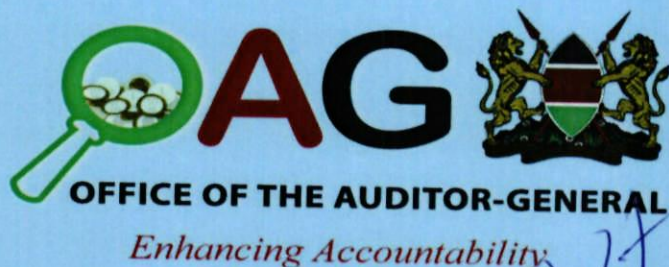


REPUBLIC OF KENYA



EXTRA
COPY

REPORT

OF

THE AUDITOR-GENERAL

ON

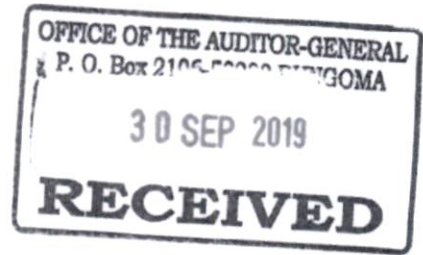
**BUSIA COUNTY ASSEMBLY CAR LOAN AND
MORTGAGE SCHEME (REVOLVING FUND)
FUND**

**FOR THE YEAR ENDED
30 JUNE, 2019**

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

Reports and Financial Statements

For the year ended JUNE 30, 2019



**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2019**

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

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)
Reports and Financial Statements
For the year ended June 30, 2019**

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**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

**Reports and Financial Statements
For the year ended June 30, 2019**

I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The scheme is established by the Busia County Assembly Revolving Act 2014 with an objective of issuing loans to members and staff of the county assembly.

(b) Key Management

County Assembly Revolving Fund day-to-day management is under:

- The Clerk to Assembly who is the funds administrator as provided for by the law establishing it in tandem with existing National Law on public financial management.
- The Clerk is answerable to County Assembly Revolving Fund Committee which is responsible for policy formulation and management as required by the Act establishing it.

(c) Fiduciary Management

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

Designation	Name
1.Clerk to assembly	CPA Allan .Mabuka
2.Principal Finance officer	CPA Gabriel Erambo
3.Accountant-Revolving Fund	Mr. Dennis Ojaamong
4.Legal Officer	Ms Maureen Ogombe
5.Chairperson Mortgage Committee	Hon Bernard Wamalwa
6.Deputy Clerk	Ms Caroline Imukutete

(d) Fiduciary Oversight Arrangements

The revolving Committee comprise of six MCAS, Clerk as Secretary and two technical staff serving on car loans committee.

- Attending Car/Mortgage committee meetings.
- Participating in verifying loan applications and subsequent loan awards to staff and MCAS
- Training loanees on loan repayment and application
- Conduct field visits to monitor and evaluate loanees progress
- Approving annual work plan and carrying out budgeting
- Audit and finance committee activities
- Parliamentary committee activities
- Development partner oversight activities
- Other oversight activities
- County assembly which provide for legislation
- Office of the controller of budget
- Auditor General office

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)
Reports and Financial Statements
For the year ended June 30, 2019**

(e) Entity Headquarters

County Assembly of Busia Revolving Fund
P.O BOX 1018-50400
Busia –Kenya

(f) Entity Contacts

Telephone: (254) 721675217

(g) Entity Bankers

1. Co-operative Bank-Busia Branch
2. Kenya Commercial Bank –Busia Branch

(h) Independent Auditors

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(i) Principal Legal Adviser

J.O.JUMA & Co Advocates
Tel 020-2219804
Mobile 0727-881479/0734877482

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

Reports and Financial Statements

For the year ended June 30, 2019

II. FORWARD BY THE FUND ADMINISTRATOR

Budget performance

During the Financial Year 2018/2019 County Assembly Revolving Fund committee managed to conduct part of its planned activities and maintained agreed ratios of 70% to 30% being loans to staff MCAs and administrative activities. Thus out of the total receipts of kshs 124,831,273.65 Staff were awarded Kshs 94,419,900.00 in loans while operational/administrative expenses amounted to kshs 1,275,127.50

Performance of key development projects

1. Loans disbursement to staff in the financial year 2018/2019 kshs 94,419,900.00
2. Loans recovery during the Financial Year 2018/2019 was kshs 97,247,427.30

Comment on value-for-money achievements

County Assembly Revolving Fund has wholly been owned by County Assembly staff and MCAS as indicated by the flow of loan repayment so far impressive.

Challenges and Recommended Way Forward

- Late disbursement of funds from County Treasury
- Increased demand for Loans for staff and MCAS
- Some Staff and Mcas don't understand Revolving Fund regulations,

RECOMENDATIONS

- County treasury to prioritise disbursement of funds on quarterly basis
- County assembly to increase allocation to the fund
- Staff and MCA'S are sensitized to understand the Revolving Fund Act.

Sign



FUND ADMINISTRATOR.

