REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

COUNTY ASSEMBLY OF BUSIA

FOR THE YEAR ENDED 30 JUNE, 2019

OFFICE OF THE AUDITOR-GENERAL
P. O. Box 2106-50200,BUNGOMA
10 JUL 2020
RECEIVED

HARAMBEE

COUNTY ASSEMBLY OF BUSIA

REVISED REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED JUNE 30, 2019

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

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1. KEY BUSIA COUNTY ASSEMLY INFORMATION AND MANAGEMENT

(a) Background Information

The County Assembly of Busia is constituted as per the constitution of Kenya and is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes 35 Members of County Assembly (MCAs) elected to represent members of the public from their respective wards and 18 MCAs nominated by political parties to represent special interests, including persons with disabilities, minorities and the youth. The MCAs are responsible for making any laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

(b) Key Management

The County Assembly's day-to-day management is under the following key organs:

- The Office of the Clerk to the County Assembly
- The Plenary and Committees Services Department
- The Finance and Accounting Services Department
- The Corporate Affairs Services Department
- Sergeant at Arm and Security Services Department
- Legal Affairs Services Department.
- Procurement & Supply Chain Management Department.
- The Hansard Services Department
- Research, Information Communication Technology and Library Services Department
- Internal Audit & Assurance Services Department.

(c) Fiduciary Management

The key management personnel who held offices during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Names.
1.	Clerk to the Assembly	Mr Allan W. Mabuka
2.	Deputy Clerk	Mrs. Carolyne Imukutet Apaa
3.	Principal Finance Officer	Mr Gabriel E. Erambo
4	Principal Hansard Editor	Mr. Jackob Mallo.

(d) Fiduciary Oversight Arrangements

During the year under review, the County's Assembly management and operations were supported by a number of institutions which were established to ensure prudent management. These institutions are:

i. Office of the County Executive committee member in charge of Finance and economic planning, which is majorly dealing with formulation of macro fiscal policies.

ii. Office of Chief Officer Finance and economic planning, which is dealing with planning, revenue mobilisation, budgeting, expenditure controls and financial management.

iii. The County Assembly Service Board and its committees including budget and finance, audit and risk management.

iv. The committees of the County Assembly including Budget and appropriation, public accounts and investment committee.

Other institutions which provided oversight controls during the year under review were as follows:

i. Office the controller of budgets.
ii. National Assembly.
iii. Public sector accounting standards board.
iv. Senate.
v. Commission on Revenue allocation.
vi. Salaries and Remuneration Commission.

(e) Busia County Assembly's Headquarters

P.O. Box 1018,
Busia - Kisumu Road/Highway
Busia, Kenya.

(f) Busia County Assembly's Contacts.

The County Assembly contacts are,
Telephone: (254) 0721675217
E-mail: *clerkbusiacountyassembly@yahoo.com*

(g) Busia County Assembly Bankers

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

2. Kenya Commercial Bank – Busia Branch

(h) Independent Auditors.

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

(i) Principal Legal Adviser.

During the financial year 2018/2019, the County Assembly engaged one legal adviser in the County Assembly to provide legal advice MS. JUMA& COMPANY ADVOCATES

2. FOREWARD BY THE CLERK OF THE ASSEMBLY

Budget Performance
The total budget for the County Assembly for FY 2018/2019 was **Kshs.798,502,746** which consisted of Recurrent **Kshs.728,502,746** and Development **kshs.70,000,000**. The county exchequer disbursed to the County Assembly a total sum of **Kshs.797,177,530** Inclusive of **Kshs.35,277,5307** budgeted under the County Secretary Office to cater for the seconded staff member's salaries. The actual expenditure of the county assembly was **Kshs.791,957,400** out of the total budget allocation for the Assembly, representing 99% absorption rate. The recurrent expenditure had an absorption rate of 96% while development expenditure had an absorption rate of 52%
Performance of Key Development Projects
During the financial year 2018/2019 the County Assembly was able to undertake some of capital projects which were budgeted. It's expected that the capital projects will have a positive outcome on service delivery by the county assembly. These development projects included: ▪ Refurbishment of County Assembly Buildings. ▪ Construction of New Office Block. ▪ ICT Infrastructure ▪ Construction of Modern car park ▪ Purchase of Office Furniture. ▪ Installation of Electric Fence. ▪ NEMA EIA Study other approvals ▪ Research & Development.
Comment on Value-For-Money Achievements
Busia County Assembly funds were utilized in accordance with the provisions of Public Finance Management Act 2012 and the purpose for which they were intended for.
Implementation Challenges and Recommended Way Forward
The major implementation challenges faced by the County Assembly during the financial year 2018/2019 were as follows: ▪ Delay in disbursement of development funds. ▪ IFMIS connectivity challenges. ▪ Limited budget resources vis-a-vis demand for the resources because of Commission on Revenue Allocation (CRA) budget ceilings. ▪ Lack of approved financial reporting framework for the County Assemblies. Recommended way forward include: ▪ Timely disbursement of funds by The National treasury. ▪ The national treasury to address IFMIS connectivity delay challenges ▪ Prioritising activities to utilise the limited budgeted resource.

Sign

Clerk of the County Assembly

3. STATEMENT OF MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a county government entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the County Assembly of Busia is responsible for the preparation and presentation of the County Assembly financial statements, which give a true and fair view of the state of affairs of the County Assembly for and as at the end of the financial year (period) ended on June 30, 2017. 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 entity; (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 Assembly; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the County Assembly of Busia accepts responsibility for the County Assembly 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 Assembly financial statements give a true and fair view of the state of County Assembly transactions during the financial year ended June 30, 2018, and of the County Assembly financial position as at that date. The Accounting Officer charge of the County Assembly of Busia further confirms the completeness of the accounting records maintained for the Assembly which have been relied upon in the preparation of the County Assembly financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the County Assembly of Busia confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity'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 Accounting Officer confirms that the County Assembly financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The County Assembly's revised financial statements were approved and signed by the Clerk of the County Assembly on 30 January 2020.

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR GENERAL
Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON COUNTY ASSEMBLY OF BUSIA FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Assembly of Busia set out on pages 1 to 47, which comprise of the statement of assets and liabilities as at 30 June, 2019, statement of receipts and payments, statement of cash flows, statement of comparative budget and actual amounts: recurrent and development combined and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects the financial position of the County Assembly of Busia as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and County Governments Act, 2012.

Basis for Qualified Opinion

1.0 Unsupported Cash and Cash Equivalents

The statement of financial assets and liabilities reflects cash and cash equivalents balance of Kshs.22,813,770. However, Management did not support the figure with cashbook, certificates of bank balance and bank reconciliation statements.

Consequently, the accuracy and completeness of the cash and cash equivalents balance of Kshs.22,813,770 could not be confirmed.

2.0 Inaccuracy of Accounts Receivables

The statement of financial assets and liabilities reflects accounts receivables amount of Kshs.29,053,263 as disclosed in Note 10 to the financial statements. Included in the amount is a salary advance amount of Kshs.13,670,963 which differs with the salary advance schedule of Kshs.12,595,789 resulting to unreconciled variance of Kshs.1,075,174.

Consequently, the accuracy and completeness of the accounts receivables amount of Kshs.29,053,263 could not be confirmed.

3.0 Unsupported Accounts Payables - Deposits and Retention

The statement of assets and liabilities reflects accounts payable – deposits and retention balance of Kshs.16,160,651 as disclosed under Note 11 to the financial statements. However, Management did not avail supporting schedules for audit review.

Consequently, the accuracy, completeness and validity of the accounts payable – deposits and retention balance of Kshs.16,160,651 reflected in the statement of assets and liabilities could not be confirmed.

4.0 Unsupported Compensation of Employees

The statement of receipts and payments reflects compensation of employees amount of Kshs.372,276,888 as disclosed under Note 3 to the financial statements includes personal allowances paid as part of salary of Kshs.39,685,813. The supporting schedules provided indicate sitting allowances amount of Kshs.124,688,259 resulting to an unreconciled difference of Kshs.85,002,446.

