

REPUBLIC OF KENYA



Enhancing Accountability



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REPORT

OF

THE AUDITOR-GENERAL

ON

**RECEIVER OF REVENUE – REVENUE
STATEMENTS**

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

COUNTY GOVERNMENT OF MIGORI



RECEIVER OF REVENUE
COUNTY GOVERNMENT OF MIGORI

REVENUE STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022

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

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I. Key Entity Information and Management

(a) Background information

The receiver of revenue is under the Department of Finance. At the County Executive Committee level, the receiver of revenue is represented by the County Executive committee member for Finance, who is responsible for the general policy and strategic direction of the receiver of revenue. The receiver of revenue is designated as a receiver on Migori by the County Executive Committee member for Finance, in accordance with section 157 of the PFM Act.

(b) Principal activities

The receiver of revenue collects revenue and remits to the County Revenue Fund (CRF).

(c) Key Management

The County Government of Migori day-to-day management of revenue is under the following:

- County Executive Committee Member for Finance
- Chief Officer, Finance
- Chief Officers, in charge of departments collecting revenue
- County revenue Officer

(d) County Headquarters

Telephone: (254) 726319450/ 73

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E-mail: info@migori.go.ke

Website: www.migori.go.ke

(e) Independent Auditors

Auditor General

Kenya National Audit Office

Anniversary Towers, University Way

P. O. Box 30084

GPO 00100

Nairobi, Kenya

(f) Bankers

Kenya Commercial Bank
Migori Branch
P.O Box 54, 40400
Migori

II. Foreword By the CECM Finance and Economic Planning

It gives me pleasure to present the County Government of Migori financial statements for the financial year ending 30th June 2022. The financial statements present the financial performance of the county government over the past twelve months.

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



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CECM Finance and Economic Planning

County Government of Migori

III. Statement of Receiver of Revenue's responsibilities

Section 165 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, a receiver of revenue for a county government shall prepare an account in respect of the revenue collected, received and recovered by the receiver during that financial year.

The Receiver of Revenue is responsible for the preparation and presentation of thereceiver of revenue account, which gives a true and fair view of the state of affairs of the receiver of revenue for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period,(ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the statement of assets and liabilities of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

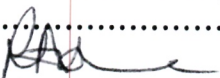
The Receiver of Revenuein charge accepts responsibility for the entity's receiver of revenue accounts, which have been prepared on the Cash Basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS)and relevant legal framework of the Government of Kenya.The Receiver of Revenueis of the opinion that the entity's receiver of revenue account gives a true and fair view of the state of entity's receiver of revenue transactions during the financial year ended June 30, 2022, and of the entity's statement of assets and liabilities as at that date. The Receiver of Revenuefurther confirms the completeness of the accounting records maintained, which have been relied upon in the preparation of the receiver of revenueaccount as well as the adequacy of the systems of internal financial control.

The Receiver of Revenue confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants(where applicable). The Receiver of Revenue confirms that the revenue 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 Revenue Statements

The revenuestatements were approved and signed by the Receiver of Revenue on25th September 2022

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County Receiver of Revenue

REPUBLIC OF KENYA

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Enhancing Accountability

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON RECEIVER OF REVENUE - REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2022 - COUNTY GOVERNMENT OF MIGORI

PREAMBLE

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

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

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

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

REPORT ON THE REVENUE STATEMENTS

Qualified Opinion

I have audited the accompanying revenue statements of Receiver of Revenue - Revenue Statements - County Government of Migori set out on pages 1 to 14, which comprise of the statement of receipts and disbursements, statement of financial assets and liabilities as at 30 June, 2022, and statement of comparison of budget and actual amounts for the

Report of the Auditor-General on Receiver of Revenue - Revenue Statements for the year ended 30 June, 2022 - County Government of Migori

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Receiver of Revenue - Revenue Statements as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0. Rents and Rates Collected Through Outdated Valuation Roll

The statement of receipts and disbursements reflects land or poll rate of Kshs.4,100,692 and property rent of Kshs.5,018,610 as disclosed in Notes 2 and 4 to the financial statements respectively. However, review of the land rate collection records revealed that the County Executive of Migori has been using a valuation roll developed in 2008 for Migori Municipal Council to determine the amount to be paid as rates to the County. The valuation roll does not cover all the properties in the county or consider their current value which has greatly appreciated.

In the circumstances, the accuracy and completeness of the land or poll rate and property rent totalling Kshs.9,119,302 could not be confirmed.

2.0. Unsupported Bank Balance

The statement of financial assets and liabilities reflects cash and bank balances of Kshs.107,531,327 and as disclosed in Note 17 to the financial statements which comprise of cash at hand of Kshs.3,198,698 and bank balance of Kshs.104,332,629. Further, Management did not provide for audit the cash book, bank reconciliation statement, certificate of confirmation of bank balances for a bank account with a balance of Kshs.49,565,203 in respect of hospital accounts - Linda Mama or NHIF Rebate.