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

Reports and Financial Statements

For the year ended June 30, 2019

III. STATEMENT OF MANAGEMENT RESPONSIBILITIES

The Fund Administrator is responsible for the preparation and presentation of the County Assembly's financial statements, which give a true and fair view of the state of affairs of the County Assembly Revolving fund for the year ended on 30th June 2019. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Assembly Revolving Fund; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the County Assembly Revolving Fund; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The Fund Administrator accepts responsibility for the County Assembly Revolving Fund financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Fund Administrator is of the opinion that the County Assembly Revolving Fund financial statements give a true and fair view of the state of the County Assembly Revolving Fund transactions for the year ended 30th June 2019, and of its financial position as at that date. The Fund Administrator further confirms the completeness of the accounting records maintained for the County Assembly Revolving Fund which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control as we have procured a Car/Mortgage Software for efficient management of the Fund.

The fund Administrator confirms that the County Assembly revolving fund has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Assembly Revolving Fund funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Fund Administrator confirms that the County Assembly Revolving Fund financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

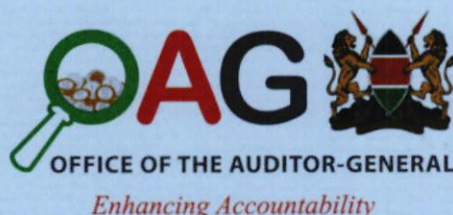
Approval of the financial statements

The County Assembly revolving fund's financial statements were approved and signed by the Fund Administrator on 13th SEPT 2019.



**CPA Allan Wafula Mabuka
Fund Administrator**

REPUBLIC OF KENYA



Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke

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

REPORT OF THE AUDITOR-GENERAL ON BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME (REVOLVING FUND) FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the Busia County Assembly Car Loan and Mortgage Scheme (Revolving Fund) set out on pages 8 to 25, which comprise the statement of financial assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts 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 paragraph, the financial statements present fairly, in all material respects the financial position of Busia County Assembly Car Loan and Mortgage Scheme (Revolving Fund) as at 30 June, 2019 and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the Busia County Assembly Revolving Fund Act, 2014 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Presentation of the Financial Statements

Review of the financial statements provided for audit revealed the following anomalies;

- a) The cover page indicates that the reports and financial statements were prepared in accordance with IPSAS Cash where as the financial statements were prepared on accrual basis.

- b) "Statement of Receipts and Payments" and "Statement of Financial Assets and Liabilities" were used, instead of "Statement of Financial Performance" and "Statement of Financial Position" respectively.
- c) Statement of change in net assets is not included in the financial statements, contrary to the requirements of IPSAS accrual template.
- d) The financial statements include a statement of budget execution by programmes and sub-programmes which is not required under accrual basis.
- e) Use of goods and services expenditure of Kshs.1,258,600 is not expounded in the notes.
- f) Progress on Follow Up of Auditor Recommendations does not capture issues reported in the Report of the Auditor-General on the Revolving Fund for the year 2017/2018.

In the circumstances, the financial statements do not comply with the IPSAS template..

2. Inaccuracies in the Financial Statements

2.1. Statement of Financial Assets and Liabilities

A review of the statement of financial assets and liabilities as at 30 June, 2019 revealed the following;

- (i) The statement reflects bank balances of Kshs.25,703,141. However, no approved bank reconciliation statements and board of survey reports were provided for audit review in order to support the amount.
- (ii) The statement and Annexure III (Analysis of Non-Refunded Borrowings) to the financial statements reflect amount due from the County Assembly of Kshs.23,920,452 which differs with County Assembly books balance of Kshs.32,462,838 leading to an unexplained and unreconciled variance of Kshs.8,542,296. The Kshs.23,920,452 shown in Annexure III also differs with recomputed figure of Kshs.31,962,838 by unexplained amount of Kshs.8,042,296.
- (iii) The statement reflects member's balances figure of Kshs.512,231,537 which differs with a figure of Kshs.440,938,647 recomputed using amounts in Annexure I, thereby leading to an unexplained and unreconciled amount of Kshs.71,292,890. The member's balances of Kshs.512,231,537 also excludes loans amounting to Kshs.94,419,900, disclosed in note 5 as having been disbursed to members during the year under review.

- (iv) The total amounts reflected in Annexure I – analysis of outstanding principal loan recoveries - differ with recomputed totals as tabulated below:

Description	Total as per Annexure I Kshs.	Recomputed Total Kshs.	Variance Kshs.
Amount Disbursed	624,551,975	620,551,975	4,000,000
Balance as at 1 July, 2018	527,050,461	523,123,488	3,926,973
Total Liability	541,310,176	537,383,203	3,926,973
Loan Repaid	96,449,557	96,444,557	5,000
Balance as at 30 June, 2019	512,871,520	440,938,647	71,932,873

- (v) The statement reflects fund balance brought forward amount of Kshs.618,257,604, which differs with closing fund balance of Kshs.616,982,476 reflected in the audited financial statements for the year 2017/2018 resulting to unreconciled variance of Kshs.1,275,128.
- (vi) The statement reflects total financial assets figure of Kshs.631,241,118, which differs with recomputed amount of Kshs.629,965,990 resulting to unreconciled variance of Kshs.1,275,128.

