REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF COUNTY EXECUTIVE OF KISUMU

FOR THE YEAR ENDED 30 JUNE 2017

COUNTY GOVERNMENT OF KISUMU

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH JUNE, 2017

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

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I. KEY COUNTY GOVERNMENT OF KISUMU INFORMATION AND MANAGEMENT

(i) Background Information

The County Government of Kisumu is constituted in accordance with articles 6(1) and 176(1) of the Constitution of Kenya, 2010 and the County Government Act, 2012. It is headed by the Governor who is responsible for the general policy and strategic direction of the County.

(ii) Key Management

The day to day management of the county is under the following key persons:

(i) The Governor
(ii) The County Executive Committee
(iii) The County Public Service Board
(iv) The County Secretary
(v) The County Chief Officers/Accounting Officers

(iii)Fiduciary Management

The key management personnel who held office during the financial year ended 30th June, 2017 and who had direct fiduciary responsibility were:

(i) County Secretary – Mr. Humphrey O. Nakitari
(ii) Chief Officer Finance – Mr. Cephas O. Kasera
(iii) Acting Chief Officer – Agriculture, Livestock and Fisheries – Mr. Benjamin O. Angir
(iv) Chief Officer – Environmental Management – Ms Loice M.Omoro
(v) Chief Officer – Water and Natural Resources – Mr. George A. Koyier
(vi) Chief Officer – Public Health and Medical Services – Dr.Joshua O.Lusi
(vii) Chief Officer – Education – Dr. Samuel O.Okuroh
(viii) Chief Officer – Youth, Culture and Social Services – Ms. Lucy Matengo
(ix) Chief Officer – Lands, Housing and Physical Planning – Mr. Derek O. Obura
(x) Chief Officer – Transport and Infrastructure – Mr. Samuel O.Ondola
(xi) Chief Officer – Communication, Planning and IT – Mr. George A. Anyonga
(xii) Chief Officer – Commerce, Tourism& Heritage – Mr. Jacob O. Muga
(xiii) Chief Officer – Industrialization and Enterprise Development – Ms. Seline A. Agengo
(xiv) Chief Officer – Energy and Mining – Ms. Lilian A. Ogombo
(xv) Chief Officer – Renewable Energy and Climate Change – Ms. Lorna G. Omuodo
(xvi) Acting City Manager – Ms. Lydia M. Orlale
(xvii) Secretary CPSB – Mr. Hesbon Hongo

During the period under review the Executive Committee Members were:-

(i) H.E Jack Ranguma (Governor)
(ii) H.E. Ruth Odinga (D. Governor)
(iii) Jenipher Kere (CEC Member Education)
(iv) Dr. Elizabeth Ogaja (CEC Member Health)
(v) Dr. Rose Kisia (CEC Member Commerce Tourism and Heritage)
(vi) Hanif Rana Member (CEC Member Roads Transport and Public Works)
(vii) Johnson Owuor (CEC Member Industrialization, Energy and Enterprise Development
(viii) George Ong'aya (CEC Member Finance and Planning)
(ix) Michael Onyango (CEC Member Communication Information Technology)
(x) Henry Philip Obade (CEC Member Agriculture, Livestock and Fisheries)
(xi) Prof. Barrack Abonyo (CEC Member Water, Environment and Natural Resources

(iv)Fiduciary Oversight Arrangements

The fiduciary oversight of the county is done by:

(i) The County Assembly

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

(ii) The Controller of Budget

The Controller of Budget has fiduciary oversight role of the County Government under article 228(5) of the Constitution of Kenya, 2010 by approving withdrawal from the public fund only when satisfied that the withdrawal is authorized by law.

(iii) County Executive Committee

The County Executive Committee exercises executive authority in accordance with the constitution and county legislation.

(iv) Internal Audit Department

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

(v) County Government of Kisumu Headquarters

The County Headquarters is situated at Prosperity House (Former Nyanza Provincial Headquarters Building) Along Awuor Otiende Road, Kisumu City, Kenya.
Postal Address:

P.O. Box 2738 – 40100,
Kisumu.

(vi) County Government of Kisumu Contacts

Email: treasury@kisumu.go.ke
Website: www.kisumu.go.ke

(vii) County Government of Kisumu Bankers

The County's bankers are:

1. Central Bank of Kenya
   P.O. Box 60000
   Nairobi, Kenya.

2. Family Bank
   P. O. Box 74145 - 00200
   Nairobi, Kenya.

3. Kenya Commercial Bank
   P. O. Box 17 – 40100
   Kisumu, Kenya.

4. Diamond Trust Bank
   P.O. Box 1070 – 40100
   Kisumu

5. Equity Bank
   P.O. Box 3621 – 40100
   Kisumu

6. Co operative bank
   P.O..Box
   Kisumu

(viii) Independent Auditors

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P. O. Box 30084,
Nairobi, Kenya.

II. FORWARD BY THE CEC MEMBER FOR FINANCE & PLANNING

The County Government of Kisumu presents the financial statements for the twelve (12) months of the period ended 30th June, 2017. The county while preparing the financial statements, has adopted the International Public Sector Accounting Standards (IPSAS) cash basis in compliance with the guidelines by the Public Sector Standards Board.

The complete set of statements include statement of receipts and payments, statement of assets and liabilities, statement of cash flow, appropriation and actual performance and the accompanying notes and significant accounting policies applied therein.

The County's actual local revenue performance during the period under review was at 83.5% of the budgeted figures, i.e. Kshs 7,847,286,109 and Kshs 9,395,214,484 respectively. The actual total expenditure was 82.7% of the total budgeted figures, i.e.kshs. 7,766,586,968 and kshs.9,395,214,484 respectively.. The recurrent expenditure accounted for 76.3% of actual total expenditure compared to 79% last year and development expenditure accounted for 23.7% compared to 21% last year (i.e. Kshs 5,898,306,895 on recurrent and 1,868,280,073 on development) as at the end of the period.

Actual development expenditure stood at 59% of the budgeted amount during the financial year 2016/2017 with the actual amount spent on development being Kshs 1,868,280,073 while the actual recurrent expenditure stood at 99.5% of the budgeted figures with the actual amount being Kshs 5,898,306,895. The excess has been occasioned by the returns made by health facilities for previous period made after the year end given the nature of their activities as health service providers.

The County was able to receive all the share of national revenue totalling Kshs 6,130,158,037 by the end of the financial year. Grants to level 5 hospital, Health user fees, DANIDA grants and Road Maintenance Levy funds were all received in full during the financial year under review.

My special gratitude goes to His Excellency, The Governor for his stewardship and visionary leadership during the period ended 30th June, 2017 that has culminated into the successful completion of the financial year 2016/2017

I wish to acknowledge the contribution and support extended to me and my staffby Her Excellency the Deputy Governor, , the Executive Committee Members, the Members of the County Assembly, the Chief Officers, and all the staff and residents of Kisumu County.
Finally, I acknowledge the advisory support accorded to us by the offices of the Controller of Budget, the National Treasury, the Commission on Revenue Allocation and the Auditor General. We still have room for your input for further improvement in future.

George Ongaya- Okoth
County Executive Committee Member, Finance and Planning

III. 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 County Government of Kisumu, 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 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 period ended on 30th June, 2017.

This responsibility includes:

(i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
(ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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 County Executive Committee 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 County Executive Committee 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 its financial statements as well as the adequacy of the systems of internal financial control.

The County Executive Committee 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 review were used for the eligible purposes for which they were intended and were properly accounted for.

Further the County Executive Committee Member for Finance confirms that the County Government's financial statements have been prepared in a form that complies with relevant accounting standards as 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 County Executive Committee Member for Finance on the 1st day of September, 2017.

George Ongaya- Okoth
County Executive Committee Member for Finance & Planning

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF KISUMU FOR THE YEAR ENDED 30 JUNE 2017

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of the County Executive of Kisumu set out on pages 7 to 38, which comprise the statement of financial assets and liabilities as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and the statement of appropriations: recurrent and development 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, I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of County Executive of Kisumu as at 30 June 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the Public Finance Management Act, 2012.

In addition, as required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that public money has not been applied lawfully and in an effective way.

Basis for Adverse Opinion

1. Cash and Cash Equivalents

1.1 Bank Balances

The statement of financial assets and liabilities as at 30 June 2017 reflects a balance of Kshs.1,359,986,921 in respect of bank balances. However, from the audit review of the records supporting the balances the following anomalies were noted;

i) Cash books for balances totaling Kshs.1,359,986,921 were not availed for audit review.

ii) Bank reconciliation statements for nineteen (19) bank accounts with balances totaling Kshs.1,359,280,204 were not availed for audit review.

iii) Bank statements for six (6) bank accounts with balances totaling Kshs.19,887,952 were not availed for audit review.

iv) A report by the National Treasury reference AG/FS/5060 Vol. 1 (6) dated 13 November 2017 indicated that the County Executive of Kisumu operated 112 bank accounts in different banks which were not disclosed in the financial statements. These were:- Central Bank of Kenya two (2) accounts; Kenya Commercial Bank ninety three (93) accounts; Co-operative Bank ten (10) accounts; Equity Bank Limited three (3) accounts; Family Bank three (3) accounts; and Diamond Trust Bank one (1) account.

v) The County Executive did not carry out automatic bank reconciliations in the IFMIS for all the bank accounts, instead, bank reconciliations were prepared outside the IFMIS.

vi) During the year under review, it was observed that the Kenya Commercial Bank Imprest/Operations Account No. 1142145549 was overdrawn thus resulting in unnecessary debit interest charges amounting to Kshs.4,350.

Consequently, the accuracy and completeness of the bank balances of Kshs.1,359,986,921 as at 30 June 2017 could not be confirmed as fairly stated.

2. Accounts Receivable – Outstanding Imprests

The statement of assets and liabilities reflects a balance of Kshs.66,835,022 in respect of outstanding imprests. However, from the examination of the records supporting the imprests issued during the year, the following anomalies were noted;

i) Eleven (11) officers were holding imprests which were over Kshs.1,000,000 each all totaling to Kshs.19,530,117 as at the end of the period.

ii) The examination of the imprest register revealed that several officers were issued with multiple imprests without having surrendered the previous ones all totaling Kshs.3,159,880.

iii) There is no evidence that the reported balance of Kshs.66,835,022 being outstanding imprests have been surrendered and appropriately accounted for.

The County was therefore in breach of Section 93 (4) and (5) of the Public Finance Management Act (County Regulations), 2015.

3. Accounts Payable – Deposits and Retentions

The statement of financial assets and liabilities reflects a balance of Kshs.92,916,431 relating to deposits and retentions. No documentary evidence has been provided to support the balance. Further, the Public Sector Accounting Standard Board's reporting templates require liabilities to be disclosed under notes to the financial statements.

Consequently, the outstanding deposits and retentions balance of Kshs.92,916,431 as at 30 June 2017 could not be confirmed as fairly stated.

4. Receipts

4.1. Revenue Collections

A review of the budgeted against actual collections of local revenues indicates that the County Executive was unable to collect an amount of Kshs.1,267,754,043 in the twenty three (23) revenue streams as had been projected . No explanations have been provided for the material variances by way of footnotes to the financial statements between the approved budgeted and actual collection contrary to the requirements of Sections 130 of the Public Finance Management (County Governments) Regulations, 2015 and the International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting Reporting Framework. Further, the county has not developed an updated valuation roll to establish its properties in the county.

4.2. Transfers from other Government Entities

The statement of receipts and payments reflects a figure of Kshs.704,333,216 under transfers from other government entities, which includes grants to Level 5 Hospital of Kshs.351,445,087. However, the records maintained at the hospital revealed that the Executive had only disbursed a sum of Kshs.205,595,356 leaving an unexplained variance of Kshs.145,849,731. In addition, the level 5 hospital's pro-rata distribution of free maternity funds indicates that it should have received a total of Kshs.116,550,000 from the scheme between 1July 2013 to 30 June 2017. However, only a total of Kshs.90,140,000 had been reimbursed to the hospital as at 30 June 2017 leaving an unexplained variance of Kshs.26,410,000.

Consequently, the accuracy and completeness of the transfers from other government entities of Kshs.704,333,216 could not be confirmed.

