

REPUBLIC OF KENYA



PARLIAMENT
OF KENYA
LIBRARY

Enhancing Accountability

REPORT

PAPERS LAID	
DATE	7/8/22
TABLED BY	DMW. OF
COMMITTEE	-
CLERK AT THE TABLE	Mary

THE AUDITOR-GENERAL

ON

COUNTY ASSEMBLY OF HOMA BAY

**FOR THE YEAR ENDED
30 JUNE, 2021**



HOMA BAY COUNTY ASSEMBLY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2021

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

HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

1.0 KEY ENTITY INFORMATION AND MANAGEMENT.....	ii
2.0 KEY MANAGEMENT.....	iv
3.0 FORWARD BY THE CLERK OF THE ASSEMBLY.....	x
4.0 STATEMENT OF PERFORMANCE AGAINST COUNTY ASSEMBLY PREDETERMINED OBJECTIVES.....	xi
5.0 CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING.....	xii
6.0 STATEMENT OF MANAGEMENT RESPONSIBILITIES.....	xiv
7.0 REPORT OF THE INDEPENDENT AUDITOR ON THE COUNTY ASSEMBLY OF HOMA BAY.....	xv
8.0 FINANCIAL STATEMENTS.....	1
8.1 STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 TH JUNE 2021.....	1
8.2 STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT 30 TH JUNE 2021.....	2
Clerk of the Assembly Chief Finance Officer – County Assembly.....	2
8.3 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 TH JUNE 2021.....	3
8.4 STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT AND DEVELOPMENT COMBINED FOR THE YEAR ENDED 30 TH JUNE 2021.....	4
8.5 STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT FOR YEAR ENDED 30 TH JUNE,2021.....	5
8.6 STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: DEVELOPMENT DEVELOPMENT FOR THE YEAR ENDED 30 TH JUNE 2021.....	6
8.7 BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES FOR THE YEAR ENDED 30 TH JUNE 2021.....	7
8.8 SIGNIFICANT ACCOUNTING POLICIES.....	8
9 NOTES TO THE FINANCIAL STATEMENTS.....	16
9.1.1 Transfers from the County Treasury/Exchequer Releases.....	16
9.1.2 OTHER RECEIPTS.....	16
9.1.3 COMPENSATION OF EMPLOYEES.....	17
9.1.4 .USE OF GOODS AND SERVICES.....	18
9.1.5 SOCIAL SECURITY BENEFITS.....	19
9.1.6 OTHER GRANTS AND TRANSFERS.....	20
9.1.7 OTHER PAYMENTS-RECURRENT.....	21
9.1.8 ACQUISITION OF ASSETS.....	21
9.1.9 CASH AND BANK BALANCES.....	22
10.0 ACCOUNTS PAYABLES.....	22
11.0 PROGRESS ON FOLLOW ON PRIOR YEAR AUDITOR'S RECOMMENDATIONS.....	23
12.0 ANNEXES.....	24
12.1 ANNEX 1: ANALYSIS OF THE EXCHEQUER RECEIPTS.....	24
12.2 ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE-PENDING BILLS.....	27
12.3 ANNEX 3 – SUMMARY OF NON-CURRENT ASSET REGISTER.....	30

1.0 KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The County is constituted as per the constitution of Kenya is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes forty Members of County Assembly (MCAs) elected to represent members of the public from their respective wards. The MCAs are responsible for making any laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive. **Vision**

“A modern County Assembly that offers excellence in service delivery and leadership for the people of Homa Bay County”

Mission

To ensure that the Assembly exercises its legislative oversight, representation and outreach function effectively within the framework of the Kenyan Constitution and working with all those committed to building productive and prosperous Homa Bay County.

Strategic Objectives

- To develop and sustain the Homa Bay County Assembly institutional capacity to better discharge its constitutional mandate
- To improve the legislative process at Homa Bay County Assembly
- To improve the capacity of Homa Bay County Assembly and to provide effective oversight to county government
- To fully develop the representation and outreach work of the members of county assembly.

(b) Key Management

The *County Assembly of Homa bay* day-to-day management is under the following key organs:

No.	Designation	Name
1.	County Assembly Service Board(Board Chairperson)	HON. Ayoo Elizabeth Atieno
2.	County Assembly Service(Board Vice Chair Person)	HON. Jeff Ongoro
3.	Clerk of the County Assembly	Miss. Faith Adhiambo Apuko

HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

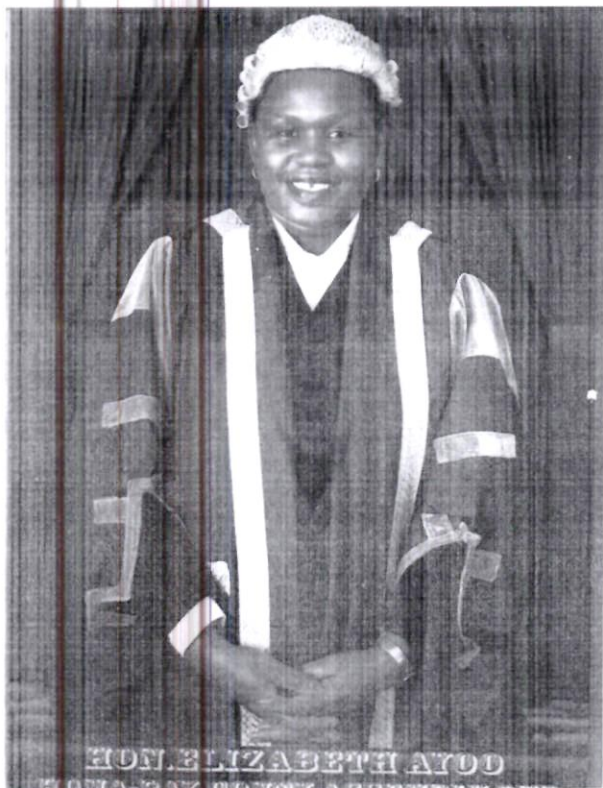
(c) Fiduciary Management

The key management personnel who held office during the year ended 30th June 2021 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer- Clerk	Miss. Faith Adhiambo Apuko
2.	Chief Finance Officer	CPA Jecinter Adede ICPAK No. 13233
3.	Principal Accountant	Mr Bosstone Nyang'or Ernest

2.0 KEY MANAGEMENT

The County Assembly Key management team during the financial year consisted of:



HON. ELIZABETH ATIENO AYOO:

Date of birth: 7th March, 1981
County Assembly Speaker from: 2017 - 2022

Education:

Advocate of the High Court
Commissioner of Oaths and Notary Public
LLB-Moi University
KSL-Dip
KIM-Dip
LLM-University of South Africa

Work Experience:

Advocate of the high Court- 17 years
County Assembly Speaker since 2017

Responsibilities:

The role of the County Assembly Speaker includes the following:

- Presides over the debates of the County Assembly at every sitting of the Assembly.
- Maintaining County Assembly attendance register, enforce the observance of the Constitution, the Standing Orders, relevant statute and Assembly traditions, procedures and practices,
- Disciplining members of County Assembly for misconduct in the county assembly.
- Issuing orders and making rules for the regulation of visitors to the County Assembly precincts, administer the oath of affirmation or allegiance to Members,
- Issue writs for vacant County Assembly seats,
- protect the rights of the minority while making sure that the majority have their way,
- organize the business of the House as he or she is the Chairman of the House Business Committee,
- Spokesperson of the County Assembly and shall ensure that the dignity of the County Assembly and by extension, the Assembly, is upheld and its rights and privileges are not abused,
- The Speaker is the final authority on all matters touching on the interpretation and application of the practice and procedure of Assembly at all times.



MISS FAITH ADHIAMBO APUKO:

Date of birth: 8th April, 1987

The current Acting County Assembly Clerk

Education:

MSc (Information Security & Forensic Audit) -
Jaramogi Oginga Odinga University of Science
and Tech

Bsc in Information Technology) - Makerere
University

Senior Management Course- Kenya School of
Government

Work Experience:

County assembly Acting clerk - current

Principal ICT Officer (Homa Bay County
Assembly)- 2014-2021

System Administrator - Mwalimu Teachers
Sacco (Siaya)

Responsibilities:

The role of the County Assembly Clerk includes the following:

- Chief administrative officer of the county assembly
- Responsible for the day-to-day management and functioning of the county assembly.

Procurement functions:

- Responsible for the day-to-day management and functioning of the county assembly
- Carries out duties and exercises powers as the law may confer on her or by the Standing Orders and practices of the County Assembly

As the Secretary to the County Assembly Service Board, she has the following responsibilities:

- She is the chief executive officer of the Board;
- She is the accounting officer of the Board;
- She is the administrative head of the County Assembly Service;
- She is the custodian of the Board's records.

She is responsible for—

- The execution of the decisions of the Board; and Assignment of duties and supervision of the staff of the Board.
- Keeping records of the proceedings and minutes of the meetings of the Board and such other records as the Board may direct.
- Ensures staff compliance with public service values, principles and ethics.

KEY ENTITY INFORMATION AND MANAGEMENT (CONTINUED)

(d) Fiduciary Oversight Arrangements

Audit Committee

- The Audit Committee was set up during the financial year 2017/2018 to help the Assembly in the effective discharge of their responsibilities by measuring evaluating and reporting on the effectiveness of the internal control systems.

HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

(e) Entity Headquarters

Homa Bay County Assembly
P.O. Box 20-40300
County Assembly Building
Homabay, KENYA

(f) Entity Contacts

Telephone: (254) 706511947
E-mail: info@homabayassembly.go.ke
Website: www.homabayassembly.go.ke

(g) Entity Bankers

1. Central Bank of Kenya,
Haile Selassie Avenue,
P.O. Box 60000,
City Square 00200,
Nairobi Kenya.
2. Equity Bank (Kenya) Limited,
P.O Box 75104-40300,
Homa Bay Branch
3. Co-operative Bank of Kenya,
P.O Box 406-40300,
Homa Bay Branch.

h) Independent Auditors

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

i) Principal Legal Adviser

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

3.0 FORWARD BY THE CLERK OF THE ASSEMBLY

2.1 Budget performance

The county Assembly of Homa Bay was able to utilize over 100% of the budgeted amount. However, funds were not received in time hence led to delays in implementing the objectives.