2.2. Statement of Cash Flows

The statement of cash flows for the year ended 30 June, 2019 reflects reimbursements and refunds amount of Kshs.113,988,785, while Note 2 to the financial statements shows a figure of Kshs.112,988,785, resulting in an unexplained variance of Kshs.1,000,000. Further, the figure of Kshs.112,988,785 includes loan principal repayments of Kshs.82,988,785 which differs with recomputed figure of Kshs.82,184,841 by Kshs.803,944.

The statement also reflects transfers to other government entities figure of Kshs.500,000 which, according to Note 4, was a refund of loan borrowed from the County Assembly. However, this amount was not included in the calculation of non-refunded borrowings in Annexure III.

2.3. Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts for the year ended 30 June, 2019 reflects actual on comparable basis amounts against nil budget amounts, casting doubt on whether management prepared a budget for the Fund.

2.4. Discrepancy between Financial Statements and Trial Balance

The financial statements varied with the trial balance in respect to the following three (3) items:

Item	Amount as per Financial Statements Kshs.	Amount as per Trial Balance Kshs.	Difference Kshs.
Interest received on loan	14,258,642	14,898,625	(639,983)
Members loan balances	512,231,537	512,871,520	(639,983)
Fund balance b/f	618,257,604	616,982,476	1,275,128

In the circumstances, it was not possible to ascertain completeness and accuracy of the above balances reported in the Fund's financial statements for the year ended 30 June, 2019.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Busia County Assembly Revolving Fund in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section of my report, I have determined that there are no Key Audit Matters to report.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

Further, as required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that nothing has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective way.

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Inconsistent Loans Recoveries from the Payroll

The review of the loan recovery records revealed that the loan recoveries made from the IPPD are not being remitted and banked intact to the Revolving Fund bank account. Further, based on previous unbanked balances and the recoveries made in the year under review, the outstanding balances of recoveries yet to be banked totaled Kshs. 68,110,862 as detailed below:

	Recoveries Kshs	Banking Kshs	Balance Unbanked Kshs
Balance Brought Forward	59,784,885	-	59,784,885
Jul- 18	8,699,847	30,000	68,454,732
Aug- 18	8,699,847	8,671,887	68,482,692
Sep-18	7,807,937	16,351,863	59,938,766
Oct-18	7,889,484	8,067,444	59,760,806
Nov-18	8,262,722	-	68,023,528
Dec-18	7,909,206	15,988,654	59,944,080
Jan-19	7,821,299	7,886,354	59,879,025
Feb-19	7,817,473	77,960	67,618,538
Mar-19	7,806,866	15,526,087	59,899,317
Apr-19	7,856,279	-	67,755,596
May-19	7,997,764	15,805,500	59,947,860
Jun-19	8,240,899	77,897	68,110,862
Total	96,809,622	88,483,647	

Consequently, the control over the repayments and recoveries needs to be reviewed to avoid losses.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for 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 Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless Management is aware of the intention to terminate the Fund or to close 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 money is applied in an effective manner.

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the entity 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 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.

In addition to the audit of the financial statements, a compliance review is planned and performed to express a conclusion with limited assurance as to whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

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

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


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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and for the purpose of giving an assurance on the effectiveness of the Fund'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 Fund'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 financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue 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 of the entities or business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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

14 January, 2022

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

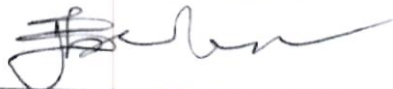
Reports and Financial Statements

For the year ended June 30, 2019

V. STATEMENT OF RECEIPTS AND PAYMENTS

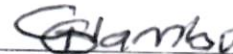
	Note	2018/19 Kshs	Restated 2017/18 Kshs	2017/18 Kshs
RECEIPTS				
Transfers from the Other Government Entities	1	-	270,000,000	270,000,000.00
Loan reimbursement				24,711,774.00
Interest received on Loan	2	14,258,642	9,248,828	9,248,828
TOTAL RECEIPTS		14,258,642	279,248,828	304,020,602
PAYMENTS				
Use of goods and services	3	1,258,600	-	-
Transfer to other Government Entities		-	-	8,100,000.00
Loan Disbursements		-	-	309,612,129.00
Finance Costs	4	16,528	13,860	13,860.00
TOTAL PAYMENTS		1,275,128	13,860	317,725,989
SURPLUS		12,983,515	279,234,968	(13,053,87)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 13th SEPT 2019 and signed by:



Clerk to the Assembly

CPA Allan W Mabuka



Principal Finance Officer

CPA Gabriel Esonga Erambo

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)
Reports and Financial Statements
For the year ended June 30, 2019**

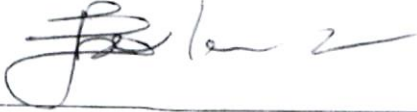
VI. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2018/19 Kshs	Restated 2017/18 Kshs	2017/18 Kshs
Cash and Cash Equivalents				
Bank Balances	5	25,703,141	6,414,522	6,414,522.00
Current Assets				
Members Balances	6	512,231,537	497,362,617	-
Due from the County Assembly	7	23,920,452	53,420,452	-
Unremitted payroll loan Deductions	8	68,110,860	59,784,885	-
Total Current Assets		605,537,977	610,567,954	-
TOTAL FINANCIAL ASSETS		631,241,118	616,982,476	6,414,522