In the circumstances, the accuracy and completeness of the bank balance of Kshs.104,332,629 as at 30 June, 2022 could not be confirmed.

3.0. Unexplained Balance Due for Disbursement

The statement of receipts and disbursement reflects total receipts of Kshs.386,686,546 and balance brought forward amount of Kshs.32,123,581, leaving a balance of Kshs.107,531,327 due for disbursement to County Revenue Fund. However, Management did not provide adequate explanation why the remaining balance had not been disbursed to the CRF by the closure of the financial year 30 June, 2022 in line with Section 109(2) of the Public Finance Management Act, 2012 which provides that the County Treasury for each county government shall ensure that all money raised or received by or on behalf of the county government is paid into the County Revenue Fund.

In the circumstances, the regularity and completeness of the balance due for disbursement of Kshs.107,531,327 could not be confirmed.

4.0. Incomplete Statement of Arrears of Revenue

The statement of arrears of revenue reflects a balance of Kshs.62,569,542. However, Management did not disclose arrears of revenue balances brought forward, additions for the year and measures to recover the arrears for fourteen (14) streams of revenue as required by the template for reporting of revenue by the Public Sector Accounting Standard Board (PSASB) for the year ended 30 June, 2022.

In the circumstances, the accuracy and completeness of the statement of arrears of revenue of Kshs.62,569,542 as at 30 June, 2022 could not be confirmed.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Supply, Installation and Implementation of a Revenue Management System

Review of procurement documents revealed that Management implemented a revenue collection system at a contract sum of Kshs.23,000,000. However, physical inspection revealed that six (6) revenue centers had partially been rolled out while five (5) had not been rolled out.

In addition, the following anomalies were noted in the deployment and management of the revenue automation system;

- i. The revenue targets have not been set on the Revenue Management System therefore no comparison can be made between the collected revenue and the set targets. Further, Standard customers like business owners and landlords have not been added to the revenue system;
- ii. Revenue officers in Kuria East, Nyatike, Uriri and Awendo Sub-Counties were not enabled to use the revenue system as ICT infrastructure had not been provided;

- iii. The system allows collection of revenue through M-Pesa and Cash. However, Management did not provide for audit review M-Pesa statement as evidence that the collections were deposited in CRF account;
- iv. The system is not adequately secured against cyber-attacks including session management, SSL, two-factor authentication, 3-d secure, card security standards, PCI, DSS and CISP. Thus, the system uses an insecure HTTP protocol that can be accessed from any network;
- v. The system has not been enabled to capture all logs. Other than transactions, there are no logs for system changes and administrators' activities. The system does not capture logs of account modification such as when an account is enabled or disabled, when access rights are modified and the person who has made the modifications;
- vi. There is no power backup for the desktop computers used by the administrators and the cashiers; and
- vii. Administrators of the system and the accounts used by the developers are able to grant or deny themselves user roles at will. At their own discretion they choose which roles to assign themselves and at what time. Some users and all the developers' accounts had been assigned all the possible roles in the Revenue Management System. There are users in the system who had access rights that do not relate to their job responsibilities. They have been assigned roles that cut across several departments which was inconsistent with their actual responsibilities.

In the circumstances, the effectiveness of the implemented revenue collection system could not be confirmed.

2.0 Supply and Configuration of Point of Sales (POS) Equipment

The County Government contracted a supplier to supply and configure 350 point of sales (POS) equipment at a contract sum of Kshs.24,200,000 for revenue. However, only eighty-one (81) out of the 350 POS gadgets had been configured while 269 POS were not configured.

In the circumstances, the value for money from the purchase of 350 POS was not realized.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


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

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


04 April, 2023

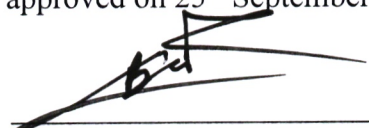
Receiver Of Revenue
County Government Of Migori
Revenue Statements for the Period Ended 30th June 2022

V. Statement of Receipts and Disbursements for the year ended 30th June 2022

	Note	2021/22 Kshs
County Own Source Revenue		
Cess	1	62,213,187
Land/Poll Rate	2	4,100,692
Single/Business Permits	3	56,379,970
Property Rent	4	5,018,610
Parking Fees	5	53,942,810
Market Fees	6	48,532,080
Advertising	7	13,694,582
Hospital Fees	8	120,622,404
Public Health Service Fees	9	6,443,570
Physical Planning and Development	10	6,031,161
Hire Of County Assets	11	1,842,670
Conservancy Administration	12	411,700
Administration Control Fees and Charges	13	1,333,130
Other Fines, Penalties, And Forfeiture Fees	14	632,430
Miscellaneous receipts	15	5,487,550
Total County Own Source Revenue		386,686,546
Other Receipts		
Donations/Grants Not Received Through CRF	16	0
Total Other Receipts		0
Total Receipts		386,686,546
Balance b/f at the beginning of the year		32,123,581
Disbursements To CRF		(311,278,800)
Balance Due for Disbursement		107,531,327

