REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

COUNTY EXECUTIVE OF SIAYA

FOR THE YEAR ENDED 30 JUNE, 2019

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
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COUNTY GOVERNMENT OF SIAYA

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2019

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

1. KEY ENTITY INFORMATION AND MANAGEMENT

a. Background information

Siaya County is constituted as per the Constitution of Kenya, 2010. It is charged with the responsibility of providing a variety of services to residents within its area of jurisdiction. These include the services that were hitherto provided by the defunct Local authorities and the ones that have been transferred from the National Government. The county is headed by the County Governor, who is responsible for the general policy and strategic direction of the County. The Governor is supported by an Executive Committee in carrying out the mandate as stipulated in the Constitution. The County Executive Committee Member for Finance and Economic Planning is in charge of the County Treasury. One of the functions of the CEC – Finance is financial reporting at the County level.

Vision

A model county committed to quality service delivery and sustainable development."

Mission

To achieve sustainable development and excellence using world class methods of service delivery and technology with emphasis on public participation.

Core Values

Siaya County upholds the values of accountability, fairness, professionalism, creativity and innovation, responsiveness, ethics and integrity, courtesy, patriotism, meritocracy and team work.

b. Key management

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

	Name	Designation	Date of holding office
1.	H.E.Cornel Rasanga Amoth - Governor	Governor	April 2013 to date
2.	H.E.Dr. James Okumbe	Deputy Governor	October 2017
3.	Mr. Dismas Wakla	CEC,Governance and Administration	May 2019 to date
4.	Mr. Richard Mungla	CEC, Finance and Economic Planning	May 2019 to date
5.	Mrs. Dorothy Owino	CEC, Health Services	January 2018 to date
6.	Mr. Charles Ogada	CEC, Tourism, Sports, Culture and Arts	May 2019 to date

7.	Mr.Benard Mboha	CEC,Enterprise and Industrial Development	May 2019 to date
8.	Mr. Jaoko Oburu	CEC, Transport and Infrastructure	May 2019 to date
9.	Mr.Adrian Ouma	CEC, Lands, Housing and Urban Development	May 2019 to date
10.	Mr. Dr.Elizabeth Odhiambo	CEC, Agriculture, Food security, Livestock and	May 2019 to date
11.	Mrs. Mary Olute	CEC, Education, Youth Affairs, and Social Services	January 2018 to date
12.	Eng. George Rubiik	CEC-Water, Environment and Natural Resources	May 2019 to date

c. Fiduciary management

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

No.	Name	Designation
1.	Mr.Richard Mungla	CEC, Finance and Economic Planning
2.	Mr. Hezbon K. Mariwa,CPA(K)	Chief Officer, Finance and Economic Planning
3.	Mr.Denis Nyonje,CPA(K)	Director Of Finance
4.	Mr. Jack Odinga	Director Budget & Economic Planning
5.	Mr.Martin Okwata	Director Supply Chain Management
6.	Mr. Charles Ochola,CPA(K)	Director of Revenue
7.	Mr William Ooko	Director Internal Audit
8.	Mr. Jared Abwao	Head of Budget
9.	Mr. Geoffrey Ochieng,CPA(K)	Head of Accounting Services

d. Fiduciary oversight arrangements

The key fiduciary oversight bodies at the County for the year ended 30th June 2019 were:

1. Siaya County Assembly;
2. Public Accounts and Investments Committee; and
3. Budget and Appropriations Committee.

e. Entity headquarters

P.O. Box 803 - 40600
Siaya County Headquarters,
Siaya, Kenya.

f. Entity contacts

Telephone: (254) 792 631 619
E-mail: info@siaya.go.ke
Website: www.siaya.go.ke

g. Entity bankers

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

2. Kenya Commercial Bank
   P.O. Box ,
   Siaya Kenya

3. Co-operative Bank of Kenya
   P.O.Box
   Siaya,Kenya

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

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

7.	Mr.Benard Mboha	CEC,Enterprise and Industrial Development	May 2019 to date
8.	Mr. Jaoko Oburu	CEC, Transport and Infrastructure	May 2019 to date
9.	Mr.Adrian Ouma	CEC, Lands, Housing and Urban Development	May 2019 to date
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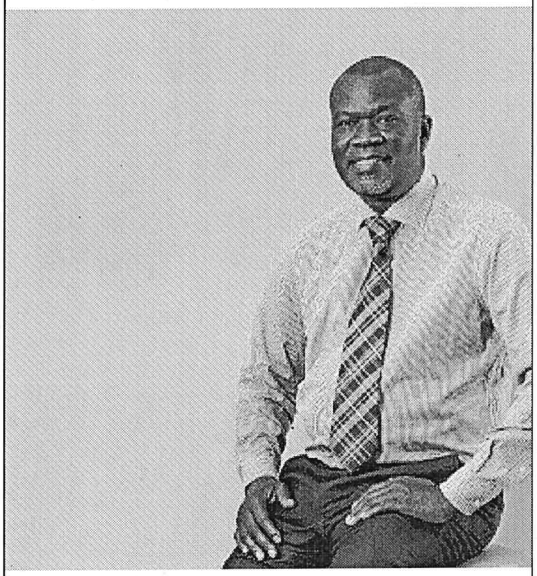
i. Principal Legal Adviser

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

2. KEY MANAGEMENT

The County Executive team during the financial year consisted of:



H.E.Cornel Rasanga Amoth - Governor

Cornel Rasanga was born on 22 May 1957 to the Late Senior Chief Amoth Owira and the Late Yunia Nudi in Segere Village, Alego in Siaya County. Cornel Rasanga is a Kenyan politician and the governor for Siaya County. He is a member of Orange Democratic Movement and coalition member of Coalition for Reforms and Democracy. The Governor is married and has children.

Cornel Rasanga entered the political arena in 2013, when he vied for Governor for Siaya County. The Orange Democratic Movement Selected Cornel Rasanga as the party candidate after a disputed party nomination between Oburu Odinga and Oduol. He won the 4 March general election but his election was nullified by the Court of Appeal in Kisumu on 23 August 2013. Cornel Rasanga clinched the Governor title in a subsequent by-election and became the first governor- elect of Siaya County. He was re-elected for a further five-year term in the 2017 gubernatorial elections in the Orange Democratic Movement Party ticket.

His Excellency is an Undergraduate student at the University of Nairobi, Bachelor of Law (LLB) between 2000 and 2003. Up to 1985, the Governor was a student at Kenya Institute of Administration (KIA) studying Diploma in Supplies Management. Between 1979 and 1981, the Governor studied as an undergraduate student at the University of Nairobi for a Bachelor of Arts Degree in Economics. His A- level secondary education was at Kisii High School up to 1977. Between 1990 and 1974 the Governor studied at Maranda High School for O-Level secondary education. His primary education was at Segere Primary School between 1963 and 1970.

H.E.Dr.James Okumbe – Deputy Governor

Dr. James Ouko Okumbe hails from Wagusu Village in Bondo Sub-County, Siaya County in the Republic of Kenya. He is a leading and recognized professional consultant, researcher and academician who has practiced in both Botswana and South Africa construction industry between 1996 and 2017 in the field of Quantity Surveying.

He is the current Deputy Governor of Siaya County.Dr. James Okumbe previously was a Lecturer at Central University of Technology (CUT) in Free State, and later was a Senior Lecturer in Tshwane University of Technology (TUT) in Pretoria, South Africa in Quantity Surveying and Construction Management between 2007 and 2016.

He holds a PhD degree in Civil Engineering obtained from TUT (2014) and an MSc. degree in the Built Environment (Construction Management) from Nelson Mandela Metropolitan University in SA (2005). He completed his undergraduate studies in Jomo Kenyatta University of Agriculture and Technology in Construction Engineering in 1996.

His book entitled; **Contractual Awareness in the Construction Industry**, *"Effects on the Cost of Construction Projects"* was published in Germany and printed both in the USA and UK in 2008 and is also available online. His researches have been published on scholarly journals in Botswana, South Africa, Europe, USA etc and are available online.

He has previously served as the Managing Director for both Trinity Chartered Quantity Surveyors in SA and Jamax Consultants; Quantity Surveyors, Project Managers and Construction Cost Consultants in Botswana where he also practiced as an arbitrator on both private and Government projects concurrently.

He is a member of the following professional bodies: Fellow member of the Royal Institute of Chartered Quantity Surveyors (FRICS-UK);Member of Botswana Council for Quantity Surveyors (MBIQS);Member of the Botswana Institute of Arbitrators; (MBIArB);Member of Botswana Institute of Development Professions;(MBIDP); Professional member of South African Council for Quantity Surveyors (PrQS); Professional Member of the South African Association of Quantity Surveyors (PMAQS); Corporate member of the Chartered Institute of Building;(MCIOB-UK).

Mr. George Rubiik- Water, Environment and Natural Resources

GEORGE M. RUBIIK is a Kenyan citizen with Master of Arts in Political Science from The University of Iowa, USA, a Master of Arts Degree in International Relations, University of Dar es Salaam, Tanzania (1984) and Bachelor of Arts Honors of Upper Second Class in Political Science and Public Administration from The University of Dares salaam, Tanzania

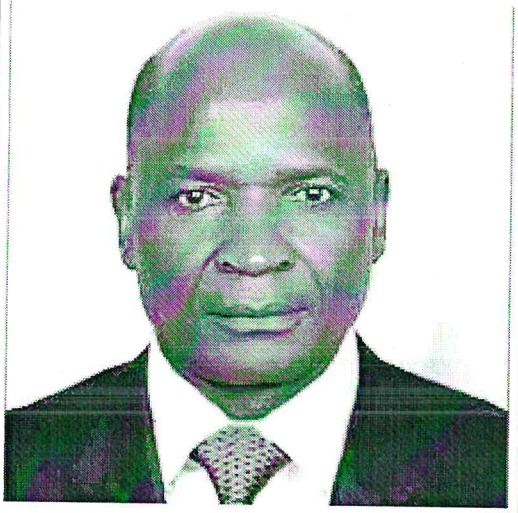
The Governance and Administration County Executive has conducted various research and academic papers including jointly crafting of a policy document for the County Government of Siaya on "Disaster Risk Reduction Policy for Siaya County" in 2014

Until joining the County Government, Hon. George has been lecturing at the Department of Political Science, Catholic University of Eastern Africa (CUEA) – Kisumu Campus. He previously consulted at FRACODEP Consultancy Services conducting consultancy services to national and international organizations on development matters among several other previous engagements.

Has attended various courses including but not limited to one on Governance of Public Schools and Management of Infrastructure Development Funds from Ministry of Education and another on Conflict Management and Transformation Strategies. Media Focus on Africa Foundation. Nairobi – KENYA

Has attended various seminars and presented various academic papers both locally and internationally including at the First International Conference on Urbanization and Rural-Urban Migration in Sub-Saharan Africa, Nairobi Kenya 26-27th November 2012. Organized by (African Migration and Development Policy Centre (Amadpoc - Jacaranda Hotel. Nairobi)

Has served in several boards of secondary and special schools and various committees including the committee for the Liberation of Western Sahara which helped mobilize both material and moral support in the 1980s from the people of Tanzania for the Liberation of Western Sahara under the Leadership of the POLISARIO FRON



Mr. Richard Akeyo Mungla- CEC, Finance and Economic Planning

Mr.Richard Mungla holds Masters in Business Administration(Finance) from Keele University in Britain,Bachelor of Commerce (Accounting) from University of Nairobi and Certified Public Accountant II

Mr.Richard Mungla has 17 years' practical experience in financial managemen & administration as a Senior Auditor; Finance & Administration Officer; Senio Accountant; Finance Officer; Finance Director; Senior Project Administrator Audit Manager; Financial Management Specialist, Head of Financia Decentralization & Restructuring team; Senior Project Administrator and Projec Accountant.

He has a further 18 years' experience of service as a Senior Lecturer anc Assistant Professor (Accounting & Finance) in regional universities in East anc Southern Africa. He is a hands on manager, trainer and researcher. He has extensive local and international training on NGO financial reporting by Forc Foundation in Maputo, PEPFAR Expenditure Analysis by USAID in Maputo anc Effective Fraud Detection and Prevention by Central Bank of Kenya in Nairobi.

Mrs. Dorothy Owino - CEC, Health Services

Born in 1958, Mrs. Dorothy Akinyi Owino hails from South Gem Ward in Gem Sub County. Having studied for her primary education at the then Ng'iya Intermediate School, Dorothy, went to Lwak Girls High School for her O and A levels of education scoring 1st Division and 2nd Principles in both respectively.

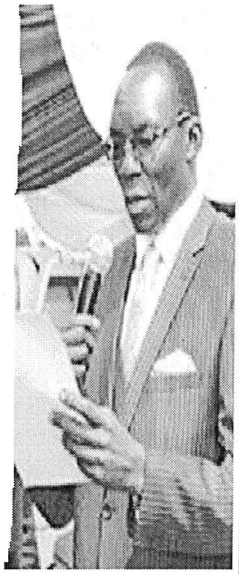
For her higher education, Madam Dorothy studied Bachelor of Arts in Sociology and Masters of Arts in Population Studies both at the prestigious University of Nairobi. She has previously worked variously as a Community Development Officer, Assistant Director of Gender and Development, Project Manager for Integrated Population Reduction, Bungoma District Social Development Officer from 1988, Busia District Social Development Officer from 2004, 9 years as Community Development Officer in South Nyanza region, Project Manager from 2010 to 2014, Chief Officer at County Government of Siaya in The Education Department from 2014 to 2015 and Chief Officer for County Government of Siaya in The Health and Sanitation department from 2015 to early 2018

Dr.Elizabeth Odhiambo- CEC, Agriculture, Food, Livestock and Fisheries

Born in July 1971 and hailing from Bondo Sub County in Siaya County, Dr. Elizabeth holds a Doctor of Philosophy in Literature from Maseno University of year 2014, a Master of Arts Degree in Literature from Maseno University of year 2009 and a Bachelor of Education (Arts) degree. She has been a lecturer at Jaramogi Oginga Odinga University (JOOUST) to date and previously served at the same institution as an Assistant Lecturer where she had risen from being the Deputy Principal, Mbaga Mixed Secondary School in Siaya County. Dr. Elizabeth brings to the department rich knowledge and grounded experience in matters relating to tourism development, culture intergration and development, organization of cultural events and activities and sports infrastructure development and promotion.

Mr.Bernard Mboha - CEC Enterprise and Industrial Development

Mr. Bernard Odak Mboha, an Economist from South East Alego Ward of Alego Usonga Sub County is a graduate of Master of Science Degree in Agriculture and Natural Resource Economics from Colorado State University, Fort Collins Colorado, USA in 1985. He also studied at University of Nairobi Department of Economics for Bachelor of Arts Honors in Economics in 1980. He has extensively consulted for East African Development Bank (EADB) on review of the utilization of special funds availed to EADB as grants by the Government of Sweden, Denmark and Norway. Also worked as Resident Manager, Uganda of EADB responsible for development and management of the operations of the bank's investments and infrastructure portfolio in Uganda



Mr. Dismas Omondi Odhiambo Wakla CEC Governance and Administration

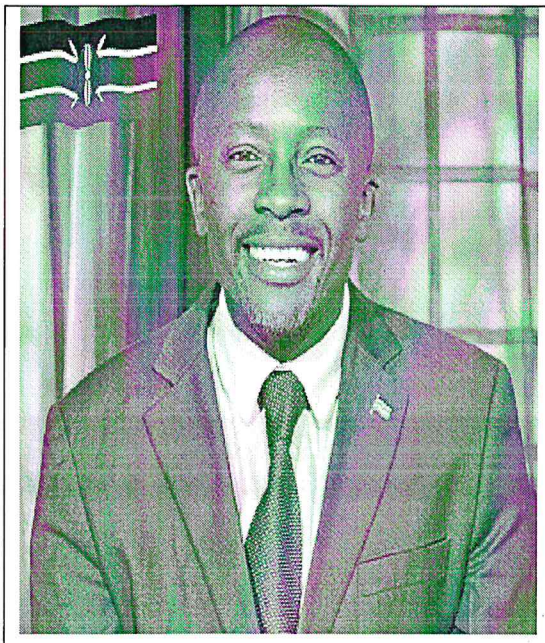
Dismas was born on 24th June 1968 is of Kenyan nationality is married with children and is of the Christian (Catholic) religion. An advocate of The High Court of Kenya with 23 years' work experience, Dismas has been self-employed at Wakla & Company Advocates - Nairobi/ Siaya Offices.

A Kenyan citizen and a lawyer by profession with a Degree of Bachelor of Laws (LL.B) from the University of Nairobi and a Postgraduate Diploma in Law (Dip. Law) from Kenya School of Law. Presently pursuing a further Degree of Masters of Law (LL.M) at University of Nairobi with course work completed and project writing ongoing.