REPRESENTED BY

Fund balance b/fwd.	9	618,257,604	337,747,508	20,119,999.00
Surplus for the year		12,983,515	279,234,968	(13,705,387.00)
NET FINANCIAL POSITION		631,241,118	616,982,476	6,414,522

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 13TH SEPT 2019 and signed by:


Clerk to the Assembly

CPA Allan W Mabuka


Principal Finance Officer

CPA Gabriel Esonga Erambo

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

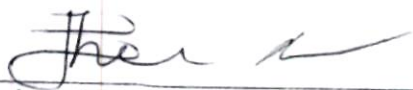
Reports and Financial Statements

For the year ended June 30, 2019

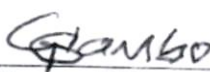
VII. STATEMENT OF CASHFLOW

	Note	2018/19 Kshs	2017/18 Kshs
CASH FLOW FROM OPERATING ACTIVITIES			
		Restated	
	Not e	2018/19	2017/18
		Kshs	Kshs
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from operating income			
Transfers from Other Government Entities	1	-	270,000,000
Reimbursements and Refunds	2	113,988,785	24,771,774
Other Revenues	3	14,258,642	9,248,828
Total		128,247,427	304,020,602
Payments for operating expenses			
Use of goods and services		1,258,600	-
Transfers to Other Government Entities	4	500,000	-8,100,000
Other grants and transfers	5	94,419,900	-309,612,129
Finance Costs	6	16,528	-13,860
Total		96,195,028	-317,725,989
Net cash flows from operating activities		32,052,400	-13,705,387
Net(Decrease)/ Increase In Cash And Cash Equivalent		32,052,400	-13,705,387
Cash and cash equivalent at BEGINNING of the year	8	6,414,522	20,119,909
Cash and cash equivalent at END of the year	7	25,703,141	6,414,522

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 13th Feb 2019 and signed by:


Clerk to the Assembly

CPA Allan W Mabuka


Principal Finance Officer

CPA Gabriel Esona Erambo

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

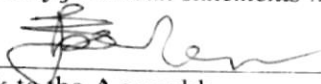
Reports and Financial Statements

For the year ended June 30, 2019

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

Receipt/Expense Item	Final Budget	Actual on Comparable Basis	% of Utilization difference to final budget
RECEIPTS			
Transfers from Other Government Entities		-	-
Loan reimbursements and refunds		113,988,785.30	
Interest received on Loan		14,258,642.00	-
TOTAL		128,247,427.30	-
PAYMENTS			
Transfers to Other Government Entities		500,000	
Loan disbursed to Members		94,419,900	
Administrative Costs		1,275,127.50	
TOTAL		96,195,027.50	-

The entity financial statements were approved on 13TH SEPT 2019 and signed by:


Clerk to the Assembly

CPA Allan W Mabuka


Principal Finance Officer

CPA Gabriel Esonga Erambo

IX. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

Reports and Financial Statements

For the year ended June 30, 2019

Programme/Sub-programme	Final Budget	Actual on comparable basis	Budget utilization difference
		Kshs	
Transfers to Other Government Entities		500,000	
Loan disbursed to Members		94,419,900	
Administrative costs(Sitting Allowance)		1,258,600	
Finance Costs		16,527.50	

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

Reports and Financial Statements

For the year ended June 30, 2019

X. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance 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 Busia and all values are rounded to the nearest thousand (Kshs'000). The accounting policies adopted have been consistently applied to all the years presented.

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

2. Recognition of revenue and expenses

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

3. In-kind contributions

In-kind contributions are donations that are made to the County 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 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 amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

5. Accounts Receivable

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

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

Reports and Financial Statements

For the year ended June 30, 2019

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties has been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements.

7. Non-current assets

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

8. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the County 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.

9. 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'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's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

10. Comparative figures

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

11. 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.

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)
Reports and Financial Statements
For the year ended JUNE 30, 2019**

XI. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

	Note	2018/19 Kshs	Restated 2017/18 Kshs	2017/18 Kshs
Releases from County treasury		-	270,000,000	270,000,000
Total		-	270,000,000	270,000,000

2 REIMBURSEMENTS AND REFUNDS

	Note	2018/19 Kshs	Restated 2017/18 Kshs	2017/18 Kshs
Reimbursement from the County Assembly of Busia		30,000,000.00	-	-
Refunds from members (principal repayments)		82,988,785.30	24,771,774	24,771,774
Total		112,988,785.30	24,771,774	24,771,774

3 OTHER REVENUES

	Note	2018/19 Kshs	Restated 2017/18 Kshs	2017/18 Kshs
Interest received on Loan		14,258,642.00	9,248,828	9,248,828
Total		14,258,642.00	9,248,828	9,248,828

4 TRANSFERS TO OTHER GOVERNMENT ENTITIES

Description	Note	2018/19 Kshs	Restated 2017/18 Kshs	2017/18 Kshs
Busia County Assembly		500,000.00	-	-
Busia Revolving Fund		-	8,100,000	8,100,000
Total		500,000.00	8,100,000	8,100,000