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 25th September 2022 and signed by:


County Receiver of Revenue
 Roseline Otieno


Head of Revenue
 Collins Bala
 ICPAK Member Number:4494

*Receiver Of Revenue
County Government Of Migori
Revenue Statements for the Period Ended 30th June 2022*

VI. Statement of Financial Assets and Liabilities As At 30th June 2022

	Note	2021/22
		Kshs
Financial Assets		
Cash And Cash Equivalentents		
Bank Balances	17	104,332,629
Cash In Hand	18	3,198,698
Total Financial Assets		107,531,327
Total Financial Assets		107,531,327
Financial Liabilities		
Payables-Due to CRF	19	107,531,327
Total Financial Liabilities		107,531,327

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 25th September 2022 and signed by:



.....
County Receiver of Revenue
Roseline Otieno



.....
Head of Revenue
Collins Bala
ICPAK Member Number:4494

*Receiver Of Revenue
County Government Of Migori
Revenue Statements for the Period Ended 30th June 2022*


VII. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30th June 2022

Receipt	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Realization Difference	% Of Realization
	A	B	C=A+B	D	E=C-D	F=D/C%
County Own Source Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	
Cess	60,350,000	15,087,500	75,437,500	62,213,187	13,224,313	82
Land/Poll Rate	8,575,400	2,143,850	10,719,250	4,100,692	6,618,558	38
Single/Business Permits	50,050,000	12,512,500	62,562,500	56,379,970	6,182,530	90
Property Rent	3,200,000	800,000	4,000,000	5,018,610	(1,018,610)	125
Parking Fees	53,000,000	13,250,000	66,250,000	53,942,810	12,307,190	81
Market Fees	20,000,000	5,000,000	25,000,000	48,532,080	(23,532,080)	194
Advertising	9,824,560	2,455,440	12,280,000	13,694,582	(1,414,582)	112
Hospital Fees	54,179,840	6,669,960	60,849,800	120,622,404	(59,772,604)	198
Public Health Service Fees	6,982,000	1,745,500	8,727,500	6,443,570	2,283,930	74
Physical Planning and Development	6,200,000	8,425,000	14,625,000	6,031,161	8,593,839	41
Hire Of County Assets	2,326,200	581,550	2,907,750	1,842,670	1,065,080	63
Conservancy Administration	300,000	75,700	375,700	411,700	(36,000)	110
Administration Control Fees and Charges	3,048,000	762,000	3,810,000	1,333,130	2,476,870	35
Other Fines, Penalties, And Forfeiture Fees	1,964,000	491,000	2,455,000	632,430	1,822,570	26

*Receiver Of Revenue
County Government Of Migori
Revenue Statements for the Period Ended 30th June 2022*

Receipt	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Realization Difference	% Of Realization
	A	B	C=A+B	D	E=C-D	F=D/C %
Miscellaneous receipts		-		5,487,550	(5,487,550)	
Total County Own Source Revenue	280,000,000	70,000,000	350,000,000	386,686,546	(36,686,546)	110
Other Receipts					-	
Donations /Grants Not Received Through CRF					-	
Total Other Receipts	280,000,000	70,000,000	350,000,000	386,686,546	(36,686,546)	110

The County Receiver of revenue's financial statements were approved on 25th September 2022 and signed by:

.....


County Receiver of Revenue
Roseline Otieno

.....


Head of Revenue
Collins Bala
ICPAK Member Number:4494

*Receiver Of Revenue
County Government Of Migori
Revenue Statements for the Period Ended 30th June 2022*

VIII. Statement of Arrears of Revenue As At 30th June 2022

Classification Of Receipts (Indicate As Applicable)	Balance as at 1st July 2021	Arrears received during the year	Additions in arrears for the current year to June 30, 2022	Total arrears as at 30 June 2022	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Single/Business Permits	0	0	57,601,530	57,601,530		
Advertising	0	0	4,968,012	4,968,012		
Total Arrears	0	0	<u>62,569,542</u>	<u>62,569,542</u>		

IX. Notes to the Financial Statements

Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

The revenue 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 relevant legal framework of the County Government *Migori*. 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 *entity*. The accounting policies adopted have been consistently applied to all the years presented.

The revenue statements have been prepared on the cash basis following the standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the *entity*.

2. Recognition of Receipts

The *entity* recognises all receipts from the various sources when the related cash has been received by the *entity*.