An Advocate of the High Court of Kenya and a legal practitioner. Upon graduation from University in 1992, joined the law firm of Lumumba & Ojwang' Advocates and undertook internship prior to admission into the Roll of Advocates on 23rd February 1995. On admission as an advocate, employed in the law firm of Kiugu & Company Advocates and worked as the litigation Advocate until 31st December 1997.

Founder partner of the law firm of Odhiambo & Weda Advocates from January 1998 to May 2012 when said law firm was dissolved by mutual agreement of the partners, wherefrom established present law firm namely Wakla & Company Advocates.

Major areas of practice and interest are in litigation, land law and land conveyance, advocacy and promotion of democratic ideals and good governance, public administration, community sensitization and mobilization and public defense particularly on community issues or interests and have undertaken several pro bono public interest litigations and pro bono community service.



Mr.Jaoko Oburu- CEC, Transport and Infrastructure

Born on December 31st 1971, Hon. Jaoko studied for his Bachelor of Commerce (Accounting & Finance) option at St. Mary's University Halifax, NS CANADA between 1992 and 1997

He attended his A Levels between 1988 and 1990 at Prince Edward School, Harare Zimbabwe, O Level between 1985 and 1998 at Vainona High Sch. Harare Zimbabwe
O' Level and Primary School between 1984 and 1988 at Vainona Primary Sch. Harare Zimbabwe

As Investment and Resource Mobilization Advisor in the County Government of Siaya (CGS), Hon. Oburu was responsible for advising His Excellency the Governor on a broad range of Investment issues. His office was not permitted to commit the county financially however, he engaged many potential investors to introduce them to investment opportunities in the county and initiated and managed engagement with the relevant departments. He initiated various projects for the County Government of Siaya including 1 Megawatt Independent Solar Power plants in Mageta, Ndeda and Oyamo islands of Bondo sub-county, an Independent Solar Power plant at the Jaramogi Oginga Odinga University for Science and Technology (JOOUST), a 40-Megawatt Solar Power Plant at Boro in Alego Usonga sub-county and a German sponsored Ultra-Modern Primary School at Mbaga in Alego Usonga

Hon. Jack also succeeded in setting aside 6,000 acres in Yala Swamp for the cultivation of Rice, pulses and cotton, and Construction of their respective processing plants, Production of a draft investment policy and Fish Cage Farming at Uyawi Beach in Bondo sub-county

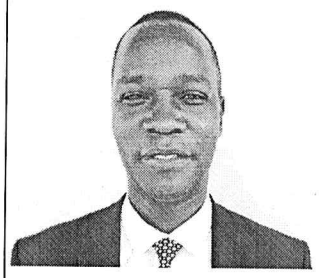
He is a founding chairman of Rado Manambano Trust, a

Mr.Charles Ogada - CEC, Tourism, Culture, Sports & Arts

Charles Ogada, the County Executive Committee Member for Tourism,Culture Sports & Arts, brings on board a wealth of experience in agriculture and rural development. Charles who hails from Ugunja Sub County has over 20 years' experience in the non-governmental sector in areas of Agriculture, Adaptive Research and ICTs. He has promoted sustainable agriculture practices in many ways and worked majorly on dissemination of appropriate technologies to farmers. He has partnered with research organizations such Kenya Agricultural Research and Livestock Organization (KALRO), Kenya Forestry Research Institute (KEFRI) and World Agroforestry Centre formerly ICRAF on transfer of research generated technologies to farmers. His most immediate position, prior to this nomination was as Programs Manager, Adaptive Research and ICTs at Ugunja Community Resources, where he was also in charge of an European Union supported CASSAVA Project in the counties of Siaya, Busia and Kisumu. Charles holds a Bachelor's Degree in Project Management from the University of Nairobi and is presently a candidate for a Masters in Project Management from the same institution. Charles is married and has children.

Mary Apiyo Omondi Olute - Education, Youth Affairs, Gender and Social Services

Born in 1955 and a resident of West Ugenya ward, Ugenya Sub County in Siaya County, Mary Olute has a Master of Arts Degree in Leadership and Policy Education from Moi University in 2011, another Masters in Sociology (2003 – 2004), a Bachelor of Education Arts (Honors) and a Diploma in Counselling Skills from Amani Counselling Centre. She has previously served as the Secretary General of Kenya National Commission for United Nations Education Science and Cultural Organization (UNESCO), Kenya Office, Deputy Secretary General of Kenya National Commission for UNESCO, Assistant Director of Education and Provincial Director of Education for the Kenyan National Government. Mary studied at Kibuye Primary School, Kisumu and at Lwak Girls High School for her A & O levels.



Eng. Adrian Ouma - CEC,Lands, Housing and Urban Development

Born on the 6th March 1976, Eng. Adrian Ouma, a Kenyan by birth from Gem Sub County speaks English, Kiswahili, Somali and Dholuo fluently and is married. He is a degree holder of Bachelor of Science in Civil Engineering (Honors) from the prestigious Jomo Kenyatta University of Agriculture and Technology between 1997 and 2001. Engineer studied his A levels at St. Mary's School, YALA (K.C.S.E) between 1992 and 1995 and at Malele Primary School between 1983 and 1991

Engineer trained in various courses including as a Senior Management Course at the Kenya School of Government, Contact Management Course at The Institute of Engineers of Kenya, Resource Management Course at KIHBIT, acquired computer training at JKUAT in AutoCad and is a registered graduate engineer.

Engineer Adrian Ouma has previously served as head of

3. COMMENTARY BY THE CEC, FINANCE AND ECONOMIC PLANNING

It is my pleasure to present the County Government of Siaya financial statements for the year ended 30th June 2019. The financial statements present the financial performance of the County Government over the past year.

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

a. 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 equitable 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 approved by Parliament in accordance with Article 217 of the Constitution.

The County also finances its operations through own generated revenues. These are revenues collected within the County. They key local revenue sources for Siaya County included business permits, land rates, business plan approval, plot rents, cesses and various other administrative charges.

The County continues to explore new and innovative ways of increasing its local revenue collections. Some of the steps that the County has taken towards improving its revenue collections include:

1) Automation of revenue collection system – the County is currently in the process of sourcing for competent firm to undertake full automation of its revenue collection.

2) Consultancy on revenue potential – the County has engaged its staff through a centralized committee to study the County revenue potential and advise the County on new streams of revenue and ways of enhancing the current streams to achieve their full potential.

b. Financial Performance

i. Revenue

In the year ended 30th June 2019, the County had projected revenues of KShs.7,198,102,787.00 consisting of KShs.325,000,000.00 from own sources and 158,733,050 from Fuel Levy allocation ,KShs.6,028,800,000 from Equitable share and Kshs.685,569,734.00 from conditional Grants.

A graphical representation of the revenue budget is as shown below:

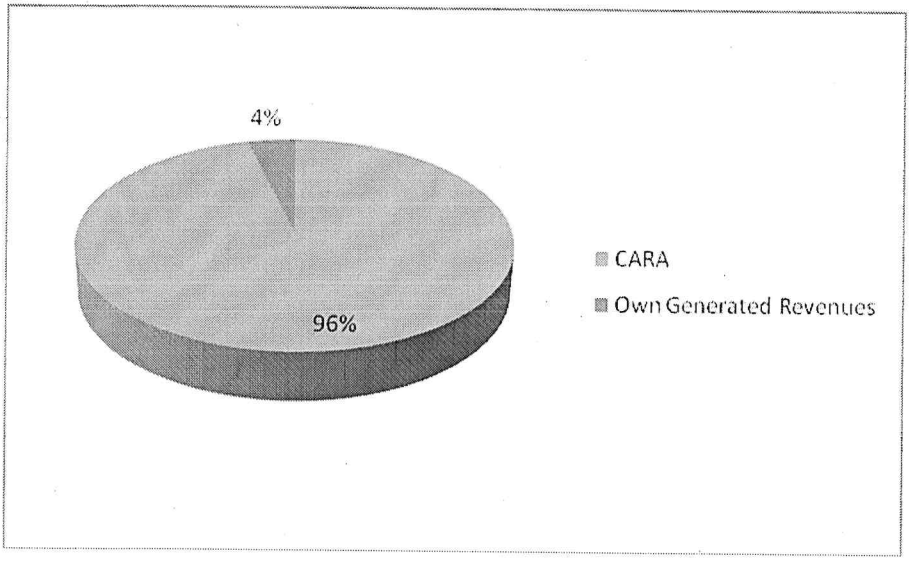


Figure 1: Siaya County revenue sources in FY 2018/2019

CARA revenues consisting of Equitable shares and Conditional grants continue to form the largest part of our revenue budget, contributing 96 % towards our budget. Our own generated revenues formed 4% of our budget.

Out of the projected revenue, the County was able to realize KShs.6,717,921,906.00 in actual revenues, representing 93% performance. This good performance was as a result of high realization of CARA revenues. It should be noted however that during the year, there was an improvement on own generated revenues whose performance increased to 57% from 47% in the previous year. In the table below, we present an analysis of revenue performance during the year.

Revenue classification	Revenue budget (Kshs)	Actual (Kshs)	Realisation (%)
CARA	6,873,102,787	6,533,299,529	90%
Own generated revenues	325,000,000	184,622,377	3%
Total	**7,198,102,787**	**6,717,921,906**	**93%**

Table 1: Revenue performance in FY 2018/2019

ii. Payments

Our total expenditure for the year amounted to KShs.6,343,810,834. Kshs 1,539,932,328 was spent on development expenditure while KShs.4,803,878,506 was spent on recurrent expenditure representing 24% and 76% respectively. Out of the Recurrent Expenditure of Kshs 4,803,878,506 an amount of Kshs. 2,372,581, 377 was spent on Personnel Emoluments representing 49% of Recurrent Expenditure and 37% of the totals expenditure.

iii. Cash flows

In the FY 2018/2019, we had many liquidity disruptions. This was as a result of late disbursements by the National Treasury. As a result cash and cash equivalents increased from Kshs.1,301, 347,136 as at 30th June 2018 to Kshs 1,778,581,900 as at 30th June 2019.

iv. Accounts receivables

Imprest management is a critical area of focus in Siaya County. Our aim is to adhere to the PFM regulations on imprest management. In the financial year under review Outstanding Imprest was Kshs 19,030,894 against last year's amount of Kshs 87,618,898.05 This was an improvement in surrender of Imprest. We appreciate that there is still room for improvement in this area. Going into FY 2019/2020,we will place more emphasis on complying with the PFM regulations with regards to imprests.

v. Pending bills

Our pending bills have reduced from KShs.739,868,990.00 in the Financial Year 2017/2018 to KShs.386,787,728.00 in the Financial Year 2018/2019. Our focus as a County is to settle the bills as soon as possible. In every budget cycle, we ensure that part of the allocations is towards settlement of old outstanding pending bills.

vi. Fixed assets

Siaya County has made significant investments in fixed assets since coming into office in 2013. Additionally, we inherited some assets from the defunct municipal council. We are in the process of developing a comprehensive asset management policy, which we hope to finalize in FY 2019/2020. The policy will among other things incorporate physical verification of all assets, valuation of assets, tagging of assets and maintenance of an asset register.

c. Operational performance

The County's operations are structured in terms of departments which are headed by a County Executive Committee member. For seamless service delivery, all departments have to work in unison and synergize. In the table below, we summarize the key activities carried out by each department during the year:

Department	Key activities
Tourism, Sports, Culture and the Arts	• The Department commenced the construction of Siaya County Stadium • Held Siaya County cultural day at Got Ramogi • Marketing Siaya County as a key tourist destination through Miss Siaya County Pageant
Health Services	• Equipping the dental unit at County referral hospital • Improvement of neonatal care services by providing incubators at Bondo, Siaya and Yala hospitals • Equipped and commissioned renal unit services at County referral hospital
Transport and Infrastructure	• Opening new feeder and access roads • Routine maintenance of county access and feeder roads • Flood mitigation works
Lands, Housing and Urban Development	• Completion of Public land audit and profiling • Completion of survey of Yala Swamp • Refurbishment of County houses
Governance and Administration	• Construction of County Headquarters Annex
Education, Gender and Social Services	• Distributed bursary funds to needy students to the tune of Ksh.112,500,000.00

Table 2: Departmental performance in FY 2018/2019

Despite the notable achievements, we have experienced some challenges during the year. These include:

1) Poor own revenue collection – the actual revenue collected during the year was 57% of the projected revenues. We are exploring ways of boosting revenue collection as mentioned earlier;

2) Exchequer releases-During the year under review, the County experienced late exchequer issuances leading to accumulation of huge pending bills;

3) We have also experienced challenges with IFMIS as a result of down times and poor internet connectivity. This has in some instance delayed payments to suppliers and late preparation of financial statements

d. Conclusion

FY 2018/2019 was a good year in general. Good progress was made and the momentum has been created to enable Siaya County continue on a trajectory into prosperity. We have identified gaps and areas to improve on in the subsequent years.

I take this opportunity to thank H.E. the Governor and the Deputy Governor for their support. I would also want to thank my colleagues, the County Executive Committee Members in charge of other departments who we have worked hand in hand to ensure that Siaya County achieves its mission.

I thank all staff in the entire County for their continued commitment and dedication through hard work in delivering services to the people of Siaya County.

County Executive Committee Member for Finance and Economic Planning County Government of Siaya

4. STATEMENT OF CORPORATE GOVERNANCE

Siaya County is constituted as per the Constitution of Kenya, 2010. The County is headed by the Governor, who is responsible for the general policy and strategic direction of the County.

The County is made up of a County Assembly and County Executive. The County Assembly (CA) consists of the Members of County Assembly (MCAs) who are elected by the people to represent them in the Assembly. The CA is headed by the Speaker.

The County Executive is structured in terms of departments, headed by a County Executive Committee (CEC) Member. The CECs support the Governor and the Deputy Governor in executing the mandate of the County Government as stipulated in the Constitution.

4.1 The County Assembly

The County Assembly is made of the Members of County Assembly(MCAs). It is headed by the Speaker who is elected by the MCAs. The CA is the legislative authority in the county. It also plays an oversight role in ensuring that the county resources are well allocated and well spent. The CA is especially critical in the budgeting process. The MCAs meet every week in accordance with the Standing Orders of the County Assembly.
In executing its mandate, the CA has the following oversight committees:

1. Public Accounts and Investments Committee; and
2. Budget and Appropriations Committee.

4.2 Public Accounts and Investments Committee

The committee was formed to provide oversight on the County's finances. The members who served in the committee during the year were:

No	Name	Position	Period served
1.	Hon. William Kinyanyi	Chairperson	October 2017 to date
2.	Hon. Susan Okwiri	Vice chairperson	October 2017 to date
3.	Hon. Francis Otiato	Member	October 2017 to date
4.	Hon. Judith Oyugi	Member	October 2017 to date
5.	Hon. Abigail Awino	Member	October 2017 to date
6.	Hon. Leonard Oriaro	Member	October 2017 to date
7.	Hon. Andericus Odongo	Member	October 2017 to date
8.	Hon. Joseph Wandera	Member	October 2017 to date
9.	Hon. Willis Ochieng	Member	October 2017 to date

Table 3: Public accounts committee members

4.3 Budget and Appropriations Committee

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

No	Name	Position	Period served
1	Hon.Sylvester Madialo	Chairperson	October 2017 to date
2	Hon.Nick Ochola	Vice chairperson	October 2017 to date
3	Hon.Samuel Olasi	Member	October 2017 to date
4	Hon.James Otare	Member	October 2017 to date
5	Hon.Lorna Adida	Member	October 2017 to date
6	Hon.Fredrick Omoro	Member	October 2017 to date
7	Hon.Hellen Winga	Member	October 2017 to date
8	Hon.Joseph Mboha	Member	October 2017 to date

Table 4: Budget and appropriations committee members

4.4 Audit Committee

The County has established an independent audit committee as per the provisions of Public Finance Management Regulations, 2015.

4.5 Communication with all Stakeholders

The County is committed to ensuring that all its stakeholders are provided with full and timely information about its programmes and performance. They are also given an opportunity to give feedback. In this regard, the County held an Annual consultative meeting/county dialogue forum in February 2019 where the different stakeholders were invited for information sharing. This communication is important in ensuring that stakeholder expectations are aligned to the County's service delivery charter.

5. STATEMENT OF COMPLIANCE

The County Government is regulated by various laws and regulations. As a County Government, we are committed to ensuring that we have complied with all the laws and regulations governing County Governments.

Financial reporting – Section 166 of the PFM Act (2012) requires the County Treasury to submit quarterly reports to the County Assembly and deliver copies to the Controller of Budget, National Treasury and the Commission on Revenue Allocation (CRA), no later than one month after the end of each quarter. Siaya County complied with this requirement and submitted the quarterly reports within the stipulated timelines.

Fiscal responsibilities – Section 107 of the PFM Act (2012) stipulates the requirements of the County Treasury in enforcing fiscal responsibility.

