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 procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit so as to obtain assurance as to whether effective processes and systems of internal control, risk management and overall governance was maintained 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 such 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 governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 judgment and maintain professional scepticism 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to 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 Fund 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 Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide 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.


FCPA ~~Nancy Gathungu~~ CBS
AUDITOR-GENERAL

Nairobi

05 January, 2024


County Government of Migori

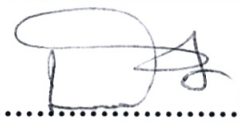
County Revenue Fund

Annual Report and Financial Statements for the financial year ended 30th June 2023

6. STATEMENT OF RECEIPTS AND PAYMENTS STATEMENT FOR THE YEAR ENDED JUNE 30, 2023.

| | | 2022/23 | 2021/22 |
|--|--------------|----------------------|------------------------|
| | Notes | Kshs. | Kshs. |
| Receipts | | | |
| Exchequer releases | 1 | 8,645,422,084 | 7,364,618,812 |
| Transfers from other government agencies | 2 | 288,697,311 | 271,806,088 |
| Own Source Revenue | 3 | 342,320,326 | 311,278,800 |
| Return to CRF issues | 4 | 5,210 | 32,368,346 |
| Total Receipts | | 9,276,444,931 | 7,980,072,046 |
| Payments | | | |
| Transfers to County Executive | 5 | 7,760,377,638 | 8,038,556,593 |
| Transfers to County Assembly | 6 | 855,459,607 | 863,485,932 |
| Total Payments | | 8,615,837,245 | - 8,902,042,525 |
| Net increase (decrease) in cash for the year | | 660,607,686 | - 921,970,479 |
| Add Opening fund balance B/F | | 234,994,439 | 1,156,964,917 |
| Closing Fund balance for the period | 7 | 895,602,125 | 234,994,439 |


.....
Chief Officer Finance & Economic Planning
Name: Dr. Achura John Odoyo


.....
Director Accounting Services
Name: CP A Erick O Jalang'o

7. STATEMENT OF COMPARISON OF BUDGET ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023.

| Receipt/Payments | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | Budget Realization Difference | % of Realization |
|--|------------------------|----------------------|-----------------------|-----------------------------------|--------------------------------------|-------------------------|
| | a | b | c=a+b | d | e=c-d | f=d/c % |
| Receipts | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. | |
| Exchequer releases | 8,005,020,448 | 896,589,672 | 8,901,610,120 | 8,645,422,084 | 256,188,036 | 97 |
| Transfers from other government agencies | 617,962,480 | 237,409,932 | 855,372,412 | 288,697,311 | 566,675,101 | 34 |
| Own Source Revenue | 350,000,000 | 250,000,000 | 600,000,000 | 342,320,326 | 257,679,674 | 57 |
| Return to CRF issues | | 5,210 | 5,210 | 5,210 | - | 100 |
| Total Receipts | 8,972,982,928 | 1,384,004,814 | 10,356,987,742 | 9,276,444,931 | 1,080,542,811 | 90 |
| Payments | | | | | | |
| Transfers to County Executive | 8,086,148,703 | 1,325,366,830 | 9,411,515,533 | 7,760,377,638 | 1,651,137,895 | 82 |
| Transfers to County Assembly | 886,834,225 | 58,637,984 | 945,472,209 | 855,459,607 | 90,012,602 | 90 |
| Total Payments | 8,972,982,928 | 1,384,004,814 | 10,356,987,742 | 8,615,837,245 | 1,741,150,497 | 83 |

- ✓ 83% of the total budget of the exchequer was released and absorbed.
- ✓ 90% of the transfers to the county assembly was absorbed.
- ✓ Transfers to county executive was 82% absorbed.

8. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the Cash-Basis of accounting, as prescribed by the PSASB and Section 167 of the PFM Act 2012.

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

b) Reporting entity

This report relates to financial operations of the County Revenue Fund domiciled at the County Treasury and bank account maintained at Central Bank of Kenya.

c) Receipts

Receipts include funds deposited in the County Revenue Fund pursuant to Article 207 of the Constitution of Kenya and Section 109 of the PFM Act 2012.