2.2 Operational Performance

The County Assembly of Homa Bay was able to pass several bills into Acts. The Acts include the Supplementary Appropriation Act and the Finance Act.

The reorganization of the IFMIS system has improved the financial efficiency and timely processing of payments.

2.3 Challenges and Recommended Way Forward

Delayed disbursement of funds caused delays in paying for the suppliers hence weakening supplier's confidence.

Interferences caused by the pandemic, Covid-19 virus made it difficult for realization of the Assembly's major roles of legislative and representation.

Sign:

Name:

MISS FAITH APUKO

Clerk of the County Assembly



**4.0 STATEMENT OF PERFORMANCE AGAINST COUNTY ASSEMBLY
 PREDETERMINED OBJECTIVES**

Introduction

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each County Government entity Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the County Assembly of Homa Bay performance against predetermined objectives.

The key mandate of the County Assembly of Homa Bay is legislation, oversight, and representation. To achieve this, the assembly’s program was document in terms of objective, key performance indicators, and output. Below were the expected outputs of the assembly in FY 2020/2021

Program 1	Objective	Outcome	Indicator	Performance
Legislation, oversight and representation	Enhanced professional development of MCAs – Provide ongoing professional development of MCAs	Increased ability of MCA in legislation	No of bills passed in the County Assembly	In FY 2020/2021 MCA were trained on a number of fields dealing with oversight.
	Enhanced professional development of MCAs – Review standing orders	Review standing orders	50% increase in efficient Assembly operation	Many standing orders were reviewed and resulted to efficiency in utilization

5.0 CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Two-to-three pages

County Assembly of Homa Bay exists to transform lives. This is our purpose; the driving force behind everything we do. It is what guides us to deliver our strategy, which founded on six pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

1. Sustainability strategy and profile -

The top management especially the accounting officer should refer to sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities, reference to international best practices and key achievements and failure.

2. Environmental performance

Outline clearly, environmental policy guiding the organisation, provide evidence of the policy. Outline successes, shortcomings, efforts to manage biodiversity, waste management policy and efforts to reduce environmental impact of the organisation's products.

3. Employee welfare

Give account of the policies guiding the hiring process and whether they consider the gender ratio, whether they take in stakeholder engagements and how often they are improved. Explain efforts made in improving skills and managing careers, appraisal and reward systems. The organisation should also disclose their policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA).

4. Market place practices-

The organisation should outline its efforts to:

a) Responsible competition practice.

Explain how the organisation ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors

b) Responsible Supply chain and supplier relations- explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.

- c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices
- d) Product stewardship- outline efforts to safeguard consumer rights and interests

5. Community Engagements-

Give evidence of community engagement including charitable giving (cash & material), Community Social Investment and any other forms of community)

6. Others

(The organisation gives details of CSR activities carried out in the year and the impact to the society. The statement may also include how the organisation promotes education, sports, healthcare, labour relations, staff training and development, and water and sanitation initiatives)

6.0 STATEMENT OF MANAGEMENT RESPONSIBILITIES


The Clerk of the County Assembly 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 for the year ended June 30, 2020. 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; (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; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the County Assembly's financial statements give a true and fair view of the state of the County Assembly's transactions for the year ended June 30, 2021, and of its financial position as at that date. The Clerk further confirms the completeness of the accounting records maintained for the County Assembly, which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The County Government's financial statements were approved and signed by the Clerk of the County Assembly on 30th September 2021.


Name: **MRS FAITH ARUKO**
Clerk of the County Assembly

HOMA-BAY COUNTY ASSEMBLY
P.O. BOX 20-40300 HOMA-BAY
30 SEP 2021
ASSEMBLY CLERK

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 COUNTY ASSEMBLY OF HOMA BAY FOR THE YEAR ENDED 30 JUNE, 2021

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 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 FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the County Assembly of Homa Bay set out on pages 1 to 23, which comprise the statement of financial assets and

liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and the statement of comparison of budget and actual amounts - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 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 Homa Bay County Assembly as at 30 June, 2021, 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 Act, 2012 and County Governments Act, 2012.

Basis for Qualified Opinion

1. Cash and Cash Equivalents

As disclosed in Note 9.1.9 to financial statements, the statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.29,685,182 which comprises balances held in the Central Bank of Kenya of Kshs.21,575,928 and a commercial bank of Kshs.8,109,255 as 30 June, 2021. However, the cash book for the account at the commercial bank had a negative balance/overdraft of Kshs.40,556,499 while the bank statement reflected a nil balance as at 30 June, 2021.

Further, review of records relating to the commercial bank account indicated that it was overdrawn contrary to Section 119(4) of the Public Finance Management Act, 2012 which states that an Accounting Officer for a County Government entity shall not cause a bank account of the entity to be overdrawn beyond the limit authorized. No explanation was provided for this anomaly.

In the circumstances, the accuracy, validity and completeness of cash and cash equivalents balance of Kshs.29,685,182 as at 30 June, 2021 could not be confirmed.

2. Unsupported Exchequer Releases

As disclosed in Note 9.1.1 to the financial statements, the statement of receipts and payments reflects exchequer releases/transfers from County Treasury of Kshs1,072,516,376. Included in this amount is a receipt of Kshs.148,521,424 which was not supported by way of a requisition, bank statement or approval by the Controller of Budget.