- "The county government's recurrent expenditure shall not exceed the county government's total revenue" – in FY 2018/2019, Siaya County complied with this requirement whereby the recurrent expenditure was Kshs.4,803,878,506.00 against total revenues of Kshs.7,198,102,787.00

- "A minimum of thirty percent of the county government's budget shall be allocated to the development expenditure" – in FY 2018/2019, KShs3, 730,962,575.00 (44%) was allocated to development expenditure against a total budget of Kshs.8, 443,589,612.

6. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

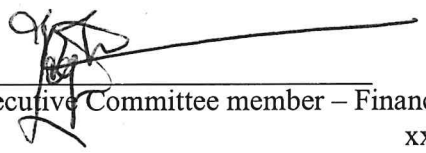
The County Executive Committee (CEC) member for finance of the County Government is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the financial year ended on June 30, 2019. 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 Government; (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 Government; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The CEC member for finance accepts responsibility for the County Government's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for finance is of the opinion that the County Government's financial statements give a true and fair view of the state of the County Government's transactions during the financial year ended June 30, 2019, and of its financial position as at that date. The CEC member for finance further confirms the completeness of the accounting records maintained for the County Government which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

The CEC member for finance confirms that the County Government has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Government's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the CEC member for finance confirms that the County Government'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 Government's financial statements were approved and signed by the CEC member for Finance on_____ 2019.



County Executive Committee member – Finance and Economic Planning

7. REPORT OF THE INDEPENDENT AUDITORS TO THE COUNTY GOVERNMENT OF SIAYA

REPUBLIC OF KENYA

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Enhancing Accountability

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Anniversary Towers
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P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF SIAYA FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Executive of Siaya set out on pages 26 to 83, which comprise the statement of financial assets and liabilities as at 30 June, 2019 and the statement of receipts and payments, statement of cash flows and summary statements of appropriation: recurrent , development and combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects 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 Executive of Siaya 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 Public Finance Management Act, 2012 and the County Governments Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents of Kshs.1,778,581,900 which includes bank balances of Kshs.1,778,526,592 under Note 23 A. However, the following was noted:

i. The bank reconciliation of the development bank account reflects a bank statement balance of Kshs.346,916,007 and cashbook balance of Kshs.1,807 with unpresented cheques amounting to Kshs.346,914,200. However, the details of the dates and payee of the unpresented cheques including the dates the amounts cleared from the bank were not provided for audit verification.

ii. The bank reconciliation of the county recurrent bank account reflects a bank balance of Kshs.16,643,334 and cashbook balance of Kshs.1,573 with

unpresented cheques amounting to Kshs.16,641,761. However, the details of dates, amounts paid, nature of the payment and list of beneficiaries of the unpresented cheques including dates and amounts cleared from the bank were not provided for audit verification.

iii. The bank reconciliation for the county revenue fund account reflects bank balance of Kshs.784,126,312 against a certificate balance of Kshs.787,126,312 resulting to an unexplained and unreconciled variance of Kshs.3,000,000. The banks statement balance of Kshs.784,126,312 has also been reported as the cashbook balance even though the amount shown on the financial statements is Kshs.1,603,200,658 resulting in an unexplained and unreconciled variance of Kshs.819,074,346.

iv. The bank reconciliation for the deposits bank account reflects a bank balance of Kshs.26,451,606 against a cashbook balance of Kshs.77,545,431. The difference of Kshs.51,093,825 attributed to uncredited receipts. However, details of the uncredited receipts amounts, date received, the date recorded in the cashbook and particulars about the amount were not provided for audit verification.

Consequently, the accuracy and completeness of the cash and cash equivalent balance of Kshs.1,778,581,900 for the year ended 30 June, 2019 cannot be ascertained.

2. Inaccurate statement of Summary Statement of Appropriation: Recurrent and Development Combined

The summary statement of appropriation: recurrent and development combined reflects total payments adjustments from original budget to final budget of Kshs.100,000,000. However, a casting error of Kshs.1,400,511,471 was noted resulting to adjustments of Kshs.1,500,511,471. Further, analysis of the summary statement of appropriation: development reflects total payments adjustment from original to final budget of Kshs.1,240,522,039. However, a casting error of Kshs.29,782,460 was noted resulting to adjustments of Kshs.1,270,304,499.

In addition, the summary statement of appropriation: recurrent reflects total actual payments of Kshs.4,886,321,232.52 while summary statement of appropriation: development reflects total actual payments of Kshs.1,675,901,462 resulting to actual payments of Kshs.6,562,222,694.52 which differs with the total actual payments of Kshs.6,343,810,834 shown in the summary statement of appropriation: recurrent and development combined.

The resultant variance of Kshs.218,411,860.52 has not been reconciled or explained.

3. Unexplained Balance of Accounts Payables

The statement of financial assets and liabilities and as reported under Note 25 to the financial statements reflects accounts payables amounting to Kshs.77,545,432 made up of 10% retention and 5% Project Management Committee (PMC) fees. However, the

bank statements of County Government Deposit Account provided for audit reflected an amount of Kshs.26,451,606 as at 30 June, 2019 resulting to a difference of Kshs.51,093,826 which was not reconciled or explained.

Consequently, the accuracy and validity of the accounts payable figure of Kshs.77,545,432 cannot be confirmed.

4. Unexplained Adjustments and Suspense Account

The financial statements submitted for audit on 30 September, 2019 were revised and a final set submitted on 17 December, 2020. However, the movement between the two sets of financial statements have not been supported by fully explained adjustment journals.

Account Name	Unexplained Movement (Kshs.)
Cash and Cash equivalents	15,605,347
Domestic travel	25,799,100
Training	1,361,479

In addition, two adjustments submitted in support of the movement between the set of financial statement clearly indicates that the financial statements have a credit suspense account of Kshs.24,437,621. The details of how the suspense account has been treated in the financial statements were not provided for audit.

Under the circumstances, the accuracy and completeness of the financial statement for the financial year ended 30 June, 2019 cannot be confirmed.

5. Inaccuracies in Receipts

5. 1 Unsupported Exchequer Releases

The statement of receipts and payments under Note 1 to the financial statements reflects exchequer releases of Kshs.6,028,800,000. However, the supporting documents provided indicates an amount of Kshs.5,064,192,000 resulting to an unreconciled and unexplained difference of Kshs.964,608,000.

Consequently, the accuracy and completeness of the Exchequer releases of Kshs.6,028,800,000 for the year ended 30 June, 2019 cannot be confirmed.

5. 2 Inaccurate Transfers from other Government Entities

The statement of receipts and payments under Note 2 of the financial statements reflects transfers from other Government entities of Kshs.54,293,228 which includes an amount of Kshs.29,067,500 for Youth Polytechnic grant and Kshs.18,194,808 in respect of user fee forgone. However, the Youth Polytechnic Bank account had receipts amounting to Kshs.69,714,630 during the year under review resulting to an unexplained variance of Kshs.40,647,130 while there was no evidence provided in support of user fees forgone of Kshs.18,194,808.

Under the circumstance, the accuracy of transfers from other Government entities figure of Kshs.54,293,228 for the year ended 30 June, 2019 cannot be confirmed.

5. 3 Inaccurate Fuel Levy Allocation Receipts

The statement of receipts and payments and Note 9 to the financial statements reflects fuel levy allocation of Kshs.158,733,050. However, the supporting schedule and bank statements provided for audit indicates a figure of Kshs.193,228,537 resulting to an unexplained and unreconciled difference of Kshs.34,495,487. Also, the fuel levy allocation is indicated to have made payments amounting to Kshs.127,156,137 while payment summary provided indicated a total of Kshs.131,342,856 resulting in an unexplained variance of Kshs.4,186,719.

Further, the closing cash balance of Kshs.66,072,399 could not be reconciled to the expected cash balance of Kshs.61,885,683 arising out of documented total receipts of Kshs.193,228,537 against total payments of Kshs.131,342,856.

Consequently, the accuracy of fuel levy allocation receipts of Kshs.158,733,050 as detailed on Note 9 of the financial statements and the accuracy of fuel levy fund bank account balance of Kshs.66,072,399 as at 30 June, 2019 could not be confirmed.

5. 4 Inaccurate Own Generated Revenue

The statement of receipts and payments reflects county own generated revenue of Kshs.184,622,377. However, Note 10 to the financial statements indicates two revenue streams; various revenue fees and other receipts not classified elsewhere amounting to Kshs.402,859 and Kshs.8,553,856 respectively which differs with the summary schedules provided for audit amounting to Kshs.57,295 and Kshs.7,781,455 respectively. The resultant differences of Kshs.345,564 and Kshs.772,401 for various revenue fees and other receipts has not been explained.

Consequently, the accuracy and completeness of the Own Generated Revenue of Kshs.184,622,377 cannot be confirmed.

5. 5 Overstatement of Proceeds from Foreign Grants/Development Partners

The statement of receipts and payments and as reported under Note 3 to the financial statement reflects proceeds from foreign grants/development partners of Kshs.291,473,251 which in turn includes Urban Support Programme (USP) figure of Kshs.41,200,000. However, supporting evidence provided for audit showed that the amount was received by 3 July, 2019 and as such cut-off time was not observed resulting to overstating of the proceeds from foreign grants/development partners by the same amount.

Consequently, the accuracy and validity of the proceeds from foreign grants/development partners figure of Kshs.41,200,000 cannot be confirmed.

6. Unsupported Expenditure

6. 1 Use of Goods and Services

The statement of receipts and payments under Note 13 to the financial statements reflects use of goods and services expenditure of Kshs.1,447,254,978 which includes various expenditure of Kshs.1,222,053,293 out of which payments of Kshs.336,003,036 on various items were not properly supported.

Consequently, the accuracy, completeness and legality of the use of goods and services expenditure of Kshs.1,447,254,978 could not be confirmed.

6. 2 Other Grants and Transfers

The statement of receipts and payments under Note 17 to the financial statements reflects other grants and transfers of Kshs.112,500,000 in relation to scholarships and other educational benefits while receipts on the bursary fund accounts was Kshs.148,895,780. resulting to a difference of Kshs.36,395,780 which was not supported.

Consequently, the accuracy and completeness of Other Grants and Transfers of Kshs.112,500,000 could not be confirmed.

6. 3 Other Current Transfers, Grants and Subsidies

The statement of receipts and payments under Note 16 to the financial statements reflects transfer to other government entities of Kshs.868,910,151 which includes Other Current Transfers, Grants and Subsidies of Kshs.165,023,773 which was not supported.

Consequently, the accuracy and completeness of the transfer to other Government entities of Kshs.868,910,151 could not be confirmed.

6. 4 Purchase of Certified Seeds, Breeding Stock and Live Animals

The statement of receipts and payments under Note 19 to the financial statements reflects acquisition of assets expenditure of Kshs.1,539,932,328 which includes purchase of certified seeds, breeding stock and live animals of Kshs.74,559,128 out of which a schedule supporting only Kshs.2,360,000 was provided for audit. The resultant difference of Kshs.72,199,128 was not supported.

Consequently, the accuracy and completeness of purchase of certified seeds, breeding stock and live animals of Kshs.74,559,128 could not be confirmed.

6. 5 Unsupported Compensation of Employees' Payments

The statement of receipts and payments under note 12 to the financial statements reflects compensation of employees' figure of Kshs.2,372,581,377 which includes salary arrears of Kshs.24,578,044 for the months of May and June, 2018. However, the payments of the arrears have not been supported by the payroll and ledgers summaries. The pending

salaries for the month of May and June, 2018 were also not reported in the previous financial year as at 30 June, 2018.

Further, the compensation of employees figure also includes an amount of Kshs.264,419,166 for basic wages of temporary employees out of which an expenditure of Kshs.6,605,945 in regard to casuals from the Departments of Health, Agriculture Training College (ATC) and Trade was paid outside the county payroll.

Consequently, the accuracy and validity of the Kshs.2,372,581,377 payment on compensation of employees could not be confirmed.

6. 6 Unaccounted for Expenditure Under Donor Funds

The statement of receipts and payments and as reported under Note 3 reflects total receipts figure of Kshs.6,717,921,906. This includes proceeds from foreign grants/ development partners of Kshs.291,473,251 which in turn includes the Kenya Devolution Support Programme (KDSP) amount of Kshs.103,582,093. The supporting documents in support of the difference of Kshs.72,661,140 were not availed for audit verification.

Consequently, the accuracy and completeness of the expenditure of Kshs.72,661,140 in respect of utilization of donor funds cannot be confirmed.

6. 7 Overstatement of Training Expenses

The statement of receipts and payments and as reported under Note 13 to the financial statements reflects use of goods and services expenditure of Kshs.1,447,254,978 which includes training expenses of Kshs.108,649,586. However, the ledger schedule provided shows a balance of Kshs.106,224,786 resulting to overstatement of the training expenses figure by Kshs.2,424,800.

7. Unsupported and Unreconciled Pending Bills

Other important disclosures to the financial statements and as reported under Annex 27.1 reflects pending accounts payables of Kshs.386,787,728 which includes pending bills totalling Kshs.104,127,648 that were not supported with documentary evidence. Further, the reported pending bills figure of Kshs.386,787,728 differed with the Controller of Budget's report balance of Kshs.392,999,940 million as at 30 June, 2019 resulting to unexplained and unreconciled difference of Kshs.6,212,212.

Consequently, the accuracy and validity of the pending bills balance of Kshs.386,787,728 for the year ended 30 June, 2019 could not be confirmed.

8. Irregular Expenses Lake Region Economic Bloc (LREB)

The statement of receipts and payments under Note 16 to the financial statement reflects transfer to other government entities of Kshs.868,910,151 which includes Lake Region Economic Bloc (LREB) amounting to Kshs.1,000,000. However, there was no authority provided as basis for the payment.

Consequently, the authenticity of the payment to the Lake Region Economic Bloc (LREB) amounting to Kshs.1,000,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of County Executive of Siaya 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 appropriately to provide a basis for my qualified opinion.

Emphasis of Matter

1. Budget Control and Performance

The statement of comparative budget and actual amounts for the year ended 30 June, 2019 reflects actual receipts of Kshs.6,717,921,909 against final receipts budget of Kshs.7,198,102,787 resulting in a shortfall of Kshs.480,180,878 or 7% of the approved budget. The drastic fall was in respect of a decrease in the transfers from national government entities by 79 %, proceeds from foreign grants/development partners by 32% and own generated revenue by 43%. Further, actual expenditure for the year amounted to Kshs.6,343,810,834 against the final expenditure budget of Kshs.7,198,102,787 resulting to over expenditure of Kshs.29,293,115 or 21% of the approved budget. Management attributed the over expenditure to funding of activities through the accumulated funds.

2. Under Collection of Own Generated Revenue

During the year under review, the County's approved revenue budget estimates was Kshs.325,000,000. The statement of receipts and payments and as disclosed under Note 11 to the financial statement reflects County Own Generated Revenue of Kshs.184,622,377 resulting to a deficit of Kshs.140,377,623. However, the revenue stream list provided had material variances between the budgeted amounts and the actual collections. Analysis of the budgeted revenue collection against actual revenue collection report revealed that there was under collection in nineteen (19) revenue streams out of twenty-five (25) with seven streams collecting less than 20% of the budgeted amounts.

Further, analysis of the revenue report revealed that there were fifteen (15) revenue streams which were not budgeted for and were not in the Finance Bill. However, the County Government collected revenue amounting to Kshs.17,673,503 from these sources.

In addition, it was noted that three (3) revenue streams namely: Boda Boda fees, CILOR and Slaughter fees reported Nil collections against the budgeted figures approved by the County Assembly of Kshs.8,725,000, Kshs.51,165 and Kshs.1,210,275 respectively.

It's not clear what measures were put in place to ensure budgeted amounts on own generated revenue collection was achieved. Consequently, the under collection of own generated revenue may have led to poor service delivery due to cash flow problems.

My opinion is not modified in respect of this matter.

Key Audit Matter

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

Other Matter

Previous Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, although the Management has indicated that the issues have been responded to, the matters have remained unresolved as the Senate is yet to deliberate on the issues.

REPORT ON COMPLIANCE WITH LAWFULNESS AND EFFECTIVENESS USE OF PUBLIC MONEY

Conclusion

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

Basis for Conclusion

1. Outstanding Imprest

The statement of assets and liabilities under Note 24 to the financial statements reflects outstanding imprest amount of Kshs.19,030,894. However, analysis of the outstanding imprest as at 30 June, 2019 indicated that there were employees holding multiple imprests amounting to Kshs.9,077,033. Further, the imprest ageing schedule was not provided for audit hence it was not possible to ascertain the period the imprest had taken before surrender or recovery. This is, contrary to section 93(5) of the Public Finance Management (County Governments) Regulations, 2015 which states that a holder of a

temporary imprest shall account or surrender the imprest within 7 working days after returning to duty station.

Consequently, the Management is in breach of the law.