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)
Reports and Financial Statements
For the year ended June 30, 2019**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 OTHER GRANTS AND OTHER PAYMENTS

	Note	2018/19 Kshs	Restated 2017/18 Kshs	2017/18 Kshs
Disbursed Loans to members		94,419,900.00	309,612,129	309,612,129
Total		94,419,900.00	309,612,129	309,612,129

6 FINANCE COSTS

	Note	2018/19 Kshs	Restated 2017/18 Kshs	2017/18 Kshs
Bank Charges		16,527.50	13,860	13,860
Total		16,527.50	13,860	13,860

7 BANK ACCOUNTS

Name of Bank, Account No. & Currency	Note	2018/19 Kshs	Restated 2017/18 Kshs	2017/18 Kshs
KCB BANK-11 49641134		3,564,048.18	1,704,656	1,704,656
CO-OP BANK-011412238176000		22,139,093.30	4,709,866	4,709,866
Total		25,703,141.48	6,414,522	6,414,522

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

Reports and Financial Statements

For the year ended June 30, 2019

8 FUND BALANCE BROUGHT FORWARD

	Note	2018/19 Kshs	Restated 2017/18 Kshs	2017/18 Kshs
Bank accounts		6,414,522.00	20,119,909	20,119,909
Total		6,414,522.00	20,119,909	20,119,909

10. OTHER IMPORTANT DISCLOSURES

10.1 PENDING ACCOUNTING RECEIVABLES

	2018/19 Kshs	Restated 2017/18 Kshs	2017/18 Kshs
Outstanding Principal Loan Recoveries (Annexure 1)	512,871,519.93	497,362,617.00	497,362,617.00
Unremitted payroll loan Deductions(Annexure 2)	68,110,560.21	59,784,885.00	59,784,885.00
Non-Refunded borrowings(Annexure 3)	23,920,452.00	53,420,452.00	53,420,452.00
Total	604,262,849.25	610,567,954.00	610,567,954.00

ANNEXTURE 1-ANALYSIS OF OUSTANDING PRINCIPAL LOAN RECOVERIES.

NO	NAME OF STAFF	AMOUNT DISBURSED KSHS	BALANCE AS AT 1 ST Jul 2018 KSHS	INTEREST CHARGED KSHS	TOTAL LIABILITY	LOAN REPAID KSHS	BALANCE AS AT 3 RD JUNE 2019 KSHS
1	ALLAN WAFULA MABUKA	14,500,000	13,044,623	368,215	13,412,838.30	2,111,008	11,301,829
2	GABRIEL ESONGA ERAMBO	16,000,000	14,223,252.24	402,001	14,625,253.24	1,108,560	13,516,693
3	CAROLINE APAA IMUKUTE TE	9,600,000	8,216,287.18	239,412	8,455,699.18	451,460	7,994,239
4	INNOCENT ENOCE OMBOKO	7,000,000	6,397,289.25	188,092	6,585,381.25	468,148	6,117,233
5	MAUREEN		6,912,645.20		7,147,337.20		9,117,999

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

Reports and Financial Statements

For the year ended June 30, 2019

	OKHATO OGOMBE	10,000,000		234,692		530,244	
6	CHRISTOPHER SIANDIANYA	5,200,000	4,221,143.20	120,733	4,341,876.20	550,125	3,791,747
7	PROTUS OWINO ODHIAMBO	4,000,000	3,567,708	103,737	3,671,445	340,522	3,330,923
8	GEDEON MAGAK ODIENY	3,400,000	2,148,918.65	75,506	2,224,424.65	205,566	3,018,858
9	CATHERINE OLIWA	1,700,000	1,417,076.50	39,430	1,456,506.50	264,444	1,192,062
10	EPHRAIM SIKENYI KWENA	9,500,000	7,108,686.30	169,381	7,278,067.30	272,356	9,012,715
11	JAMES HANNINGTON LWANYONI	4,900,000	2,692,427.55	99,578	2,792,005.55	495,084	3,828,904
12	JULIANA IMASET	4,000,000	3,716,778.25	109,431	3,826,209.25	260,508	3,565,698
13	JOHN GUALBERT NABONWE	10,000,000	6,706,646.24	233,499	6,940,145.24	408,157	9,331,992
14	SILAS WANYAMA BWIRE	4,000,000	2,835,080	14,177	2,849,257	70,000	2,779,197
15	WILBERFOCE OPIYO OBOLLA	450,000	296,156.20	8,301	304,457.20	50,592	253,865
16	VINCENT OCHIENG	4,000,000	3,718,142.85	109,457	3,827,599.85	261,696	3,565,898
17	FESTO ILEO OKEDO	3,500,000	3,269,718.80	96,210	3,365,928.80	230,393	3,135,536
18	CATHERINE ESKUT ABARASA	8,500,000	6,731,157.75	224,171	6,935,328.75	364,490	8,090,140
19	ELIJAH CHESSA MWARO	7,200,000	6,789,970.95	199,978	6,989,948.95	468,420	6,521,526
20	ANJELINE ANYANGO	1,600,000	1,498,916.30	44,140	1,543,056.30	104,268	1,438,787
21	BRENDA OKUMU	4,000,000	1,852,154.75	60,105	1,912,259.75	128,844	3,783,227
22	JUSTINE OKUKU MAGOBA	4,500,000	2,829,804.65	87,086	2,916,890.65	203,356	4,213,534
23	BONFACE OWORY OKUMBE	5,500,000	3,781,183.30	123,869	3,905,052.30	276,153	5,228,902
24	RACHEL WANJEKICHE	3,000,000	2,935,115.10	87,466	3,022,581.10	157,128	2,862,456
25	PROTUS OGUNJA OJWANG	4,500,000	2,883,890.15	82,866	2,966,756.15	155,706	4,32,711
26	CAROLYNE JEROTICH KANDIE	4,000,000	3,845,569.90	114,229	3,959,798.90	196,848	3,62,947
27	MELLY MACHIO	2,000,000	1,851,819.20	54,513	1,906,332.20	130,332	1,75,995
28	DENNIS OKOIT	4,000,000	2,709,979	100,595	2,810,574	150,040	3,60,534
29	LEONARD ISOGOL	10,000,000	6,728,663.05	216,116	6,944,779.05	412,399	9,82,332
	JUDITH MOJONGIT	3,000,000	2,834,458	83,472	2,917,930	192,172	2,70,738
31	LEONARD WANJALA	3,500,000	3,271,036.90	96,985	3,368,021.90	229,792	3,48,732
32	MARTHA MAKOKHA	4,000,000	3,605,498.15	106,332	3,711,830.15	240,000	3,41,810
33	PAMELLA NAFULA						