Consequently, the accuracy and completeness of the exchequer releases of Kshs.1,072,516,376 could not be confirmed.

3. Compensation of the Employees

3.1 Unsupported and Irregular Payment of Allowances

As disclosed in Note 9.1.3 to the financial statements, the statement of receipts and payments reflects an expenditure of Kshs.466,204,339 in respect of compensation of employees. Included in the expenditure is an amount of Kshs.6,345,573 relating to personal allowances paid as reimbursements out of which Kshs.1,236,000 and Kshs.875,000 were paid to twelve (12) members of staff as honoraria and police officers as top up allowances, respectively. However, the payments were not supported by signed payees' schedules.

In addition, the following irregularities were noted:

- i. The honoraria and police top up allowances are not provided for in the Human Resource Policy Manual for the County Assembly.
- ii. The police officers top up allowances of Kshs.875,000 were irregularly channeled through a firm of advocates as legal fees owed for a case between the Hon. Speaker and the County Assembly Public Service Board under unexplained circumstances. Further, no plausible explanation was provided for diverting the allowance to payment of legal fees.

Consequently, the accuracy, completeness and propriety of the expenditure totaling Kshs.2,111,000 charged to personal allowances paid as reimbursements could not be confirmed.

3.2 Unanalyzed Manual Payments Outside the Integrated Payroll and Personnel Database (IPPD) System

Included in the compensation of employees' expenditure of Kshs.466,204,339 are payments totalling Kshs.411,378,855 made through the electronic IPPD system. Further, available records revealed that payments amounting to Kshs.82,602,938 were made through a manual system in respect of 187 staff stationed in the wards, 6 Members of County Assembly and 19 Members of Staff.

However, the payments through the manual system were not sufficiently analyzed and as a result their validity and accuracy could not be confirmed.

4. Use of Goods and Services

As disclosed in Note 9.1.4 to the financial statements, the statement of receipts and payments reflects an expenditure of Kshs.413,146,938 on use of goods and services. The following unsatisfactory matters were however noted in respect of various expenditure items on the use of goods and services:

4.1 Payment of Housing Benefit for the Speaker

The expenditure on use of goods and services of Kshs.413,146,938 includes an amount of Kshs.3,300,000 in respect of residential rent and rates paid for the Speaker's house.

However, the amount was not supported by a lease agreement and respective invoices. In the absence of these supporting documents, it was not possible to determine whether the payment was a proper charge to public funds.

In addition, available records revealed that the rent was not paid directly to the owner of the house but was irregularly channeled through a firm of advocates as a settlement of legal fees for a case between the Speaker and the Homa Bay County Assembly Public Service Board. No plausible explanation was provided for converting the rent payment into legal fees.

Consequently, the accuracy, validity and propriety of the expenditure of Kshs.3,300,000 could not be confirmed.

4.2 Unsupported Foreign Travel Expenses

The expenditure on use of goods and services of Kshs.413,146,938 further includes an amount of Kshs.239,142,813 relating to domestic and foreign travel and subsistence expenses. The latter includes an amount of Kshs.10,341,140 paid as per diem to twenty (20) Members of Homa Bay County Assembly including the Assembly Clerk and seven (7) other Members of Staff who travelled to Mwanza, Tanzania between 20 and 26 January, 2021 to attend a meeting. However, the respective travel documents such as copies of passports, boarding passes and vaccination certificates and invitation letters as a proof of travel were not provided for audit review.

Consequently, the accuracy and validity of the expenditure of Kshs.10,341,140 could not be confirmed.

4.3 Unsupported Insurance Premium

The expenditure on use of goods and services of Kshs.413,146,938 also includes an amount of Kshs.27,045,765 in respect of insurance costs. The latter includes an amount of Kshs.26,703,000 paid to an insurance company for medical cover for Staff Members of the County Assembly. However, the payment voucher provided for audit were not authorized by a responsible official of the County Assembly and were not supported by bills/invoices.

Consequently, the accuracy, completeness and validity of the amount of Kshs.26,703,000 paid to the insurance company could not be confirmed.

5. Unsupported Expenditure on Purchase of Office Furniture and Fittings

As disclosed in Note 9.1.8 to the financial statements, the statement of receipts and payments reflects an expenditure on acquisition of assets of Kshs.41,208,919. Included in the expenditure is an amount of Kshs.1,996,931 being a part payment for the purchase of furniture and fittings from a supplier who had been awarded the contract at a contract sum of Kshs.6,727,180.

Examination of payment documents revealed that the County Assembly procured furniture and office fittings vide Local Purchase Order No.2594576 from the supplier. A

demand letter from the supplier Ref. No. HBCA/PD/T04/2017 indicated that the items were supplied vide delivery note numbers 25410 and 24088, respectively. However, the procurement records, delivery notes and the respective invoices were not provided for audit verification.

Consequently, the accuracy, completeness and validity of the amount of Kshs.1,996,931 paid to the supplier could not be ascertained.

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

Other Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts for the year ended 30 June, 2021 reflects final receipts budget and actual on comparable basis amounts of Kshs.1,072,516,376 and Kshs.1,124,137,800 respectively, resulting in an under-funding of Kshs.51,621,424. Similarly, the Assembly spent an amount of Kshs.1,104,214,416 out of the approved expenditure budget of Kshs.1,072,516,376 resulting in under expenditure of Kshs.31,698,040.