Consequently, the accuracy, completeness and validity of the compensation of employees amount of Kshs.372,276,888 reflected in the statement of assets and liabilities could not be confirmed.

5.0 Unsupported Use of Goods and Services

The statement of receipts and payments reflects use of goods and services amount of Kshs.321,900,305 as disclosed under Note 4 to the financial statements. The balance includes domestic travel and subsistence payments amounting to Kshs.2,209,010 which were not supported by documents such as; imprest warrants, attendance schedules, bus/work tickets, invitation letters, advertisement notices, list of officers who benefited, appointment of members of evaluation committees as well as minutes of the committee's meetings, contract agreement, notification of award, professional opinions and reports.

Consequently, the accuracy, completeness and validity of the domestic travel and subsistence payments amounting to Kshs.2,209,010 reflected in the statement of assets and liabilities could not be confirmed.

6.0 Unsupported Social Security Benefits

The statement of receipts and payments reflects social security benefits of Kshs.22,165,792 as disclosed under Note 6 to the financial statements. However, Management did not vail, for audit review, payment vouchers other supporting documents in support of expenditure.

Consequently, the accuracy, completeness and validity of the social security benefits of Kshs.22,165,792 reflected in the statement of assets and liabilities could not be confirmed.

7.0 Unsupported Procurement

Management procured iPads, laptops, desktops and training for Members of County Assembly (MCAs) from a local company at a contract sum of Kshs.9,665,600. However, procurement documents and stores records were not provided for audit review.

Consequently, the accuracy, completeness and validity of the procurement of iPads, laptops, desktops and training for Members of County Assembly (MCAs) amounting to Kshs.9,665,600 could not be confirmed.

8.0 Unsupported Insurance Costs

The statement of receipts and payments reflects use of goods and services amount of Kshs.321,900,305 and as disclosed under Note 4 to the financial statements. This amount includes insurance costs of Kshs.29,876,200. Included in the insurance costs expenditure are payments of Kshs.1,729,700 which did not relate to insurance costs.

Consequently, the accuracy, completeness and validity of the insurance costs of Kshs.29,876,200 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Assembly of Busia 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 qualified opinion.

Key Audit Matters

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

Other Matter

1.0 Pending Payables

The County Executive had pending accounts payables totalling Kshs.155,214,841 as disclosed under Note 5.10(1, 2 and 3), which have been carried forward to 2019/2020 financial year.

Failure to settle accounts payables in the year to which they relate adversely affects the following year's budget provision to which they have to be charged.

2.0 Prior Year Matters

In the audit report of the previous year, several matters 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. Although the Management has indicated that the issues have been responded to, the matters have remained unresolved as the Senate has not deliberated on the same

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

1.0 Long Outstanding Imprests

The imprests balance of Kshs.15,382,300 as disclosed under Note 10 to the financial statements includes outstanding imprest amount of Kshs.15,203,300, held by staff for more than six (6) months after the due dates had lapsed. This was contrary to the provisions of Regulation 93 (5) of the Public Finance Management (County Governments) Regulations, 2015 which provides for accounting and surrender of imprest within seven (7) working days after returning to the duty station. Further, Management has not explained measures it has taken to recover the amounts as required by Regulation 93(6) of the Public Finance Management (County Governments) Regulations, 2015 which provides for the Accounting Officer to take immediate action to recover the full amount from the salary of the defaulting officer with an interest at the prevailing Central Bank rate.

Consequently, Management was in breach of regulations.

2.0 Non-Conformity to Third Basic Pay Rule

Review of the payrolls revealed that net salary of sixty-one (61) employees fell below 1/3 of the basic salary. This was against provisions of Section 19 (3) of the Employment Act, 2007 which requires that deductions made by an employer from the wages of an employee at any one time shall not exceed two thirds of such wages.

Consequently, Management was in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1.0 Weak Controls in Management of Salary Advances

The County Assembly's records indicate that outstanding salary advances as at 30 June, 2019 amounted to Kshs.13,670,963. However, it was noted that part of this amount was owned by the MCAs and staff members who were issued with salary advances in excess of their respective two months' basic salaries. In addition, the salary advance ledger was not updated and the initial amounts issued could not be ascertained.

As a result, effectiveness of controls over salary advances including overall governance could not be confirmed.

2.0 Payment of Salaries Through Manual Payroll

Included in the compensation of employees expenditure of Kshs.386,109,748 are salaries amounting to Kshs.14,422,415, which were paid through the manual payroll instead of the Integrated Payroll and Personnel Database (IPPD).

In the circumstances, effectiveness of adequate controls over manual 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 control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the County Assembly'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 intention to dissolve the County Assembly 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 Assembly's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall 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 applicablebasis 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 Assembly'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 Assembly 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 Assembly 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.

Nancy Gathungu
AUDITOR-GENERAL

Nairobi

14 April, 2021

5. FINANCIAL STATEMENTS

5.1. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018/2019	2017/2018
		Kshs	Kshs
RECEIPTS			
Exchequer releases	1	761,900,000	905,198,563
Transfers from other government entities	2	35,277,530	37,300,000
TOTAL RECEIPTS		**797,177,530**	**942,498,563**
PAYMENTS			
Compensation of employees	3	372,276,888	309,217,683
Use of goods and services	4	321,900,305	242,467,121
Transfer to other government entities	5	36,755,717	331,316,637
Social security benefits	6	22,165,792	58,050,524
Acquisition of assets	7	38,587,036	53,338,599
Finance costs	8	271,662	15,627
TOTAL PAYMENTS		**791,957,400**	**994,406,191**
SURPLUS/DEFICIT		**5,220,130**	**(51,907,628)**

The explanatory notes to these financial statements form an integral part of the financial statements. The revised financial statements were approved on 30 January 2020 and signed by:

Clerk to the County Assembly
Name: Allan W. Mabuka

Principal Finance Officer
Name: Gabriel E. Erambo
ICPAK Member Number: 13348

5.2. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2018/2019	2017/2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents	**9**		
Bank balances	9A	22,813,770	27,300,833
Total Cash and cash equivalents		**22,813,770**	**27,300,833**
Accounts receivable	10	29,053,263	23,730,533
TOTAL FINANCIAL ASSETS		**51,867,032**	**51,031,366**
FINANCIAL LIABILITIES			
Accounts payable	11	(16,160,651)	(20,545,116)
NET FINANCIAL ASSETS		**35,706,381**	**30,486,250**
REPRESENTED BY			
Fund Balance B/Fwd	**12**	**30,486,251**	**82,393,879**
Surplus/Deficit for the Year		**5,220,130**	**(51,907,628)**
NET FINANCIAL POSITION		**35,706,381**	**30,486,251**

The explanatory notes to these financial statements form an integral part of the financial statements. The revised financial statements were approved on 30 January 2020 and signed by:

Clerk to the County Assembly
Name: Allan W. Mabuka

Principal Finance Officer
Name: Gabriel E. Erambo
ICPAK Member Number: 13348

5.3. STATEMENT OF CASH FLOWS

	Note	2018/2019	2017/2018
		Kshs	Kshs
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from operating income			
Transfer from national treasury	1	761,900,000	905,198,563
Transfer from other government entities	2	35,277,530	37,300,000
Payments for operating expenses			
Compensation of employees	3	(372,276,888)	(309,217,683)
Use of goods and services	4	(321,900,305)	(242,467,121)
Transfer to other government entities	5	(36,755,717)	(331,316,637)
Social security benefits	6	(22,165,792)	(58,050,524)
Finance costs	8	(271,662)	(15,627)
Adjustments for:			
Change in accounts receivable		(5,322,730)	(20,062,010)
Change in accounts payable		(4,384,465)	19,791,510
Net cash fows from operating activities		**34,099,972**	**1,160,471**
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of assets	7	(38,587,036)	(53,338,599)
Net cash flows from investing activities		**(38,587,036)**	**(53,338,599)**
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(4,487,064)**	**(52,178,128)**
Cash and cash equivalent at BEGINNING of the year	**9**	**27,300,834**	**79,478,962**
Cash and cash equivalent at END of the year	**9**	**22,813,770**	**27,300,834**