2. Failure to Maintain Project Files Public Works, Roads, Energy and Transport

During the year under review, analysis of IFMIS payments details to contractors totalling Kshs.50,415,820 showed that the Department of Public Works, Roads, Energy and Transport did not maintain accurate and complete files for a number of projects undertaken during the year. Such files should have all documents pertaining to every project including the procurement process, LPOs/LSOs, minutes of meetings, certificates and any other document relevant to the project. In the absence of accurate project files, it was not possible to accurately vouch the expenditure and carry out physical verification of the road projects. This is contrary to Section 68(1) of the Public Procurement and Asset Disposal Act, 2015 which stipulate that an Accounting Officer of a procuring entity shall keep records for each procurement for at least six years after the resulting contract has been completed or, if no contract resulted from the procurement, procuring entity shall keep records for each procurement for at least six years after the procurement proceedings were terminated.

Consequently, Management was in breach of law.

3. Unspent Appropriated and Donor Funds

The statement of receipts and payments and as disclosed under Note 3 to the financial statements reflects proceeds from grants/development partners of Kshs.291,473,251 which includes World bank grant of Kshs.50,000,000 under Kenya Urban Support Program (KUSP). However, the Department of Housing and Urban Development has not utilized the fund during the year denying the targeted group the opportunity to benefit from the grants.

4. Failure to Provide Breakdown Analysis of Work Done at the Stadium

Examination of payment vouchers provided for audit indicated that the County Executive paid a total of Kshs.83,303,488 for the construction of Siaya Stadium. However, analysis of project interim certificate (PIC) number 3 reflected payment of Kshs.18,610,735 which was supported by a summary sheet dated 31 May, 2019. Hence, it was difficult to quantify amounts paid against the substructure fee. Also, the project had a contract duration of 44 weeks and was to be completed by 22 November, 2019. As at the date of the audit, the project was 50% complete. No explanation has been provided for the slow pace of the project completion.

5. Compensation to Employees

5. 1 Irregular Payment of Allowances

Review of compensation of employees revealed that the County Executive made payments of special house allowance of Kshs.9,653,117, special salary of Kshs.233,117, alimentary allowance of Kshs.6,167,000, health service allowance Kshs.59,652,224 and health workers allowance of Kshs.189,920,402 without approval by the Salaries and Remuneration Commission.

Consequently, the County Executive was in breach of the law.

5. 2 Violation of the One Third of the Basic Salary Rule

During the year under review, analysis of the payrolls of the County Executive of Siaya indicated that fifty-seven (57) employees were earning below one third of the basic salaries contrary to Section C of the Public Service Commission Human Resource Policies of May, 2016 which provides that public officers shall not over-commit their salaries beyond two thirds (2/3) of their basic salaries and Heads of Human Resource Units should ensure compliance.

Consequently, Management was in breach of the law.

5. 3 Over Recruitment

Analysis of the Siaya County Public Service Board report on recruitment and selection of staff showed that the Board recruitment is based on request from respective sectors/departments of the County. During the year under review, the Board recruited 14 employees over and above the positions requested by the user departments as shown below;

Recruited Staff in 2018-2019	Department	Number Requested	Number Recruited	Variance
Ward Administrator	Governance and Administration	5	6	1
Senior Clerical Officer	Governance and Administration	1	2	1
Legal Officer	Governance and Administration	1	2	1
Registered Nurse	Health and Sanitation	18	20	2
Pharmaceutical Technologist	Health and Sanitation	3	4	1
Clinical Officers	Health and Sanitation	8	11	3
Assistant Public Health Officer	Health and Sanitation	5	6	1
Assistance Community Health Officer	Health and Sanitation	3	7	4
			Total	**14**

This was also not in line with the authorised establishment by the Board.

Consequently, the County Public Service Board is in breach of the law.

6. Maintenance of Point of Sales Machines

The County Executive procured a revenue management collection system together with point of sales machines (POS) in July, 2015 at a cost of Kshs.24,545,600. The asset register indicated that there were one hundred and fifty (150) points of sales machines out of which thirty-six (36) are faulty and could not be used for revenue collection. It was not clear why maintenance was not being done on the machines by the vendor in spite of the contract providing for the same.

Consequently, loss of revenue may occur due to inadequate point of sales machines and the County Executive may not get value for money on the acquisition of the system.

7. Payment for Services not Rendered

During the year under review, the Department of Roads awarded contracts for two roads, Okela Kogonga Beach Road at a cost of Kshs.4,994,640 for 8km and Kogado Kolo Beach Road at a cost of Kshs.4,945,393 for 3Km. However, physical verification revealed that the contractor had been paid Kshs.4,994,640 on 6 May, 2019 for the opening, grading, graveling and culverting of Okela Kogonga Beach Road in North Uyoma. However, only 6.6km of the 8 kilometres was done on the Okela Kogonga Beach Road. Also, the contractor was awarded a contract to grade and gravel 3km of the Kogado Kolo Beach Road at a cost of Kshs.4,945,393 but only did 1.8km thereby leaving 1.2km undone. This was despite payment of the full contract amount.

Consequently, the residents of Siaya County have not obtained value for money on the two road projects that remained incomplete.

8. Irregular Award of Renovation Contract to the Finance Department

The County Executive invited quotations for renovation works at the Finance Department. Three bids were received and evaluated. However, two bidders did not meet the mandatory requirements, thus the only responsive bid submitted was evaluated and awarded at a contract sum of Kshs.2,748,925. The notification of award was dated 15 August, 2018 while the letters appointing the Tender Opening and the Tender Evaluation Committee members were dated 30 August, 2018 being fifteen days after the tender award notification.

Consequently, Management was in breach of the law.

9. Incomplete Project Works

Review of projects implemented during the year revealed that there were various projects that were incomplete. These included the following:

i. The County Executive through the Department of Water, Environment and Natural Resources awarded contracts for drilling and equipping of Bugni borehole at Kshs.4,485,036.80, maintenance of Lake Kanyaboli Dykes at Kshs.32,150,966, desilting of Kogola and Nyamware water pans at Kshs.1,997,950.50 and for desilting of Kodera Miya water pan at Kshs.2,505,248. However, three $10m^3$ PVC tank at the Bugni Borehole in North Sakwa were not installed contrary to the Inspection and Acceptance report.

   Also, there were major cracks on the submersible water pump chamber indicating poor workmanship. Further, there were visible potholes on the road with part of the road that was graveled alongside the shores being eroded. In addition, the culvert and drainage were poorly done and not functional.

   It was also noted that the silt trap at the Kogola Water Pan was not done as per the specifications. The Water Pan was also already dry and not benefiting the community as intended. Also, the water pan at Nyamware Water Pan desilted halfway contrary to the Bills of Quantity. The remaining half is filled with vegetation. Also, the silt trap, spillway and signboard had not been constructed as at the time of the audit.

ii. The County Executive through the Department of Tourism, Sports and Culture engaged a contractor for the renovation of Odera Akongo Cells at a contract sum of Kshs.3,999,924. The first payment to the contractor was Kshs.2,045.942 done on 21 June, 2019, However, the expenditure should have been reflected as pending bill and budgeted for. Physical verification revealed the site was abandoned and full of weeds. As at the time of the audit, the concrete works, walling structures, and floor finishings had not been completed and the contractor was not on site.

iii. The County Executive through the Department of Trade and Enterprise Development undertook several development projects in respect of construction of market shed, drainage systems of markets, fencing of cattle ring, construction of pit latrines and construction of boda boda sheds at a cost of Kshs.10,644,165 during the year 2018/2019. However, physical verification of the projects revealed that they are not complete and not in use.

iv. Physical verification of the Ministry of Education projects in respect to Construction of Early Child Development (ECD) blocks amounting to Kshs.15,098,489 revealed that there were delays in contract executions, payments for work not done and value for money was not achieved as they are not in use. This is contrary to Section 150(1) and (2) of the Public Procurement and Asset Disposal Act, 2015.

Consequently, the residents may not have received value for money on the works done.

10. Irregular Contract Awards – Department of Education

The County Government entered into thirteen (13) contracts under the Ministry of Education. The contracts entered into were not signed by the Accounting Officers contrary to Section 135 of Public Procurement and Asset Disposal Act, 2015 which provides for signing of the contract by the Accounting Officer.

Consequently, Management was in breach of the law.

11. Irregular Deductions of 5% on Project Management Committee

The County Executive deducted 5% Project Management Committees fees from projects. The deductions of Kshs.3,617,472 and Kshs.4,578,672 were not based on contract agreement entered into with the Department of Tourism, Art, Culture and Sport and the Department of Water, Environment and Natural Resources respectively.

Consequently, it was difficult to establish how the deductions were made.

12. Projects not in the Procurement Plan - Department of Education

Review of the annual procurement plan provided by the Ministry of Education, Youth Affairs, Gender and Social Services revealed that projects in respect of construction of an ECD block, consultancy services, supply of office stationary and supply and delivery of tyres totaling Kshs.20,339,387 were not included in the annual procurement plan. This was Sections 45(3) and 53(2) of the Public Procurement and Asset Disposal Act, 2015. which provides that an Accounting Officer shall prepare an annual procurement plan which is realistic in a format set out in the regulations within the approved budget prior to commencement of each financial year as part of the annual budget preparation process.

Consequently, Management is in breach of the law.

13. Insurance of GK Motor Vehicles

During the year under review, the County awarded an Insurance Company contract for insurance of motor vehicles at a contract sum of Kshs.8,976,233 through open tender. Review of the contract agreement revealed that the County Executive insured GK Vehicles owned by the National Government. This is contrary to Section196(3) which states that a public officer shall not enter into any obligation that has financial implications for the National Government budget or a County Government budget unless the obligation is authorized by the Constitution, an Act of Parliament or an Act of a County Assembly.

Consequently, the legality of the insurance of the vehicles could not be confirmed.

14. Irregularities at the Bondo Sub-County Hospital

14. 1 Unauthorized Expenditure

During the year under review, Bondo Sub-County Hospital awarded a contract at a contract sum of Kshs.2,090,320 for borehole drilling. The Hospital made the first payment of Kshs.1,045,160 on 20 November, 2018 for works without inspection and acceptance report. Further, the second payment made on 20 December, 2018 for Kshs.912,144 had not been authorized by the Accounting Officer and there were no payment certificates, or Project Management Committee minutes approving the payment. This is contrary to section 150(1) and (2) of Public Procurement and Asset Disposal Act, 2015.

Consequently, the legality of the expenditure of Kshs.2,090,320 could not be confirmed.

14. 2 Renovations and Maintenance

The County Executive entered into a number of contracts which had the following irregularities: -

i. The hospital commissioned drilling of a borehole without the approval from the Water Resource Authority. This was contrary to section 16(2)(1) of Water Act, 2016 which stipulates that a person shall not construct or begin to construct a borehole or well without having first given the authority notice of his or her intention to do so.
ii. The certificate of completion was not availed for audit.
iii. The County Executive did not appoint an ad hoc Procurement Committee for the contract on renovation of the hospital kitchen.
iv. Part of the maternity wing was not in use.
v. The walls had cracks and the windows were not properly done as they could not close properly.
vi. The windows and door glasses were broken.
vii. The draining system at the theatre was not complete as the floor trap was not complete.
viii. The roof to the theatre was leaking.

Consequently, it was difficult to establish whether the residents received value for money on the expenditure incurred on renovations and maintenance of the Bondo Sub-District Hospital.

14. 3 Use of Revenue at Source

During the year under review, it was observed that the Bondo Sub-County Hospital Management did not bank daily collections intact. This was contrary to Section 63(4) of the Public Finance Management (County Governments) Regulation, 2015, which stipulates that all public moneys collected by a receiver of revenue or collector of revenue or collected and retained by a County Government entity, shall be paid into the designated bank accounts of the County Government and shall not be used by any public officer in

any manner between the time of their receipts and payments into the bank except as provided by law.

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 INTERNAL CONTROLS EFFECTIVENESS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Updated Fixed Assets Register

The County Executive did not maintain an updated assets' register detailing the asset that make up the reported amount. Therefore, it was not possible to ascertain the nature, number of assets, physical location and fair value of the fixed assets at any time. It was, also, observed during the physical verification that assets were not tagged. Scrutiny of the assets register for computer and accessories provided for audit revealed that the registers had not been updated.

2. Lack of Proper Filing of Project Files

Review of documents and files revealed that certain documents including ad hoc committees' appointment letters, signed contract agreements and other tender documents were not being attached in the respective project files. This was mainly observed in the expenditure of the Education, Youth Affairs, Gender and Social Services Department.

Consequently, the reliability of records kept could not be confirmed.

3. Lack of Risk Management Policy and Risk Assessment Reports

The County Executive did not have a risk management policy, risk management framework and risk register for the management of risk. This affects identification of

controls and mitigating factors against risks that may affect the operations of the County Executive.

Consequently, the risks inherent in the county operations may not be identified and minimized in a timely manner.

4. Failure to Automate Revenue Collection

It was observed that the County Executive had not automated all its revenue collection systems for revenue sources such as own generated revenue namely; Single Business Permits, Land Rates, Slaughter fees, Buildings and Plan Approval Fees. This has impacted negatively on the identification, collection and accounting for own generated revenue.

5. Poor Management of Information Communication Technology

5. 1 Lack of IT Steering and Strategic Committees

The County Executive had not established an IT Steering Committee and IT Strategic Committee. The non-establishment of IT Steering Committee and IT Strategic Committee at the County could result in lack of direction regarding ICT affairs, advice to the Cabinets, proper Budgeting and therefore ICT related projects may not meet the business requirement.

5. 2 Lack of ICT Policies and Plans

It was noted that the County Executive did not have in place business continuity plan, disaster recovery plan, backup policy and a backup site. It was also observed that password protocols were not adhered to. The Accounting Officer therefore failed in instituting appropriate measures to ensure confidentiality of data and information, data integrity and business continuity.

6. Lack of Policy on Pharmacy Records

During the year under review, it was observed that the Pharmacy Department did not maintain a policy on Pharmacy Management. It was observed that the pharmacy operates a manual system for requisition, receipts, issues and stock taking of pharmaceuticals and non-pharmaceutical items which results in weak controls in the pharmacy. Updating the stock control cards takes time and makes it difficult to determine the re-order levels which may assist in stock requisitions.

In addition, it was observed that the expired drugs are kept in the same store together with unexpired drugs which are recorded in the expiry log book. The expiry log book does not indicate the date the drugs are received in the store and the date drugs expired. The inspection and acceptance committee reports were not provided for audit.

Consequently, the lack of controls over the pharmacy may lead to loss of drugs and dispensing of expired medical.

7. Fan Soft System (Software)

During the year under review, it was noted that Bondo Sub-County Hospital inherited a revenue collection software called Fansoft which generates thirteen (13) revenue items namely: X-ray, Inpatient, Mortuary, Laboratory Outpatient, Pharmacy Records Department, Occupational Therapy, Physiotherapy, Orthopedics, Medical Examination, MC/H.FP Services, Theatre, Female Ward, and Dental. However, it was noted that inpatient details were not captured in the system. Further, the system does not capture the full charges for urinalysis and special clinics as it relies on the old charge sheets of Kshs.100 and Kshs.50 respectively after it was revised to Kshs.200 and Kshs.100 respectively.

8. Incomplete In-patient Charge Sheets

During the year under review, it was noted that in-patient charge sheets used to discharge patients from hospital had various anomalies as follows: -

i. The charge sheet was not signed by the doctor;
ii. The dates of admission and date of discharge are not indicated on some inpatient charge sheets; and,
iii. Copies of discharge sheets were not kept in inpatient files.

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.

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

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 money is applied in an effective manner.