The under-funding and under-expenditure hampered execution of planned activities and delivery of services to the residents of Homa Bay County.

2. Pending Bills

Annex 1 to the financial statements shows pending account payables amounting to Kshs.351,032,723 which were not settled during the year under review but were carried forward to 2021/2022 financial year. Failure to settle the bills will have a negative impact on the subsequent year's budget allocation to which they have to be charged.

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 Report on Lawfulness and Effectiveness in the

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. Compensation of Employees

1.1 High Wage Bill

The statement of receipts and payments shows that an amount of Kshs.466,204,339 was spent on compensation of employees during the year under review. This expenditure is equivalent to 41% of the County Assembly's revenue receipts of Kshs.1,124,137,800 in the financial year 2020/2021. This is contrary to Regulation 25(1)(b) of the Public Finance Management (County Governments) Regulations, 2015, which prescribes that the County Government expenditure on wages and benefits for public officers should not exceed 35% of the County Government's total revenue. Therefore, the wage bill threshold was surpassed by six percentage points.

In the circumstances, Management was in breach of the law.

Further, the continued use of limited budgetary funds to finance personnel emoluments is likely to constrain funding of the County Assembly's operations and thereby hinder it from effectively carrying out its legislative and oversight mandate.

1.2 Delayed Remittances of Statutory Deductions

Further, included in the compensation of employees' expenditure of Kshs.466,204,339 is an amount of Kshs.83,552,390 relating to income tax Pay-As-You-Earn (PAYE) paid in the year under review. Examination of the payroll and tax remittance documents showed that payrolls are never reconciled to the tax assessment documents. A comparison of self-assessment amount of Kshs.76,546,119 and actual amount of PAYE of Kshs.83,552,390 paid revealed an unexplained variance of Kshs.7,006,271.

Further, the Assembly remitted PAYE past due date of 9th of the following month contrary to section 37(1) of the Income Tax Act, Cap 470 of the Laws of Kenya, thus attracting penalties and interests totaling Kshs.10,992,158.

In addition, examination of records relating to National Social Security Fund (NSSF) deductions for the months of July, 2020 and February, May and June, 2021 showed that deductions amounting to Kshs.128,000 were not remitted to NSSF within the stipulated time lines. This is contrary to Section 27(1) of the National Social Security Fund Act, 2013 which prescribes that deductions are to be paid in within one month after the end of the month in which the last day of the contribution period fell.

In the circumstances, Management was in breach of the law.

1.3 Irregular Payment of Salary to the Former Clerk after his Resignation

During the year under review, the County Assembly of Homa Bay hired a County Assembly Clerk who later resigned. Review of his resignation letter dated

04 June, 2021 indicated that he was to surrender his salary for the month of May, 2021 as a payment in lieu of notice for his late submission of the resignation letter. However, examination of the payroll showed that an amount of Kshs.308,572 being net salary for the month of May was paid to his account. No explanation was provided for this anomaly.

Consequently, the County Assembly lost an amount of Kshs.308,572 due to the irregular payment.

1.4 Non-Adherence to One Third Pay Rule

During the year ended 30 June, 2021, fifteen (15) employees earned a net salary of less than a third (1/3) of the basic salary contrary to Section C.1(3) of the Public Service Commission (PSC) Human Resource Policies and Procedures Manual for the Public Service, 2016. The Management has not given an explanation for failure to comply with the policy.

In the circumstances, the County Assembly contravened Section C.1(3) of the Human Resource Policies and Procedures Manual for the Public Service, 2016 and this may expose the staff to pecuniary embarrassment.

1.5 Irregular Payment of Salary Advance

Examination of payroll records revealed that the County Assembly did not observe guidelines on issuance of salary advance as per the Assembly's human resource policy manual. During the year under review, fifty-four (54) Members of County Assembly (MCAs) were paid salary advance of Kshs.300,000 each and one MCA was paid Kshs.600,000. However, the salary advances granted were not supported by evidence of unforeseen emergencies warranting their issuance.

Consequently, Management was in breach of the policy and exposed the staff to the risk of pecuniary embarrassment.

2. Unsupported Staff Recruitment Process

During the year under review, a total of thirty-three (33) members of staff were recruited in the month of May, 2021. However, no documentary evidence in form of advertisements, interview minutes and merit list were provided for audit review.

In the circumstances, the County Assembly Management was in breach of Part 1 Sections 14 to 17, of the Assembly's human resource policy manual.

3. Staff Ethnic Composition

The County Assembly's payroll and employment records for the financial year 2020/2021 revealed that the Assembly had one hundred and forty-three (143) employees on permanent and contract terms and 61 Members of County Assembly (MCAs). An analysis of ethnic composition revealed that one hundred and forty (141) employees or 99% were from one ethnic community while only two (2) or 1% were from other ethnic communities. This is contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008

which states that, “all public offices shall seek to represent the diversity of the people of Kenya in employment of staff and that no public institution shall have more than one third of its staff establishment from the same ethnic community”.

In the circumstances, Management was in breach of the law.