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

**Reports and Financial Statements
For the year ended June 30, 2019**

	WANDERA	7,000,000	6,667,116.40	196,890	6,864,006.40	424,860	6,439,149
34	RENSON BULUMA ORGIA	2,000,000	1,843,752.20	54,022	1,897,774.20	147,936	1,749,833
35	SAMMY JAKAA	8,000,000	5,324,279	182,372	5,506,651	293,884	7,718,767
36	TOBIAS JAKAA	2,000,000	1,873,658.20	55,176	1,928,834.20	130,332	1,798,497
37	GODFREY WANYAMA BALERA	3,600,000	891,202.25	26,800	918,002.25	80,921	2,843,116
38	JOHN ENOCK ADONGO	2,300,000	1,662,756.45	47,047	1,709,803.45	254,028	1,455,780
39	DANIEL ISAAC OTE	3,300,000	2,350,733.35	71,237	2,421,970.35	165,221	3,056,751
40	DEBORA WANDERA JUMA	6,400,000	1,855,633.30	120,128	1,975,761.30	173,560	6,202,201
41	JACOB MULIJO MALLO	13,500,000	7,306,929.10	233,175	7,540,104.10	340,651	13,199,456
42	FELIX OTANDE	7,496,700	5,370,377.50	210,133	5,580,510.50	251,822	7,325,388
43	GYPSON WAFULA	7,000,000	6,625,129.30	195,114	6,820,243.30	460,860	6,351,382
44	HELLEN WASIKE	3,000,000	2,044,670	59,793	2,104,463	155,436	1,941,192
45	MARK PAUL CHESSA	4,000,000	3,763,993.50	110,850	3,874,843.50	261,840	3,613,000
46	CLARE MAKOKHA	3,000,000	2,650,944.05	76,675	2,727,619.05	284,916	2,442,707
47	EDWIN OGELLO OCHIENG	4,000,000	3,811,048.60	103,363	3,914,411.60	222,660	3,691,750
48	JAMES KARANI	1,250,000	472,828.68	7,027	479,855.68	407,682	36,298
49	CLEOPHAS WAMALWA	2,000,000	1,571,951.05	39,991	1,611,942.05	300,000	1,333,608
50	NANCY MULAA	8,000,000	955,381.70	42,013	997,394.70	86,604	7,927,089
51	DANCAN OTUOMA OJASI	4,759,600	2,158,810.25	83,690	2,242,500.25	147,012	4,595,485
52	MICHAEL ERONE ONESMUS	2,000,000	1,910,785.75	56,310	1,967,095.75	130,128	1,836,971
53	PAMELLA MONICA ANYANGO	2,500,000	955,793.70	27,280	983,073.70	67,090	2,421,414
54	BENSON MWAKA OKOTH	2,300,000	1,242,008.25	49,162	1,291,170.25	89,500	2,201,655
55	ELIUD WASWI OBANDE	2,571,000	2,167,691	68,600	2,236,291	143,148	2,464,113
56	ARTHUR CHAKOYO MBETERA	600,000	553,451	13,808	567,259	128,604	438,355
57	PRAXIDES NADIDI OKIMA	4,000,000	955,390.50	27,789	983,179.50	98,105	3,932,537
58	KENNETH ITAA GEEGE	2,500,000	955,390.50	33,336	988,726.50	72,803	2,420,717
59	GRACE AWINO MASIGA	500,000	494,133	14,532	508,665	32,532	474,653
60	ANTHONY MWAKHA						