The receipts collected include Exchequer releases, own source revenue, grants from development partners, proceeds from domestic and foreign borrowings, and other miscellaneous deposits in the County Exchequer Account.

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

County own source revenue is recognized as receipts when the funds are received in the County Exchequer Account.

d) Payments

Payments are based on the County Government Appropriation Act. The exchequer requests are received by County Treasury, which rationalizes the requests based on the available balance, consolidates the requests and forwards them to Controller of Budget (COB) for approval. Once the approval of COB is obtained, the funds are released to the County Assembly and County Executive operational accounts appropriately.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Fund Balances

Fund balances comprise bank balances in County Exchequer Account held at Central Bank of Kenya.

f) 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. There were no other restrictions on cash during the year.

9. NOTES TO THE FINANCIAL STATEMENTS

1. Exchequer releases

The following is an analysis by revenue type of the receipts collected in the County Revenue Fund:

| | 2022/23 | 2021/22 |
|--------------------|----------------------|----------------------|
| Description | Kshs. | Kshs. |
| Opening balance | 640,401,636 | 0 |
| Equitable Share | 8,005,020,448 | 7,364,618,812 |
| Total | 8,645,422,084 | 7,364,618,812 |

2. Transfers from other Government Agencies

| | 2022/23 | 2021/22 |
|---|--------------------|--------------------|
| Description | Kshs. | Kshs. |
| Road maintenance levy fund | | |
| DANIDA - Universal Healthcare in Devolved Units Programme | 0 | 7,503,375 |
| World Bank – THUSCP | 8,506,500 | 48,556,702 |
| National Agricultural & Rural Inclusive Growth Project (NARIGP) | 254,377,711 | 194,942,279 |
| Climate change | 11,000,000 | 0 |
| Youth Polytechnic support grant | 0 | 0 |
| Kenya Urban Support Programme | 4,729,034 | 0 |
| Agriculture Sector Development Support Project (ASDSP) | 10,084,066 | 20,803,732 |
| TOTAL | 288,697,311 | 271,806,088 |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. Own Source Revenue

| Description | 2022/23 | 2021/22 |
|---|--------------------|--------------------|
| | Kshs. | Kshs. |
| Cess | 49,214,704 | 62,213,187 |
| Cattle Auction/Slaughter Fee | 16,232,337 | 0 |
| Land/Poll Rate | 7,610,962 | 4,100,692 |
| Single/Business Permits | 70,762,200 | 56,379,970 |
| Property Rent | 0 | 5,018,610 |
| Parking Fees | 47,269,296 | 53,942,810 |
| Market Fees | 39,291,778 | 48,532,080 |
| Advertising | 14,152,460 | 13,694,582 |
| Hospital Fees | 77,853,413 | 50,702,208 |
| Public Health Service Fees | 6,317,570 | 6,443,570 |
| Physical Planning and Development | 5,737,504 | 6,031,161 |
| Agriculture (Vet, AMS, Fisheries) | 1,027,500 | 0 |
| Transport on Land | 1,141,838 | 0 |
| Hire of County Assets | 1,300,000 | 1,842,670 |
| Conservancy Administration | 213,900 | 411,700 |
| Administration Control Fees and Charges | 1,238,010 | 1,333,130 |
| Other Fines, Penalties, And Forfeiture Fees | 2,956,855 | 632,430 |
| Total | 342,320,326 | 311,278,800 |

4. Return to CRF Issues

| Description | 2022/23 | 2021/22 |
|--|----------------|-------------------|
| | Kshs. | Kshs. |
| Migori County Recurrent Account | 478 | 335,778 |
| Migori County Development Account (Central Bank) | 4,700 | 30,389,103 |
| Migori County Assembly Develop | 0 | 1,637,259 |
| Migori County Assembly Rec | 32 | 6,206 |
| Total | 5,210 | 32,368,346 |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. Transfers to County Executive

| | 2022/23 | 2021/22 |
|--------------------------|----------------------|----------------------|
| Description | Kshs. | Kshs. |
| Recurrent Account | 6,027,258,002 | 5,940,370,766 |
| Development Account | 1,406,743,325 | 1,674,866,959 |
| Special Purpose Accounts | 326,376,311 | 423,318,868 |
| Total | 7,760,377,638 | 8,038,556,593 |