The explanatory notes to these financial statements form an integral part of the financial statements. The revised financial statements were approved on 30 January 2020 and signed by:

Clerk to the County Assembly
Name: Allan W. Mabuka

Principal Finance Officer
Name: Gabriel E. Erambo
ICPAK Member Number: 13348

5.4. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization difference
	a	b	c=a+b	d	e=d-c	f=e/c
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS						
Exchequer releases	783,502,746	15,000,000	798,502,746	761,900,000	(36,602,746)	-5%
Transfer from other government entities	-	-	-	35,277,530	35,277,530	∞
TOTAL	**783,502,746**	**15,000,000**	**798,502,746**	**797,177,530**	**(1,325,216)**	**0%**
PAYMENTS						
Compensation of employees	395,130,857	(8,000,000)	387,130,857	372,276,888	(14,853,969)	-4%
Use of goods and services	304,517,494	8,000,000	312,517,494	321,900,305	9,382,811	3%
Transfer to other government entities	-	-	-	36,755,717	36,755,717	∞
Social security benefits	20,354,395	-	20,354,395	22,165,792	1,811,397	9%
Acquisition of assets	63,500,000	15,000,000	78,500,000	38,587,036	(39,912,964)	-51%
Finance costs	-	-	-	271,662	271,662	∞
TOTAL	**783,502,746**	**15,000,000**	**798,502,746**	**791,957,400**	**(6,545,346)**	**-1%**
SURPLUS	**-**	**-**	**-**	**5,220,130**	**5,220,130**	

Notes

i. The transfer from other government entities amount of Kshs.35,277,530 was budgeted under Busia County Executive.
ii. The overutilization of use of goods and services budget by 3% was as a result of payment of prior year's bending bills which had not been budgeted.
iii. The nil budget against transfers to other government entities was because the expenditure was budgeted under other operating expenses.
iv. The overutilization of social security benefits budget by 9% was due to staff who were seconded from County Executive.
v. The underutilization of acquisition of assets budget by 51% was as a result of delays in exchequer releases, long procurement procedures and IFMIS challenges.

The explanatory notes to these financial statements form an integral part of the financial statements. The revised financial statements were approved on 30 January 2020 and signed by:

Clerk to the County Assembly
Name: Allan W. Mabuka

Principal Finance Officer
Name: Gabriel E. Erambo
ICPAK Member Number: 13348

5.5. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Utilization difference	% of Utilization difference
	a	b	c=a+b	d	e=d-c	f=e/c
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS						
Exchequer releases	728,502,746	-	728,502,746	728,126,193	(376,553)	0%
Transfer from other government entities	-	-	-	35,277,530	35,277,530	∞
TOTAL	**728,502,746**	**-**	**728,502,746**	**763,403,723**	**34,900,977**	**5%**
PAYMENTS						
Compensation of employees	395,130,857	(8,000,000)	387,130,857	372,276,888	(14,853,969)	-4%
Use of goods and services	304,517,494	8,000,000	312,517,494	321,900,305	9,382,811	3%
Transfer to other government entities	-	-	-	36,755,717	36,755,717	∞
Social security benefits	20,354,395	-	20,354,395	22,165,792	1,811,397	9%
Acquisition of assets	8,500,000	-	8,500,000	2,492,942	(6,007,058)	-71%
Finance costs	-	-	-	271,662	271,662	∞
TOTAL	**728,502,746**	**-**	**728,502,746**	**755,863,306**	**27,360,560**	**4%**
SURPLUS	**-**	**-**	**-**	**7,540,417**	**7,540,417**	

Notes

i. The transfer from other government entities amount of Kshs.35,277,530 was budgeted under Busia County Executive.
ii. The overutilization of use of goods and services budget by 3% was as a result of payment of prior year's bending bills which had not been budgeted.
iii. The nil budget against transfers to other government entities was because the expenditure was budgeted under other operating expenses.
iv. The overutilization of social security benefits budget by 9% was due to staff who were seconded from County Executive.
v. The underutilization of acquisition of assets budget by 71% was as a result of delays in exchequer releases, long procurement procedures and IFMIS challenges.

The explanatory notes to these financial statements form an integral part of the financial statements. The revised financial statements were approved on 30 January 2020 and signed by:

Clerk to the County Assembly
Name: Allan W. Mabuka

Principal Finance Officer
Name: Gabriel E. Erambo
ICPAK Member Number: 13348

5.6. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: DEVELOPMENT

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Utilization difference	% of Utilization difference
	a	b	c=a+b	d	e=d-c	f=e/c
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS						
Exchequer releases	55,000,000	15,000,000	70,000,000	33,773,807	(36,226,193)	-52%
TOTAL	**55,000,000**	**15,000,000**	**70,000,000**	**33,773,807**	**(36,226,193)**	**-52%**
PAYMENTS						
Acquisition of assets	55,000,000	15,000,000	70,000,000	36,094,094	(33,905,906)	-48%
TOTAL	**55,000,000**	**15,000,000**	**70,000,000**	**36,094,094**	**(33,905,906)**	**-48%**
DEFICIT	-	-	-	**(2,320,287)**	**(2,320,287)**	

The development vote was underutilised due to delays in exchequer releases and procurement procedures and IFMIS challenges.

The explanatory notes to these financial statements form an integral part of the financial statements. The revised financial statements were approved on 30 January 2020 and signed by:

Clerk to the County Assembly
Name: Allan W. Mabuka

Principal Finance Officer
Name: Gabriel E. Erambo
ICPAK Member Number: 13348

5.7. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-Programmes	Original budget	Adjustments	Final budget	Actual on comparable basis	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs
Legislation, oversight and representation	728,502,746	-	728,502,746	755,863,306	(27,360,560)
Infrastructural development	55,000,000	15,000,000	70,000,000	36,094,094	33,905,906
Total	**783,502,746**	**15,000,000**	**798,502,746**	**791,957,400**	**6,545,346**

5.8. SIGNIFICANT ACCOUNTING POLICIES

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 The principle accounting policies adopted in the preparation of these financial statements are set out 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 statement of assets and liabilities, although not a requirement of the IPSAS Cash Standard, has been included to disclose information on receivables and payables.

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

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

2. Reporting Entity

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

3. Recognition of Receipts and Payments

a) Recognition of receipts

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

c) Transfers from the Exchequer/ County Treasury

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

e) Recognition of payments

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

f) Compensation of employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) 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.

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

5. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

Restriction on cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. There were no other restrictions on cash during the year.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Accounts Receivable

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 imprests payments are recognized as payments when fully accounted for by the imprests or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

7. Accounts Payable

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.

8. 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 Assembly's fixed asset register a summary of which is provided as a memorandum to these financial statements.

9. 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 Count Assembly at the end of the year. Pending bill form a first charge to the subsequent year budget and when they are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

10. Budget

The budget is prepared on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The Count Assembly's budget was approved as required by Law. The original budget was approved by the County Assembly on 30th June 2018 for the period 1st July 2018 to 30 June 2019 as required by law. There were two supplementary budgets passed in the year. A high-level assessment of the Count Assembly's

actual performance against the comparable budget for the financial year under review has been included

SIGNIFICANT ACCOUNTING POLICIES (Continued)

in the Statement of Comparison between actual and budgeted amounts included in these financial statements.

11. Comparative Figures

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

12. Subsequent events

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

13. Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

14. Related Party Transactions

Related party transactions involve cash and in kind transactions with the National Government, National Government entities and County Government entities. Specific information with regards to related party transactions is included in the disclosure notes.

15. Additional Receipts

Amount of **Kshs.35,277,530** budgeted under the County Secretary's office was transferred to the County Assembly to cater for the staff on secondment pending determination of a case in court.