3. Budget

The County Revenue 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 budget was approved as required by law. The original budget was approved by the County Assembly for the period 1st July 2021 to 30 June 2022 as required by law. There was *two* number of supplementary budgets passed in the year. A high-level assessment of the County's actual performance against the comparable budget for the financial year under review has been included in these financial statements.

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 revenue collection accounts held at Commercial banks.

Notes to the Financial Statements (Continued)

5. Revenue in Arrears

This relates to revenue earned and is yet to be received or collected by the receiver of revenue. These arrears are disclosed under the statement of arrears as required under the PFM Act, 2012 Section 165 (2) (b) which is a memorandum statement.

6. Disbursements to CRF

The Receiver of Revenue has an arrangement for transfer of funds from its bank account to the CRF account. Total disbursements to the CRF are as a result of the transfer arrangement during the year

7. Comparative Figures

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

8. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the revenue statements for the year ended June 30, 2022

*Receiver Of Revenue
County Government Of Migori
Revenue Statements for the Period Ended 30th June 2022*

Notes To the Financial Statements (Continued)

1. Cess

Description	2021/22
	Kshs
Sugarcane	24,658,853
Tobacco	7,429,489
Maize/Rice	18,456,074
Fish	395,330
Copper/Gold	-
Tailing(sainate)	1,156,200
Sand/Stone	10,117,240
Total	62,213,187

2. Land/Poll rates

Description	2021/22
	Kshs
Land rates	2,736,612
Transport on Land	1,364,080
Total	4,100,692

3. Single /Business Permits

Description	2021/22
	Kshs
Single Business Permits	55,799,170
Cemetery(burial permit)	50,000
Distribution	530,800
Total	56,379,970

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Notes to the Financial Statements (continued)

4. Property Rent

Description	2021/22
	Kshs
Kiosk Fees	5,018,610
Total	5,018,610

5. Parking Fees

Description	2021/22
	Kshs
Bus Park	40,009,920
Motor Bike	1,753,230
Entry/Exit Fees	2,731,770
Taxi/Car	9,447,890
Total	53,942,810

6. Market Fees

Description	2021/22
	Kshs
Cattle Auction/Slaughter Fee	14,048,920
Market Fees	34,483,160
Total	48,532,080

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Notes to the Financial Statements (Continued)

7. Advertising

Descriptions	2021/22
	Kshs
Bill Boards	13,694,582
Total	13,694,582

8. Hospital Fees

Description	2021/22
	Kshs
Medical Services	120,622,404
Total	120,622,404

9. Public Health Service Fees

Description	2021/22
	Kshs
Building inspection	44,500
Public Health	6,399,070
Total	6,443,570

Notes to the Financial Statements (Continued)

10. Physical Planning and Development

Description	2021/22
	Kshs
Physical Planning	2,152,661
Survey	249,500
Public Works - Building	3,541,000
Public Service M(Enforcement)	88,000
Total	6,031,161

11. Hire Of County Assets

Description	2021/22
	Kshs
Public Works- Machinery Hire	319,000
Stadium/ Hall Hire	300
Public Works -Way Leave	98,120
Agriculture- Vet	813,950
-AMS	-
-Fisheries	611,300
Total	1,842,670

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Notes to the Financial Statement (Continued)

12. Conservancy Administration

Description	2021/22
	Kshs
Environment and NEMA	411,700
Total	411,700

13. Administration Control Fees and Charges

Description	2021/22
	Kshs
Weight and measures	943,930
Trade Department- Audit	272,000
T.O.L	117,200
Total	1,333,130

Notes to the financial statements (continued)

14. Other Fines, Penalties and Forfeitures

Description	2021/22
	Kshs
Penalties	632,430
Total	632,430

15. Miscellaneous Receipts

Description	2021/22
	Kshs
Others	5,487,550
Total	5,487,550

16. Donations And Grants Not Received Through CRF

Description	2021/22
	Kshs
Donations	0
Total	0

*Receiver Of Revenue
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Notes To the Financial Statements (Continued)

17. Bank Balances

Name of Bank, Account No. & currency	Amount in bank account currency	Exc. rate (if in foreign currency)	2021/22 Kshs
KCB – 1140763881, KES			2,715,851
EQUITY – 14302765223661, KES			52,051,575
Hospital Accounts-Linda Mama/NHIF Rebate			49,565,203
Total			104,332,629

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18. Cash in hand

Description	2021/22 Kshs
Cash	3,198,698
Total	3,198,698

19. Payables- Due To CRF

Payables	2021/22 Kshs
Balance b/f at the beginning of the year	32,123,581
Amount collected during the year	386,686,545.65
Amounts disbursed to CRF during the year	(311,278,800)
Balance c/d at the end of the year	107,531,327