6. Transfers to County Assembly

| | 2022/23 | 2021/22 |
|--------------------|--------------------|--------------------|
| Description | Kshs. | Kshs. |
| Recurrent Account | 855,459,607 | 863,485,932 |
| Total | 855,459,607 | 863,485,932 |

7. Fund balance

| | 2022/23 | 2021/22 |
|---|--------------------|--------------------|
| Description | Kshs. | Kshs. |
| County Exchequer Account - (<i>CBK Account number 1000171537</i>) | 895,602,125 | 234,994,439 |
| Total | 895,602,125 | 234,994,439 |

NOTES TO THE FINANCIAL STATEMENTS (Continued)**8. Disclosure of Balances in Revenue Collection Accounts**

County Government Own Source Revenue is recognized in the financial statements when it has been swept to CRF. The balances below had not been swept at close of business of End Year.

| Name of Bank, Account No. & Currency | Amount in bank account currency* | Ex. rate (if in foreign currency) | 2022/2023 |
|---|---|--|-------------------|
| | | | Kshs |
| Migori County Revenue, KCB 1140763881 | Kes | 1 | 20,510 |
| Migori Revenue, Equity, 14302765223661 | Kes | 1 | 48,979,892 |
| MPESA | Kes | 1 | 500 |
| Total | | | 49,000,902 |

10. ANNEXES

Annex 1: Progress on follow up of 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) |
|---|--|---|--|---|
| 4.0 | Late submission of Financial Statements | The management noted the observation and this has since been implemented | Resolved | 30.09.2023 |
| 5.0 | Unreconciled Variances in Transfers to Migori County Executive | The management noted the observation and the variances have been reconciled. | Resolved | 30.06.2023 |
| 6.0 | Undisclosed Late Disbursement of Exchequer Receipts | All the receipts have now been disclosed in the correct accounting period | Resolved | 30.06.2023 |
| 7.0 | Under absorption of Total Receipts | The management noted the auditor observation and will ensure that receipts shall be absorbed as received | Resolved | 30.06.2023 |
| 8.0 | Unsupported Return on CRF Issues | The management noted the observation and state that schedules and refund slips shall be provided for review | Resolved | 30.06.2023 |

| 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) |
|---|--|--|--|---|
| 9.0 | Budget Control and Performance | The management noted the observation and wish to state that the variances shall always be reconciled | Resolved | 30.09.2023 |
| 10.0 | Unsupported Fund Balance | The management noted the auditor's observation and provided the bank reconciliation statements and certificate of balances for your audit review | Resolved | 30.09.2023 |



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Name: Maurice Otunga Nyanjagah

Date

Annex 2. Analysis of Receipts from The National Treasury Exchequer Releases

| Period (2022/23) | Quarter 1 (Kshs.) | Quarter 2 (Kshs.) | Quarter 3 (Kshs.) | Quarter 4 (Kshs.) | Total (Kshs.) |
|---|------------------------------|------------------------------|------------------------------|------------------------------|--------------------------|
| Equitable Share | 680,426,738 | 1,320,828,374 | 1,961,230,010 | 4,042,535,326 | 8,005,020,448 |
| Opening balance | 640,401,636 | | | | 640,401,636 |
| KUSP | - | - | - | 4,729,034 | 4,729,034 |
| World Bank – THUSCP | - | - | - | 8,506,500 | 8,506,500 |
| National Agricultural & Rural Inclusive Growth Project (NARIGP) | - | - | 114,220,853 | 140,156,858 | 254,377,711 |
| Climate Change | | | 11,000,000 | | 11,000,000 |
| Agriculture Sector Development Support Project (ASDSP) | - | | 10,084,066 | | 10,084,066 |
| Total | 1,320,828,374 | 1,320,828,374 | 2,096,534,929 | 4,195,927,718 | 8,934,119,395 |