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

Further, in planning and performing the audit of the financial statements and review of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 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 Project's policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the County Executive's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the County Executive to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the County Executive to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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

Nancy Gathungu
AUDITOR-GENERAL

Nairobi

25 February, 2021

8. FINANCIAL STATEMENTS

8.1 Receipts and Payments

	Note	FNY 2018/2019	FNY 2017/2018
		Kshs	Kshs
RECEIPTS			
Equitable Share (Exchequer releases)	1	6,028,800,000	5,526,600,000
Transfers from National Government Entities	2	54,293,228	59,704,443
Proceeds from Foreign Grants / Development Partners	3	291,473,251	75,190,788
Proceeds from Domestic Borrowings	4	-	-
Proceeds from Foreign Borrowings	5	-	-
Proceeds from Sale of Assets	6	-	-
Conditional Additional Allocations to County Governments	7	-	-
Conditional Allocation to Level 5 Hospitals	8	-	-
Fuel Levy allocation	9	158,733,050	212,834,315
County Own Generated Revenues	10	184,622,377	127,729,540
Unspent Funds	11	-	-
TOTAL RECEIPTS		**6,717,921,906**	**6,002,059,086**
PAYMENTS			
Compensation of Employees	12	2,372,581,377	2,465,782,740
Use of goods and services	13	1,447,254,978	977,913,305
Interest payments	14	-	-
Subsidies	15	-	-
Transfers to Other Government Entities	16	868,910,151	639,176,861
Other grants and transfers	17	112,500,000	82,131,500
Social Security Benefits	18	-	-
Acquisition of Assets	19	1,539,932,328	1,059,472,235
Finance Costs	20	-	-
Repayment of principal on Domestic and Foreign borrowing	21	-	-

Other Payments	22	2,632,000	7,058,800
TOTAL PAYMENTS		**6,343,810,834**	**5,231,535,441**
SURPLUS/DEFICIT		**374,111,072**	**770,523,645**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 30/9/2019 and signed by:

Chief Officer
Name: Hezbon Mariwa

ICPAK NO. 17798

Ag.Head of Treasury
Name: Enock Odhiambo Ongure

ICPAK NO. 19704

8.2 Statement of Assets and Liabilities

	Note	FNY 2018/2019	FNY 2017/18
FINANCIAL ASSETS		**Kshs**	**Kshs**
Cash and Cash Equivalents			
Bank Balances	23A	1,778,526,592	1,286,205,178
Cash Balances	23B	55,308	15,141,958
Total Cash and cash equivalents		**1,778,581,900**	**1,301,347,136**
Accounts receivables – Outstanding Imprests	24	19,030,894	87,878,831
Suspense Account			
TOTAL FINANCIAL ASSETS		**1,797,612,794**	**1,389,225,967**
FINANCIAL LIABILITIES			
Accounts Payables – Deposits and retentions	25	**77,545,432**	**43,269,677**
NET FINANCIAL ASSETS		**1,720,067,362**	**1,345,956,290**
REPRESENTED BY			
Fund balance b/fwd	26	1,345,956,290	575,432,644
Surplus/Defict for the year		374,111,072	770,523,646
Suspense Account			
NET FINANCIAL POSITION		**1,720,067,362**	**1,345,956,290**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 30/9 2019 and signed by:

Chief Officer
Name: Hezbon Mariwa
ICPAK NO. 17798

Ag.Head of Treasury
Name: Enock Odhiambo Ongure
ICPAK NO. 19704

Statement of Cash flows

	Note	FNY 2018/2019	Comparative 2017/2018
		Kshs	Kshs
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from operating income			
Equitable Share (Exchequer releases)	1	6,028,800,000	5,526,600,000
Transfers from National Government Entities	2	54,293,228	59,704,443
Proceeds from Foreign Grants / Development Partners	3	291,473,251	75,190,788
Conditional Additional Allocation to County Governments	7	-	-
Conditional Allocation to Level 5 Hospitals	8	-	-
Fuel Levy allocation	9	158,733,050	212,834,315
County Own Generated Revenues	10	184,622,377	127,729,540
Unspent Funds	11	-	
TOTAL RECEIPTS		**6,717,921,906**	**6,002,059,086**
Payments for operating expenses			
Compensation of Employees	12	2,372,581,377	2,465,782,740
Use of goods and services	13	1,447,254,978	977,913,305
Interest payments	14	-	-
Subsidies	15	-	-
Transfers to Other Government Entities	16	868,910,151	639,176,861
Other grants and transfers	17	112,500,000	82,131,500
Social Security Benefits	18	-	-
Finance Costs, including Loan Interest	20	-	-
Other Payments	22	2,632,000	7,058,800
TOTALS PAYMENTS		**4,803,878,506**	**4,172,063,206**
Adjusted for:			
Adjustments for decrease/increases in Acoounts Receivable and Accounts payable during the year		58,514,538	
Net cash flows from operating activities		**1,972,557,938**	**1,829,995,880**
CASHFLOW FROM INVESTING ACTIVITIES			

Proceeds from Sale of Assets	6	-	
Acquisition of Assets	19	1,539,932,328	1,059,472,235
Net cash flows from investing activities		**432,625,610**	**1,059,472,235**
CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from Domestic Borrowings	4	-	-
Proceeds from Foreign Borrowings	5	-	-
Repayment of principal on Domestic and Foreign borrowing	21	-	-
Net cash flow from financing activities			-
NET INCREASE IN CASH AND CASH EQUIVALENT		**432,625,610**	**770,523,646**
Cash and cash equivalent at BEGINNING of the year		**1,345,956,290**	**575,432,644**
Cash and cash equivalent at END of the year		**1,778,581,900**	**1,345,956,290**
As per statement of assets		**1,778,581,900**	**1,345,956,290**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 30/9/ 2019 and signed by:

Chief Officer
Name: Hezbon Mariwa

ICPAK NO. 17798

Ag.Head of Treasury
Name: Enock Odhiambo Ongure

ICPAK NO. 19704

8.3 Summary Statement of Appropriation: Recurrent And Development Combined

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on comparable basis	budget utilization difference	% of utilization difference to final budget
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS						
Equitable Share (Exchequer releases)	6,028,800,000.00	-	6,028,800,000	6,028,800,000.00	-	-
Transfers from National Government Entities	256,694,808.00	-	256,694,808	54,293,228.00	202,401,580	79
Proceeds from Foreign Grants/Development Partners	428,874,926.00	-	428,874,926	291,473,251.40	137,401,675	32
Proceeds from Domestic Borrowings			-		-	
Proceeds from Foreign Borrowings			-		-	
Proceeds from Sale of Assets			-		-	
Conditional Additional Allocations to County Governments			-		-	
Conditional Allocation to Level 5 Hospitals	-		-		-	
Fuel Levy Allocation	158,733,053.00	-	158,733,053	158,733,053.00	-	-
County Own Generated Revenues	275,000,000.00	50,000,000	325,000,000	184,622,377.00	140,377,623	43
TOTAL	**7,148,102,787**	**50,000,000**	**7,198,102,787**	**6,717,921,909**	**480,180,878**	7
PAYMENTS		-	-		-	
Compensation of Employees	2,437,391,741	-	2,450,463,255	2,372,581,377	77,881,878	3
Use of goods and services	1,198,339,630	155,264,356	1,353,603,986	1,447,254,978	(93,650,993)	(7)

Interest payments	-	-	-	-	-	
Subsidies	-	-	-	-	-	
Transfers to Other Government Entities	859,213,630	91,894,030	951,107,660	868,910,151	82,197,509	9
Other grants and transfers	139,500,000	(19,423,353)	120,076,647	112,500,000	7,576,647	6
Social Security Benefits	2,298,267	-	2,298,267	-	2,298,267	100
Acquisition of Assets	2,717,014,640	1,268,033,924	3,985,048,564	1,539,932,328	2,445,116,236	61
Finance Costs	34,307,413	(3,329,000)	30,978,413	-	30,978,413	100
Repayment of principal on Domestic and Foreign borrowing	-	-	-	-	-	
Other Payments	10,000,000	(5,000,000)	5,000,000	2,632,000	2,368,000	47
TOTAL	**7,398,065,321**	**100,000,000**	**8,898,576,792**	**6,343,810,834**	**2,554,765,957**	29

(a) The underperformance of other receipts was as a result of low actual revenue collections in key local revenue streams such as land rates, business permits and cesses.

(b) The low utilization of the development budget was as a result of delays in commencement of procurement processes. As a result, commencement of some projects delayed.

(c) Delayed exchequer releases which resulted into low absorption.

The entity financial statements were approved on 30/9/ 2019 and signed by:

Chief Officer
Name: Hezbon Mariwa

ICPAK NO. 17798

Ag.Head of Treasury
Name: Enock Odhiambo Ongure

ICPAK NO. 19704

8.4 Summary Statement of Appropriation: Recurrent

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on comparable basis	budget utilization difference	% of utilization difference to final budget
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS						
Equitable Share (Exchequer releases)	4,159,872,000	-	4,159,872,000	4,159,872,000		-
Transfers from National Government Entities					-	
Proceeds from Foreign Grants/Development Partners					-	
Proceeds from Domestic Borrowings					-	
Proceeds from Foreign Borrowings					-	
Proceeds from Sale of Assets					-	
Conditional Additional Allocations to County Governments					-	
Fuel Levy Allocation					-	
Conditional Allocation to Level 5 Hospitals					-	
County Own Generated Revenues	275,000,000	50,000,000	325,000,000	184,622,377	140,377,623	43
TOTAL	**4,434,872,000**	**50,000,000**	**4,484,872,000**	**4,344,494,377**	**140,377,623**	3
PAYMENTS					-	
Compensation of Employees	2,437,391,741.00	13,071,514	2,450,463,255	2,372,581,376.86	77,881,878	3
Use of goods and services			1,238,821,526			

	1,113,339,630.00	125,481,896		1,447,254,978.26	(208,433,453)	(17)
Interest payments		-			-	
Subsidies					-	
Transfers to Other Government Entities	654,213,630.00	60,231,593	714,445,223	868,910,151.00	(154,464,928)	(22)
Other grants and transfers	80,000,000.00	32,500,000	112,500,000	112,500,000.00	-	-
Social Security Benefits	2,298,267.00		2,298,267	-	2,298,267	100
Acquisition of Assets	195,293,511.00	7,250,969	202,544,480	82,442,726.40	120,101,754	59
Finance Costs including loan interest	34,307,413.00	(3,329,000)	30,978,413		30,978,413	100
Repayment of principal on Domestic and Foreign borrowing					-	
Other Payments	10,000,000.00	(5,000,000)	5,000,000	2,632,000.00	2,368,000	47
TOTAL	**4,526,844,192**	**230,206,972**	**4,757,051,164**	**4,886,321,232.52**	**(129,270,069)**	(3)

(a) The underperformance of other receipts was as a result of low actual revenue collections in key local revenue streams such as land rates, business permits and cesses.

(b) The low utilization of the development budget was as a result of delays in commencement of procurement processes. As a result, commencement of some projects delayed.

The entity financial statements were approved on 30/9/ 2019 and signed by:

Chief Officer
Name: Hezbon Mariwa

ICPAK NO. 17798

Ag.Head of Treasury
Name: Enock Odhiambo Ongure

ICPAK NO. 19704

8.5 Summary Statement of Appropriation: Development

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on comparable basis	budgetr utilization difference	% of utilization difference to final budget
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS						
Equitable Share (Exchequer releases)	1,868,928,000		1,868,928,000	1,868,928,000	-	-
Transfers from National Government Entities	256,694,808	-	256,694,808	54,293,228	202,401,580	79
Proceeds from Foreign Grants/Development Partners	428,874,926	-	428,874,926	291,473,251	137,401,675	32
Proceeds from Domestic Borrowings					-	
Proceeds from Foreign Borrowings					-	
Proceeds from Sale of Assets					-	
Conditional Additional Allocations to County Governments					-	
Conditional Allocation to Level 5 Hospitals					-	
Fuel Levy Allocation	158,733,053	-	158,733,053	158,733,053		-
County Own Generated Revenues				-	-	
Unspent Funds					-	
TOTAL	**2,713,230,787**	-	**2,713,230,787**	**2,373,427,532**	**339,803,255**	13
PAYMENTS					-	
Compensation of Employees				-	-	
Use of goods and services		29,782,460	114,782,460		49,510,574	

	85,000,000			65,271,886		43
Interest payments						
Subsidies						
Transfers to Other Government Entities	205,000,000	31,662,437	236,662,437	153,139,974	83,522,463	35
Other grants and transfers	59,500,000	**(51,923,353)**	7,576,647		7,576,647	100
Social Security Benefits	-	-	-		-	
Acquisition of Assets	2,521,721,129	1,260,782,955	3,782,504,084	1,457,489,602	2,325,014,482	61
Finance Costs				-	-	
Repayment of principal on Domestic and Foreign borrowing					-	
Other Payments					-	
TOTAL	**2,871,221,129**	**1,240,522,039**	**4,141,525,628**	**1,675,901,462**	**2,465,624,166**	60

a) *The underperformance of other receipts was as a result of low actual revenue collections in key local revenue streams such as land rates, business permits and cesses.*

b) *The low utilization of the development budget was as a result of delays in commencement of procurement processes. As a result, commencement of some projects delayed.*

The entity financial statements were approved on 30/9/ 2019 and signed by:

Chief Officer
Name: Hezbon Mariwa

ICPAK NO. 17798

Ag.Head of Treasury
Name: Enock Odhiambo Ongure

ICPAK NO. 19704

9. SIGNIFICANT ACCOUNTING POLICIES

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

1) Statement of compliance and basis of preparation

The financial statements have been prepared in accordance and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash-basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.
The 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 County Government of Siaya. The financial statements encompass the reporting entity as specified in the relevant legislation PFM Act 2012 and comprises of (County Executive of Siaya, County Assembly of Siaya)
The consolidated financial statements include all budgetary entities controlled by the County Government. A detailed schedule of consolidated entities in included under appendix 4.

3) Basis of consolidation

This consolidation is based on unaudited financial statements submitted by the individual entities to the Office of the Auditor General as at 30th September 2019 with a copy to the Controller of Budget, the County Treasury and the Commission on Receipts Allocation.

The financial statements are aggregated on a line by line basis with the inter-entity transactions of receipts and payment being eliminated at consolidation level to avoid overstatement of receipts or payments.

The entities' accounting policies have been adjusted to form a consistent basis, where their effect is deemed material to this consolidated financial statement.

4) Elimination

Material balances between entities included in this consolidation have been eliminated. This has been informed by the inter-entity elimination template that is completed by the entities and submitted to the County Treasury.

Recognition of receipts and payments

Recognition of receipts
The County Government recognizes all receipts from the various sources when the event occurs and the related cash has actually been received by the Government.

a) Tax receipts

Tax Receipts is recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

b) Transfers from the Exchequer

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.

c) External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

d) Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

e) Proceeds from borrowing

Borrowing includes Treasury bill, treasury bonds, corporate bonds, sovereign bonds and external loans acquired by the entity or any other debt the County Government may take on will be treated on cash basis and recognized as receipts during the year of receipt.

f) Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for projects currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. During the year ended 30th June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

g) County Own Generated Receipts

These include Appropriation-in-Aid and relates to receipts such as trade licenses, cess, fees, property income among others generated by the County Government from its citizenry. These are recognised in the financial statements the time associated cash is received.

h) Recognition of payments

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

i) Compensation of employees

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

j) 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.

k) Interest on borrowing

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

l) Repayment of borrowing (principal amount)

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

m) 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.

n) In-kind contributions

In-kind contributions are donations that are made to the entity in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or

Personnel services. Where the financial value received for in-kind contributions can be reliably determined, the entity includes such value in the statement of receipts and payments both as receipts and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

o) 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.

p) Restriction on cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. There were no other restrictions on cash during the year

q) Accounts Receivable

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

r) 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.

s) Non-current assets

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

t) Pending bills

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

u) Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *entity's* budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget for the period 1st July 2018 to 30th June 2019 was approved by the County Assembly for the period as required by law. There was one of supplementary budgets passed in the year. A high-level assessment of the *entity's* actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

v) Comparative figures

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

w) Subsequent events

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

x) 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.

y) 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.

z) Disclosure of entities included in consolidation

The County Government consolidated financial statements consist of a total of three entities

consolidated for the financial year ended 30th June 2018 that are considered as budgetary entities. These entities, together with their results for the year are disclosed under appendix 4.

aa)Disclosure of entities excluded from consolidation

None of the entities eligible for consolidation under the County Government budgetary cluster for the year ended 30th June 2018 has been excluded from consolidation.

10. NOTES TO THE FINANCIAL STATEMENTS

1. EXCHEQUER RELEASES

Exchequer releases refer to funds disbursed by the National Treasury to the County Government from the Exchequer. These funds are part of the allocations stipulated in County Allocation of Revenue Act (CARA) 2016. The exchequer releases include Equitable Share, DANIDA health funds, User Fees Forgone, Kenya Devolution Support Programme and Youth Polytechnic Support Grant allocation.