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

Reports and Financial Statements

For the year ended June 30, 2019

	MAKANA	3,250,000	689,716	24,931	714,647	45,552	3,212,427
61	MILLICENT SEWE	2,000,000	491,177	26,885	518,062	53,572	1,914,484
62	MIRIAM WAKAYA OBURA	5,000,000	3,500,000	129,107	3,629,107	1,179,735	3,919,370
63	BONFACE MAMAI EKADA	5,000,000	3,500,000	134,376	3,634,379	1,276,500	3,817,876
64	SELINE OSIR WAGUDE	3,000,000	1,000,000	22,424	1,022,424	47,080	2,915,346
65	WILBERFOCE MALINGU BWIRE	1,300,000	1,300,000	23,745	1,323,745	234,832	1,088,913
66	TONNY OPONDO ONYANGO	2,000,000	2,000,000	42,079	2,042,079	345,849	1,916,230
67	POLYCARP WAFULA	4,500,000	4,500,000	11,250	4,511,250	24,398	4,486,852
68	EVALYNE MWARO	3,750,000	3,750,000	9,375	3,759,375	22,070	3,737,305
69	WILBERFOCE WANYAMA	2,000,000	2,000,000	5,000	2,005,000	10,843	1,994,156
70	LINDA WEKATI	3,000,000	3,000,000	7,500	3,007,500	16,266	2,991,234
71	JOHN NDAKULA	1,500,000	1,500,000	3,750	1,503,750	12,305	1,491,445
72	VICTOR BARASA	500,000	500,000		500,000		500,000
73	SARAH OUMA	1,000,000	1,000,000		1,000,000		1,000,000
74	ELIZABETH SWARO	900,000	900,000	2,250	902,250	4,880	897,400
75	CAROLINE NDUGULI	1,200,000	1,200,000	3,000	1,203,000	6,506	1,196,494
76	TRUPHENA AKINYI	2,500,000	2,500,000	6,250	2,506,250	13,555	2,492,695
78	ALPHONCE OKWARA	2,500,000	2,500,000	6,250	2,506,250	13,555	2,492,695
79	MOSES OPELECH	1,000,000	1,000,000		1,000,000		1,000,000
	TOTAL	340,527,300	253,835,501.44	6,958,260	260,793,761.44	20,153,444	306,462,630
NO	NAME OF MCA	AMOUNT DISBURSED	BALANCE AS AT 1ST APRIL 2019	INTEREST CHARGED	TOTAL LIABILITY	LOAN REPAID	BALANCE AS AT 31ST JUNE 2019
1	GARDY OBARA JAKAA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
2	ABIUD OMAIYOT OCHILANGOLE	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
3	FRED MUSIRIMBA	5,000,000	4,848,315	127,754	4,976,069	1,392,989	3,583,080
4	JULIUS OCHOU	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
5	ERIC OKUKU KAIBE	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
6	GEORGE MAKHAYAKA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
(REVOLVING FUND)**

**Reports and Financial Statements
For the year ended June 30, 2019**

	BUSERA						
7	JOHN EGESA OBWOGO	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
8	BENARD MUBINJA WAMALWA	20,924,675	18,045,700.85	572,313.96	18,618,014.81	3,235,368.34	17,382,646.47
9	AZIDA ALI NANCHA	5,000,000	4,887,215	127,878	5,015,093	1,431,063	3,584,030
10	BATHOLOMEW TABU WERE	5,000,000	4,902,499	133,862	5,036,361	1,225,580	3,810,781
11	BERNARD IBELLA PAPA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
12	BARNAD ODAKO	5,000,000	4,849,432	127,789	4,977,221	1,392,988	3,584,233
13	DAVID KOKONYA EKOMBE	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
14	DAVID LU YEMBA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
15	EVANS BWIRE BARASA	5,000,000	4,849,436	127,795	4,977,231	1,392,989	3,584,242
16	FELIX OMANYI OPONDO	5,000,000	4,886,658	127,860	5,014,518	1,431,065	3,583,453
17	GRACE OLITA TATA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
18	HAWA ISMAIL HAJIR	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
19	JAMES ONGOLE ADUNGOSI	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
20	JOHN ISAAC OGANGA	5,000,000	4,849,436	127,795	4,977,231	1,392,989	3,584,242
21	JULIUS OTIENG ETYANG	5,000,000	4,849,432	127,783	4,977,215	1,392,989	3,584,226
22	LAWRENCE OKAALE MURUNGA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
23	LINUS ASIBA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
24	MASKINI ODERO OKODOI	5,000,000	4,849,436	127,795	4,977,231	1,392,989	3,584,242
25	MOSES OCHIENG	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
26	PIUS OUMA MOSES	5,000,000	4,849,432	127,783	4,977,215	1,392,989	3,584,226
	NANCY OKADEMI	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
27	NOVENA NDALIRO MONDI	5,000,000	4,849,432	128,709	4,978,141	1,363,313	3,614,828
28	PATRICK OBONGOYA	5,000,000	4,843,835	127,620	4,971,455	1,392,989	3,578,466
29	PATRICK OBUYA	5,000,000	4,849,432	127,789	4,977,221	1,392,988	3,584,233
30	VINCENT OGUTU OLUMBE	5,000,000	4,849,341	127,792	4,977,133	1,392,988	3,584,145
31	ZAINAB MUYOTI	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
32	MWAJUMA TOLOYI	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
33	RUTH ATIENO ACHOLA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
34	BEATRICE PHEMMY KANOTI	5,000,000	4,887,215	127,878	5,015,093	1,431,063	3,584,030
35	CYNTHIA KWEDO MUTERE	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232