5. Compensation of Employees

The statement of receipts and payments reflects a figure of Kshs.3,290,083,000 in respect of compensation of employees. However, an audit review of the supporting documentation revealed the following anomalies;

i) The IPPD payroll system and manual payrolls showed a total balance of Kshs.3,133,266,670 as opposed to the financial statements figure of Kshs.3,290,083,000 thus an unexplained variance of Kshs.156,816,330.

ii) A comparison of the current year balance with the previous year audited balance reported a decrease in basic salaries of permanent employees by Kshs.705,612,388, an increase in basic wages of temporary employees by Kshs.456,342 and an increase in personal allowance paid as part of salary by Kshs.845,346,160. These variances were noted despite 167 new permanent employees joining the workforce in the year. There was no explanation given for these variances.

iii) The wage bill constitutes 42% of the total receipts during the year. This is contrary to Public Finance Management Regulation 2015, section 107(2) that recommends a maximum of 35%.

iv) The payroll statistics revealed that ninety seven per cent (97%) of the employees were from the dominant ethnical community of Kisumu County. This is contrary to National Cohesion and Integration Commission Act, 2008 section 7 (1) which requires that all public establishments seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one third of its staff from the same ethnic community.

v) Documents to support the identification of vacancies, advertisement of the positions, shortlisting and interview minutes for the recruitments in the year by the County Public Service Board were not availed for audit review.

vi) Support documents for payments totaling Kshs.150,390,879 as included in the total figure for compensation of employees were not provided for audit review.

Consequently, the propriety and validity of the expenditure totaling Kshs.3,290,083,000 could not be confirmed.

6. Use of Goods and Services

The statement of receipts and payments reflects a figure of Kshs.674,144,262 in respect of use of goods and services. However, analyses and audit review of the expenditure revealed that an amount of Kshs.263,726,445 could not be accounted for as it was not supported by any documentary evidence as detailed here below;

(i) An amount of Kshs.56,857,063 relating to utilities, supplies and services include payments totaling Kshs.16,494,345 were not supported with relevant any documentary evidence.

(ii) Kshs.6,094,920 relating to communication, supplies and services include payments totaling to Kshs.4,006,245 not supported.

(iii) An amount Kshs.73,994,193 relating to domestic travel and subsistence include payments totaling Kshs.18,921,055 which were not supported with relevant documentary evidence.

(iv) An amount of Kshs.7,999,121 relating to foreign travel and subsistence include payments totaling Kshs.2,472,461 which were not supported with relevant documentary evidence such as air tickets, passports, invitation letters and boarding passes.

(v) An amount of Kshs.43,096,157 relating to printing, advertising and information supplies and services include payments totaling Kshs.18,463,705 which were not supported with relevant documentary evidence.

(vi) Kshs.5,913,418 relating to rentals of produced assets include payments totaling Kshs.814,202 unsupported with relevant documentary evidence, while a payment of Kshs.1,986,001 was not budgeted for.

(vii) An amount of Kshs.34,106,126 relating to training expenses include payments totaling Kshs.8,822,950 which were not supported with relevant documentary evidence.

(viii) Kshs.34,050,784 relating to hospitality supplies and services include payments totaling Kshs.8,781,695 which were not supported with relevant documentary evidence.

(ix) An amount of Kshs.37,742,319 relating to insurance costs include payments totaling to Kshs.17,179,573 which were not supported with relevant documentary evidence such policy documents and receipts.

(x) An amount of Kshs.135,287,014 relating to specialized materials and services include payments totaling Kshs.8,983,909 were not supported

(xi) Kshs.35,054,191 relating to office and general supplies and services include payments totaling Kshs.13,751,938 were not supported with relevant documentary evidence.

(xii) An amount of Kshs.49,800,611 relating to fuel, oil and lubricants include payments totaling Kshs.45,675,722 were not supported.

(xiii) An amount of Kshs.101,522,949 relating to other operating expenses include payments totaling Kshs.95,512,030 were not supported with payment vouchers. Further, the following matters were noted;

- The executive paid Kshs.14,592,453 to the council of governors in the year under review contrary to Section 37 of the Inter-governmental Relations Act, 2012 which requires that the operational expenses of the council of governors should be provided for in the annual estimates of the revenue and expenditure of the national government.

- The supply of various sports kits and tools for inter county games held in Kiambu county from 14 to 21 August 2016 was awarded and paid for to a supplier at Kshs.1,744,292. There was no record of beneficiaries of the kits and tools.

- The executive paid Kshs.2,685,476 for the provision of consultancy services for development of a procurement policy on 17 October 2016.

(xiv) An amount of Kshs.21,801,137 relating to routine maintenance of vehicles and other transport equipment include payments totaling Kshs.3,168,800 that were made to purchase motor vehicle spare parts which were not consequently taken on charge in the stores ledger card/bin cards and other stores records. It was therefore not possible to confirm that these items were actually received.

Consequently, the propriety of the Kshs.3,168,800 for routine maintenance of vehicles and other transport equipment could not be confirmed.

7. Transfers to Other Government Units

7.1. Unsupported Payments

The statement of receipts and payments indicates that the transfers to other government units amounted to Kshs.1,856,934,676 during the year ended 30 June 2017. However, payments totaling Kshs.1,002,848,950 were not supported. The following anomalies were also noted;

i) Transfers amounting to Ksh.312,884,011 was supported with a Kenya Revenue Authority demand letter dated 5 January 2017 Ref. KSM/DTD/PU(T) P0514196U/2. However, the payment voucher for the transaction was not availed for audit. Also, the expenditure was not recorded in the cash book or in the expenditure ledger and bank statements.

ii) A transfer to the Jaramogi Oginga Odinga Teaching and Referral Hospital (JOOTRH) of Kshs.15,669,720 was made on 28 July 2016. However, the management at JOOTRH indicated that the transfer was meant to be a refund of amounts previously advanced to County treasury and not a payment.

iii) An amount of Kshs.4,946,700 included the transfers to other government units is indicated as disbursed to Kisumu East County Hospital. However, the bank statements and cashbooks at the hospital did not show such receipts from the executive.

iv) The transfers relate to disbursement to the city of Kisumu and various health facilities in the county. However, the transfers were expensed at the point of issue as opposed to recording of corresponding expenditures indicating how the funds were utilized. Also, the presentation of transfers as an expenditure item in the statement of receipts and payments is misleading as there is no corresponding budget on transfers to other government units as per voted standard chart of accounts in the approved budget estimates.

Consequently, the propriety and validity of the Kshs.1,856,934,676 relating to transfers to other government units could not be confirmed.

8. Other Grants and Transfers

The statement of receipts and payments indicates that the other grants and transfers amounted to Kshs.243,891,506 during the year ended 30 June 2017. However, payments totaling Kshs.58,164,116 out of the Kshs.2343,891,506 were not supported. In addition, the county transferred Kshs.130,000,000 from its recurrent account to the Education Fund account at the Kenya Commercial Bank A/C no.1151900184. However, the executive minutes constituting the Fund and gazetted Fund regulations were not availed for audit review. Also, the financial statements for the Fund were neither prepared nor availed for audit contrary to section 116(7) of the Public Finance Management Act, 2012.

Consequently, the propriety and validity of the Kshs.188,164,116 relating to other grants transfers could not be confirmed.

9. Social Security Benefits

The statement of receipts and payments indicates that the social security benefits amounted to Kshs.21,793,048 during the year ended 30 June 2017. However, payments totaling Kshs.13,953,035 were not supported.

Consequently, the propriety and validity of the Kshs.13,953,035 relating to social security benefits could not be confirmed.

10. Acquisition of Assets

10.1. Construction of Buildings

The statement of receipts and payments indicates that the acquisition of assets amounted to Kshs.1,559,967,496 during the year ended 30 June 2017 out of which Kshs.110,628,680 relates to construction of buildings. However, construction of buildings payments totaling Kshs.13,953,035 were not supported with relevant documentary evidence.

Consequently, the propriety and validity of the Kshs.13,953,035 relating to construction of buildings could not be confirmed.

Construction and Civil Works

The statement of receipts and payments indicates that the acquisition of assets amounted to Kshs.1,559,967,496 during the year ended 30 June 2017 out of which Kshs.1,031,359,022 relates to construction and civil works. However, construction and civil works payments totaling Kshs.469,024,307 were not supported with relevant documentary evidence. In addition, a review of the availed records and physical verification of civil works projects, the following observations were made;

(i) The construction of Rachilo-Oruga steel ring culvert was awarded to a contractor on 15 June 2017 at a total sum of Kshs.2,999,914. Physical inspection of the works in January 2018 revealed that the steel culvert had not been put in place as required in the bill of quantities but instead the contractor protected the existing concrete culverts. The contractor had been paid in full for the works by the time of the audit.

(ii) The construction of Chief Odero steel ring culvert was awarded to a contractor on 15 June 2017 at a contract sum of Kshs.2,999,869. Physical inspection of the works in January 2018 revealed that the steel culvert had not been erected despite full payments having been done.

(iii) The renovation of Mamboleo slaughter house was awarded to a contractor at contract sum of Kshs.3,000,000 during the year. The contract sum included the cost of a 14.5m^3 steel tank costing Kshs.840,200. Physical inspection of the works in January 2018 revealed that the tank had not been supplied yet the contractor had been paid in full including the retention monies.

(iv) The construction of a perimeter wall at Mamboleo slaughter house was awarded to a contractor at a contract sum of Kshs.12,498,269 during the year under review. The contractor was paid Kshs.3,985,296 during the period. Physical inspection of the project in January 2018 revealed that only a quarter of the fence had been constructed yet the contractor was not on site and there was no evidence that this project will proceed.

(v) The supply and installation of solar streets lights at various markets was awarded to a contractor at a contract sum of Kshs.2,998,600 on 7 March 2017. Physical verification of the works at Holo and Mamboleo market centres in January 2018 revealed that the lights had not been installed despite full payments having been done for the same.

(vi) The construction of Kere water pan was awarded to a construction firm at a contract sum of Kshs.2,891,320 on 22 March 2016. Physical verification in January 2018 revealed that the cattle trough worth Kshs.216,820 had not been constructed as per the bills of quantities yet this had been included in the Kshs.2,394,600 part payment out of the Kshs.2,891,320 total sum made on 27 October 2016.

(vii) The construction of Odoa water pan was awarded to a construction firm at a contract sum of Kshs.5,700,000 on 14 January 2016. Physical verification in January 2018 indicated that a 100mm GI flagged draw off pipe had not been installed. In addition a water communal drawing point, a cattle trough and fencing of the pan were not constructed. According to the bills of quantities all these works were to cost Kshs.510,000. The contractor was paid the full contract sum on 17 July 2017.

(viii) The construction of Nanga Borehole was awarded to a contractor on 29 June 2015 at a contract sum of Kshs.2,999,342. Physical verification of the works in January 2018 revealed that the pump which had been installed had malfunctioned and the community was not benefiting from the project. The contractor was paid Kshs.1,843,042 on 8 February 2017.

(ix) The construction of Korowe modern market was awarded to a construction firm on 22 February 2016 at a contract sum of Kshs.34,567,338. However, a review of payments made to the contractor revealed that a total of Kshs.35,280,479 had been on various dates. This exceeded the contract sum by Kshs.713,141. Further, physical verification in January 2018 revealed that an ablution block costing Kshs.2,571,730 per the bill of quantities had not been constructed yet this had been factored in the payments made. The perimeter wall had also developed huge cracks and painting works had not been done.

(x) The construction of two (2) market shades at Sondu Market was awarded to a contractor for a contract sum of Kshs.3,054,665 during the year under review. Physical verification in January 2018 revealed that only one (1) shade was constructed yet the contractor had been paid for the two shades.

(xi) The construction of Nyangande community hall was awarded to a contractor on 25 June 2015 at a contract sum of Kshs.2,490,578. The contractor was paid the full contract sum on 1 August 2016. Physical inspection in January

2018 revealed that the project had stalled at the third course and cracks on the walls were visible.

(xii) The construction of Kanyakwar perimeter wall fence was awarded to a contractor for a sum of Kshs.3,999,768. However, the wall was not erected despite works certified as complete and full payment promptly paid during the year under review.

(xiii) The construction of Nyahera Resource Centre was awarded to a contractor for a sum of Kshs.4,999,252. The contractor was partly paid Kshs.2,178,712 for work done on 22 February 2017. Another contractor was awarded a contract to construct Nyahera community hall at a sum of Kshs.1,999,840 and was paid on 27 October 2016. However, from our inspection of the works and information from the community hall administration, there is no distinction between the works done by the two contractors since they both were working on the same one-storey building. A sign post or site office were not in place despite payments being made for the same. The ground floor which is a hall is complete while the upper floor superstructure is at lintel level. The paid works were valued and certified complete but it is unclear how two independent contractors can occupy the same site. Further, the registered owner of the land on which the building was erected is not disclosed to confirm ownership.

(xiv) The executive advertised a tender for renovation of classrooms at Okiro primary school which attracted three (3) bids. The tender was awarded to the second lowest bidder contrary to the recommendation of the evaluation committee that the works should be awarded to the lowest bidder. No explanation was given for this occurrence. The contactor has been fully paid but physical verification of the works revealed that wrong specifications were used in roofing. Ordinary roofing sheets gauge 32 were used instead of pre-painted versatile profiled roof sheets gauge 30. Further, only parts of the roof was replaced instead of entire roofs as per the requirements.

Consequently, the propriety of the Kshs.469,024,307 for construction and civil works could not be confirmed.