4. Irregular Borrowings from Car Loan and Mortgage Fund for Payment of Salary

During the year under review, the County Assembly borrowed funds from the car loan and mortgage fund for activities that were not within the mandate of the fund as below:

- i. The County Assembly borrowed an amount of Kshs.2,320,000 from the Car Loan and Mortgage Fund account to facilitate Members of the County Assembly (MCAs) to distribute food in their wards without due approval from the Fund’s Board as required. Further, it was not clear how the borrowed amounts were spent as no supporting documents were provided for audit review.
- ii. An amount of Kshs.16,800,000 was also diverted to pay salary advances to 55 MCAs.

This is contrary to Regulation 42(1)(b) of the Public Finance Management (County Governments) Regulations, 2015 which states that an Accounting Officer shall ensure that public funds entrusted to their care are properly safeguarded and are applied for purposes for only which they were intended and appropriated by the County Assembly.

In the circumstances, Management was in breach of the law.

Further, the Fund was deprived of funds that could have be advanced as car or mortgage loans at an interest rate of 3% per annum.

5. Acquisition of Assets

5.1 Construction of Members of County Assembly (MCAs) Offices

As disclosed in Note 9.1.8 to the financial statements, the statement of receipts and payments reflects an expenditure on acquisition of assets of Kshs.41,208,919, which includes an amount of Kshs.32,040,758 in respect of construction of MCAs’ offices. However, the following anomalies were noted:

- i. The County Assembly awarded a local company the contract to construct MCAs offices at a cost of Kshs.348,689,730 that was to run for seventy-eight (78) weeks from 06 December, 2019 to 04 June, 2021. A physical inspection carried out on the project on 07 October, 2021 four months after the expected completion date revealed that the contractor completed the foundation and columns valued at Kshs.66,714,925.14 (including materials on site) and abandoned the site after the first payment.
- ii. The Contractor vide letter Ref. No. HEMCAP13 of 12 March, 2021 claimed to have been ordered out of the site by the Homa Bay County Commissioner on 01 March, 2021 sighting unresolved land issues.

The delayed completion of the project will lead to escalation of the costs and variations, and value for money on this contract may not be achieved in the long-run.

5.2 Refurbishment of Committee and Lobby Rooms

The expenditure on acquisition of assets of Kshs.41,208,919 includes an amount of Kshs.6,811,137 in respect of refurbishment of committee and lobby rooms. Although, the contact sum of Kshs.6,811,137 was fully paid as of 30 June, 2021, some works that were part of the bill of quantities were still outstanding namely; purchase of carpet, installation of air conditioner and sound proofing of the walls.

Consequently, the value for money of Kshs.6,811,137 spent on the project could not be confirmed.

6. Public Participation in the Budget Process

Available records revealed that the assembly placed an advertisement in the Standard newspaper on 09 June, 2020 inviting the public to submit their views in written memoranda on the budget for 2020/2021. However, the assembly did not provide for audit review any documentary evidence to support the written memoranda received and the public discussions held on the same.

Consequently, the extent to which the general public was consulted in the budget policy statement and sector working groups as required under Regulation 7 of the Public Finance Management (County Governments) Regulations, 2015 could not be confirmed.

Consequently, Management was in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Non-compliance with Approved Staff Establishment

Available records revealed that the County Assembly has an approved staff establishment of 115 Members of Staff. However, it was noted that the actual number of

staff in position as at 30 June, 2021 was 128 which shows that the approved establishment was exceeded by 13 staff members in different departments.

Exceeding the approved staff establishment is an indication of weak governance system and may lead to waste and unmanageable wage bill.

2. Lack of a updated Strategic Plan for the County Assembly

The assembly has been operating for three years with an expired strategic plan after the previous one developed for the period 2014 - 2018 expired.

In the absence of an updated strategic plan, the goals and objectives of the Assembly may not be achieved as planned.

3. Lack of an Audit Committee

During the year under review, the County Assembly did not have an Audit Committee contrary to Regulation 168 of the Public Finance Management (County Governments) Regulations, 2015.

In the absence of the Audit committee, the Clerk of the Assembly/Accounting Officer lacked a vital support with regard to the responsibility for issues of risk, controls, governance and assurance.

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 processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of


effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

09 May, 2022

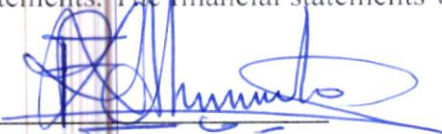
HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

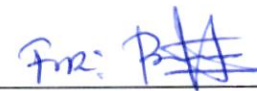
8.0 FINANCIAL STATEMENTS

8.1 STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2021

DESCRIPTION		2020-2021	2019-2020
	Note	KShs	KShs
RECEIPTS			
Transfers from the County Treasury/Exchequer Releases	1.1	1,072,516,376	861,000,000
Other Receipts	1.2	51,621,424	46,727,846
TOTAL RECEIPTS		1,124,137,800	
PAYMENTS			
Compensation of Employees	2	466,204,339	422,231,440
Use of goods and services	3	413,146,938	318,097,584
Social Security Benefits	4	23,453,713	-
Other Grants and Transfers	5	98,000,000	-
Other Payments-Recurrent	6	62,200,507	115,261,619
Acquisition of Assets	7	41,208,919	51,074,848
TOTAL PAYMENTS		1,104,214,416	906,665,491
SURPLUS/DEFICIT		19,923,384	1,062,355