5.9. NOTES TO THE FINANCIAL STATEMENTS

1. EXCHEQUER RELEASES

Description	2018/2019	2017/2018
	Kshs	Kshs
Transfers from the County Treasury for Q1	150,000,000	100,100,000
Transfers from the County Treasury for Q2	170,000,000	150,000,000
Transfers from the County Treasury for Q3	235,000,000	475,098,563
Transfers from the County Treasury for Q4	206,900,000	180,000,000
Total	**761,900,000**	**905,198,563**

2. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2018/2019	2017/2018
	Kshs	Kshs
Transfers from County Executive of Busia	37,090,766	29,200,000
Transfers from the Revolving Fund	-	8,100,000
Reimbursements and refunds	(1,813,236)	-
TOTAL	**35,277,530**	**37,300,000**

3. COMPENSATION OF EMPLOYEES

Description	2018/2019	2017/2018
	Kshs	Kshs
basic salaries of permanent employees	332,355,322	118,095,148
personal allowance paid as part of salary	39,685,813	85,884,597
other personal payments	235,753	105,237,938
Total	**372,276,888**	**309,217,683**

4. USE OF GOODS AND SERVICES

Description	2018/2019	2017/2018
	Kshs	Kshs
Utilities, Supplies and Services	1,683,777	936,890
Communication, Supplies and Services	1,755,000	328,580
Domestic Travel and Subsistence	90,382,038	56,402,204
Foreign Travel and Subsistence	21,008,144	20,598,028
Printing, Advertising and Information Supplies & Services	15,134,175	7,040,061

Description	2018/2019	2017/2018
	Kshs	Kshs
Rentals of Produced Assets	3,091,700	3,190,000
Training Expenses	27,239,108	28,647,661
Hospitality Supplies and Services	13,584,874	10,086,275
Insurance Costs	29,886,200	2,880,000
Specialized Materials and Services	1,274,273	25,969,629
Office and General Supplies and Services	8,893,764	3,515,131
Fuel Oil and Lubricants	2,454,264	2,732,987
Other Operating Expenses	103,684,880	75,851,952
Routine Maintenance – Vehicles and Other Transport Equipment	1,828,108	2,440,272
Routine Maintenance - Other Assets	-	1,847,451
Total	**321,900,305**	**242,467,121**

5. TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	2018/2019	2017/2018
	Kshs	Kshs
Busia County Revolving Fund	30,000,000	270,000,000
Transfer to the CRF	6,755,717	61,316,637
Total	**36,755,717**	**331,316,637**

6. SOCIAL SECURITY BENEFITS

Description	2018/2019	2017/2018
	Kshs	Kshs
Government pension and retirement benefits	22,165,792	58,050,524
Total	**22,165,792**	**58,050,524**

7. ACQUISITION OF ASSETS

Description	2018/2019	2017/2018
	Kshs	Kshs
Construction of buildings	26,330,865	53,338,599
Refurbishment of buildings	4,950,000	-
Purchase of land	2,492,942	-
Purchase of specialized plant, equipment and machinery	4,813,229	-
Total	**38,587,036**	**53,338,599**

8. FINANCE COSTS

Description	2018/2019	2017/2018
	Kshs	Kshs
Bank charges	271,662	15,627
Total	**271,662**	**15,627**

9. CASH AND CASH EQUIVALENTS

9A. BANK BALANCES

Name of Bank, Account No. & currency	Indicated Whether Recurrent or Development Etc.	2018/2019	2017/2018
		Kshs	Kshs
Central Bank of Kenya, 1000292512, Kshs	Deposit Account	16,045,440	20,545,116
Kenya Commercial Bank, 1141667741, Kshs	Operations Account	2,073,914	3,794,076
Central Bank of Kenya, 1000195398, Kshs	Recurrent Account	2,075,281	1,813,236
Central Bank of Kenya, 1000195401, Kshs	Development Account	2,619,135	1,148,405
Total		**22,813,770**	**27,300,834**

10. ACCOUNTS RECEIVABLE

Description	2018/2019	2017/2018
	Kshs	Kshs
Government imprests	15,382,300	17,510,084
Staff and MCAs advances	13,670,963	6,220,449
Total	**29,053,263**	**23,730,533**

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

11. ACCOUNTS PAYABLE

Description	2018/2019	2017/2018
	Kshs	Kshs
Deposits and retentions	16,160,651	20,545,116
Total	**16,160,651**	**20,545,116**

12. BALANCES BROUGHT FORWARD

Description	2018/2019	2017/2018
	Kshs	Kshs
Bank accounts	27,300,834	79,477,707
Cash in hand	-	1,255
Accounts receivable	23,730,533	3,668,523
Accounts payable	(20,545,116)	(753,606)
Total	**30,486,251**	**82,393,879**

5.10. OTHER DISCLOSURE

1. PENDING ACCOUNTS PAYABLE (See Annex 1)

Description	Balance b/f FY 2017/2018	Additions for the period	Paid during the year	Balance c/f FY 2018/2019
	Kshs	Kshs	Kshs	Kshs
Supply of goods	17,677,355	9,964,998	12,187,962	15,454,391
Supply of services	29,380,245	57,001,429	44,730,808	41,650,866
Total	**47,057,600**	**66,966,427**	**56,918,770**	**57,105,257**

2. PENDING STAFF PAYABLE (See Annex 2)

Description	Balance b/f FY 2017/2018	Additions for the period	Paid during the year	Balance c/f FY 2018/2019
	Kshs	Kshs	Kshs	Kshs
MCAs	-	19,809,538	17,811,642	1,997,896
Staff	-	11,192,824	6,612,449	4,580,375
All	13,344,269	-	-	0
Total	**13,344,269**	**31,002,362**	**24,424,091**	**6,578,271**

3. OTHER PENDING A PAYABLE (See Annex 3)

Description	Balance b/f FY 2017/2018	Additions for the period	Paid during the year	Balance c/f FY 2018/2019
	Kshs	Kshs	Kshs	Kshs
Amount due to county government entities	113,205,337	96,809,622	118,483,646	91,531,313
Total	**113,205,337**	**96,809,622**	**118,483,646**	**91,531,313**

4. RELATED PARTY DISCLOSURES

Related party disclosure is encouraged under non-mandatory section of the Cash Basis IPSAS. The following comprise of related parties to the County Assembly.

- Members of County Assembly
- Key management personnel that include the Clerk of the Assembly and heads of departments
- The County Executive
- County ministries and departments
- Other County Government entities including corporations, funds and boards

- The National Government
- Other County Governments
- State Corporations and Semi-Autonomous Government Agencies

OTHER DISCLOSURES (Continued)

Related party transactions:

	2018/2019	2017/2018
	Kshs	Kshs
Compensation to Key Management		
Compensation to the Speaker, Deputy Speaker and the MCAs	127,498,418	
Key Management Compensation (Clerk and Heads of departments)	15,430,520	
Total Compensation to Key Management	**142,928,938**	
Transfers to related parties		
Transfers to Busia County Assembly Revolving Fund	30,000,000	-
Total Transfers to related parties	**30,000,000**	**-**
Transfers from related parties		
Transfers from the County Executive- Exchequer	761,900,000	905,198,563
Transfer from the County Treasury	35,277,530	37,300,000
Total Transfers from related parties	**797,177,530**	**942,498,563**

6. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the Auditor-General in the financial year 2017/2018 and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
REPORT ON FINANCIAL STATEMENTS					
Basis for Qualified Opinion					
1	**Unvouched Expenditure** Included in the use of goods and services figure of Kshs.242,467, 121 is an amount of Kshs.75,851,952 in respect of other operating expenses which in turn includes Kshs.2,375,000 paid to a local practicing law firm as legal fee for services rendered. However, the payment vouchers and support documents in respect of services rendered were not availed for audit verification.	Vouchers for Kshs.75,851,952 were provided	**Mr. Gabriel Erambo,** Principal finance officer	Resolved	N/A

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	In the circumstances, it was not possible to ascertain the validity of the expenditure of Kshs.242,647,121 incurred during the year.				
2	**Accounts Payables Deposits and Retention** The accounts payable-deposits and retentions balance of Kshs.20,545, 116 reflected under note 11 to the financial statement is supported with a schedule listing individual accounts balances as at 30 June 2018 but no tangible documents were availed for audit review. In addition, it was noted that during the year under review, the County Assembly paid out retention money totaling	Tangible documents were availed	Polycap Wafula Clerical Officer	Resolved	N/A