10.2. Overhaul of Civil Works

The statement of receipts and payments indicates that the acquisition of assets amounted to Kshs.1,559,967,496 during the year ended 30 June 2017 of which Kshs.2,732,861 relates to overhaul of civil works. However, payments totaling Kshs.2,662,718 were not supported.

Consequently, the propriety of the Kshs.2,662,718 for overhaul of civil works could not be confirmed.

10.3. Purchase of Vehicles and Other Transport Equipment

The statement of receipts and payments indicates that the acquisition of assets amounted to Kshs.1,559,967,496 during the year ended 30 June 2017 out of which Kshs.94,232,914 relates to purchase of vehicles and other transport equipment. However, payments totaling Kshs.64,835,5162 out of a total of Kshs.94,232,914 were not supported.

Consequently, the propriety of the Kshs.64,835,5162 for purchase of vehicles and other transport equipment could not be confirmed.

10.4. Overhaul of Vehicles

The statement of receipts and payments indicates that the acquisition of assets amounted to Kshs.1,559,967,496 during the year ended 30 June 2017 out of which Kshs.27,093,560 relates to overhaul of vehicles. However, payments totaling Kshs.20,583,630 were not supported.

Consequently, the propriety of Kshs.20,583,630 for overhaul of vehicles and other transport equipment could not be confirmed.

10.5. Purchase of Office Furniture and General Equipment

The statement of receipts and payments indicates that the acquisition of assets amounted to Kshs.1,559,967,496 during the year ended 30 June 2017 out of which Kshs.30,092,859 relates to purchase of office furniture and general equipment. However, payments totaling Kshs.10,006,560 were not supported.

Consequently, the propriety of the Kshs.10,006,560 for purchase of office furniture and general equipment could not be confirmed.

10.6. Purchase of ICT Equipment

The statement of receipts and payments indicates that the acquisition of assets amounted to Kshs.1,559,967,496 during the year ended 30 June 2017 out of which Kshs.75,936,454 relates to purchase of ICT equipment. However, payments totaling Kshs.17,217,065 were not supported. The following issues were also noted from the payments made;

i) A contract for the installation of an Enterprise Resource Planning (ERP) system was awarded to a firm on 4 April 2017 at a total contract sum of Kshs.165,346,516. The works carried out included; the requirements analysis, design, customization, testing, training, deployment and maintenance of an integrated enterprise resource planner system. The supplier was paid Kshs.33,069,303 during the year for system analysis and process re-alignment which also entailed supply of Microsoft dynamic NAV 2017-50

virtual user licenses. However, from a review of the tender process documentation the following were noted;

- The tender closed on 10 February 2017.
- Notifications for regrets were made on 13 February 2017;
- The professional opinion by head of procurement function was provided on 3 February 2017 on the entire procurement process even before the procurement process had started. This included the choice of the supplier which was un-procedural.
- The lowest tender had a price of Kshs.66,000,000.
- The firm that was awarded the contract was selected on the basis that they had the highest score combining technical and financial evaluation. This was contrary to procurement laws which states that the highest combined score is used only where request for proposal method is used.
- Notification of award was made on 20 March 2017 indicating that payments were to be staggered in two financial years at Kshs.70,000,000 in 2016/2017 and Kshs.95,346,516 in 2017/18.
- At the time of audit, the ERP system had not been installed and we could not establish whether the county has obtained value for the funds used to date.

ii) The supply, delivery, installation, configuration and commissioning of bulk licenses and Microsoft products for 300 computer devices was awarded to a supplier at a sum of Kshs.13,920,000 on 29 January 2016. The supplier was paid Kshs.7,920,000 during the year under review. However, physical verification revealed that Microsoft Inc. had withdrawn the licenses due to non-payment thus stalling active directory, operation of Microsoft office 365 for 300 devices, SharePoint for document management & collaboration service, skype for business and antivirus solution Webroot. This is a loss of value for funds already used.

Consequently, the propriety of the Kshs.17,217,065 for purchase of ICT equipment could not be confirmed.

10.7. Purchase of Specialized Plant, Equipment and Machinery

The statement of receipts and payments indicates that the acquisition of assets amounted to Kshs.1,559,967,496 during the year ended 30 June 2017 out of which Kshs.81,353,162 relates to purchase of specialized plant, equipment and machinery. However, payments totaling Kshs.11,961,489 were not supported. Further, the supply of a drilling rig contract was awarded to a supplier at a sum of Kshs.59,122,815. The drilling rig was delivered on 24 May 2017 but the executive

does not have a log book for it. Also, the three (3) component drilling rig; drilling rig & tools, test pumping unit and truck are lying idle in the yard due to lack of skilled personnel to operate it. The number plates have not been fitted and the asset is not recorded in fixed asset register.

Consequently, the propriety of the Kshs.11,961,489 for purchase of specialized plant, equipment and machinery could not be confirmed.

10.8. Research Studies and Design

The statement of receipts and payments indicates that the acquisition of assets amounted to Kshs.1,559,967,496 during the year ended 30 June 2017 out of which Kshs.95,326,615 relates to research, studies and design. However, payments totaling Kshs.15,186,753 were not supported. In addition, the review of the payments made revealed the following matters;

i) The contract to provide youth entrepreneurship skills training was awarded to a firm for a sum of Kshs.4,868,448 on 23 June 2016. Four suppliers had bid for the contract. Three of them were declared unresponsive since they did not provide mandatory requirements. The tender should have been cancelled and repeated since three out of the four bidders were unresponsive.

ii) Payments totaling Kshs.7,036,964 for supply of fishnets, fabrication of refuse skips and supply of fertilizer were included in this vote item even though they are not related to research studies and design.

iii) A payment of Kshs.3,497,335 for supply of pesticides was made on 4 July 2017 but is included in the current year's payments.

iv) A contract for preparation of a GIS based valuation roll for the county at a contract sum of Kshs.99,040,800. The contract was signed on 24 March 2017. As at the year-end Kshs.53,896,551 had been paid to the consultant. There is no evidence that the project had been budgeted for. The progress report as well as its review and acceptance have not been provided.

Consequently, the propriety of the Kshs.15,186,753 for research studies and design could not be confirmed.

10.9. Purchase of Certified Seeds and Animal Breeding Stock

The statement of receipts and payments indicates that the acquisition of assets amounted to Kshs.1,559,967,496 during the year ended 30 June 2017 out of which Kshs.7,666,800 relates to purchase of certified seeds and animal stock. However, payments totaling Kshs.3,402,000 were not supported. In addition, the executive

contracted a supplier to deliver tree seedlings at a sum of Kshs.1,019,396 on 9 December 2016. However, a review of the procurement documents indicate that the quotations were opened on 19 December 2016 yet notice of award is dated 9 December 2016. Evaluation of the bids is indicated to have been done on 14 December 2016.

Consequently, the propriety of the Kshs.3,402,000 for purchase of certified seeds and animal breeding stock could not be confirmed.

11. Other Payments

The statement of receipts and payments indicates that other payments amounted to Kshs.119,772,979 during the year ended 30 June 2017. A review of payments made revealed the following anomalies;

i) A supplier was contracted to supply non-pharmaceutical products on 25 October 2016 at a sum of Kshs.1,469,827. The local purchase order was issued on 20 October 2016 even before the notice of award dated 25 October 2016 was issued.

ii) An advocate was hired to provide legal representation on various cases against the executive. An amount of Kshs.1,796,551 was paid out during the year based on the invoices provided. However, no procurement documents were provided to show how the advocate was hired and the terms and rates of payment.

iii) A media firm was contracted to provide media coverage and related activities during the year. A sum of Kshs.1,925,474 was paid to the firm during the year. However, from the review of procurement documents, it was noted that a notice of award was not issued before the local service order was issued.

Consequently, the propriety of the Kshs.5,191,852 for other payments could not be confirmed.

12. Inaccuracies in the Financial Statements

12.1. The approved budget estimate for other grants and transfers is Kshs.315,909,179. However, the Summary statements of appropriations recurrent and development combined (note VII) and the individual summaries statements of recurrent and developments respectively (notes VIII and IX) indicated zero estimates. The accuracy of the statement is therefore not confirmed.

12.2. Included in the payments disclosed as construction and civil works of Kshs.1,031,359,022 are payments amounting to Kshs.67,566,365 for

construction of access roads and roads that require to be disclosed separately as construction of roads as per the approved estimates.

12.3. The total amounts in annexure 4 on analysis of assets page 38 of the financial statement is not accurate. The schedule does not also indicate the currency.

The accuracy of the financial statements could not be confirmed.

13. Governance Frame Work

The following anomalies were observed;

13.1. The County Government of Kisumu has not established an audit committee contrary to Section 155 of the Public Finance Management Act, 2012 and Section 167(1) of the Public Finance Management (County Government) Regulations, 2015 which require each County Government entity to establish an audit committee to oversee governance and promote transparency in the management of the County's resources. Further, the internal audit unit is under staffed with only five (5) officers and thus cannot adequately carry out their oversight roles.

13.2. Currently, the internal audit department has only five officers thus lacking the capacity to audit the entire operations of the executive. As a result, there did not exist any report of purchase of goods, services and works, and acquisition of assets. Procurement of goods, services and works takes a large percentage of county expenditure but the internal controls of Kisumu County Government have not been internally evaluated and controlled by the internal audit unit. Also, the Internal Audit Unit of the County Government operated without an approved annual audit activity plan.

13.3. During the year under review, the Internal audit unit of the County carried out eight (8) audit exercises and prepared internal audit reports which indicated serious issues of misappropriation of public funds and losses that required urgent management action for prevention measures to be put in place. However, lack of an audit committee significantly disabled the work of the unit and no action was taken on internal audit reports.

The management is therefore in breach of the law.

14. Pending Bills

The pending bills balance is indicated as Kshs.2,537,245,107 as at the end of the year. A detailed listing of the pending bills has not been included as an annexure to the financial statements in conformity with the requirements of the templates provided by the Public Sector Accounting Standards Board (PSASB).

A review of the pending bills schedule and files provided for audit revealed the following issues:

i) The pending bills included people with disabilities fund (PWD) amount of Kshs.225,000,000. We could not establish whether there was a contractual obligation to pay this amount or this was a provision.

ii) The total pending bills figure of Kshs.2,537,245,107 included a provision for County Development Fund of Kshs.28,800,000. This is not a pending bill since there is no contractual agreement to set aside the funds.

iii) Files for outstanding bills amounting to Kshs.689,359,984 as sampled were not availed for audit review. We therefore could not ascertain whether these were genuine bills.

iv) The total bills pending are stated as Kshs.2,537,245,106. However, management has not provided an explanation of how these bills will be settled given that the bank balance at year end totaled Kshs.1,359,986,921 far below the pending bills figure.

v) In the months of April and May 2017, a media consultancy firm was contracted to publish the county newspaper (Luo and English versions) at a cost of Kshs.5,916,000. Management did not explain what value the newspaper would have to the community and since there were other higher priority projects that were not carried out. Out of the Kshs.5,916,000 contract sum, Kshs.2,850,000 is included in the pending bills figure. The value for money used in the publications could not be established.

Consequently, the propriety and accuracy of the pending bills figure of Kshs.2,537,245,106 as at 30 June 2017 could not be confirmed.

15. Fixed Assets Summary

A review of the schedule of assets provided for audit revealed the following issues:

i) The total cost of the assets since the year 2013/2014 to 2016/2017 amounts to Kshs.2,807,535,126. This may not be conclusive since the county has invested Kshs.4,472,628,536 since year 2013/2014 as the cumulative acquisition of assets.

ii) The schedule does not include heavy equipment and machinery including the drilling rig.

iii) The schedule does not include assets taken over from the defunct local.

The county does not also have a comprehensive asset register as required by section 136 of the Public Finance Management Act (County Regulations) 2015.

Consequently, the accuracy and validity of the fixed assets summary could not be confirmed.

16. Budget Analysis

16.1 Budget Absorption

16.1.1. Recurrent Expenditure

The total approved recurrent expenditure for the County of Kshs.5,925,351,185 for 2016/17 was allocated to twelve (13) departments and by 30th June 2017. Kshs.5,898,306,895 had been spent of the funds allocated as follows:

Department	Budget	Actual Expenditure	Absorption Rate (%)
	Kshs.	Kshs.	
Office of the Governor and County Administration	417,851,093	416,121,500	100
Finance and Economic Planning	965,618,590	964,873,089	100
Agriculture, Livestock and Fisheries	317,503,424	313,972,333	99
Education, Youth, Culture and Social services	378,446,655	375,427,043	99
Tourism, Trade and Heritage	73,756,662	72,760,110	99
Lands, Housing and Physical Planning	30,044,022	28,781,699	96
Roads, Transport and Public Work	268,703,173	265,053,273	99
Health Services	2,388,398,993	2,386,618,856	100
Water, Environment and Natural Resources	152,378,213	150,277,095	99
Industrialization, Enterprise Development, Energy and Mining	110,930,944	108,735,871	98
Communication, Information and Technology	65,115,352	64,530,150	99
City of Kisumu	709,455,157	705,199,413	99
County Public Service Board	47,148,907	45,956,463	97
TOTAL	**5,925,351,185**	**5,898,306,895**	**100**

16.1.2. Development Expenditure

The total approved development expenditure for the County of Kshs.3,164,597,404 for 2016/17 was allocated to twelve (12) departments and by 30th June 2017, only Kshs.1,868,280,073 had been spent of the funds allocated as follows.