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30th September 2021 and signed by:


Clerk of the Assembly
Name: Miss. Faith Adhiambo Apuko


Chief Finance Office – County Assembly
Name: CPA Jacinter Adede
ICPAK Member Number: 13233

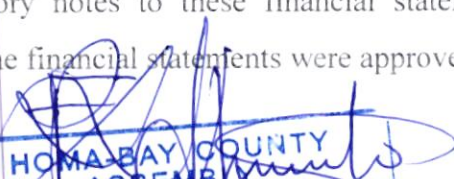



HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

8.2 STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT 30TH JUNE 2021

DESCRIPTION		2020-2021	2019-2020
FINANCIAL ASSETS	Note	KShs	KShs
Cash and Cash Equivalents			
Bank Balances	8	29,685,182	1,652,5444
Total Cash and cash equivalents		29,685,182	-
TOTAL FINANCIAL ASSETS		29,685,182	1,652,544
FINANCIAL LIABILITIES			
Accounts Payables –Deposit and Retention	10	8,109,255	-
NET FINANCIAL ASSETS		21,575,928	1,652,544
REPRESENTED BY			
Fund balance b/fwd.	9	1,652,544	590,189
Surplus/(Deficit) for the year		19,923,384	1,062,355
NET FINANCIAL POSITION		21,575,928	1,652,544

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30th September, 2021 and signed by:


HOMABAY COUNTY ASSEMBLY
 P.O. BOX 20 40300 HOMABAY
30 SEP 2021
ASSEMBLY CLERK



Chief Finance Officer – County
 Name: CPA Jecinter Adede
 ICPAK Member Number: 13233

HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

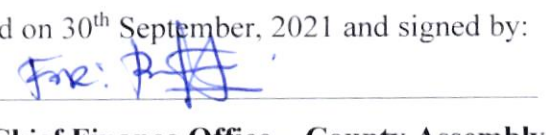
8.3 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2021

DESCRIPTION	Note	2020-2021 KShs	2019-2020 KShs
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating income			
Transfers from the County Treasury/Exchequer Releases	1.1	1,072,516,376	861,000,000
Other Receipts	1.2	51,621,424	46,727,847
		1,124,137,800	907,727,845
Payments for operating expenses			
Compensation of Employees	2	466,204,339	422,231,440
Use of goods and services	3	413,146,938	318,097,584
Social Securities Benefits	4	23,453,713	-
Other Grants and Transfers	5	98,000,000	-
Other Payments-Recurrent	6	62,200,507	115,261,619
		1,063,005,497	855,590,643
Adjusted for:			
Changes in Payables	10	8,109,255	-
Total Adjustments		8,109,255	
Net cash flows from operating activities		69,241,558	52,137,204
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	7	41,208,919	51,074,848
Net cash flows from investing activities		41,208,919	51,074,848
NET INCREASE IN CASH AND CASH EQUIVALENTS		28,032,639	1,062,356
Cash and cash equivalent at BEGINNING of the year	9	1,652,537	590,181
Cash and cash equivalent at END of the year	8	29,685,182	1,652,537

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30th September, 2021 and signed by:


 Clerk of the Assembly

Name: Mrs Faith Adhiambo Apuko


 Chief Finance Office – County Assembly

Name: CPA Jacinter Adede

ICPAK Member Number 13233

HOMA-BAY COUNTY
 ASSEMBLY
 P.O. BOX 20-40300 HOMA-BAY
30 SEP 2021
 ASSEMBLY CLERK

REPORTS AND FINANCIAL STATEMENTS
For the year ended June 30, 2021

**8.4 STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT AND DEVELOPMENT
 COMBINED FOR THE YEAR ENDED 30TH JUNE 2021.**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget utilization difference	% of Utilization Difference
	KShs	KShs	e=a+b	e=d-c	KShs	f=d/c%
RECEIPTS						
Transfer from the County Treasury/Exchequer Releases	1,054,766,376	17,750,000	1,072,516,376	1,072,516,376	-	100%
Other Receipts	-	-	-	51,621,424	(51,621,424)	0%
TOTAL	1,054,766,376	17,750,000	1,072,516,376	1,124,137,800	(51,621,424)	
PAYMENTS						
Compensation of Employees	478,626,751	(12,422,412)	466,204,339	466,204,339	-	100%
Use of goods and services	295,499,146	43,322,781	338,821,927	413,146,938	(69,331,407)	122%
Other Grants and Transfers	98,000,000	-	98,000,000	98,000,000	-	100%
Social Security Benefits	23,453,713	-	23,453,713	23,453,713	-	100%
Other Payments-Recurrent	14,902,966	6,741,773	21,644,739	62,200,507	(40,555,768)	287%
Acquisition of Non -Financial Assets	22,000,000	(19,892,142)	2,107,858	-	2,107,858	0%
Acquisition of Assets-Develop	122,283,800	-	122,283,800	41,208,919	81,074,881	34%
TOTAL	1,054,766,376	17,750,000	1,072,516,376	1,104,214,416	(31,698,040)	

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were

approved on 30th September, 2021 and signed by:

For: P.A.