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	Kshs.2,091,296 out of the development account instead of making the In payment from the retention account. No refund has been made from the retention account to the development account, as at the time of audit. In the circumstances, it was not possible to confirm the accuracy and completeness of the balances of accounts payable reflected in the statement of financial assets and liabilities as at 30 June 2018.				
Other Matter					
1	**Overall Budgeted Performance** During the year under review, the Assembly budgeted for Kshs.1,089,534,307	The County Assembly will endeavour to increase absorption of development budget in fure.	**Mr. Gabriel Erambo,** Principal finance officer	Not resolved	June 2020

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	consisting of recurrent allocation of Kshs.906,631,094 (83%) and development allocation of Kshs.182,903,213 (17%). The actual expenditure amounted to Kshs.882,980, 111 consisting of Kshs. 882,980, 111 (97%) and Kshs.111,426,080 (61%) on recurrent and development expenditure respectively, resulting into an overall budget absorption of 91%, being 97% on recurrent expenditure and 61% on development expenditure.				
2	**Detailed Budget Variance Analysis** The County Assembly did not avail for audit verification a detailed budget variance analysis for the year under review.	Detailed budget variance analysis was prepared and availed.	**Mr. Gabriel Erambo,** Principal finance officer	Resolved	N/A

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	In view of the above, the County Assembly may not have achieved its targets as approved by the County Assembly hence service delivery may not be realized by the residents of the County.				
3	**Inter Borrowing from the County Assembly's Revolving Fund** The Assembly borrowed funds from the revolving fund amounting to Kshs.8,100,000 in 2017/2018 and Kshs.45,320,452 in previous years which has not been refunded hence depriving the fund a total of Kshs.53,420,452 . Further, the management did not provide for audit review records on loan agreements		**Mr. Allan Mabuka,** Clerk to the assembly	Not resolved	Jan 2018-June 2018

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	and approval minutes for the borrowings. In the circumstances, huge borrowings not refunded immediately will negatively impact on subsequent year's budget formulation and implementation.				
4	**Pending Accounts Payables** Included in Note 13.1 and 13.2 to the financial statements are pending accounts payables and pending staff payables totaling Kshs.39,779,300 and Kshs.13,344,269 respectively. These pending bills have resulted to overrun of expenditures in the budget for the year under review. Further, the cash and cash equivalents for the year was only Kshs.27,300,834 more than	The pending accounts payable were finally settled.	**Festo Ileo** **Imprest Accountant**	Resolved	N/A

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	the pending accounts payable. In the circumstances, huge pending bills might impact negatively on subsequent year's budget formulation and implementation thus delaying the achievement of the County's objectives.				
REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC MONEY					
Basis for Conclusion					
1	**Outstanding Imprests** The accounts receivables - outstanding imprests balance Kshs.23,730,533 relates to amounts that had not been recovered from the county officers during the year under review with Kshs.17,510,533 being long outstanding balances for diverse periods, ranging up to eight (8) months from the imprest accounting due	Surrender documents were provided	**Mr. Gabriel Erambo,** Principal finance officer	Resolved	N/A

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	dates. This is contrary to Section 93 of the Public Finance Management Act, Regulations - 2015 which requires imprest to be surrendered within seven (7) working days after returning to duty station. Further, the imprest register though maintained had not been updated, hence incomplete as at the time of audit. In the circumstances, the management of imprest was not in accordance with the law				
2	**Non-conformity to a Third Basic Rule Policy** From a sampled test on payroll, some of the employees and MCA's earned net salary less than one third (1/3) of their basic	Confirmed and applied	Gideon Odieny-Humana Resource Officer	Not resolved	20 June 2020

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	pay, in contravention to the Employment Act, 2007 and Regulations. Consequently, the County Assembly was in breach of the Employment Act, 2007 and Regulations.				
REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE					
Basis for Conclusion					
1	**Management of Salary Advances** The Assembly paid salary advances amounting to Kshs.22,041,406 during year under review. From a sample of salary advances, the following anomalies were observed: a) Salary advances were issued in consecutive months hence staff members would hold two salary advances at the same time.		Tobias Jakaa Accounts Clerk	Not resolved	June 2020

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	b) In some cases, the payment vouchers were not signed as evidence of being authorized by the accounting officer. c) Some advances were more than the two months' basis salary exceeding the maximum ceiling set by the County Assembly's policies. As a result of the weak controls over salary advances, salary advances amounting to Kshs. 6,220,449 were long overdue as disclosed in the statement of financial assets and liabilities as at 30 June 2018. In the circumstances, weak management of salary advances my lead to loss of				

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	public funds				
2	**Incomplete Fixed Assets Register** A review of the fixed assets register revealed the following weaknesses: a) The manual register book was not properly stored as it had started being worn out. b) The assets purchased were not frequently updated and tagged. c) The movement of assets from one department to another were not documented, hence the location of the fixed assets could not be determined. d) Physical location and the officer responsible of the register could not be ascertained.	The register has been updated	Tobias Jakaa Accounts Clerk	Resolved	N/A

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	e) The depreciation and net value of the assets had not been factored in determining the valuation of these assets. Consequently, in the absence of a complete and verified register, it is not possible to confirm the existence and values of the assets belonging to the County Assembly.				
3	**Formulation of County Assembly Policies** The following policies and guidelines had not been developed while others were in the process of being developed and approved for adoption. a) Finance Procedural manual (draft form)	Policies forwarded	**Caroline Imukutete**	Not resolved	June 2020

Reference No. in the Auditor General's Report	Issue / Observations from Auditor	Management Comments	Focal Point person to resolve the issue *(Name and designation)*	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	b) Internship policy and guidelines c) Engagement of casual and temporary/contract staff d) Service charter e) Communications policy f) Overtime policy g) Records management policy Consequently, the County Assembly's ability to manage its resources and operations without clear guidelines may be weak.				

7. ANNEXES

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Suppliers of Goods and Services		Original Amount	Amount Paid	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		Kshs	Kshs	Kshs	Kshs	
		a	b	c=a-b		
Suppliers of Goods						
1.	Conrados Agencies	8,161,095	-	8,161,095	8,161,095	Supply of tires. 2017/2018 figure is restated.
2.	MFI Document Solution	843,060	-	843,060	1,760,532	Supply of toners
3.	Pepachase	2,500,000	-	2,500,000	2,500,000	Installation of mortgage software
4.	Transclean	1,180,000	-	1,180,000	1,180,000	Supply of office stationery
5.	Double Shasa Ltd	760,000	-	760,000	-	Supply of accountable documents
6.	Compdeals Technologies	2,292,870	900,000	1,392,870	-	Supply of sports uniforms
7.	Compskills Technology	7,165,600	7,212,234	(46,634)	-	Supply of IPADS, Laptops and desktops
8.	Breeze Petrol	39,000	-	39,000	-	Purchase of fuel
9.	Shreeji Petrol	625,000	-	625,000	-	Purchase of fuel
10.	Rozina Decorators	1,027,528	1,027,528	-	1,027,528	Supply of bottled water
11.	Dopelink Enterprise	1,306,000	1,306,000	-	1,306,000	Supply of bottled and dispenser water
12.	Dynamite Security	1,742,200	1,742,200	-	1,742,200	Security services
	Sub-Total	**27,642,353**	**12,187,962**	**15,454,391**	**17,677,355**	
Suppliers of services						
13.	Chambers Solution	5,332,487	-	5,332,487	-	Provision of training services