Department	Budget	Actual Expenditure	% Level of Implementation
	Kshs.	Kshs.	
Office of the Governor and County Administration	127,500,000	124,129,264	97
Finance and Economic Planning	1,499,989,852	652,192,329	43
Agriculture, Livestock and Fisheries	138,540,986	86,911,977	63
Education, Youth, Culture and Social services	47,795,773	51,296,298	107
Tourism, Trade and Heritage	79,107,167	64,042,002	81
Lands, Housing and Physical Planning	156,395,240	65,640,527	42
Roads, Transport and Public Work	628,634,862	427,720,994	68
Health Services	96,450,633	30,555,316	32
Water, Environment and Natural Resources	118,034,019	116,002,835	98
Industrialization, Enterprise Development, Energy and Mining	135,982,248	117,941,570	87
Communication, Information and Technology	119,816,624	124,316,694	104
City of Kisumu	16,350,000	7,530,267	46
TOTAL	**3,164,597,404**	**1,868,280,073**	**59**

Roads project implementation status indicated that roads amounting to Kshs.170,218,286 had not started even though included in the budget. There is no evidence that the funds allocated for these projects were re-voted at the closure of financial year to ensure implementation in the following fiscal year as required by law.

The delay in implementation of planned development projects is likely to affect subsequent projects and also impact negatively the service delivery to the citizens of Kisumu County.

16.2. Analysis of Revenue Collection

During the year under review the Executive had projected to collect Kshs.2,271,797,949 in local revenue. However only Kshs.1,004,043,906 was collected leading to an underperformance of 55% as shown below.

ITEM	Actuals	Current year budget	Variance
	Kshs.	Kshs.	Kshs.
Tax Receipts			
Land Rates	144,518,414	717,229,233	572,710,819
Other Receipts			
Rents	44,127,419	40,000,000	- 4,127,419
Market Fees	74,838,150	113,000,000	38,161,850
Park fees	206,888,650	228,087,546	21,198,896
sign board and advertisement	60,772,871	100,000,000	39,227,129
Boda Boda Self-Regulating fees	-	25,000,000	25,000,000
Trade License Fees	96,901,530	115,000,000	18,098,470
Liquor Licensing Fees	10,912,848	30,570,293	19,657,445
Sundry Revenue	17,799,511	111,597,354	93,797,843
Public Health Inspection fees	9,501,800	14,000,000	4,498,200
Building Plan Approval	42,727,457	52,000,000	9,272,543
Health	236,963,858	315,280,143	78,316,285
Lands, Housing and Physical Planning	3,358,413	20,000,000	16,641,587
Agriculture, Fisheries & Livestock Levies	16,215,232	20,000,000	3,784,768
Industrialization/Cooperative Levies	113,650	1,500,000	1,386,350
Education/Sports & Social Services	7,210,958	5,000,000	- 2,210,958
Roads, Transport and Public Works	-	60,000,000	60,000,000
Commerce, Trade & Tourism	1,600,760	2,400,000	799,240
Environment	1,479,450	1,200,000	- 279,450
Water	5,586,980	36,000,000	30,413,020
Green Energy	-	5,000,000	5,000,000

Others - bulk revenue	22,460,955	-	- 22,460,955
Energy & Mining	65,000	2,500,000	2,435,000
Adjustments	-	256,433,380	256,433,380
Total - other receipts	**859,525,492**	**1,554,568,716**	**695,043,224**
Total - Local Receipts	**1,004,043,906**	**2,271,797,949**	**1,267,754,043**

There was a shortfall of Kshs.1,267,754,043 as indicated above. There was an amount of Kshs.256,433,380 indicated as adjustments in the budget a breakdown of which has not been provided.

Failure to collect revenues distorts the implementation of budgeted activities thereby denying the citizens of Kisumu the much desired service delivery.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the financial statements of the year under review. Except for the matters discussed in the Basis for Adverse Opinion section of my report, I have determined that there are no Key Audit Matters to communicate in my report.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the County Executive's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless the County Government either intends to liquidate or to cease operations, or have no realistic alternative but to do so.

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

Those charged with governance are responsible for overseeing the Government's financial reporting process.

Auditor-General's Responsibilities for the Audit of the Financial Statements

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 of Kenya. 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 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.

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.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to give an assurance on the effectiveness of the County Executive's 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 going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Executive's ability to continue offering 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 consolidated/ 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 Executive to cease to continue offering 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 or business activities of the 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.

FCPA Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

16 July 2018

IV. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE, 2017

	Note	2016/2017	2015/2016
		Kshs	Kshs
RECEIPTS			
Tax Revenues	1	144,518,414	138,485,703
Social Security Contributions	2	-	-
Proceeds from Domestic and Foreign Grants	3	8,750,950	16,580,000
Transfers from National Treasury	4	6,130,158,037	5,681,265,568
Transfers from Other Government Entities	5	704,333,216	541,310,272
Proceeds from Domestic Borrowings	6	-	-
Proceeds from Foreign Borrowings	7	-	-
Proceeds from Sale of Assets	8	-	-
Reimbursements and Refunds	9	-	-
Returns of Equity Holdings	10	-	-
Other Revenues	11	859,525,492	846,308,704
TOTAL REVENUES		**7,847,286,109**	**7,223,950,247**
PAYMENTS			
Compensation of Employees	12	3,290,083,000	2,954,055,699
Use of goods and services	13	674,144,262	867,682,478
Subsidies	14	0	0
Transfers to Other Government Units	15	1,856,934,676	1,614,889,443
Other grants and transfers	16	243,891,506	504,274,267
Social Security Benefits	17	21,793,048	12,902,474
Acquisition of Assets	18	1,559,967,496	1,319,823,761
Finance Costs, including Loan Interest	19	0	0
Repayment of principal on Domestic and Foreign borrowing	20	0	0
Other Expenses	21	119,772,979	453,474,184
TOTAL PAYMENTS		**7,766,586,968**	**7,922,967,987**
SURPLUS/(DEFICIT)		**80,699,141**	**(699,017,740)**

V. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE, 2017

	Note	2016-2017	2015-2016
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	22A	1,359,986,921	1,170,394,124
Cash Balances	22B	-	-
Total Cash and Cash Equivalent		**1,359,986,921**	**1,170,394,124**
Accounts Receivable - Outstanding Imprests	23	66,835,022	182,129,289
TOTAL FINANCIAL ASSETS		**1,426,821,943**	**1,352,523,413**
FINANCIAL LIABILITIES			
Accounts Payable - Deposits and Retentions	24	92,916,431	99,317,042
NET FINANCIAL ASSETS		**1,333,905,512**	**1,253,206,371**
REPRESENTED BY:			
Fund balance brought forward	25	**1,253,206,371**	**1,952,224,111**
Surplus/(Defict) for the year		**80,699,141**	**(699,017,740)**
NET FINANCIAL POSITION		1,333,905,512	1,253,206,371

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Government of Kisumu financial statements were approved on 21st September, 2017 and signed by:

Cephas O. Kasera Icpak No. 7257
Chief Officer, Finance

Julius Otiende Icpak No. 4358
Head of Treasury Accounting

VI. STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30TH JUNE, 2017

	Note	2016/2017	2015/2016
		Kshs	Kshs
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts for operating income			
Tax Revenues	1	144,518,414	138,485,703
Social Security Contributions	2	-	
Proceeds from Domestic and Foreign Grants	3	8,750,950	16,580,000
Transfers from National Treasury	4	6,130,158,037	5,681,265,568
Transfers from Other Government Entities	5	704,333,216	541,310,272
Reimbursements and Refunds	9		
Returns of Equity Holdings	10		
Other Revenues	11	859,525,492	846,308,704
		7,847,286,109	**7,223,950,247**
Payments for operating expenses			
Compensation of Employees	12	3,290,083,000	2,954,055,699
Use of goods and services	13	674,144,262	867,682,478
Subsidies	14		
Transfers to Other Government Units	15	1,856,934,676	1,614,889,443
Other grants and transfers	16	243,891,506	504,274,267
Social Security Benefits	17	21,793,048	12,902,474
Finance Costs, including Loan Interest	19		
Other Expenses	21	119,772,979	453,474,184
		6,206,619,471	**6,603,144,227**
Net cash flow from operating activities		**1,640,666,637**	**620,806,020**
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	8	-	
Acquisition of Assets	18	(1,559,967,496)	(1,319,823,761)
Net cash flows from Investing Activities		**(1,559,967,496)**	**(1,319,823,761)**
CASHFLOW FROM BORROWING ACTIVITIES			

Proceeds from Domestic Borrowings	6	-	
Proceeds from Foreign Borrowings	7	-	
Repayment of principal on Domestic and Foreign borrowing	20	-	
Net cash flow from financing activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		**80,699,141**	**(699,017,740)**
Cash and cash equivalent at BEGINNING of the year	**24**	**1,253,206,372**	**1,952,224,111**
Cash and cash equivalent at END of the year	**25**	**1,333,905,513**	**1,253,206,371**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Government of Kisumu financial statements were approved on 21st September, 2017 and signed by:

Cephas O. Kasera Icpak No. 7257
Chief Officer, Finance Chief

Julius Otiende Icpak No. 4358
Head of Treasury Accounting

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED FOR THE YEAR ENDED 30TH JUNE, 2017

Code	Receipts/Expense Item	Original Budget	Adjustments	Final Budget	Actual Utilization	Budget Utilisation Difference on Comparable basis	% of Utilisation to Final Budget
		a	b	c=a+b	d	e=c-d	f=d/c %
		Kshs	Kshs	Kshs	Kshs	Kshs	%
	RECEIPTS						
	Tax Receipts	256,433,380	460,795,853	717,229,233	144,518,414	572,710,819	20%
	Social Security Contributions	-	-	-	-	-	
	Proceeds from Domestic and Foreign Grants	38,708,403	-	38,708,403	8,750,950	29,957,453	23%
	Exchequer releases-Equitable Share	6,130,158,037	-	6,130,158,037	6,130,158,037	-	100%
	Exchequer releases-Grants to Level 5 Hospital	351,445,087	-	351,445,087	351,445,087	-	100%
	Exchequer releases-User Fees	21,854,292	-	21,854,292	21,854,292	-	100%
	Exchequer releases-Maternity Fees	118,015,691	-	118,015,691	123,870,000	5,854,309	105%
	Exchequer releases-RMLF	94,189,837	-	94,189,837	94,189,837		100%
	Conditional allocations-Other loans and grants	30,000,000	-	30,000,000	-	30,000,000	0%
	CONDITIONAL ALLOCATIONS - Leasing of Medical Equipment	95,744,681	-	95,744,681	-	95,744,681	0%
	Transfers from Other Government Entities-Ministry of Health	-	212,882,104	212,882,104	112,974,000	99,908,104	53%
	KDSP (World Bank)	30,418,403		30,418,403	-	30,418,403	0%
	Proceeds from Domestic Borrowings	-	-	-	-	-	-
	Proceeds from Foreign Borrowings	-	-	-	-	-	-
	Proceeds from Sale of Assets	-	-	-	-	-	-

	Reimbursements and Refunds	-	-	-	-	-	-
	Returns of Equity Holdings	-	-	-	-	-	-
	Other Receipts	1,298,135,336	256,433,380	1,554,568,716	859,525,492	731,217,744	53%
	Total Receipts	**8,465,103,147**	**930,111,337**	**9,395,214,484**	**7,847,286,109**	**1,584,102,896**	83%
	Payments						
21	Compensation of Employees	3,462,734,372	96,353,677	3,559,088,049	3,290,083,000	269,005,049	92%
22	Use of goods and services	2,462,616,813	208,912,218	2,671,529,031	674,144,262	1,997,384,769	25%
24	Interest payments	-	-	-	-	-	
25	Subsidies	-	-	-	-	-	
263	Transfers to Other Government Units	-	-	-	1,856,934,676	1,856,934,676	
261/2/4	Other grants and transfers	-	-	-	243,891,506	243,891,506	
27	Social Security Benefits	-	-	-	21,793,048	21,793,048	
31	Acquisition of Assets	2,539,751,962	624,845,442	3,164,597,404	1,559,967,496	1,604,629,908	49%
55	Repayment of principal on Domestic and Foreign borrowing	-	-	-	-		
28	Other Expenses			-	119,772,979	119,772,979	
41	Other Social Benefit Schemes - Loans & Mortgages			-	-	-	
	Grand Total	8,465,103,147	930,111,337	9,395,214,484	7,766,586,968	1,628,627,516	83%
					-		
	Surplus/(Deficit)	-			44,524,621	44,524,621	