**BUSIA COUNTY ASSEMBLY CAR LOAN AND MORTGAGE SCHEME
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36	CHRISTINE FLORENCE OWUORI	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
37	VINCENT OJIAMBO MAKOKHA	5,000,000	4,849,227	127,642	4,976,869	1,400,679	3,576,190
38	FLORENCE ATIENO OLOGI	5,000,000	4,849,432	127,784	4,977,216	1,392,989	3,584,227
39	ANGELA NAFULA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
40	MILTON KASSAMAN	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
41	MOSES ECHOPATA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
42	JOAB OTEBA ETYANG	5,000,000	4,849,216	127,971	4,977,187	1,376,578	3,600,609
43	JOYCE ADHIAMBO IMMACULATE	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
45	MARGARET ACHUNGO	3,100,000	2,829,357	76,307	2,905,664	753,200	2,152,464
46	PATROBUS ODHIAMBO	5,000,000	4,843,835	127,620	4,971,455	1,392,989	3,578,466
47	EUNICE NYONGESA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
48	HALIMA HUSSEIN ALI	5,000,000	4,866,151.40	128,465	4,994,616.40	1,377,069	3,617,547
49	CASPER AJUMA	5,000,000	4,849,098	128,011	4,977,109	1,372,610	3,604,499
50	LABAN MUKHWANA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
51	MAURINE ODUDO WABWIRE	5,000,000	4,849,432	127,783	4,977,215	1,392,989	3,584,226
52	PATRICK OMANYALA	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
53	SIMON ASUKA ANINDO	5,000,000	4,849,432	127,789	4,977,221	1,392,989	3,584,232
54	JAQUILINE KWOPA MUKELE	5,000,000	4,849,436	127,795	4,977,231	1,392,989	3,584,242
	TOTAL	284,024,675	273,214,959.25	7,301,454.96	280,516,414.21	76,296,112.74	206,168,889.93
	GRAND TOTAL	624,551,975	527,050,460.69	14,259,714.96	541,310,175.65	96,449,556.74	512,171,519.93

ANNEXURE II- UNREMITTED PAYROLL LOAN DEDUCTIONS

	Recovery	Banking's	Balance unbanked
Balance B/fwd.	59,784,885.26		59,784,885.26

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Jul-18	8,699,846.65	30,000	68,454,731.91
Aug-18	8,699,846.65	8,671,886.60	68,482,691.96
Sep-18	7,807,936.70	16,351,863.25	59,938,765.41
Oct-18	7,889,484.30	8,067,444.35	59,760,805.36
Nov-18	8,262,721.95	-	68,023,227.31
Dec-18	7,909,205.95	15,988,653.80	59,943,779.46
Jan-19	7,821,299.25	7,886,354.20	59,878,724.51
Feb-19	7,817,472.60	77,960.05	67,618,237.06
Mar-19	7,806,865.60	15,526,087.40	59,899,015.26
Apr-19	7,856,278.70	-	67,755,293.96
May-19	7,997,764.40	15,805,500.00	59,947,558.36
Jun-19	8,240,898.95	77,897.10	68,110,560.21
TOTAL	96,809,621.70	88,483,646.75	

ANNEXURE III-ANALYSIS OF NON-REFUNDED BORROWINGS

NO	FINANCIAL YEAR	AMOUNT
1	2016/2017	45,320,000.00
2	2017/2018	16,642,838.30
TOTAL		<u>61,962,838.30</u>
LESS	REIMBURSEMENT	<u>30,000,000</u>
BALANCE		<u>23,920,452</u>

XI. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<i>Pending Account Receivable</i>	<p>Note 10.1 to the financial statements under pending accounts receivables reflects a balance of Kshs. 301,069,858 comprising of outstanding principal loan recoveries, unremitted payroll loan deductions and non-refunded borrowings all of which were overdue as at 30 June 2017.</p> <p>Included in the balance of outstanding principal loan recoveries totalling Kshs.193,310,700, is an amount of Kshs.4,582,488 that remained unsettled despite the two (2) beneficiaries exiting service as at 30 June 2017.</p> <p>Further, the management did not provide records on loan agreements and approval minutes relevant to the non-refunded borrowings totalling to Kshs.45,320,000 as at 30 June 2017.</p> <p>In view of the above, the management of the Fund was in breach of the established laws and regulations and thus negating the achievement of its purpose and objectives. Further, the sustainability of the fund to continue delivering services</p>	<p>The management is in the process of recovering the long outstanding receivables.</p>	<p>CPA Gabriel Esonga Erambo</p>	<p>Not Resolved</p>	<p>Immediately</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (<i>Name and designation</i>)	Status: (<i>Resolved / Not Resolved</i>)	Timeframe: (<i>Put a date when you expect the issue to be resolved</i>)
	to its members is in doubt.				