Suppliers of Goods and Services		Original Amount	Amount Paid	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		Kshs	Kshs	Kshs	Kshs	
14.	Chambers Solution	3,832,480	3,832,480	-	3,832,480	Provision of training services
15.	J. O. Juma & Co Advocates	11,616,422	-	11,616,422	-	Provision of legal services
16.	J. O. Juma & Co Advocates	5,425,000	5,425,000	-	5,425,000	Provision of legal services
17.	MFI Document Solution	232,100	-	232,100	-	Printing papers, photocopy and binding
18.	MFI Document Solution	98,600	98,600	-	98,600	Printing papers, photocopy and binding
19.	Nation Media Group	632,200	279,560	352,640	568,400	Provision of space for advertisement
20.	Optic Technologies Kenya	500,000	-	500,000	500,000	General servicing of hansard equipment
21.	Patregi Car Hire	58,500	-	58,500	-	Provision of car hire services
22.	Patregi Car Hire	40,500	40,500	-	40,500	Provision of car hire services
23.	The Standard Group	641,975	-	641,975	-	Provision of space for advertisement
24.	The Standard Group	510,400	510,400	-	510,400	Provision of space for advertisement
25.	Project Management Experts	1,785,000	1,785,000	-	1,785,000	
26.	Vintel Agencies	631,000	-	631,000	631,000	
27.	Younglanders	531,035	-	531,035	531,035	
28.	Farm View Hotel	3,778,764	2,549,429	1,229,335	2,262,360	Hospitality and catering services
29.	Hotel Itoya	6,312,480	1,237,280	5,075,200		Catering services
30.	Hotel Itoya	664,920	664,920	-	664,920	
31.	Joventure Hotel	11,989,000	7,437,361	4,551,639	5,582,000	Hospitality and conference services

Suppliers of Goods and Services		Original Amount	Amount Paid	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		Kshs	Kshs	Kshs	Kshs	
32.	Kika Hotel	13,570,100	12,642,513	927,587	3,168,000	Hospitality and catering services
33.	Victoria Comfort Hotel	67,820	-	67,820		Hospitality services
34.	The Breeze Hotel	545,000	395,000	-	150,000	Hospitality and catering services
35.	Pride Kings	2,434,000	1,550,240	883,760	-	Provision of security services
36.	Vioros Ltd	41,068	-	41,068	-	
37.	Kenya Institute Of Management	3,535,680	2,050,000	1,485,680	-	Training services
38.	The Star	682,381	85,295	597,086	-	Other advance payments
39.	International Rennaisance	2,000,000	450,000	1,550,000	-	Other advance payments
40	Johncele Insurance Brokers	4,700,000	-	4,700,000	-	Provision of insurance services
41.	Jamii Telecommunications	100,050	-	100,050	-	
42.	Agandi General Construction	322,483	66,680	255,803	-	Other advance payments
43.	Matianyi Holdings Ltd	119,995	-	119,995	-	
44.	Emmachris Ent	133,683	-	133,683	-	
45.	Jovinah Investment	36,000	-	36,000	-	
46.	Nita	1,838,550	1,838,550	-	1,838,550	Tuition fees, administrative and refreshments
47.	Bepra Investment	1,792,000	1,792,000	-	1,792,000	
	Sub-Total	**86,531,674**	**44,730,808**	**41,650,866**	**29,380,245**	
	Grand Total	**114,174,027**	**56,918,770**	**57,105,257**	**47,057,600**	

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

No	Name of Staff	Original Amount	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		Kshs	Kshs	Kshs	Kshs	
1	**MCAs**					
2	Angela Nafula	900,100	762,500	137,600	-	
3	Azida Ali	724,000	634,000	90,000	-	
4	Batholomew Were	494,000	502,000	(8,000)	-	
5	Beatrice Kanoti	655,150	478,000	177,150	-	
6	Benard Papa	529,250	553,250	(24,000)	-	
7	Benard Odako	356,300	408,000	(51,700)	-	
8	Casper Ajuma	432,850	463,600	(30,750)	-	
9	Cynthia Mutere	458,500	342,700	115,800	-	
10	David Luyemba	261,050	305,050	(44,000)	-	
11	Eunice Nyongesa	363,800	324,000	39,800	-	
12	Felix Omanyi	469,150	465,150	4,000	-	
13	Florence Owuori	1,040,971	900,971	140,000	-	
14	Gardy Jakaa	365,150	331,151	33,999	-	
15	George Busera	206,200	256,000	(49,800)	-	
16	Grace Olita	656,500	620,750	35,750	-	
17	Halima Hussein	656,500	596,000	60,500	-	
18	Hawa Hajir	471,600	429,600	42,000	-	
19	Immaculate Adhiambo	680,000	592,000	88,000	-	
20	Jackline Mukele	426,200	304,000	122,200	-	
21	James Ongole	749,862	623,010	126,852	-	
22	Julius Otiengi	304,000	286,000	18,000	-	
23	Margret Achungo	642,360	484,510	157,850	-	
24	Maskini Okodoi	947,171	814,171	133,000	-	
25	Maurine Wabwire	789,512	725,012	64,500	-	

No	Name of Staff	Original Amount	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		Kshs	Kshs	Kshs	Kshs	
26	Milton Kassaman	586,662	606,662	(20,000)	-	
27	Moses Ochieng	1,021,010	849,010	172,000	-	
28	Mwajuma Toloyi	847,700	677,650	170,050	-	
29	Patrick Obongoya	310,200	288,000	22,200	-	
30	Patrick Obuya	637,595	615,200	22,395	-	
31	Patrick Omanyala	474,000	412,000	62,000	-	
32	Ruth Ochola	716,845	618,095	98,750	-	
33	Simon Asuka	333,400	277,600	55,800	-	
34	Vincent Ojiambo	446,000	414,000	32,000	-	
35	Vincent Olumbe	383,250	407,500	(24,250)	-	
36	Zainab Muyoti	472,700	444,500	28,200	-	
37	**Sub-Total**	**19,809,538**	**17,811,642**	**1,997,896**	-	
	Staff				-	
38	Allan Mabuka	430,960	426,200.00	4,760	-	
39	Alphonce Okwara	165,615	80,975.00	84,640	-	
40	Antony Makana	35,500	18,900.00	16,600	-	
41	Antony Olando	3,825	1,575.00	2,250	-	
42	Benson Mwaka	60,600	36,500.00	24,100	-	
43	Bonface Okumbe	369,600	257,600.00	112,000	-	
44	Brenda Kanani	143,200	103,900.00	39,300	-	
45	Caroline Imukutete	828,471	779,971.00	48,500	-	
46	Caroline Nduguli	66,425	61,700.00	4,725	-	
47	Daniel Ichasi	79,300	31,500.00	47,800	-	
48	Daniel Ote	291,898	264,498.00	27,400	-	
49	David Kunguru	72,225	31,500.00	40,725	-	
50	Deborah Wandera	555,000	287,500.00	267,500	-	
51	Dennis Ojaamong	72,400	19,900.00	52,500	-	

No	Name of Staff	Original Amount	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		Kshs	Kshs	Kshs	Kshs	
52	Dennis Oongoh	57,700	44,100.00	13,600	-	
53	Duncan Ojasi	26,400		26,400	-	
54	Edward Tito Obura	26,400		26,400	-	
55	Eileen Aswani	179,000	56,000.00	123,000	-	
56	Elijah Mwaro	315,900	261,600.00	54,300	-	
57	Elizabeth Awuor	117,425	78,300.00	39,125	-	
58	Elizabeth Mulamba	61,000	34,600.00	26,400	-	
59	Emma Akiru	72,400		72,400	-	
60	Ephraim Kwena	259,250	303,450.00	(44,200)	-	
61	Erick Onapa	18,700	1,575.00	17,125	-	
62	Erick Oduya	32,300	2,100.00	30,200	-	
63	Esther Okutoyi	143,325	31,500.00	111,825	-	
64	Felix Otande	239,600	160,000.00	79,600	-	
65	Ferdinald Masai	38,600	18,900.00	19,700	-	
66	Francis Makokha	701,600	448,000.00	253,600	-	
67	Gideon Odieny	96,400	70,000.00	26,400	-	
68	Godwin wanyama	56,480	87,980.00	(31,500)	-	
69	Grace Masiga	17,125	25,200.00	(8,075)	-	
70	Gypson Wafula	106,000	34,600.00	71,400	-	
71	Innocent Omboko	677,800	56,000.00	621,800	-	
72	Irene Ojow	315,240	223,940.00	91,300	-	
73	Isaac Opiyo	58,000		58,000	-	
74	Jackob Mallo	326,900	113,000.00	213,900	-	
75	James Lwanyoni	369,400	234,600.00	134,800	-	
76	James Karani	27,100	33,600.00	(6,500)	-	
77	John Nabonwe	251,300	56,000.00	195,300	-	
78	John Adongo	231,600	44,800.00	186,800	-	