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Government of Kisumu financial statements were approved on 21st September, 2016 and signed by:

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Cephas O. Kasera Icpak No. 7257
Chief Officer, Finance Chief

Julius Otiende Icpak No. 4358
Head of Treasury Accounting

VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT FOR THE YEAR ENDED 30TH JUNE, 2017

Code	Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual Receipt/Utilization	Budget Utilisation Difference on Comparable basis	% of Utilisation to Final Budget
		a	b	c=a+b	d	e=c-d	f=d/c
		Kshs	Kshs	Kshs	Kshs	Kshs	%
	RECEIPTS						
	Tax Receipts	256,433,380	-	256,433,380	144,518,414	111,914,966	56
	Social Security Contributions	-	-				
	Proceeds from Domestic and Foreign Grants	38,708,403	-	38,708,403	8,750,950	29,957,453	23
	Exchequer releases-Equitable Share	5,175,393,194		5,175,393,194	4,550,547,752	624,845,442	88
	Exchequer releases-Grants to Level 5 Hospital	351,445,087	-	351,445,087	351,445,087	-	100
	Exchequer releases-User Fees	21,854,292	-	21,854,292	21,854,292		100
	Exchequer releases-Maternity Fees	118,015,691	-	118,015,691	123,870,000	5,854,309	105
	Exchequer releases-RMLF	-	-			-	
	Transfers from Other Government Entities	30,000,000	-	30,000,000	-	30,000,000	0
	Proceeds from Domestic Borrowings	30,418,403	-	30,418,403	-	30,418,403	0
	Proceeds from Foreign Borrowings	95,744,681	95,744,681		-		
	Proceeds from Sale of Assets	-	-	-	112,974,000		
	Reimbursements and Refunds	-	-	-	-		
	Returns of Equity Holdings	-	-	-	-		
	Other Receipts	1,490,797,282	256,433,380	1,234,363,902	790,122,560	444,241,342	64

	Total Receipts	4,627,215,849	160,688,699	4,787,904,548	4,523,837,935	377,040,614	94
	Payments						
21	Compensation of Employees	3,462,734,372		3,462,734,372	3,290,083,000	172,651,372	95
22	Use of goods and services	2,462,616,813		2,462,616,813	674,144,262	1,788,472,551	27
24	Interest payments	-	-				
25	Subsidies	-	-	-			
26 3	Transfers to Other Government Units		-	-	1,704,668,793	- 1,704,668,793	
26 1/2 /4	Other grants and transfers	-	-	-	117,378,240	- 117,378,240	
27	Social Security Benefits	-	-	-	21,793,048	- 21,793,048	
31	Acquisition of Assets	-	-	-			
55	Repayment of principal on Domestic and Foreign borrowing			-			
28	Other Expenses				90,239,552	- 90,239,552	
41	Other Social Benefit Schemes - Loans & Mortgages			-			
	Grand Total	5,925,351,185		5,925,351,185	5,898,306,895	27,044,290	100
	Surplus/(Deficit)	1,298,135,336	160,688,699	1,137,446,637	1,374,468,961	349,996,324	

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Government of Kisumu financial statements were approved on 21st September, 2017 and signed by:

Cephas O. Kasera Icpak No. 7257
Chief Officer, Finance

Julius Otiende Icpak No. 4358
Head of Treasury Accounting

IX. SUMMARY STATEMENT OF APPROPRIATION – DEVELOPMENT FOR THE YEAR ENDED 30TH JUNE, 2017

Code	Receipts/Expense Item	Original Budget	Adjustments	Final Budget	Actual Receipt/Utilization	BudgetReceipt/ Utilisation Difference on Comparable basis	% of Receipt/Utilisation to Final Budget
		a	b	c=a+b	d	e=c-d	f=d/c
		Kshs	Kshs	Kshs	Kshs	Kshs	%
	RECEIPTS						
	Tax Receipts	-	-	-	-	-	
	Social Security Contributions	-	-	-	-	-	-
	Proceeds from Domestic and Foreign Grants		-	-		-	
	Exchequer releases-Equitable Share	954,764,843	624,845,442	1,579,610,285	1,579,610,285		100
	Exchequer releases-Grants to Level 5 Hospital		-	-		-	
	Exchequer releases-User Fees		-	-		-	
	Exchequer releases-Maternity Fees		-	-		-	
	Exchequer releases-RMLF	94,189,837	-	94,189,837	94,189,837	-	100
	Transfers from Other Government Entities	-		-	-	-	
	Proceeds from Domestic Borrowings	-	-	-	-	-	
	Proceeds from Foreign Borrowings	-	-		-		
	Proceeds from Sale of Assets	-	-	-	-		
	Reimbursements and Refunds	-	-	-	-		
	Returns of Equity Holdings	-	-	-	-		
	Other Receipts			1,490,797,282	790,122,560		53

		1,490,797,282 -				840,043,173 -	
	Total Receipts	**2,539,751,962**	624,845,442	**3,164,597,404**	**2,463,922,682**	840,043,173	78
	PAYMENTS						
21	Compensation of Employees	-	-	-	-	-	
22	Use of goods and services			-		-	
24	Interest payments			-		-	
25	Subsidies			-		-	
263	Transfers to Other Government Entities			-	152,265,883	152,265,883 -	
261/ 2/4	Other Grants and Transfers				126,513,266	126,513,266	
27	Social Security Benefits	-	-	-	-	-	
31	Acquisition of Assets	2,539,751,962	624,845,442	3,164,597,404	1,559,967,497	1,604,629,908	49
20	Finance Costs, Including Loan Interest			-		-	
28	Other Expenses				29,533,427	29,533,427	
41	Other Social Benefit Schemes - Loans & Mortgages			-		-	
	Total Payments	2,539,751,962	624,845,442	**3,164,597,404**	**1,868,280,073**	**1,296,317,331**	59
	Surplus/(Deficit)				595,642,609	456,274,158	

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Government of Kisumu financial statements were approved on 21st September, 2017 and signed by:

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Cephas O. Kasera Icpak No. 7257
Chief Officer, Finance

.....

Julius Otiende Icpak No. 4358
Head of Treasury Accounting

X. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the County Government of Kisumu and all values are rounded to the nearest thousand ('000).The accounting policies adopted have been consistently applied to all years presented.

The financial statements have been prepared on the cash basis following the Governments standard chart of accounts.

2. Recognition of revenue and expenses

The County Government of Kisumu recognizes all revenues from the various sources when the event occurs and the related cash has actually been received by the *County Government of Kisumu*. In addition, the *County Government of Kisumu* recognizes all expenses when the event occurs and the related cash has actually been paid out by the County Government of Kisumu.

3. In-kind contributions

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

4. 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 amount held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

5. Accounts Payable

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 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 by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements.

6. 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 disposal are reflected in the County Government of Kisumu fixed asset register a summary of which is provided as a memorandum to these financial statements.

7. 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 a "memorandum" or "off-balance" items to provide a sense of the overall net cash position of the *County Government of Kisumu* 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.

8. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *County Government of Kisumu's* budget was approved as required by law and as detailed in the Government of Kenya Budget Printed Estimates. A high level assessment of the *County Government of Kisumu's* actual performance against the comparable budget for the financial year under review has been included in the annex to these financial statements.

9. Comparative figures

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

10. 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.

XI. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2017

1	TAX REVENUES				
				2016/17	2015/2016
				Kshs	Kshs
	Taxes on Income, Profits and Capital Gains			-	-
	Taxes on Property			144,518,414	138,485,703
	Taxes on Goods and Services			-	-
	Taxes on International Trade and Transactions			-	
	Other Taxes (not elsewhere classified)			-	-
	Total			144,518,414	138,485,703
2	SOCIAL SECURITY CONTRIBUTIONS				
				2016/17	2015/2016
				Kshs	Kshs
	Receipts for Health Insurance Contribution			-	-
	Receipts to NHIF for Health Insurance Contributions			-	-
	Receipts from Govt Employees to Social & Welfare Schemes in Govt			-	-
	Total			-	-
3	PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS				
	Name of Donor	Date received	Amount in foreign currency	2016/17	2015/2016
				Kshs	Kshs
	Grants Received from Bilateral Donors (Foreign Governments)				
	DANIDA			8,290,000	8,290,000
	DANIDA				8,290,000
	Grants Received from Multilateral Donors (International Organisations)			460,950	
					-
	Grants Received from other levels of government				

	Total			8,750,950	16,580,000
4	EXCHEQUER RELEASES				
	Description and reference of the transfer		Date of transfer	2016/17	2015/2016
				Kshs	Kshs
	Total Exchequer Releases for Quarter 1			1,042,126,866	454,501,245
	Total Exchequer Releases for Quarter 2			1,563,190,299	1,448,722,721
	Total Exchequer Releases for Quarter 3			1,534,296,734	1,420,316,393
	Total Exchequer Releases for Quarter 4			1,990,544,138	2,357,725,209
	Total			6,130,158,037	5,681,265,568
5	TRANSFERS FROM OTHER GOVERNMENT ENTITIES				
	Description			2016/17	2015/2016
				Kshs	Kshs
	Transfers from Central government entities:				
	Grants to Level 5 Hospital			351,445,087	338,616,573
	User Fees			21,854,292	22,585,235
	Road Maintenance Levy Fund			94,189,837	72,170,964
	Maternity Fees			123,870,000	107,937,500
	Ministry of Health			112,974,000	
	Transfers from Counties				
	TOTAL			704,333,216	541,310,272
6	PROCEEDS FROM DOMESTIC BORROWINGS				
				2016/17	2015/2016
				Kshs	Kshs
	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			-	-
	Domestic Accounts Payable			-	-
	Total			-	-
7	PROCEEDS FROM FOREIGN BORROWINGS				
				2016/17	2015/2016

				Kshs	Kshs
	Foreign Borrowing – Draw-downs Through Exchequer			-	-
	Foreign Borrowing - Direct Payments			-	-
	Foreign Currency and Foreign Deposits			-	-
	Total			-	-
8	**PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS**				
				2016/17	**2015/2016**
				Kshs	**Kshs**
	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			-	-
9	**REIMBURSEMENTS AND REFUNDS**				
				2016/17	**2015/2016**
				Kshs	**Kshs**
	Refund from World Food Programme (WFP)				
	Reimbursement of Audit Fees			-	-
	Reimbursement on Messing Charges (UNICEF)			-	-
	Reimbursement from World Bank – ECD			-	-
	Reimbursement from Individuals and Private Organisations				-
	Reimbursement from Local Government Authorities			-	-
	Reimbursement from Statutory Organisations			-	-
	Reimbursement within Central Government			-	-
	Reimbursement Using Bonds			-	-

	Total			-	-
10	RETURNS OF EQUITY HOLDINGS				
				2016/17	2015/2016
				Kshs	Kshs
	Returns of Equity Holdings in Domestic Organisations			-	-
	Returns of Equity Holdings in International Organisations			-	-
	Total			-	-
11	OTHER REVENUES				
				2016/17	2015/2016
				Kshs	Kshs
	Interest Received			-	-
	Profits and Dividends			-	
	Rents			44,127,419	39,154,721
	Other Property Income				
	Sales of Market Establishments				
	Receipts from Administrative Fees and Charges			542,803,772	533,545,197
	Receipts from Administrative Fees and Charges - Collected as AIA				
	Receipts from Incidental Sales by Non-Market Establishments				
	Receipts from Sales by Non-Market Establishments			272,594,301	273,608,786
	Receipts from Sale of Incidental Goods				
	Fines Penalties and Forfeitures				
	Receipts from Voluntary transfers other than grants				
	Other Receipts Not Classified Elsewhere				
	Total			859,525,492	846,308,704
12	COMPENSATION OF EMPLOYEES				
				2016/17	2015/2016
				Kshs	Kshs
	Basic salaries of permanent employees			2,323,036,425	3,028,648,813
	Basic wages of temporary employees			1,209,100	752,758
	Personal allowances paid as part of salary			965,837,475	120,491,315
	Personal allowances paid as reimbursements				28,495
	Personal allowances provided in kind				