	FNY 2018/2019	FNY 2017/18
	Kshs	Kshs
Total Exchequer Releases for quarter 1	301,440,000.00	-
Total Exchequer Releases for quarter 2	1,567,488,000.00	1,271,118,000.00
Total Exchequer Releases for quarter 3	1,657,920,000.00	1,520,867,000.00
Total Exchequer Releases for quarter 4	2,501,952,000.00	2,734,615,000.00
Cumulative Amount	**6,028,800,000.00**	**5,526,600,000.00**

2. TRANSFERS FROM NATIONAL GOVERNMENT ENTITIES

These refer to funds disbursed to the County Government from other government entities. These transfers are part of the conditional allocations stipulated in CARA 2016. In FY 2016/2017, ABC County received funds from the National Government's Ministry of Health and the State Department of Infrastructure as shown below:

	FNY/2018/2019	FNY 2017/18
Description	**Kshs**	**Kshs**
Transfers from Central government entities		
Transfer from Ministry of Health		
User Fees Forgone	18,194,808.00	19,057,306.00
Leasing of medical equipment		
Free maternity healthcare		
Financing for level 5 hospitals		
Abolishment of user fees in health centers and dispensaries		
Youth polytechnic support Grant	29,067,500.00	40,647,137.00
Transfer from Ministry of Agriculture ***Governement of Sweden***		
Agricultural Sector Development Support Programme (ASDSP)	7,030,920.00	
Transfer from Ministry of Transport and Infrastructure		
Rehabilitation of class C roads		
Nairobi Missing Link Roads and Non-Motorized Transport Facilities		

TOTAL	**54,293,228.00**	**59,704,443.00**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. PROCEEDS FROM FOREIGN GRANTS/ DEVELOPMENT PARTNERS

These refer to grants received from domestic and foreign donors. The funds include grants received directly by the County Government and those that are received by the National Government first and disbursed to the County

Name of Donor	**FNY 2018/2019**	**FNY 2017/18**
	Kshs	**Kshs**
Grants Received from Bilateral Donors (Foreign Governments)		
Government of Germany		
Roads 2000 Project in Western Kenya		
Roads 2000 Project in Central Kenya		
Government of Italy		
Rehabilitation of sub-district hospitals - KIDDP		
UIG	41,200,000.00	-
KUPS	50,000,000.00	-
Grants Received from Multilateral Donors (International Organizations)		
DANIDA	26,461,118.00	14,422,487.00
Health Sector Programme Support (HSPS) DOCTORS AND NURSES		
Health Sector Support Project (HSSP)		
UNIVERSIAL HEALTH CARE	31,951,816.40	17,736,923.00
World Bank		
Kenya Climate Smart Agriculture	38,278,224.00	-
Kenya Devolution Support Programme (KDSP)	103,582,093.00	43,031,378.00
Health Sector Support Project (HSSP)		
National Urban Transport Improvement Project (NUTRIP)		
European Development Fund		
TOTAL	**291,473,251.40**	**75,190,788.00**

4. PROCEEDS FROM DOMESTIC BORROWINGS

These refer to grants received from domestic donors. The funds include grants received directly by the County Government and those that are received by the National Government first and disbursed to the County

	FNY 2018/2019	FNY 2017/18
	Ksh	Ksh.
Borrowing within General Government		
Borrowing from Monetary Authorities (Central Bank)		
Other Domestic Depository Corporations (Commercial Banks)		
Borrowing from Other Domestic Financial Institutions		
Borrowing from Other Domestic Creditors		
Domestic Currency and Domestic Deposits		
Total		

5. PROCEEDS FROM FOREIGN BORROWINGS

These refer to grants received from foreign donors. The funds include grants received directly by the County Government and those that are received by the National Government first and disbursed to the County

	FNY 2018/2019	FNY 2017/18
	Ksh	Ksh.
Foreign Borrowing – Draw-downs Through Exchequer		
Foreign Borrowing - Direct Payments		
Foreign Currency and Foreign Deposits		
Total		

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. PROCEEDS FROM SALE OF ASSETS

	FNY 2018/2019	FNY 2017/18
	Ksh	Ksh.
Receipts from the Sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment		
Receipts from the Sale Plant Machinery and Equipment		
Receipts from Sale of Certified Seeds and Breeding Stock		
Receipts from the Sale of Strategic Reserves Stocks		
Receipts from the Sale of Inventories, Stocks and Commodities		
Disposal and Sales of Non-Produced Assets		
Receipts from the Sale of Strategic Reserves Stocks		
Total		

7. CONDITIONAL ADDITIONAL ALLOCATION TO COUNTY GOVERNMENTS

	FNY 2018/2019	FNY 2017/2018
	Ksh	Ksh.
Loans and Grants Supplementary		
Conditional Allocations for Free Maternal Healthcare Allocation		
Conditional Allocations for Compensation for User Fees Foregone		
Conditional Allocation for Leasing of Medical Equipment		
Conditional Allocation from Road Maintenance Fuel Levy Fund		
Conditional Allocation to County Emergency Fund		
Total		

8. CONDITIONAL ALLOCATION TO LEVEL 5 HOSPITALS

Level 5 Hospital	FNY 2018/2019	FNY 2017/2018
	Kshs	Kshs
Mashinani teaching and referral Hospital		
(name of level 5 hospital)		
Total	-	-

9. FUEL LEVY ALLOCATION

These relate to funds received from Road Maintenance Levy Fund. County Government of Siaya received funds from Kenya Roads Board. The funds were to finance maintenance of roads in various parts of the County.

	FNY/2018/2019	FNY 2017/2018
	Kshs	Kshs
Road maintenance fuel levy fund	158,733,050.00	212,834,315.00
Total	**158,733,050.00**	**212,834,315.00**

11. COUNTY OWN GENERATED REVENUE

The balance relates to funds generated from the County's local sources.

	FNY 2018/2019	FNY 2017/2018
	Kshs	Kshs
RECEIPTS		
Interest Received		
Profits and Dividends		
Rents		
Other Property Income		
Sales of Market Establishments		
Receipts from Administrative Fees and Charges		
Receipts from Administrative Fees and Charges - Collected as AIA		
Receipts from Incidental Sales by Non-Market Establishments		

Receipts from Sales by Non-Market Establishments		
Receipts from Sale of Incidental Goods		
Current Grants from International NGOs paid through Exchequer		
Capital Grants from International NGOs paid through Exchequer		
Current Grants from International NGOs collected as AIA		
Capital Grants from International NGOs collected as AIA		
Other Voluntary Transfers for Current purposes		
Paid to Exchequer/CRF		
Business Permits / Cesses	41,126,181.95	32,326,603.00
Poll Rates/Ground rents	2,549,325.00	1,694,295.00
Plot Rents/kiosk rent	6,198,230.00	3,168,514.00
Other Local Levies		164,077.00
Administrative Service Fees		
Various Fees	402,859.00	
Natural Resources Exploitation		
Lease/Rental of Infrastructure Assets		
Other miscellaneous revenues	121,920.00	808,875.00
Insurance claims recovery		
Transfers from reserve funds	536,519.00	
Donations		
Fund raising events		
Other revenues from financial assets loans		
Market/Trade Centre fees	22,157,787.00	22,787,579.00
Vehicle Parking Fees/buspark	16,375,824.00	12,548,515.00
Grader	792,194.00	-
Housing/house rent	2,614,958.00	1,273,383.00
Social Premise Use Charges		
Cess(fish& quary)	7,390,543.00	4,003,024.00
Approvals (Plan/Engeeners /Survey)	2,151,652.00	3,091,081.00
School Fees		

	310,000.00	36,600.00
Other Education Related Fees		
Weights and measures	502,940.00	
Other Education Revenues		
Public Health Services	3,717,810.00	4,723,182.00
hospital revenue	61,773,880.05	34,115,960.00
Environment and Conservancy Administration	21,650.00	
Slaughter Houses Administration	1,385,830.00	404,805.00
Water Supply Administration		
Sewerage Administration		
Other Health and Sanitation Revenues		
Technical Service Fees		134,000.00
External Service Fees (Hall Hire)	2,000.00	21,000.00
Liquor Licence	1,926,706.00	
Fines Penalties and Forfeitures		
Agricultural Income	13,000.00	
plan approval fee	3,996,712.00	2,062,343.00
Receipts from Voluntary transfers other than grants		42,500.00
Other Receipts Not Classified Elsewhere(vertinary,clearence,sign post,audit fee,tractor,Agriculture,Cattle auction,burial fee	8,553,856.00	4,323,204.00
TOTAL	**184,622,377.00**	**127,729,540.00**

11. REFUNDS TO CRF ACCOUNT

	FNY 2018/2019	FNY 2017/2018
	Kshs	Kshs
Unspent Fund	-	
Equitable Share		
Total	-	

12. COMPENSATION OF EMPLOYEES

This relates to the compensation paid to employees. The balance comprises of staff salaries, allowances, social security contributions and other personnel related payments.

	FNY 2018/2019	FNY 2017/2018
	Kshs	Kshs
Basic salaries of permanent employees	919,208,714.25	1,529,972,787.30
Basic wages of temporary employees	264,419,165.46	331,386,547.00
Personell allowances paid as part of salary	1,023,039,790.43	552,611,774.05
Personel allowances paid as reimbursements	-	33,824,255.00
Personal allowances provided in kind(NITA)	1,672,050.00	
Salary Arrears	64,739,169.25	
Pension and other social security contributions	95,068,167.12	
Compulsory national social security schemes	4,434,320.35	17,987,376.34
Compulsory national health insurance schemes	-	
Social benefit schemes outside government	-	
Other personnel payments		
Total	**2,372,581,376.86**	**2,465,782,739.69**

13. USE OF GOODS AND SERVICES

The balance relates to the cost incurred on general office supplies, air tickets, subsistence allowances, cost of services, routine maintenance of assets and other expenditure incurred on a recurring basis.

	FNY 2018/2019	Comparative amount 2017/18
	Kshs	Kshs
Utilities, supplies and services	70,690,268.00	57,744,641.45
Communication, supplies and services	6,492,907.65	3,463,218.70
Domestic travel and subsistence	278,511,093.56	174,422,841.00
Foreign travel and subsistence	31,634,741.00	18,001,204.00
Printing, advertising and information supplies & services	68,025,645.00	42,146,170.35
Rentals of produced assets	6,290,381.00	4,458,027.00
Training expenses	108,649,585.55	79,603,872.00
Hospitality supplies and services	66,405,298.00	39,044,318.00
Insurance costs	73,067,893.00	42,005,380.05
Specialized materials and services	322,186,985.45	251,411,112.80
Office and general supplies and services	21,603,558.30	19,133,575.70
Other operating expenses and other creditors	266,195,211.05	147,969,088.35
Routine maintenance – vehicles and other transport equipment	28,374,911.25	27,679,406.00
Routine maintenance-other assets	18,906,456.45	16,173,955.70
Routine maintenance – other assets	-	-
Routine maintenance vehicle	-	
Fuel Oil and lubricant	80,220,043.00	54,656,492.65
Total	**1,447,254,978.26**	**977,913,303.75**

14. INTEREST PAYMENTS

	FNY 2018/2019	FNY 2017/2018
	Ksh	Ksh
Interest Payments on Foreign Borrowing		
Interest Payments on Domestic Borrowing		
Interest on Borrowing From Other Government Units		

Interest Payments on Guaranteed Debt Taken over by Govt		
Other interest payments		
Total		

15. SUBSIDIES

Description	**FNY 2018/2019**	**FNY 2017/18**
	Kshs	**Kshs**
Subsidies to Public Corporations		
See list attached		
Nyumbani Sugar Company		
Subsidies to Private Enterprises		
See list attached		
Vijana Fisheries Ltd		
TOTAL		

16. TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	**FNY 2018/2019**	**FNY 2017/18**
	Kshs	**Kshs**
Transfers to Kenya Urban Support Program(KUSP)		-
Transfer to KCSAP		
Transfers to County agencies:		
County Assembly	702,886,378.00	582,000,000.00
Payment to Assembly projectd (Development))	-	56,708,428.55
LREB	1,000,000.00	
Other current transfers,Grants and subsidies	165,023,773.00	468,432.00
TOTAL	**868,910,151.00**	**639,176,860.55**

17. OTHER GRANTS AND TRANSFERS

This refers to grants and other transfers made by the County Government. These grants and transfers are made for a specific purpose. They include scholarship and bursary grants, payments from the emergency fund and subsidies to youths, women and persons with disabilities.

	FNY 2018/2019	**FNY 2017/18**
	Kshs	**Kshs**
Scholarships and other educational benefits	112,500,000.00	75,000,000.00
KUSP		

KCSAP		
Other current transfers, grants		
grants to small businesses,cooperativs,and self employed		7,131,500.00
Other capital grants and transfers		
Total	**112,500,000.00**	**82,131,500.00**

18. SOCIAL SECURITY BENEFITS

This balance relates to social security benefits contributed by the County Government on behalf of its employees. The benefits include employer contribution to National Social Security Fund (NSSF).

	FNY 2018/2019	FNY 2017/18
	Kshs	Kshs
Government pension and retirement benefits		
Social security benefits in cash and in kind		
Employer Social Benefits in cash and in kind		
Total		

19. ACQUISITION OF ASSETS

This refers to the development expenditure incurred by the County Government. This has been classified in terms of the assets acquired by the County government in the year.

	FNY 2018/2019	Comparative amount 2017/18
Non Financial Assets	Kshs	Kshs
Purchase of Buildings		
Refubishment of building	8,640,096.90	1,710,420.00
Construction of Buildings	212,120,449.45	192,586,188.00
Construction of Roads	691,316,815.00	614,062,083.00
Construction and Civil Works	473,512,608.55	179,267,300.00
Overhaul and Refurbishment of Construction and Civil Works	-	
Purchase of Vehicles and Other Transport Equipment	6,609,000.00	
Overhaul of Vehicles and Other Transport Equipment	-	
Purchase of Household Furniture and Institutional Equipment	247,720.00	672,000.00
Purchase of Office Furniture and General Equipment	9,738,049.40	11,917,106.00

Purchase of ICT Equipment, Software and Other ICT Assets	-	
Purchase of Specialised Plant, Equipment and Machinery	25,447,689.35	
Purchase of Specialised Plant, Equipment and Machinery	528,000.00	
Rehabilitation and Renovation of Plant, Machinery and Equip.	2,760,000.00	
Purchase of Certified Seeds, Breeding Stock and Live Animals	74,559,128.00	45,147,327.00
Research, Studies, Project Preparation, Design & Supervision	33,161,464.00	12,709,812.00
Rehabilitation of Civil Works	-	
Acquisition of Strategic Stocks and commodities	1,291,307.70	
Acquisition of Land	-	1,400,000.00
Acquisition of Intangible Assets	-	
Acquisition of other inventory	-	
Acquisition ofland	-	
Acquistion of other Intangible Assets	-	
Domestic Lending and on lending	-	
Domestic Equity particpation	-	
Other Domestic Accounts Receivable	-	
Foreign Lending and On- lending	-	
Foreighn Equity Particpation	-	
Other Foreign Accounts Receivable	-	
Financial Assets	-	
Domestic Public Non-Financial Enterprises	-	
Domestic Public Financial Institutions	-	
Foreign financial Institutions operating Abroad	-	
Other Foreign Enterprises	-	
Foreign Payables - From Previous Years	-	
Total	**1,539,932,328.35**	**1,059,472,236.00**

20. FINANCE COSTS

Finance costs refer to bank charges incurred on the County's bank accounts

	FNY 2018/2019	FNY 2017/18
	Kshs	Kshs
Bank Charges		
Exchange Rate Losses		
Other Finance Costs		
Interest on Domestic Borrowing		
Total		

21. REPAYMENT OF PRINCIPAL ON DOMESTIC & FOREIGN BORROWING

	FNY 2018/2019	FNY 2017/18
	Kshs	Kshs
Repayments on Borrowings from Domestic sources		
Principal Repayments on Guaranteed Debt Taken over by Government		
Repayments on Borrowings from Other Domestic Creditors		
Repayment of Principal from Foreign Lending & On – Lending		
Total		-

22. OTHER PAYMENTS

The balance relates to expenditures erroneously captured in the IFMIS system.

	FNY 2018/2019	Comparative Amount 2017/18
	Kshs	Kshs
Budget Reserves		
Civil Contingency Reserves		
Capital Transfers to Non-Financial Public Enterprises		
Capital Transfer to Public Financial Institutions and Enterprises		3,142,684.00
System required Expenses	2,632,000.00	3,916,116.35
Capital Transfer to Private Non-Financial Enterprises		
Other expenses		
Domestic Accounts		
Total	**2,632,000.00**	**7,058,800.35**

23A. BANK ACCOUNTS

The balances refer to cash and cash equivalent balances held as at 30th June in all the County's bank accounts

	Account No.	FNY 2018/2019	Comparative Amount 2017/18
Name of Bank, Account No. & Currency		**ksh**	**Kshs**
Siaya County Revenue Fund (CBK)	1000171464	1,603,200,657.95	1,069,442,058
Siaya County Recurrent Account (CBK)	1000170883	1,572.55	3,894
Siaya Rentention and Deposit Account (CBK)	1000238259	77,545,431.55	43,508,683
Siaya County UHC account	1000333871	6,334,945.95	1,464,180
Uyawi Sub County	1208016725	96,753.50	
Sigomere Sub County Hospital	1162169087	230,915.60	
Rwambwa Sub County Hospital	1162563745	11,433.00	
Rwambwa Sub County Hospital	1129591484	595,262.40	
Water and Irrigation (KCB)	1149008458	11,285.00	
Siaya county Aseembly Recurrent Account (CBK)			
Siaya County Development Account (CBK)	1000170816	1,807.80	17,768
Siaya County Imprest Account (Co-op)	01141257073300	-	71,600,547
Ambira Sub County Hospital	1156762758	55,308.00	2,376,907
Siaya County Referral Hospital	1156677165	5,764,966.34	11,710,909
Got Agulu Sub County Hospital	01141623362000	100,138.60	130,359
Madiany Sub County Hospital	01141623361100	481,159.10	2,491,528
Ukwala Sub County Hospital	1156803942	1,167,528.90	784,405
Siaya County Alcohol Licencing	1206483431	3,860,476.00	3,332,284
Bondo Sub County Hospital	01141623352000	6,098,366.70	9,715,167
Siaya County Tourism &Culture	01141258273600		5,650
Siaya County Village Polytechnic	1000369493	250,876.30	40,647,138
Yala Sub County Hospital	01141517779600	6,645,307.20	5,141,672
SIAYA COUNTY FUEL LEVY FUND	1000333863	66,072,399.65	23,832,032
Total		**1,778,526,592.09**	**1,286,205,178**

23B. CASH IN HAND

Cash in hand refers to cash balances held by the cash offices within the County Government as at 30th June.