No	Name of Staff	Original Amount	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		Kshs	Kshs	Kshs	Kshs	
79	Judith Oruputo	86,400	60,000.00	26,400	-	
80	Justin Okuku	306,500	127,400.00	179,100	-	
81	Juliana Lupalo	79,400	39,700.00	39,700	-	
82	Karen Juma	88,400	57,400.00	31,000	-	
83	Kenneth Itaa	167,500	96,500.00	71,000	-	
84	Lilian Odunga	238,000	192,200.00	45,800	-	
85	Linus Khadudu	85,225	65,000.00	20,225	-	
86	Liventrix Wabwire	183,400	159,800.00	23,600	-	
87	Maureen Ogombe	407,785	259,285.00	148,500	-	
88	Melly Machio	223,600		223,600	-	
89	Nancy Mulaa	245,000	34,600.00	210,400	-	
90	Naomi Okinda	26,400		26,400	-	
91	Newton Machio	37,800		37,800	-	
92	Osman Nur	19,425	25,000.00	(5,575)	-	
93	Onesmus Erone	16,600		16,600	-	
94	Pamela Wandera	30,800	100,000.00	(69,200)	-	
95	Praxides Okima	27,100		27,100	-	
96	Renson Buluma	155,300	79,400.00	75,900	-	
97	Sammy Jakaa	149,600	125,200.00	24,400	-	
98	Sebastian Etyang	119,200	95,000.00	24,200	-	
99	Stellah Odanga	119,725	48,100.00	71,625	-	
100	Tonny Onyango	67,200	56,000.00	11,200	-	
101	Virginia Nakitari	52,500		52,500	-	
102	Wilberforce Obolla	41,800	31,500.00	10,300	-	
103	Wilberforce Wanyama	110,100	78,600.00	31,500	-	
104	William Nzai	110,100	59,700.00	50,400	-	
	Sub-Total	**11,192,824**	**6,612,449**	**4,580,375**	-	

No	Name of Staff	Original Amount	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		Kshs	Kshs	Kshs	Kshs	
					-	
	Prior Year					
1	Agriculture	-	-	-	68,200	6 Perdiems & Fare to Kisumu
2	Finance/budget	-	-	-	1,302,000	3 Perdiems & Fare to Kisumu
3	Budget	-	-	-	631,000	3 Perdiems& Fare to Kisumu
4	Casb	-	-	-	178,800	2 Perdiems & Fare to Kisumu
5	Library	-	-	-	341,600	2 Final Perdiems to Kisumu
6	Bruce Peter Bwire	-	-	-	48,800	4 Perdiems & Fare to Nairobi
7	Planning	-	-	-	622,000	3 Perdiems & Fare to Kisumu
8	Agr Iculture	-	-	-	56,600	Meal Allowance
9	Selection	-	-	-	370,600	2 Perdiems &Fare to Kisumu
10	Board Of Survey	-	-	-	16,000	4 Days Meal Allowance
11	Agriculture	-	-	-	28,400	Meal Allowance
12	Collins Ndeda	-	-	-	8,400	2 final perdiems to Machakos
13	Antony Olando	-	-	-	2,250	Meal Allowance
14	Stellah Odanga	-	-	-	32,500	5 Perdiems& Fare to Kisumu
15	Linus Khadudu	-	-	-	19,900	3 Perdiems & fare to Kisumu
16	Stellah Odanga	-	-	-	2,000	Meal Allowance
17	Stellah Odanga	-	-	-	19,900	3 Perdiems & fare to Kisumu
18	Tobias Osangir	-	-	-	8,400	2 Final Perdiems to Machakos
19	Protus Lukoye	-	-	-	8,400	2 Final Perdiems to Machakos
20	Humphrey Onyango	-	-	-	14,000	2 Final Perdiems to Machakos
21	Stellah Odanga	-	-	-	19,900	3 Perdiems &fare to Kisumu
22	Jentrix Khasenye	-	-	-	5,250	7 Days Meal Allowance

No	Name of Staff	Original Amount	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		Kshs	Kshs	Kshs	Kshs	
23	Jentrix Khasenye	-	-	-	2,250	Meal Allowance
24	Education	-	-	-	377,200	2 Perdiems & Fare to Kisumu
25	Culture	-	-	-	97,500	5 days Meal Allowance
26	Education	-	-	-	554,300	3 Perdiems & Fare to Kisumu
27	Health	-	-	-	403,200	3 Perdiems to Kisumu
28	Legal	-	-	-	396,000	3 Perdiems & Fare to Kisumu
29	Ward Development	-	-	-	1,099,000	5 Perdiems & Fare to Kisumu
30	Transport	-	-	-	733,600	4 Perdiems to Kisumu
31	Ward Development	-	-	-	904,400	4 Perdiems & Fare to Kisumu
32	Planning	-	-	-	338,400	3 Perdiems & Fare to Kisumu
33	Piac	-	-	-	11,500	Meal Allowance
34	James Lwanyoni	-	-	-	33,600	3 Perdiems to Mombasa CAF
35	Implementation	-	-	-	574,200	3 Perdiems & Fare to Kisumu
36	Education	-	-	-	53,900	4 Days Meal Allowance
37	Speakers Pannel	-	-	-	819,000	5 Perdiems & Fare to Kisumu
38	House Business	-	-	-	645,600	3 Perdiems & Fare to Nairobi
39	Board Of Survey	-	-	-	121,800	3 Perdiems to Kisumu
40	Finance/legal	-	-	-	1,330,800	3 Perdiems& Fare to Kisumu
41	Felix Otande	-	-	-	29,119	Salary
42	Felix Otande	-	-	-	56,000	5 Perdiems & Fare to Kisumu
43	Felix Otande	-	-	-	22,400	2 Perdiems &Fare to Kisumu
44	Felix Otande	-	-	-	26,800	perdiems & Taxis Hire
45	Procedure & Rules	-	-	-	908,800	4 Perdiems & Fare to Kisumu
	Grand Total	**31,002,362**	**24,424,091**	**6,578,271**	**13,344,269**	

All these pending payables to be paid after supplementary budget of FY2018/2019

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2018/2019	Outstanding Balance 2017/2018	Comments
		Kshs		Kshs	Kshs	Kshs	
		a		b	c=a-b		
Amounts due to County Govt Entities							
1. Busia County Assembly Revolving Fund	This amount was borrowed from the Fund and is yet to be repaid	53,420,452	2016-2018	30,000,000	23,420,452	53,420,452	To be budgeted for FY 2019/2020 – 2021/2022
2. Busia County Assembly Revolving Fund	This are loan recoveries from the salaries of members of the Fund and are yet to be remitted to the Fund.	156,594,507	2013-2019	88,483,647	68,110,860	59,784,885	To be budgeted for FY 2019/2020 – 2021/2022
Total		**210,014,959**		**118,483,647**	**91,531,312**	**113,205,337**	

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical cost b/f - 2017/208	Additions during the year	Disposals during the year	Transfers in/(out)	Historical cost c/f - 2018/209
	Kshs	Kshs	Kshs	Kshs	Kshs
Land	-	4,813,229	-	-	4,813,229
Buildings and structures	220,382,687	31,280,865	-	-	251,663,552
Transport equipment	36,148,400	-	-	-	36,148,400
Office equipment, furniture and fittings	53,361,208	2,492,942	-	-	55,854,150
ICT Equipment, Software and Other ICT Assets	11,428,655	-	-	-	11,428,655
Other Machinery and Equipment	8,328,655	-	-	-	8,328,655
Total	**329,649,605**	**38,587,036**	**-**	**-**	**368,236,641**