	Pension and other social security contributions			-	
	Compulsory national social security schemes				
	Compulsory national health insurance schemes				
	Social benefit schemes outside government			-	
	Other personnel payments				
	Total			**3,290,083,000**	**3,149,921,381**
13	**USE OF GOODS AND SERVICES**				
				2016/17	**2015/2016**
				Kshs	**Kshs**
	Utilities, supplies and services			56,857,063	34,013,842
	Communication, supplies and services			6,094,920	3,629,494
	Domestic travel and subsistence			73,994,193	80,276,345
	Foreign travel and subsistence			7,999,121	17,256,658
	Printing, advertising and information supplies & services			43,096,157	34,740,644
	Rentals of produced assets			5,913,418	66,462,958
	Training expenses			34,106,126	35,047,324
	Hospitality supplies and services			34,050,784	51,337,156
	Insurance costs			37,742,319	55,434,187
	Specialised materials and services			135,287,014	156,338,885
	Office and general supplies and services			35,054,191	30,329,250
	Fuel Oil and Lubricants			49,800,611	35,367,405
	Other operating expenses			101,522,949	207,435,863
	Routine maintenance – vehicles and other transport equipment			21,801,137	14,688,279
	Routine maintenance – other assets			30,824,260	45,324,189
	Total			**674,144,262**	867,682,478
14	**SUBSIDIES**				
	Description			**2016/17**	**2015/2016**
				Kshs	**Kshs**
	Subsidies to Public Corporations				
	Agricultural Finance Corporation				-
	Subsidies to Private Enterprises				
				-	-
	TOTAL			-	-

15	**TRANSFER TO OTHER GOVERNMENT ENTITIES**				
	Description			**2016/17**	**2015/2016**
				Kshs	**Kshs**
	Transfers to Central government entities			312,884,011	
	County Health Facilities				288,649,063
	Transfer to county entities			1,544,050,665	
	Level Five Hospital (JOOTRH)				531,361,795
	City of Kisumu				173,188,766
	County Assembly				620,139,361
	Car Loan & Mortgage				-
					1,550,457
	TOTAL			**1,856,934,676**	**1,614,889,443**
16	**OTHER GRANTS AND OTHER PAYMENTS**				-
				2016/17	**2015/2016**
				Kshs	**Kshs**
	Scholarships and other educational benefits			130,000,000	102,000,000
	Grants for Management of Disaster				95,318,516
	Emergency relief and refugee assistance			105,574,222	136,256,251
	Subsidies to small businesses, cooperatives, and self employed				1,199,500
	Other current transfers, grants & Donations				61,000,000
	Other capital grants and transfers			8,317,284	108,500,000
	Total			**243,891,506**	**504,274,267**
17	**SOCIAL SECURITY BENEFITS**				
				2016/17	**2015/2016**
				Kshs	**Kshs**
	Government pension and retirement benefits				12,188,615
	Social security benefits in cash and in kind			21,793,048	225,000
	Employer Social Benefits in cash and in kind				-
	Other Social Benefit Schemes				488,859
	Total			21,793,048	**12,902,474**
18	**ACQUISITION OF ASSETS**				
				2016/17	**2015/2016**
				Kshs	**Kshs**
	Non Financial Assets				
	Purchase of Buildings			-	-
	Construction of Buildings			110,628,680	99,430,220

	Refurbishment of Buildings			2,118,571	300,000
	Construction of Roads				86,238,501
	Construction and Civil Works			1,031,359,022	955,366,355
	Overhaul and Refurbishment of Construction and Civil Works			2,732,861	
	Purchase of Vehicles and Other Transport Equipment			94,232,914	76,655,518
	Overhaul of Vehicles and Other Transport Equipment			27,093,560	
	Purchase of Household Furniture and Institutional Equipment				
	Purchase of Office Furniture and General Equipment			30,092,859	21,689,778
	Purchase of ICT Equipment			75,936,454	28,489,667
	Purchase of Specialised Plant, Equipment and Machinery			81,353,162	5,543,656
	Rehabilitation & Renovation of Plant, Machinery and Equipment				
	Purchase of Certified Seeds, Breeding Stock and Live Animals			7,666,800	2,931,000
	Research, Studies, Project Preparation, Design & Supervision			95,326,615	33,179,065
	Rehabilitation of Civil Works				
	Acquisition of Strategic Stocks and commodities				
	Acquisition of Land			1,406,000	10,000,000
	Acquisition of Intangible Assets			-	
	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			**1,559,967,496**	**1,319,823,761**
19	**FINANCE COSTS, INCLUDING LOAN INTEREST**				
				2016/17	**2015/2016**
				Kshs	**Kshs**
	Exchange Rate Losses			-	
	Interest Payments on Foreign Borrowings			-	
	Interest Payments on Guaranteed Debt Taken over by Govt			-	

	Interest on Domestic Borrowings (Non-Govt)			-	
	Interest on Borrowings from Other Government Units			-	
	Total			-	
20	**REPAYMENT OF PRINCIPAL ON DOMESTIC LENDING AND ON-LENDING**				
				2016/17	**2015/2016**
				Kshs	**Kshs**
	Repayments on Borrowings from Domestic			-	
	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			-	
21	**OTHER EXPENSES**				
				2016/17	**2015/2016**
				Kshs	**kshs**
	Budget Reserves			-	
	Civil Contingency Reserves			-	
	Other expenses - Taxes (KRA)				128,428,210
	Other expenses - Contractors' Retention				137,599,494
	Other expenses - Goods & Services				140,438,954
	Other expenses - Contractors				47,007,527
	Other expences			119,772,979	
	Total			**119,772,979**	**453,474,184**
22 A	**Bank Accounts**				
	Name of Bank, Account No. & currency	**Account Type**	**Foreign Exchange Amount**	**2016/2017**	**2015/2016**
				Kshs	**kshs**
	KCB County Assembly Imprests A/C 1142204197 - kshs	Imprest A/C		-	
	KCB Imprest/Operations Account - 1142145549 - kshs	Operations/Imprest A/C		(60,777)	217,313

	KCB Revenue Collection A/C - 1141991705 - kshs	Revenue Collection A/C		17,199,197	1,178,104
	KCB Health Revenue Fund A/C 1155423712 - kshs	Revenue Collection A/C		2,333,079	11,760
	Family Bank Salaries A/C 25000025445 - kshs	Operations/Imprest A/C		1,326,776	204,696
	Family Bank Operations A/C 25000025819 - kshs	Imprest A/C		4,322	11,508
	Cooperative Bank - Emergency Fund A/C 01141613464700 - kshs	Emergency Fund		0	
	KCB - Water RevenueFund A/C 1147502013 - kshs	Revenue Collection A/C		1,655,514	1,656,685
	Cooperative Bank – Seme sub county imp account-01141662180300 kshs	imprest		52	
	Cooperative Bank – kisumu central sub county imp account-01141662180000 kshs	imprest		240,852	
	Cooperative Bank – kisumu west sub county imp account-01141662180200 kshs	imprest		852	
	Kisumu county cost and contingency fund a/c - 1177287080-kshs	operations		499,142	
	Kisumu county plant,&equipment a/c-1177287080-kshs	operations		23,965	
	Central bank road maintainance levy fund-1000270993-kshs	RMLF A/C		60,726,643	
	Agriculture livestock and fisheries-a/c1148477284	Revenue collection a/c		147,543	
	Agriculture livestock and fisheries a/c 1170609589	Operations a/c		22,369	
	Chief officer-maseno agricultural training centre a/c no. 1148451196	Revenue collection a/c		536,807	
	UNICEF-/MINISTRY OF WATER AND NATURAL RESOURCES A/C - 1157946259	WASH project a/c		113,920	
	Central Bank- County Revenue Fund A/C 1000171488 - kshs	Revenue A/C		534,166,105	680,156,025
	Central Bank Recurrent A/C 1000170956 - kshs	Recurrent A/C		443,823,293	99,504,535
	Central Bank Deposits A/C 1000233524 - kshs	Deposits A/C		92,916,431	99,317,042

	Agriculture, Livestock & Fisheries A/C 1148477055	Revenue Collection A/C		-	105,930
	Agriculture, Livestock & Fisheries A/C 1148477285	Revenue Collection A/C		-	6,455,490
	Agriculture, Livestock & Fisheries A/C 1148477187	Revenue Collection A/C		-	1,846,709
	Central Bank Development A/C 1000170867 - kshs	Development A/C		204,310,838	279,728,326
	Total			**1,359,986,921**	**1,170,394,124**
22 B	**Cash in hand**				
				2016/17	**2015/2016**
				Kshs	**Kshs**
	Cash in Hand held in Domestic Currency			-	-
	Cash in Hand held in Foreign Currency			-	
	Total			-	-
	Location				
	Total			-	-
23	**Accounts Receivable**			**2016/17**	**2015/2016**
	Government Imprests			66,835,022	182,129,289
	Rural Electrification Authority				
	Clearance Accounts				
	Total			66,835,022	***182,129,289***
24	**Accounts Payable**			**2016/17**	**2015/2016**
	Deposits			92,916,431	99,317,042
	Total			**92,916,431**	***99,317,042***
25	**Fund Balances Brought Forward**			**2016/17**	**2015/2016**
	Bank Accounts			1,359,986,921	1,032,683,875
	Cash in Hand				
	Accounts Receivable			1,547,928,375	996,092,408
	Accounts Payable			1,628,627,516	(76,552,172)
	Total				***1,962,224,111***
26	**Other Important Disclosures**			**2016/17**	**2015/2016**
	Pending Accounts Payable			1,249,845,319.27	1,864,532,687
	Pending Staff Payables			226,864,938.77	226,864,939
	Other Pending Payables			1,410,683,405.25	445,847,481
	Total			***2,537,245,107***	***2,537,245,107***

XII. ANNEXTURE 1: ANALYSIS OF OUTSTANDING IMPRESTS

COUNTY GOVERNMENT OF KISUMU			
OUTSTANDING IMPRESTS AND ADVANCES AS AT 30TH JUNE, 2017			
IDCOUNTY GOVERNMENT OF KISUMU	IMPREST/ADVANCE HOLDER	DEPARTMENT	OUTSTANDING AS AT 30/6/2017
19990027711	JACKLINE KEMUNTO OBWOGI	Agric. Livestock & Fisheries	124,000.00
20120004293	MAURICE OMONDI OKOTH	Agric. Livestock & Fisheries	100,000.00
20160145611	JEFFRAY ODHIAMBO BONYO	Agric. Livestock & Fisheries	33,600.00
1987051325	ERNEST MATENGO NYAMORI	Agric. Livestock & Fisheries	27,400.00
2006000456	BILLIARD ODUOR OBINGO	Agric. Livestock & Fisheries	40,000.00
1985030276	JESCA OUKO OREDO	Agric. Livestock & Fisheries	16,800.00
2010110629	DANIEL MESHACK OWINO WAMUNGA	Agric. Livestock & Fisheries	59,070.00
2006005498	DAVID SIMIYU MUTAMBO	Agric. Livestock & Fisheries	135,000.00
1985044843	PETER ODHIAMBO ODUKO	Agric. Livestock & Fisheries	100,000.00
1985046641	EMMY KAGEHA INGAIZA	Agric. Livestock & Fisheries	183,650.00
1987080251	STEPHEN ONYANGO AYUKO	Agric. Livestock & Fisheries	27,400.00
2011002015	GARRET ATIENO AWUOR	Agric. Livestock & Fisheries	77,300.00
1985030399	ARTHUR OMORO HONGO	Agric. Livestock & Fisheries	30,000.00
1987077355	OTIENO WILSON	Agric. Livestock & Fisheries	68,400.00
1997033599	BENARD GRUTENBURG KAGUNZA	Agric. Livestock & Fisheries	550,000.00
1990143157	ALBERT ALALA OMOLO	Agric. Livestock & Fisheries	25,200.00
1983053723	ANTHONY AGUANDA OYUNGA	Agric. Livestock & Fisheries	600,000.00
1987061859	TOBIAS OTIENO GOGA	Agric. Livestock & Fisheries	30,000.00
1997002912	ANYANGO TERESA OPIYO	Agric. Livestock & Fisheries	94,000.00
1997008162	GEORGE EVANS ODHIAMBO	Agric. Livestock & Fisheries	207,590.00
	Sub Total		**2,529,410.00**
20070006692	JANET WANYANDEH	Commerce & Tourism	37,800.00
19890015728	KENNETH FRANCIS OUMA	Commerce & Tourism	30,000.00
20010004734	GEORGE OGUNDOH ODHIAMBO	Commerce & Tourism	105,000.00
20130019439	ROSE KISIA OMONDI	Commerce & Tourism	1,041,830.00
1995085639	SIMON OSOME TILLA	Commerce & Tourism	39,600.00
1985099929	ODHIAMBO MALACHY RABARI	Commerce & Tourism	15,600.00
1996020975	OTIENO CHARLES MBURU	Commerce & Tourism	7,125.00
20160143297	PHILIP MWANGI ALOO	Commerce & Tourism	85,750.00
1990073378	ISAAC OMONDI OWICH	Commerce & Tourism	966,400.00
19980016797	IBRAHIM RAMADHAN ABDALLAH KASALA	Commerce & Tourism	29,400.00