	FNY 2018/2019	Comparative Amount 2017/18
	Kshs	Kshs
Cash in Hand – Held in domestic currency	55,308	15,141,958.00
Cash in Hand – Held in foreign currency		
Total	**55,308**	**15,141,958.00**

24. ACCOUNTS RECEIVABLE - OUTSTANDING IMPRESTS

This refers to the unaccounted for imprests as at 30th June.

	FNY 2018/2019	Comparative Amount 2017/2018
	Kshs	Kshs
Government Imprests	19,030,893.60	87,878,831.00
Clearance Accounts		
Staff Advances		
Other Advances		
Total	**19,030,893.60**	**87,878,831.00**

Government Imprest Holders

Name of Officer	Amount Taken	Amount Surrendered	Balance
ALFRED ABOMAH	72,000.00	-	72,000.00
ANGAWA WILLIS ODUOR	80,400.00	-	80,400.00
ANGELA AKUMU SEWE	1,176,665.00	-	1,176,665.00
APOPA OMONDI JOHN	48,000.00	-	48,000.00
AUSCAR WAMBIYA	383,500.00	-	383,500.00

BENJAMIN OCHIENG O.	575,000.00	-	575,000.00
BONIFACE ODINGA	377,460.00	-	377,460.00
CALVIN ANDIEGO	198,400.00	-	198,400.00
CARILLUS OBARE	19,600.00	-	19,600.00
CHARLES OCHOLLA	562,750.00	-	562,750.00
CHARLES OCHOLLA	100,000.00	-	100,000.00
DAMIANUS OMOLLO	210,535.00	-	210,535.00
DAVID MATATA OJWANG	47,500.00	-	47,500.00
DISMAS ODHIAMBO WAKLA	50,400.00	-	50,400.00
DOMNICK OBEL	41,000.00	-	41,000.00
DR.NICHOLUS KUT	68,000.00	-	68,000.00
ERICK O. AWANDU	319,200.00	-	319,200.00
ESTHER NYAGOR	514,500.00	-	514,500.00
FREDRICK MUGA	147,500.00	-	147,500.00
FREDRICK O.OKELLO	670,000.00	-	670,000.00
FREDRICK OCHIENG ODOUR	269,000.00	-	269,000.00
FREDRICK OKELLO ODIWUOR	562,750.00	-	562,750.00
FREDRICK OOKO	390,000.00	-	390,000.00
FREDRICK OTIENO AYANGA	750,000.00	-	750,000.00
GEORGE ODUOR OKELLO	30,000.00	-	30,000.00
GRACE ODERO	83,250.00	-	83,250.00
HELLEN ACHOLLA	474,800.00	-	474,800.00
HON ADRIAN OUMA	84,000.00	-	84,000.00
HON.ADRIAN OUMA	111,482.60	-	111,482.60

IMELDA SILVIA	100,000.00	-	100,000.00
IMELDA SILVIA	109,200.00	-	109,200.00
IMELDA SILVIA ACHIENG	1,693,800.00	-	1,693,800.00
IRINE AKINYI DIETO	63,550.00	-	63,550.00
ISIAH OPIYO MIHOYA	396,000.00	-	396,000.00
JAMES ONYANGO ODONGO	744,000.00	-	744,000.00
JECONIA ONYANGO WERE	43,500.00	-	43,500.00
JERRY WILLIAMS OCHIENG	26,601.00	-	26,601.00
JOAN ANGAWA	233,100.00	-	233,100.00
JOHN A. ANGAWA	60,500.00	-	60,500.00
JOHN AMIMO	204,650.00	-	204,650.00
JONATHAN APIDI KABAR	213,000.00	-	213,000.00
JOSEPH MUGA OWOUR	122,000.00	-	122,000.00
JOSEPHINE AWUOR	180,000.00	-	180,000.00
JUDITH AKINYI OWITI	275,500.00	-	275,500.00
KINGSLEY JOB OTIENO	88,400.00	-	88,400.00
LILIAN OWINO	100,000.00	-	100,000.00
LINET OYOLLA	800.00	208,000.00	800.00
LUKAS RAGEN	305,200.00	-	305,200.00
OMOLLO ANTONY	1,214,250.00	-	1,214,250.00
PETER O. ASUKE	485,000.00	-	485,000.00
PETER OTIENDA	32,000.00	-	32,000.00
QUINTER A. OTIENO	250,000.00	-	250,000.00
REBECCA OPONDO	970,000.00	-	970,000.00

ROSELYNE C. OLUDHA	50,800.00	-	50,800.00
ROSELYNE SIANGLA	54,400.00	-	54,400.00
RUTH A OMOGA	24,500.00	-	24,500.00
RUTH A. OMOGA	50,000.00	-	50,000.00
RUTH AKOTH JUMA	455,400.00	-	455,400.00
RUTH ELIZABETH OBINGE	528,000.00	-	528,000.00
RUTH OMUGA	120,500.00	-	120,500.00
SAMSON OKOTH	124,800.00	-	124,800.00
SAMUEL OTIENO OCHANDA	30,000.00	-	30,000.00
SOPHIE ODIRA	30,000.00	-	30,000.00
WILLIAM A. OPATA	799,750.00	-	799,750.00
WILLIAM ODONGO ABUNGU	384,000.00	-	384,000.00
WILLIAM OPATA	50,000.00	-	50,000.00
TOTAL	**19,030,893.60**		**19,030,893.60**

25. ACCOUNTS PAYABLE

The balance refers to deposits received from suppliers as at 30th June 2018. These deposits are refundable upon completion of the contracts. (Attached)

	FNY 2018/2019	FNY 2017/2018
	Ksh	Ksh
10 %Retention and 5% PMC		
2018/2019	**77,545,431.55**	**25,943,528.00**
	-	
	-	**17,326,149.00**
Total	**77,545,432**	**43,269,677.00**

26. FUND BALANCE BROUGHT FORWARD

Fund balance brought forward comprise refer to the closing fund balance as at end of the previous year which is carried forward to the following year.

	FNY 2018/2019	Comparative Amount 2017/18
	Kshs	Kshs
Bank accounts	1,778,526,592	1,286,205,178.00
Cash in hand	55,308	15,141,958.00
Accounts Receivables	19,030,894	87,878,831.00
Accounts Payables	- 77,545,432	- 43,269,677.00
Total	1,720,067,362	1,345,956,290.00

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

27.1 PENDING ACCOUNTS PAYABLE (See Annex 1)

These refer to the pending bills as at 30th June. These are commitments made to suppliers which had not been settled as at the end of the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

27.2 PENDING STAFF PAYABLES (See Annex 2)

The balance relates to pending payments to staff. These included amounts due to staff as at the end of the year.

26. DISCLOSURE NOTES

Investments

Investments represent the County Government's investment in local and foreign entities. These investments are recognised at nominal value and where denominated in foreign currency, these are translated at closing exchange rate as at 30th June.

	FY 2018/19	FY 2017/18
	KShs	KShs
Investment in government bonds		
Investment in Treasury bills		
Investment in companies equity		
Total		

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 Government: Key management personnel that include the Governor, the Deputy Governor Members of the County Assembly, CECs and Chief Officers for various County Ministries and Departments; County Ministries and Departments; The National Government; Other County Governments; and State Corporations and Semi-Autonomous Government Agencies.

Related party transactions:

	FY 2018/19	FY 2017/2018
	KShs	**KShs**
Transfers to the County Assembly	702,886,378	582,000,000
Transfers to other County Government entities	112,500,000	75,000,000
Transfers to County Ministries and Departments	.....	
Total	**815,386,378**	**657,000,000**

Where applicable, related party transactions have been eliminated upon consolidation.

Detailed breakdown of performance of County Government Entities is provided under the Annex 4.

27. ANNEXES

Annex 1 – Analysis Of Pending Accounts Payable

		Amount Contracted	Date Contracted	Paid To	Outstanding Balance
		A	B	C	D=A-C
S/N	CONSTRUCTION OF BUILDING				
1	Lochen General	452,700.00			452,700.00
2	Lochen General	515,000.00			515,000.00
3	Lochen General	1,022,750.00			1,022,750.00
4	Lochen General	452,700.00			452,700.00
5	Lochen General	820,000.00			820,000.00
6	Beneli Engineering	516,914.00			516,914.00
7	Beneli Engineering	916,929.89			916,929.89
8	Nam 2030	969,728.68			969,728.68
9	Beneli Engineering	516,914.00			516,914.00
10	Nam 2030	901,485.88			901,485.88
11	Lochen General	146,600.00			146,600.00
12	Lochen General	146,600.00			146,600.00
13	Lochen General	950,000.00			950,000.00
14	Beneli Engineering	516,914.00		-	516,914.00
15	Beneli Engineering	516,914.00			516,914.00
16	Beneli Engineering	516,914.00			516,914.00
17	Seman Construction Co.	605,113.60			605,113.60
18	Platinum Co. Ltd	1,297,228.00			1,297,228.00
19	Dorcas & Son's	3,201,330.30		2,949,884.05	251,446.25
20	Majimbo Contractors	574,964.00			574,964.00
21	Kensionery Mkt & Syt.	1,037,683			1,037,683
22	Chalo Enterprises	127,084.12		-	127,084.12

23	Majimbo Contractors	798,536.00			798,536.00
24	Majimbo Contractors	3,489,386		482,707.00	3,006,679
25	Alphajos Limited	861,838			861,838
26	Shardia Construction	1,894,280			1,894,280
27	Exodus Technical	1,915,683			1,915,683
28	Majimbo Contractors	3,489,386.00		3,006,679.00	482,707.00
29	Kanyaboli Disabled	43,640.00		-	43,640.00
30	Komira Welders General	1,135,151.64			1,135,151.64
31	Hilltop Constructors	646,648.38		-	646,648.38
32	Future Africa Wide	772,586.00			772,586.00
33	Levimeg	507,603.00		-	507,603.00
34	Agola Moyie	249,070.00		-	249,070.00
35	Rohando Builders	1,848,913.00		-	1,848,913.00
36	Sega Abedo	400,000.00		-	400,000.00
37	Phego Enterprises	448,583.00			448,583.00
38	Rabango Investment	48,852.25			48,852.25
39	Fanusa Investment	588,568.75			588,568.75
40	Framoc Agencies	1,473,792.20		-	1,473,792.20
41	Tanga				

		2,739,562.14		-	2,739,562.14
	TOTALS	**40,074,546.44**		**6,439,270.05**	**33,635,276.39**
	CONSTRUCTION OF CIVIL WORKS				
1	Betalink	1,152,812.64			1,152,812.64
2	Framoc Agencies	3,093,865.00			3,093,865.00
3	Gamma Company	522,180.11			522,180.11
4	Montero Holdings	2,582,879.00			2,582,879.00
5	Mwisho Mwisho Inv. Ltd	1,500,000.00			1,500,000.00
6	Ojande Ent. Ltd	1,800,000.00			1,800,000.00
7	Ojande Ent. Ltd	1,150,000.00			1,150,000.00
8	Stonefield Company Ltd	2,500,000.00			2,500,000.00
9	Todo Construction Ltd	1,349,995.00			1,349,995.00
10	Todo Construction Ltd	1,878,060.00			1,878,060.00
11	Todo Construction Ltd	674,526.32			674,526.32
12	Todo Construction Ltd	899,593.00			899,593.00
13	Abelard Enterprises	998,589.48			998,589.48
14	Aberlad Enterprises Ltd	593,688.00			593,688.00
15	Aberlad Enterprises Ltd	1,298,351.46			1,298,351.46
16	Chrisbe Ltd	856,578.00			856,578.00
17	Cosican Engineering Works	1,835,282.00			1,835,282.00
18	Jeypad Developers	973,588.00			973,588.00
19	Jeypad Developers	2,000,000.00			2,000,000.00
20	Kartmandu Consultance	522,464.00			522,464.00
21	Kogwang Ent. Ltd	1,190,299.20			1,190,299.20
22	Makadi Building	794,501.00			794,501.00
23	Meds Building & Road Contructors	561,556.00			561,556.00
24	Mijesh	147,527.64			147,527.64

25	Mijesh Enterprises Ltd	1,600,000.00			1,600,000.00
26	Mijesh Enterprises Ltd	1,800,000.00			1,800,000.00
27	Musakago Investment Ltd	983,850.00			983,850.00
28	Rodinnar Investment Ltd	494,160.00			494,160.00
29	Samco Traders	539,114.00			539,114.00
30	Samco Traders	444,904.00			444,904.00
31	Sidevent Limited	3,500,000.00			3,500,000.00
32	Silvol Enterprises	750,027.00			750,027.00
33	Silvol Enterprises	623,950.00			623,950.00
34	Watersan Consultance And Development	780,360.80			780,360.80
35	Nyakwar Mire	3,675,904.68			3,675,904.68
36	Jubex Enterprise	3,805,481.25			3,805,481.25
37	Evanton Company Limited	6,442,232.00			6,442,232.00
38	Makadi Building And Construction	638,858.40			638,858.40
39	Kenmas Contractors Ltd	971,861.00		-	971,861.00
40	Mezamine Enterprise	244,089.80		-	244,089.80
41	Nile Logistics	1,035,588.60		-	1,035,588.60
42	Adoration Ltd	784,186.40		-	784,186.40
43	Janoh General Merchants	999,600.00		-	999,600.00
44	Kenmas Contractors Ltd	195,347.30		-	195,347.30
45	Ushanga Contractors And Allied Services	345,000.00		-	345,000.00
46	Cearuh General Enterprise	2,613,600.00		-	2,613,600.00
47	Evaton Co Ltd	5,098,248.00		-	5,098,248.00
48	Voacom Networks Ltd	1,499,400.00		-	1,499,400.00
49	Family Total	649,409.80			649,409.80
50	Romet Contractors	499,800.00		-	499,800.00
51	Agago Connection	1,499,999.89		-	1,499,999.89

52	Uzinu Entrprises	700,000.00		-	700,000.00
53	Nile Logistics	4,000,000.00			4,000,000.00
54	Samco Traders Ltd	1,809,242.00			1,809,242.00
55	Pelor Servicing	495,902.00			495,902.00
56	Nam Twenty Thirty	2,195,749.50			2,195,749.50
57	Geoweb Investment	749,969.00		-	749,969.00
	TOTALS	**83,342,171.27**		**-**	**83,342,171.27**
	SUPPLY OF GOODS				
1	Belber LMTD	1,960,000.00			1,960,000.00
2	Fmd	15,600,000.00			15,600,000.00
3	Wilabel Enterprises	1,292,000.00			1,292,000.00
4	Wareng Market	375,000.00			375,000.00
5	Kenya Seeds Company	2,598,480.00			2,598,480.00
6	Wilabel Enterprises	272,000.00			272,000.00
7	Wilabel Enterprises	612,000.00			612,000.00
8	Wilabel Enterprises	544,000.00			544,000.00
9	Belber LMTD	2,130,000.00			2,130,000.00
10	Belber LMTD	999,900.00			999,900.00
11	Belber LMTD	334,800.00			334,800.00
12	Belber LMTD	1,324,800.00			1,324,800.00
13	Kenako Ltd	303,630.00			303,630.00
14	Evalovely Investment	1,999,950.00		-	1,999,950.00
15	Kanjira Press And Supply	4,325,000.00		4,100,000.00	225,000.00
16	Rabotech Investments	440,160.00		-	440,160.00
17	Fyneweb Designs	684,781.70		-	684,781.70
18	M/S Rabango Investmens	2,057,220.00		-	2,057,220.00