ANNEX 5 – ANALYSIS OF OUTSTANDING IMPREST

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Maureen Ogombe	30/01/2018	447,500	287,700	159,800
Dennis Ojaamong	11/09/2018	212,605	174,805	37,800
Beatrice Kanoti	21/09/2018	838,842	510,842	328,000
Benson Mwaka	21/09/2018	72,400	39,900	32,500
Bonface Mamai	21/09/2018	789,242	680,842	108,400
Carolyn Apaa	21/09/2018	383,000	184,000	199,000
Cynthia Mutere	21/09/2018	306,200	158,000	148,200
David Kokonya	21/09/2018	306,200	302,000	4,200
Eliud Obande	21/09/2018	125,700	32,500	93,200
Elizabeth Swaro	21/09/2018	423,654	379,554	44,100
Eunice Nyongesa	21/09/2018	278,200	(72,000)	350,200
Gedeon Odieny	21/09/2018	485,100	257,900	227,200
Jentrix Khasenye	21/09/2018	40,900	38,800	2,100
Joab Oteba	21/09/2018	306,200	72,000	234,200
John Nabonwe	21/09/2018	251,000	68,200	182,800
Liventrix Wabwire	21/09/2018	128,000	71,000	57,000
Margaret Achungo	21/09/2018	266,200	251,500	14,700
Miriam Obura	21/09/2018	789,242	666,842	122,400
Patrobus Odhiambo	21/09/2018	398,200	114,000	284,200
Daniel Ote	24/09/2018	131,200	74,200	57,000
Florence Ologi	24/09/2018	312,500	230,000	82,500
Laban Mukwana	24/09/2018	438,000	-	438,000
Linda Wekati	24/09/2018	94,080	61,580	32,500
Moses Ochieng	24/09/2018	322,000	86,000	236,000
Nancy Okademi	24/09/2018	830,842	666,842	164,000
Patrick Obongoya	24/09/2018	312,500	86,000	226,500

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Angela Nafula	27/09/2018	437,500	135,500	302,000
Deborah Wandera	27/09/2018	242,150	199,150	43,000
Gardy Jakaa	27/09/2018	346,000	274,000	72,000
Elizabeth Awuor	01/10/2018	613,000	581,500	31,500
Ephraim Kwena	01/10/2018	211,600	-	211,600
Erick Oduya	01/10/2018	108,305	88,405	19,900
Irene Ojow	01/10/2018	106,800	55,400	51,400
Leonard Wanjala	01/10/2018	23,000	16,000	7,000
Lilian Odunga	01/10/2018	129,200	-	129,200
Mark Paul	01/10/2018	351,250	99,950	251,300
Onesmus Erone	01/10/2018	46,100	26,200	19,900
Sylvester Obunde	01/10/2018	80,400	-	80,400
Linus Asiba	02/10/2018	381,500	193,500	188,000
Batholomew Tabu	02/10/2018	518,000	244,000	274,000
Grace Olita	02/10/2018	346,000	302,000	44,000
Innocent Omboko	02/10/2018	865,800	215,800	650,000
John Obwogo	02/10/2018	404,000	78,000	326,000
Julius Ochou	02/10/2018	346,000	158,000	188,000
Moses Echopata	02/10/2018	295,500	251,500	44,000
Nancy Mulaa	02/10/2018	216,800	171,000	45,800
Patrick Omanyala	02/10/2018	346,000	158,000	188,000
Sammy Jakaa	02/10/2018	217,400	103,400	114,000
William Nzai	02/10/2018	122,700	90,200	32,500
Zainab Muyoti	02/10/2018	346,000	72,000	274,000
Bonface Okumbe	04/10/2018	1,143,616	1,069,816	73,800
Felix Omanyi	04/10/2018	332,000	116,000	216,000
Francis Makokha	04/10/2018	226,400	166,400	60,000
Lawrence Okaale	04/10/2018	458,300	74,800	383,500

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Newton Machio	04/10/2018	64,000	-	64,000
Patrick Obuya	04/10/2018	503,500	332,000	171,500
Wilberforce Malingu	04/10/2018	307,692	265,692	42,000
Osman Noor	09/10/2018	120,400	37,400	83,000
Azida Ali	12/10/2018	377,000	100,000	277,000
Bernard Odako	16/10/2018	351,500	121,500	230,000
Bernard Papa	16/10/2018	302,000	86,000	216,000
Brenda Kanani	16/10/2018	125,200	68,200	57,000
Carolyn Nduguli	16/10/2018	58,700	26,200	32,500
Casper Juma	16/10/2018	383,500	121,500	262,000
Catherine Eskut	16/10/2018	229,900	190,300	39,600
Daniel Ichasi	16/10/2018	58,700	26,200	32,500
David Luyemba	16/10/2018	302,000	86,000	216,000
Elijah Mwaro	16/10/2018	299,200	242,200	57,000
Erick Kaibe	16/10/2018	316,000	-	316,000
Esther Okutoyi	16/10/2018	68,400	35,900	32,500
Evans Barasa	16/10/2018	302,000	158,000	144,000
Florence Owuor	16/10/2018	302,000	230,000	72,000
Fred Musirimba	16/10/2018	302,000	-	302,000
George Busera	16/10/2018	696,842	480,842	216,000
Godfrey Balera	16/10/2018	156,300	99,300	57,000
Grace Masiga	16/10/2018	70,300	37,800	32,500
Halima Hussein	16/10/2018	302,000	158,000	144,000
Hawa Ismail	16/10/2018	419,000	121,500	297,500
Jackquiline Mukele	16/10/2018	302,000	230,000	72,000
Jacob Mallo	16/10/2018	156,000	86,000	70,000
James Lwanyoni	16/10/2018	483,548	388,948	94,600
James Ongo`le	16/10/2018	312,500	86,000	226,500

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
John Adongo	16/10/2018	130,200	73,200	57,000
John Oganga	16/10/2018	752,842	536,842	216,000
Joyce Adhiambo	16/10/2018	374,000	216,000	158,000
Julius Otiengi	16/10/2018	302,000	230,000	72,000
Justin Okuku	16/10/2018	222,400	163,600	58,800
Kenneth Itaa	16/10/2018	136,370	103,870	32,500
Leonard Isogol	16/10/2018	523,080	206,480	316,600
Maureen Wabwire	16/10/2018	419,000	157,000	262,000
Milton Kassaman	16/10/2018	302,000	158,000	144,000
Moses Ouma	16/10/2018	419,000	337,500	81,500
Mwajuma Toloyi	16/10/2018	483,600	120,000	363,600
Novenah Ndaliro	16/10/2018	542,000	470,000	72,000
Pamela Wandera	16/10/2018	811,200	654,600	156,600
Protus Owino	16/10/2018	544,230	300,230	244,000
Renson Buluma	16/10/2018	159,800	125,200	34,600
Simon Asuka	16/10/2018	341,700	193,500	148,200
Stella Odanga	16/10/2018	74,745	42,245	32,500
Truphena Okeyo	16/10/2018	306,840	249,840	57,000
Vincent Ojiambo	16/10/2018	732,500	302,000	430,500
Gypson Wafula	24/10/2018	9,600	1,600	8,000
Lena Agunda	26/10/2018	67,000	52,000	15,000
Catherine Oliwa	30/10/2018	105,200	48,200	57,000
Claire Makokha	30/10/2018	265,010	245,110	19,900
Ferdinand Masai	30/10/2018	46,950	14,450	32,500
Godwine Wanyama	30/10/2018	68,100	35,600	32,500
Karen Juma	30/10/2018	84,200	27,200	57,000
Emma Akiru	29/05/2019	57,000	-	57,000
Juliana Imaset	29/05/2019	57,000	-	57,000

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Linus Khadudu	29/05/2019	32,500	-	32,500
Wilberforce Obola	29/05/2019	32,500	-	32,500
Total		**34,625,577.00**	**19,243,277**	**15,382,300**