1993036359	JACOB ONUNGA MUGA	Commerce & Tourism	40,600.00
2004001456	JOHN O OBIERO	Commerce & Tourism	133,800.00
	Sub Total		**2,532,905.00**
20150022469	MICHAEL ONYANGO	Communication & Information Technology	72,220.00
20100004822	ISAAC OTIENO OWINO	Communication & Information Technology	47,400.00
19990026723	MAURICE ODHIAMBO OTIENO	Communication & Information Technology	682,000.00
20140068551	MATHEWS ONYANGO	Communication & Information Technology	151,000.00
20100004082	ROSE ATIENO KIYAKA	Communication & Information Technology	49,800.00
20140068113	GEORGE JOASH AKONG'O ANYONG'A	Communication & Information Technology	549,102.00
2007066403	WEKESA FRED WAFULA	Communication & Information Technology	12,600.00
20120003590	CHRISTOPHER OGWENO ONDIJO	Communication & Information Technology	12,600.00
2007038290	BENSON OUMA NYAGOL	Communication & Information Technology	561,650.00
	Sub Total		**2,138,372.0**
20100004733	KENEDY AYIECHO JOHN	Education, Youth, Gender & Sports	757,400.00
20140068319	SAMWEL OKURO	Education, Youth, Gender & Sports	834,400.00
19980016537	JOHN ARUM OOKO	Education, Youth, Gender & Sports	20,000.00
1.9982E+11	GILBERT WASIKE	Education, Youth, Gender & Sports	16,000.00
20100003987	GEORGE ROMBO ORUDE	Education, Youth, Gender & Sports	450,150.00
20130019233	JENNIPHER ATIENO KERE	Education, Youth, Gender & Sports	604,028.00
20130019591	KENNEDY HONGO AKELLO	Education, Youth, Gender & Sports	151,200.00
20130032290	GEORGE OCHIENG ANANGA	Education, Youth, Gender & Sports	257,200.00
20150020081	ABIERO PETER OMONDI	Education, Youth, Gender & Sports	11,500.00
19990027506	PATRICK OGUTU ODHIAMBO	Education, Youth, Gender & Sports	330,000.00
20020004791	GEORGE ONDIEK ADEL	Education, Youth, Gender & Sports	62,000.00
20100004019	FREDRICK ONYANGO MUSUMBA	Education, Youth, Gender & Sports	207,400.00
20010004190	JACKTONE OCHECHE	Education, Youth, Gender & Sports	110,000.00
20010005615	EDWINA ADHIAMBO OLEWE	Education, Youth, Gender & Sports	13,450.00
19860007076	AUGUSTUS KUDONDO WERE	Education, Youth, Gender & Sports	439,450.00
1996010328	KENNETH KOATH OTIENO	Education, Youth, Gender & Sports	46,000.00
19990028585	LILIAN AMONDI ONEYA	Education, Youth, Gender & Sports	1,524,200.00
20100005490	CAROLYNE AWUOR OLANG'O	Education, Youth, Gender & Sports	20,000.00
ID 13598157	SAMUEL OKURO ONGWEN	Education, Youth, Gender & Sports	33,600.00
20010004725	BENSON OWINO	Education, Youth, Gender & Sports	37,800.00
2011215731	PETER OCHIENG AJANJA	Education, Youth, Gender & Sports	12,600.00
2011216572	MARTIN MURONO OWINO	Education, Youth, Gender & Sports	87,600.00
2011232936	EMILY OHORE	Education, Youth, Gender & Sports	134,300.00
1982027119	ADDAH ATIENO KASERA	Education, Youth, Gender & Sports	24,900.00
19990027579	FLORENCE AWINO OJWANG	Education, Youth, Gender & Sports	10,000.00
20110005117	SIMON OTILA OLANGO	Education, Youth, Gender & Sports	110,000.00
20120004506	DANIEL ODHIAMBO MAYOGA	Education, Youth, Gender & Sports	100,000.00
1988094122	JOSEPH NDINYO BUCHAMU	Education, Youth, Gender & Sports	83,000.00
1997034692	GEORGE NYANGENA MOIMBO	Education, Youth, Gender & Sports	17,100.00
1987121659	ROSEMARY ATIENO OTIENO	Education, Youth, Gender & Sports	22,400.00
	Sub Total		**6,527,678.00**
19980016411	CEPHAS KASERA ODHIAMBO	Finance & Planning	98,200.00

20140045870	JAMES KUNGU	Finance & Planning	108,600.00
19890013626	JULIUS OTIENDE OGENDO	Finance & Planning	33,000.00
20140009169	BEATRICE ATIENO OMOLLO	Finance & Planning	235,200.00
20150022469	MICHAEL ONYANGO	Finance & Planning	200,485.00
19810005193	MARGARET OTIENO AKINYI	Finance & Planning	20,000.00
19850005113	JOSEPH OGWEL SAMBA	Finance & Planning	1,487,400.00
19870014270	ELIZABETH KYALO WANDERA	Finance & Planning	30,000.00
19880013605	NICODEMUS OJWANG KOGUYO	Finance & Planning	125,800.00
19890016985	KEZIAH RHODA ASEMBO OKOTH	Finance & Planning	700,000.00
19900014388	ALFRED NYADIDA AKOMO	Finance & Planning	37,800.00
19910012921	ABEID OKECH NGORE	Finance & Planning	10,000.00
19930008834	RAPHAEL MBUYA OTIENO	Finance & Planning	88,000.00
19940013605	DEBORAH ANYANGO OMWA	Finance & Planning	337,500.00
19950006229	JANE MUKHONGO NASIMIYU	Finance & Planning	192,200.00
19950006443	ROSE ADHIAMBO ODHIAMBO OUYA	Finance & Planning	682,500.00
19960012471	MAURICE AKUMU ONYANGO	Finance & Planning	470,000.00
1996019102	MAURICE OMONDI OYARO	Finance & Planning	700,000.00
19980016537	JOHN ARUM OOKO	Finance & Planning	10,000.00
19980016662	JEREMIAH WILSON O OBANDA	Finance & Planning	122,500.00
19980016715	CHARLES OWINO ODEK	Finance & Planning	729,500.
1.9989E+11	JAMES GORO ORONGE	Finance & Planning	68,600.00
19990027033	BARACK ODWAR MUGA	Finance & Planning	548,000.00
19990027499	LILIAN ANYANGO OUMA	Finance & Planning	787,500.00
20010004556	WYCLIFE ORWA AMBUSO	Finance & Planning	8,400.00
20010006461	ELIAS OWINO NDOLO	Finance & Planning	3,969,940.00
20010006470	ERICK KIBET LAIGONG	Finance & Planning	3,011,300.00
20070006656	JAOKO, Mr. SAMUEL OCHIENG	Finance & Planning	787,500.00
20080003943	ELIZABETH AKINYI OKOTH	Finance & Planning	630,000.00
20100004457	EMMANUEL OTIENO OPETU	Finance & Planning	1,021,200.00
20120004659	LUKE ODHIAMBO JUMA	Finance & Planning	30,000.00
20120004819	CAROLINE RONO CHELANGAT	Finance & Planning	30,200.00
20150009395	SOLOMON OGIRE ABONGO	Finance & Planning	787,500.00
20010006443	JOSEPH GOROBA OLUM	Finance & Planning	213,200.00
2453	VIOLET SALLY ONYANGO	Finance & Planning	482,276.00
20090004827	PETER OGOLA OGADA	Finance & Planning	28,000.00
20120004588	JOHN OMONDI OBIERO	Finance & Planning	56,700.00
20150009377	JACOB OWITI ODONGO	Finance & Planning	935,340.00
20120006108	UMMY ABDALLAH	Finance & Planning	69,850.00
2010014572	TITUS OLOO ASEKA	Finance & Planning	543,200.00
20010005482	LETECIA AWUOR ODHIAMBO	Finance & Planning	1,237,500.00
19790007797	ROSE GENGA AKUMU	Finance & Planning	43,600.00
19840002066	MOSES NYAMBURA OSEWE	Finance & Planning	81,560.00
20020004871	LEONARD OLUOCH RAJORO	Finance & Planning	30,000.00
20160145728	EDWARD OKOTH OMOL	Finance & Planning	237,157.00
1989132559	MARY CHAUSIKU MUSUMBA	Finance & Planning	20,000.00
2006068365	MARGARET ACHIENG OUMA	Finance & Planning	395,800.00
2010056443	WILSON OPONDO ABIERO	Finance & Planning	38,600.00
20140068113	GEORGE JOASH AKONG'O ANYONG'A	Finance & Planning	260,200.00
2006007953	JOSEPH ONYANGO OKELLO	Finance & Planning	28,000.00
2013014001	BEN MOGARE MOMANYI	Finance & Planning	147,940.00
20160145737	CARREN NANCY OTIENO	Finance & Planning	237,157.00
20100004466	SILFANUS MUNALA	Finance & Planning	36,500.00
20160159213	CHARLES OTIENO LUSI	Finance & Planning	12,600.00

1981050567	ALEX OGUTU AYATTA	Finance & Planning	66,000.00
1980136750	PHILEMON ODIDI AGULO	Finance & Planning	35,000.00
2007028928	ANDREA OWINO OLOO	Finance & Planning	41,000.00
20100004000	JACOB ODHIAMBO OWAKA	Finance & Planning	52,250.00
2007038290	BENSON OUMA NYAGOL	Finance & Planning	202,781.00
	Sub Total		
			23,631,036.00
20130020003	SYPROSE AWINO ODUPE	Governance & Administration	164,600.00
20080004264	ADRIAN O OUMA	Governance & Administration	33,600.00
20120004800	LYDIA ATIENO MUGA	Governance & Administration	18,650.00
20140009169	BEATRICE ATIENO OMOLLO	Governance & Administration	173,128.00
2014240035	ROBERT GIKUNDA MWENDA	Governance & Administration	18,900.00
1989018640	NICODEMUS O OCHUNG'	Governance & Administration	260,000.00
20140068631	DOROTHY AUMA OKUMU	Governance & Administration	33,600.00
19890017026	SYLVIA AKOTH ORIMBO	Governance & Administration	1,454,285.00
19930008772	PATRICK SAMWEL OKETCH OCHIENG	Governance & Administration	319,800.00
19940013605	DEBORAH ANYANGO OMWA	Governance & Administration	11,300.00
19950006523	SILAS OWITI OSIR	Governance & Administration	80,200.00
19950006649	PETER SIMON OMOLO KAYILA	Governance & Administration	53,600.'
1996019102	MAURICE OMONDI OYARO	Governance & Administration	105,200.00
1996020739	JUDITH OMOGO AKINYI	Governance & Administration	220,400.00
1.9989E+11	JAMES GORO ORONGE	Governance & Administration	62,000.00
19990027033	BARACK ODWAR MUGA	Governance & Administration	120,000.00
19990027275	JUDITH NORA AWUOR	Governance & Administration	30,000.00
19990027499	LILIAN ANYANGO OUMA	Governance & Administration	195,475.00
20010004225	SOLOMON OLANG OKINYI	Governance & Administration	71,300.00
20010004350	GEORGE TINDI OWUOTH	Governance & Administration	59,500.00
20010005820	LILIAN ODONGO AKINYI	Governance & Administration	276,800.00
20010005857	PAUL CHERUIYOT ROTICH	Governance & Administration	109,100.00
20010006952	PETER OGEMO OKUMU	Governance & Administration	256,200.00
20060001390	MELITUS AGRIPA ONDHOWE	Governance & Administration	44,800.00
20080003943	ELIZABETH AKINYI OKOTH	Governance & Administration	30,000.00
20100072821	PEREZ AGINGA OGONJO	Governance & Administration	2,274,495.00
20120004499	AGNES OTIENO ACHIENG	Governance & Administration	30,000.00
20120004659	LUKE ODHIAMBO JUMA	Governance & Administration	61,300.00
20130011513	JACTONE NYANUNGO RANGUMA	Governance & Administration	703,265.00
20130020129	JACKSON OTIENO OMONDI	Governance & Administration	32,200.00
20130020174	RISPER ANYANGO OOKO	Governance & Administration	759,590.00
20130020183	DAN KIDHA KIDHA	Governance & Administration	604,410.00
20130020218	ELIZABETH AWITI OLWA	Governance & Administration	199,400.00
20130032772	ERICK AWUONDO ODIDA	Governance & Administration	304,626.00
20130032816	TITUS ODHIAMBO OMANYI	Governance & Administration	165,640.00
20150009395	SOLOMON OGIRE ABONGO	Governance & Administration	608,675.00
20150020081	ABIERO PETER OMONDI	Governance & Administration	195,400.00
20150065928	JACINTA ALUOCH	Governance & Administration	571,626.00
ID 22877591	MATHEWS ONYANGO	Governance & Administration	34,480.00
ID 7423079	SAMSON JAGERO	Governance & Administration	149,000.00
ID 8974555	MAURICE MBOM ORICHO	Governance & Administration	960,000.00
ID10923083	VINCENT OCHIENG ORAYO	Governance & Administration	387,850.00
25000023011	JACKSON ODENY OYOO	Governance & Administration	66,000.00
19970012929	DIDACUS OCHIENG OLOYA	Governance & Administration	26,000.00
20010005606	FREDRICK MALOWA ABURA	Governance & Administration	1,038,625.00
20070005953	GLADYS AKOTH OLWANDE	Governance & Administration	63,075.00