19	M/S Pilona Enterprises	289,640.00		-	289,640.00
20	Kanjira Press And Supply	25,000.00		-	25,000.00
21	Pilona Enterprises	529,390.00		-	529,390.00
22	M/S Hollywing Investments	346,900.00		-	346,900.00
23	M/S Hollywing Investments	123,400.00		-	123,400.00
24	Kanjira Press And Supply	25,000.00		-	25,000.00
25	Rivim Enterprises	284,860.00			284,860.00
26	Beneli Engineering Services	248,000			248,000
27	Hollywing Investment	451,000			451,000
28	Tescia Supplies	1,369,500.00		-	1,369,500.00
29	Fairpride Investment	496,060.00		-	496,060.00
30	Fyneweb Designs	151,750.00		-	151,750.00
31	Lusanberg Investments	307,000.00		-	307,000.00
32	Ushanga Contractors And Allied Services	62,800.00		-	62,800.00
33	Holywings Investments	325,000.00		-	325,000.00
34	Cajo Investments Co.Ltd	300,000.00		-	300,000.00
35	Lusanberg Investments	875,000.00		-	875,000.00
36	Shelani Investments	400,000.00		-	400,000.00
37	Alhassan Filling Station	507,000.00		-	507,000.00
38	Alhassan Filling Station	31,000.00		-	31,000.00
39	Alhassan Filling Station	25,000.00		-	25,000.00
40	Alhassan Filling Station	29,000.00		-	29,000.00
41	Alhassan Filling Station	29,999.90		-	29,999.90
42	Kemsa	32,909,620.00		-	32,909,620.00
43	Kemsa	5,960,320.00		-	5,960,320.00
44	Kemsa	2,222,300.00		-	2,222,300.00
45	Garlings Investment	45,000.00		-	45,000.00
46	Golden Alfa	42,000.00		-	42,000.00
47	Golden Alfa	84,200.00		-	84,200.00

48	Monever Enterprises	788,346.25		-	788,346.25
49	Nedsals General Supplies	29,800.00		-	29,800.00
50	Kevima Investment	113,920.00		-	113,920.00
51	Kevima Investment	77,320.00			77,320.00
52	Joafam Investment	102,400.00		-	102,400.00
53	Meds	30,000,000.00		-	30,000,000.00
54	Kopar Agencies	3,442,480.00		-	3,442,480.00
55	Framoc Agencies	1,158,900.00		-	1,158,900.00
56	Framoc Agencies	585,155.00		-	585,155.00
57	Ratuoro Bookshop	45,000.00		-	45,000.00
58	Durie Agencies	60,000.00		-	60,000.00
59	Durie Agencies	142,050.00		-	142,050.00
60	Mediflon Enterprises	76,025.00		-	76,025.00
61	Mediflon Enterprises	158,700.00		-	158,700.00
62	Magnolia	80,550.00		-	80,550.00
63	Raaz Investment	85,200.00		-	85,200.00
64	Dosiala Enterprises	97,350.00		-	97,350.00
65	Hewa Tele	184,400.00		-	184,400.00
66	Hewa Tele	96,000.00		-	96,000.00
67	Mtagag	82,380.00		-	82,380.00
68	Bencarson Investment	446,611.00		-	446,611.00
69	Mwisho Mwisho	29,368.00		-	29,368.00
70	Kotieno Farm	250,200.00		-	250,200.00
71	Kotieno Farm	249,400.00		-	249,400.00
72	Kondiege	209,640.00		-	209,640.00
73	Kondiege	105,400.00		-	105,400.00
74	One Stop Medical	205,000.00		-	205,000.00
75	Patker Enterprises	35,500.00		-	35,500.00
76	Elsama Filling Station	1,600,000.00		-	1,600,000.00

77	Jakom Enterprises	108,000.00		-	108,000.00
78	Calita Merchants	1,036,000.00		-	1,036,000.00
79	Mfi Documents Solutions	20,880.00		-	20,880.00
80	Raflan Enterprises	547,000.00			547,000.00
81	Raflan Enterprises	1,350,000.00			1,350,000.00
82	Sonye General Enterprises	921,000.00			921,000.00
83	Popela Enterprises	1,850,000.00			1,850,000.00
	TOTALS	**132,719,436.85**		**4,100,000.00**	**128,619,436.85**
	SUPPLY OF SERVICES				
1	Charles Keya	750,000.00			750,000.00
2	Julius Limbe	600,000.00			600,000.00
3	Chribel Enterprises	3,000,689.16		-	3,000,689.16
4	Samtec Driving School	493,350.00		-	493,350.00
5	Samtec Driving School	297,700.00		-	297,700.00
6	Samtec Driving School	1,282,400.00		-	1,282,400.00
7	Agnes Onaire	200,000.00			200,000.00
8	Janes Gaunye Oduor	200,000.00		-	200,000.00
9	Dayton Consultancy Ltd	7,517.00		-	7,517.00
10	Principal Secretary Ministry Of Lands, Housing And Urban Development	3,000,000.00			3,000,000.00
11	Mezzannine Enterprise	805,964			805,964
12	Industrial Mech. Engineering	29,000.00		-	29,000.00
13	Distinction Gardens	57,500			57,500
14	Adamhills Supplies	1,091,490			1,091,490
15	Anram Enterprises	1,999,800		555,000	1,444,800

16	Bedrock Holdings Ltd	229,400			229,400
17	Bondo Pride	1,340,000			1,340,000
18	Destiny World Travels	210,585			210,585
19	Francis Omoro Obonyo(D.O.E Anyol & Co. Advocates	1,092,823			1,092,823
20	Holywing Investments	70,500			70,500
21	Infortrack	7,700,000		2,200,000	5,500,000
22	Infospoctrum Digital Solutions	1,972,940			1,972,940
23	Institute Of Human Resource Management	255,200			255,200
24	Intergrated Management Resources	3,600,000		3,300,000	300,000
25	Juventus	124,371			124,371
26	Kenya Red Cross Society	180,000			180,000
27	Kenya School Of Government	1,071,840			1,071,840
28	Kenya School Of Government	97,440			97,440
29	Log Associates	15,000,000			15,000,000
30	Wasuna & Company Advocates	2,546,200			2,546,200
31	Log Associates	4,995,000			4,995,000
32	Mfi Documents	139,200			139,200
33	Nairobi City County	750,000			750,000
34	Nation Media	142,680			142,680
35	Nation Media	356,120			356,120
36	Nation Media	431,520			431,520
37	Ndere Agencies	202,910			202,910
38	Nyawira Osero & Carilus Co. Advocates	2,804,060			2,804,060
39	Oruenjo Kibet & Khalid Advocates	1,856,000		1,000,000	856,000
40	Oruenjo Kibet & Khalid Advocates	1,740,000			1,740,000
41	Otieno Ogolla And Co. Advocates	1,392,000			1,392,000
42	Partker Enterprises	388,300			388,300
43	Rath Facility	328,500			328,500
44	Regoch Pests Control Services	1,876,000			1,876,000

45	Reticle Enterprises Ltd	344,900			344,900
46	S.O Madialo	2,500,000			2,500,000
47	S.O Madialo	4,127,370			4,127,370
48	Siaya Agricultural Training Centre	2,954,000		540,000	2,414,000
49	Sibo Water And Sanitation Company	31,008			31,008
50	Sicham Aviation Ltd	768,570		384,285	384,285
51	Standard Group	320,160			320,160
52	Standard Group	324,800			324,800
53	Standard Group	406,000			406,000
54	Standard Group	177,480			177,480
55	Standard Group	324,800			324,800
56	Tanga Enterprises	692,481		290,000	402,481
57	The Kenya Weekly	556,800			556,800
58	Toyota Kenya Ltd	41,701			41,701
59	Toyota Kenya Ltd	85,911			85,911
60	Tri-Fold Star Agencies	201,930			201,930
61	Vasity Media Corporation	790,000			790,000
62	Wells Oil Limited	500,000			500,000
63	Younear Guest House	232,800			232,800
64	The Hawk Finance C Onsultants	3,610,410.00		-	3,610,410.00
65	Friends Guest House	303,000.00		-	303,000.00
66	Pinecone Hotel	375,000.00		-	375,000.00
67	M/S Kenbright Insurance Brokers	35,157.00		-	35,157.00
68	Distinction Gardens	125,000.00		-	125,000.00
69	Victoria Comfort Inn.	225,000.00		-	225,000.00
70	M/S Friends Guest House	130,500.00		-	130,500.00
71	M/S Hilda K Gatwiri	160,000.00		-	160,000.00
72	Wigot Gardens	406,500.00		-	406,500.00
73	Destiny World Travel	183,810.00		-	183,810.00

74	Nation Media Group	356,120.00		-	356,120.00
75	Nation Media Group	172,840.00		-	172,840.00
76	Nation Media Group	356,120.00		-	356,120.00
77	M/S Mfi Documents Solution	69,600.00		-	69,600.00
78	Grand Royal Swiss	270,000.00		-	270,000.00
79	Chribel Enterprises	3,000,689.16		-	3,000,689.16
80	Bondo Pride Hotel	1,057,280.00		-	1,057,280.00
81	Nation Media Group	266,568.00		-	266,568.00
82	African Touch Safaris	79,100.00		-	79,100.00
83	Riley Falcon Security Services	144,912.00		-	144,912.00
84	Ms Holywing Investments	29,980.00		-	29,980.00
85	Alara Motors	22,000.00		-	22,000.00
86	Postal Corporation Of Kenya	27,955.00		-	27,955.00
87	Kenya School Of Govnt.	120,640.00		-	120,640.00
88	Hach Agencies Ltd	85,800.00		-	85,800.00
89	Marts General Auto Works	395,500		310,500.00	85,000.00
90	Alara Motors	188,760.00		-	188,760.00
91	Kenya Power And Lighting Company	8,419.00		-	8,419.00
92	Sibo Water And Sanitation	328,654.00		-	328,654.00
93	Riley Falcon	487,200.00		-	487,200.00
94	Patker Enterprises	152,220.00		-	152,220.00
95	Fairpride Investment	64,143.00		-	64,143.00
96	Holywings Investments	106,100.00		-	106,100.00
97	Lakeside Auto Garage	81,896.00		-	81,896.00
98	Holywings Investments	91,500.00		-	91,500.00
99	Standard Group Center	109,620.00		-	109,620.00
100	Chrisbel Enterprises Ltd	875,000.00		-	875,000.00
101	The Star Limited	92,800.00		-	92,800.00
102	Chartered Management Institute	18,984.50		-	18,984.50

103	Masi Supplies	5,043,252.00		-	5,043,252.00
104	Government Printers	12,000.00		-	12,000.00
105	Metro Consultants	96,000.00		-	96,000.00
106	Standard Group	177,480.00		-	177,480.00
107	Icpsk	12,500.00		-	12,500.00
108	Marts General Auto Works	349,000.00		-	349,000.00
109	Tri Fold Agencies	253,854.00		-	253,854.00
110	The Audrey Premier	69,600.00		-	69,600.00
111	Relay Falcon Security	854,920.00		-	854,920.00
112	Relay Falcon Security	440,800.00		-	440,800.00
113	Nation Media Group	183,280.00		-	183,280.00
114	Bedrock Security	92,800.00		-	92,800.00
115	John Owiti	800,000.00		-	800,000.00
116	Suraview Hotel	42,400.00		-	42,400.00
117	John B.P Omondi	600,000.00		-	600,000.00
118	Siaya County Club	87,280.00		-	87,280.00
119	Grand Royal Hotel	300,000.00		-	300,000.00
120	Everlovely	75,500.00		-	75,500.00
121	Kobong Auto Repairs	702,600.00		-	702,600.00
122	Lucas Were	312,950.00		-	312,950.00
123	Industrial Mechanical	894,404.20		-	894,404.20
124	Camunya Hotel	120,000.00		-	120,000.00
125	Camunya Hotel	120,000.00		-	120,000.00
126	Camunya Hotel	120,000.00		-	120,000.00
127	Mohan Engineering	26,448.00		-	26,448.00
128	Nile Logistics	454,830.30		-	454,830.30
129	Silo Investments	89,500.00		-	89,500.00
130	Standard Group	177,480.00		-	177,480.00
131	Royal City	239,200.00		-	239,200.00

132	Friends Guest House	20,000.00		-	20,000.00
133	Risach Contractors	228,659.90		-	228,659.90
134	Riley Falcon Security Services	511,560.00		-	511,560.00
135	Holy Wing Investments	29,950.00		-	29,950.00
136	Shalani Original	404,338.80		-	404,338.80
137	Action Auto Repairs	4,268,800.00		-	4,268,800.00
138	Copperbelt Ltd	2,632,620.00		-	2,632,620.00
139	Industrial Mech. Engineering	20,000.00		-	20,000.00
140	Lincon Enterprise	777,350.00		-	777,350.00
141	Kenya Power	500,710.90		-	500,710.90
142	Kenya Power	1,543,000.00		-	1,543,000.00
143	Mfi Documents Solutions	34,800.00		-	34,800.00
144	Numerical Machinery Complex	1,378,000.00		-	1,378,000.00
145	Nyakwar Lera Enterprises Ltd	23,760.00		-	23,760.00
146	Patker Enterprises Ltd	26,225.00		-	26,225.00
147	Patker Enterprises Ltd	29,650.00		-	29,650.00
148	Rockwell Hotel	160,000.00		-	160,000.00
149	Siaya County Investments	29,905.00		-	29,905.00
150	Yosuka Agencies	29,900.00		-	29,900.00
151	Fair Pride Investments	147,500.00			147,500.00
152	Industrial Mechanical Engineering	87,580.00			87,580.00
153	Industrial Mechanical Engineering	475,472.40			475,472.40
154	Riley Falcon	121,800.00			121,800.00
155	Riley Falcon	121,800.00			121,800.00
156	Riley Falcon	121,800.00			121,800.00
157	The Star Newspaper	342,014.00			342,014.00
158	Kakamega Motors	26,042.00			26,042.00
159	Riley Falcon	116,000.00			116,000.00
160	Industrial Mechanical Engineering	67,832.00			67,832.00

161	Manyinya Agencies	208,560.00			208,560.00
162	Ayazeta Supplies	29,900.00			29,900.00
163	Togoland Investments Ltd	30,000.00			30,000.00
164	Acton & Buxton Ltd	2,412,000.00		1,095,000	1,317,000.00
165	Bondo Pride Hotel	234,600.00			234,600.00
166	Peragon Imaging Ltd	650,000.00			650,000.00
167	Distinction Gardens Ltd	56,000			56,000
168	Distinction Gardens Ltd	201,000			201,000
169	Standard Group	66700			66700
170	Beneli Engineering Services	110,780			110,780
171	Standard Group	177,480			177,480
172	Kweto Limited	204,000			204,000
173	Kenya Forest Service	395,000			395,000
174	Reticc Limited	494,000			494,000
175	Nyanyaoga Agencies	188,000			188,000
176	Chribel Enterprises Ltd	576,500			576,500
177	Hollywing Investment	623,718			623,718
178	Soneitoenterprises	430,000			430,000
179	Nation Media Group	356,120			356,120
180	Rozala Motel	296,612			296,612
181	Harick Enterprises	170,689			170,689
182	Reticc Limited	295,500			295,500
183	Rabotech Investment	943,000			943,000
184	Peragon Imaging Limited	690,200			690,200
185	Distinction Gardens	800,250			800,250
186	Aridom Enterprises Ltd	246,964			246,964
187	Geomex Investment	1,267,400			1,267,400
188	Edon Consultants International Ltd	12,607,659			12,607,659
189	Mc Akiba	1,992,700			1,992,700

190	Shanny Enterprises	292,500			292,500
191	Standard Group	88,160			88,160
	TOTALS	**150,865,628.29**		**9,674,785.00**	**141,190,843.29**
	GRAND TOTAL				**386,787,727.80**

Annex 2 - Analysis of Pending Staff Payables

Annex 3 – Summary of Fixed Asset Register

Asset class	Historical Cost c/f (KShs) 2017/2018	Additions during the year (KShs)2018/2019	Disposals during the year (KShs)	Historical Cost c/f (KShs) 2018/2019
Land	505,631,035.00	0	0.00	505,631,035.00
Buildings and structures	545,843,619.00	212,120,449.45	0.00	757,964,068.45
Transport equipment	148,272,183.00	6,609,000.00	0.00	154,881,183.00
Office equipment, furniture and fittings	8,024,650.00	9,738,049.00	0.00	17,762,699.00
ICT Equipment, Software and Other ICT Assets	6,647,564.00	0.00	0.00	6,647,564.00
Other Machinery and Equipment		28,735,689.35	0.00	28,735,689.35
Heritage and cultural assets			0.00	0.00
Intangible assets			0.00	0.00
Total	**1,214,419,051**	**257,203,187.80**	-	**1,471,622,238.80**

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Government. Please note that some of the assets inherited from the Defunct local authorities do not have figures/values attached to them since the transfer of assets to county is yet to be finalized. The balance at the end of the year is therefore not inclusive of all assets

The assets register does not contain roads and other civil works whose costs are significant.

Annex 4: Summary of Financial Performance And Statement of Assets And Liabilities for County Government Entities

Ref	Entity	Percentage of shareholding	Total receipts KShs	Total payments KShs	Surplus/ Deficit KShs	Total Assets KShs	Total Liabilities KShs	Fund balance KShs
1.	SIBO Water Company	100%						
	Total							