20070006272	CAROLINE ONJALA AKINYI	Governance & Administration	75,200.00
20140068095	WYCLIFFE LAMECK OCHIENG	Governance & Administration	33,600.00
ID 20960726	MAGDALINE AOKO WASAMA	Governance & Administration	60,000.00
ID 2514981	OWADE KEVIN OTIENO	Governance & Administration	33,600.00
ID 26130667	HIBRAHIM OTIENO MBOYA	Governance & Administration	33,600.00
10165788	AMOS WILLIAM OMOLO	Governance & Administration	860,110.00
20010004538	LYNETTE AKOTH ALI	Governance & Administration	25,475.00
20120005763	DANIEL OKOTH OGADA	Governance & Administration	236,700.00
20130013464	RUTH ADHIAMBO BUSIA ODINGA	Governance & Administration	1,469,342.00
20130032807	TOM MBOYA WABORE	Governance & Administration	19,600.00
20130032834	HAGGAI HAWI KADIRI	Governance & Administration	34,000.00
ID 13891777	ANGIRAH RAWLING JUMAH	Governance & Administration	50,000.00
ID 8974947	SAMWEL OMONDI ORON	Governance & Administration	97,650.00
20130020003	ODUPE SYPROSE AWINO	Governance & Administration	19,600.00
1997069613	MAURICE NGALA KISERA	Governance & Administration	31,500.00
2001010082	WELLINGTON OWISO ODHIAMBO	Governance & Administration	37,800.00
2005009512	JOASY NYARANGO OMBACH	Governance & Administration	88,200.00
2008135346	ROGERS ONSARE M. OMWANCHA	Governance & Administration	82,600.00
2011350639	PROSPER BAHATIDOLA OBIERO	Governance & Administration	94,500.00
19980018031	CHRISTINE ATUDO ACHIENG	Governance & Administration	30,000.
20120003858	JOSEPH JUMA ONYANGO	Governance & Administration	170,880.00
5102	WILSON NASHON OGWANG' OGUYA	Governance & Administration	77,200.00
19960012337	WILSON ANYANGO OCHIENG	Governance & Administration	49,800.00
ID13601366	GEDFREY OCHIENG DIENYA	Governance & Administration	656,070.00
2012033146	PAUL KIPROP BIWOT	Governance & Administration	60,700.00
20010005482	LETECIA AWUOR ODHIAMBO	Governance & Administration	625,300.00
20150133903	DENNISH ONYANGO OGOLA	Governance & Administration	290,000.00
1994037015	OKUKU HUMPHREY NAKITARI	Governance & Administration	404,602.00
1981050567	ALEX OGUTU AYATTA	Governance & Administration	47,000.00
1980121527	AGGREY NANDWA OMUKUBA	Governance & Administration	26,000.00
1985054864	EMMANUEL KILINDA KILEI	Governance & Administration	495,600.00
1980136750	PHILEMON ODIDI AGULO	Governance & Administration	33,600.00
20120004506	DANIEL ODHIAMBO MAYOGA	Governance & Administration	188,000.00
1984097568	JOASH OTIENO OWIRO	Governance & Administration	50,400.00
	Sub Total		**20,026,324.00**
19950006952	GAUDENSIA MONY ONOKA	Health	45,200.00
20010004225	SOLOMON OLANG OKINYI	Health	32,400.00
20070006290	AYUB AKETCH OGADA	Health	94,000.00
OMINDE	ELIZABETH ANYANGO OMINDE	Health	435,831.00
1991066358	NICHOLAS OMOLO PULE	Health	115,830.00
1981017721	PEREZ AKELLO AKETCH	Health	22,400.00
1986102204	DINAH KAMLA MBUYA	Health	75,600.00
1991081722	JOSHUA OJWANG LUSI	Health	89,800.00
1994060238	FLORENCE ATIENO ANEYA	Health	69,525.00
1978011041	ARTHUR LUBANGA SHIKANDA	Health	23,500.00
2007132599	JAPHETH MAKONO OMWENGA	Health	250,000.00
1996115568	LEAH MAKORI MATUNDA	Health	52,000.00
2004003571	JANE ATIENO OWOUR	Health	27,200.00
2011240485	APOLLO ODUOR OTIENO	Health	44,100.00
	Sub Total		**1,377,386.00**

20000015181	LILLIAN ALUOCH OCHIENG	Industrialization & Enterprise Development	38,350.00
20150066069	JOHNSON AWUOR	Industrialization & Enterprise Development	754,571.00
1990000812	SELINE ADHIAMBO AGENGO	Industrialization & Enterprise Development	156,600.00
19900013498	LILLIAN ACHIENG OBANDA	Industrialization & Enterprise Development	30,000.00
20120004426	ANNE AKINYI ONG'ELE	Industrialization & Enterprise Development	38,350.00
19980016591	METABEL ATIENO OPIYO	Industrialization & Enterprise Development	50,000.00
20010006596	LEA APIYO OSIRO	Industrialization & Enterprise Development	184,400.00
20160117046	JACINTER AWINO OUSO	Industrialization & Enterprise Development	345,000.00
20160145700	SAMUEL ODONGO ANYANGA	Industrialization & Enterprise Development	47,000.00
1981105142	HAMILTON ONYANGO NGAYWA	Industrialization & Enterprise Development	1,000.00
1981120736	DEBRA OTIRA OCHIENG	Industrialization & Enterprise Development	21,000.00
2009050989	ERIC GESIMBA OMANGA	Industrialization & Enterprise Development	13,510.00
20160117037	PHILIP AKAMA	Industrialization & Enterprise Development	25,000.00
1986042381	LUCAS MUTHAMI LUGANDA	Industrialization & Enterprise Development	185,000.[illegible]
2007045653	JAFETH OCHIENG ATITO	Industrialization & Enterprise Development	303,000.00
1998013940	JOHNSTONE KIPLAGAT RONO	Industrialization & Enterprise Development	30,000.00
1987036074	JANE FLORENCE ADHIAMBO	Industrialization & Enterprise Development	150,000.00
2006042343	GIDEON ODUOL	Industrialization & Enterprise Development	17,000.00
1984129373	ZEPHANIA OCHOLA OSOK	Industrialization & Enterprise Development	30,000.00
	Sub Total		**2,419,781.00**
2009006265	JANET MULONGO WANGORO	Lands. Housing & Physical Planning	20,000.00
1979197963	MARCELLA TERESA MANGERA	Lands. Housing & Physical Planning	30,000.00
1984125921	HENRY JAKOYO ODUMA	Lands. Housing & Physical Planning	6,300.00
2012005106	LEAH CATHERINE SOITA	Lands. Housing & Physical Planning	37,000.00
2012006327	EMILY ADHIAMBO OGONDO	Lands. Housing & Physical Planning	20,000.00
	Sub Total		**113,300.00**
20150009368	SILVIA AUMA ONYANGO	Transport, Roads & Infrastructure	28,900.00
20010006069	PATRICIA JOYCE WAITHERA	Transport, Roads & Infrastructure	20,000.00
20150022021	AWUOR BEATRICE ODHUL	Transport, Roads & Infrastructure	399,000.00
20020005083	LILIAN AMONDI OWUOR	Transport, Roads & Infrastructure	40,000.00
20010008670	ERASTUS MALANGA OTIENO	Transport, Roads & Infrastructure	30,000.00
20100005721	MICHAEL KANGOGO KIPTARUS	Transport, Roads & Infrastructure	150,000.00
2010014572	TITUS OLOO ASEKA	Transport, Roads & Infrastructure	736,900.00
1980057689	JARED OGOLLA KAJANGARA	Transport, Roads & Infrastructure	29,981.00
1999010490	EUNICE ATIENO MUGA	Transport, Roads & Infrastructure	40,000.00
	Sub Total		**1,474,781.00**
20120003625	JOSEPH OGEMBO	Water, Environment & Natural Resources	30,000.00
20010005277	SUSAN KIMUDI KIPROTICH	Water, Environment & Natural Resources	57,000.00
20010005802	JOHN MATHEW SANDE	Water, Environment & Natural Resources	161,100.00
20120003563	SOSPETER MIMBA ONUNGA	Water, Environment & Natural Resources	648,104.00

1984050794	DANISH ODERO ADEMBA	Water, Environment & Natural Resources	30,000.00
1979148532	JOHN OWENGA	Water, Environment & Natural Resources	235,200.00
1982071590	GEORGE OUKO AGINGU	Water, Environment & Natural Resources	66,100.00
1983052086	PAUL OMAYA UMAYA	Water, Environment & Natural Resources	30,000.00
1990117148	CAREN OMOLO OMOLO	Water, Environment & Natural Resources	60,000.00
1996032354	EMILLY AKOTH OTIENO	Water, Environment & Natural Resources	366,950.00
1996055637	GEORGE OLUOCH OWITI	Water, Environment & Natural Resources	27,200.00
1997088950	BEATRICE OTIENO ADHIAMBO	Water, Environment & Natural Resources	36,500.00
1999008697	MAUREEN ACHIENG DAYA	Water, Environment & Natural Resources	30,000.00
1987078945	EMMA OGINGA OLENYO	Water, Environment & Natural Resources	30,000.00
19940013632	LILLIAN ATIENO OCHAI	Water, Environment & Natural Resources	50,000.00
19850004474	SOPHIA MULAMA	Water, Environment & Natural Resources	560,000.00
ID 3336113	LOICE MILRED AKINYI OMORO	Water, Environment & Natural Resources	29,400.00
1984125117	GEORGE AKECH KOYIER	Water, Environment & Natural Resources	245,346.00
20100004466	SILVANUS MUNALA	Water, Environment & Natural Resources	150,000.00
1989145196	MAURICE NYADIANGA OGINGA	Water, Environment & Natural Resources	65,300.00
	Sub Total		**2,908,200.00**
20160040620	HONGO HARRIET AMULEN	County Public Service Board	29,500.[illegible]
2010126492	BERYL AKINYI	Communication & Information Technology	171,049.00
25000023011	JACKSON ODENY OYOO	County Public Service Board	146,000.00
2800	MOSES ONDIEK ODINGO	County Public Service Board	52,000.00
2453	VIOLET SALLY ONYANGO	County Public Service Board	28,000.00
6547	EMILY ATIENO OLAGO	County Public Service Board	94,000.00
9585	BETTY ATIENO OKOTH ASUNAH	County Public Service Board	52,000.00
20130046678	HESBON OWUOR HONGO	County Public Service Board	108,000.00
5102	WILSON NASHON OGWANG' OGUYA	County Public Service Board	399,150.00
20150022049	PHILIP NYUMBA	County Public Service Board	64,900.00
20160064933	NANCY CLAIRE JUMA	County Public Service Board	11,250.00
	Sub Total		**1,155,849.00**
	TOTAL		66,835,022.00

XIII. ANNEXTURE 2: ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
	a	b	c	d=a-c		
Construction of buildings						
1. Various Civil Contractors			0	775,087,455.42		
Construction of civil works						
2. Various Road Contractors			0	474,757,863.85		

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
Supply of goods						
3. Various Suppliers				1,410,683,405.25		
Grand Total				2,310,380,168.23		

XIV. ANNEXTURE 3: ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
		a	b	c	d=a-c		
Others							
1. Salaries Deductions to various SACCOS					226,864,938.77		

XV. ANNEXTURE 4: ANALYSIS OF ASSETS ACQUIRED BY THE COUNTY

	ASSET DESCRIPTION	2013/2014	2014/2015	2015/2016	2016/2017	TOTAL
1	Office Furniture & Fittings	11,564,227.00	11,894,743.00	18,790,283.00	30,092,859	83,239,675
3	Computers & Computer Accessories	12,308,205.00	25,502,469.00	63,157,666.00	75,936,454	177,838,639
4	Motor Vehicles	22,420,945.72	285,148,320.00	328,347,664.00	94,232,914	730,149,843.72
5	Plant & Machinery	46,297,800.00	6,961,101.00	10,880,802.00	81,353,162	145,492,865
6	Community Assets	-	183,630,984.14	182,409,021.56		
7	Land & Buildings	930,000.00	25,000,000.00	10,000,000.00	112,034,680	147,964,680
8	Other Assets	-	-	2,323,400.00	1,242,177,491	1,244,500,891
	Total	93,521,177.72	538,137,617.14	615,908,836.56	1,559,967,496	16,819,366,535.40