Clerk of the Assembly
 Name: Miss Faith Adhiambo Apuko
 HOMA-BAY COUNTY ASSEMBLY
 P.O. BOX 20-40300 HOMA-BAY
30 SEP 2021
ASSEMBLY CLERK

Chief Finance Officer – County Assembly
 Name: CPA Jacinter Adede
 ICPAK Member Number: 13233

HOUMA COUNTY
Reports and Financial Statements
For the year ended June 30, 2021

8.5 STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: RECURRENT FOR YEAR ENDED 30TH JUNE, 2021.

Receipt/Expense Item	Original Budget A	Adjustments B	Final Budget c=a+b	Actual on Comparable Basis e=d-c	% Utilisation difference	% of Utilization Kshs f=d/c %
RECEIPTS						
Transfer from the County Treasury/Exchequer Releases	932,482,576	17,750,000	950,232,576	1,004,738,255	(54,505,679)	106%
Other Receipts	-	-	-	51,621,424	(51,621,424)	0%
TOTAL	932,482,576	17,750,000	950,232,576	1,056,359,679	(106,127,103)	
PAYMENTS						
Compensation of Employees	478,626,751	(12,422,412)	466,204,339	466,204,339	-	100%
Use of goods and services	295,499,146	43,322,781	338,821,927	413,146,938	(74,325,011)	122%
Other Grants and Transfers	98,000,000	-	98,000,000	98,000,000	-	100%
Social Security Benefits	23,453,713	-	23,453,713	23,453,713	-	100%
Other Payments-Recurrent	14,902,966	6,741,773	21,644,739	62,200,507	(40,555,768)	287%
Acquisition of Non -Financial Assets	22,000,000	(19,892,142)	2,107,858	-	2,107,858	0%
TOTAL	932,482,576	17,750,000	950,232,576	1,063,005,497	(112,772,921)	
Surplus/Deficit				(6,645,818)		

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30th September, 2021 and signed by:

[Signature]
 Clerk of the Assembly

[Signature]
 Pres. P.A.

Chief Finance Officer – County Assembly
Name: Miss. Faith Adhiambo
ICPAK Member Number: 13233

HOMA-BAY COUNTY ASSEMBLY
 P.O. BOX 20-40300 HOMA-BAY
30 SEP 2021
ASSEMBLY CLERK

8.6 STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS: DEVELOPMENT FOR THE YEAR ENDED 30TH JUNE 2021.

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget utilization difference	% of Utilization Difference
	KShs	KShs	KShs	KShs	KShs	KShs
	a	b	c=a+b	d	e=c-d	f=d/c%
RECEIPTS						
Transfer from the County Treasury/Exchequer Releases	122,283,800	-	122,283,800	67,778,121	54,505,679	55%
TOTAL	122,283,800	-	122,283,800	67,778,121	54,505,679	
PAYMENTS						
Acquisition of Assets-Develop	122,283,800	-	122,283,800	41,208,919	81,074,881	34%
TOTAL	122,283,800	-	122,283,800	41,208,919	81,074,881	
Surplus/Deficit				26,569,202		

The explanatory notes to these financial statements form an integral part of the financial statements. The financial statements were approved on 30th June, 2021 signed by:



Clerk of the Assembly

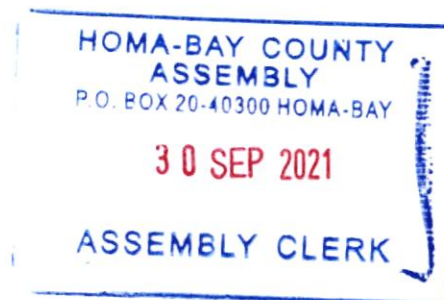
Name: Miss Faith Adhiambo Apuko



Chief Finance Office – County Assembly

Name: CPA Jacinter Adede

ICPAK Member Number: 13233



Handwritten text at the top of the page, possibly a title or header, including a date and some illegible characters.

Handwritten text in the middle of the page, possibly a signature or a note, including a date and some illegible characters.

8.7 BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES FOR THE YEAR ENDED 30TH JUNE 2021.

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	KShs	KShs	KShs	KShs	KShs
PROGRAMME LEGISLATIVE SERVICES					
Members Welfare Support Services	291,765,464	-	291,765,464	324,425,878	(32,660,414)
Legislative Development	79,570,958	61,077,381	140,648,339	140,648,339	-
Total Expenditure of Programme 1	371,336,422	61,077,381	432,413,803	465,074,217	(32,660,414)
PROGRAMME 2: OVERSIGHT AND CONTROL SERVICES					
Capacity Building Services	3,500,000	(2,917,200)	582,800	582,800	-
Report Writing Services	5,300,000	30,700,000	36,000,000	36,000,000	-
Public Participation and Education Services	6,533,554	17,466,446	24,000,000	24,000,000	-
Total Expenditure of Programme 2	15,333,554	45,249,246	60,582,800	60,582,800	-
PROGRAMME 3: WARD REPRESENTATION SERVICES					
Staff welfare Support Services	53,168,048	2,671,488	55,839,536	55,839,536	-
Ward Operation and Maintenance	84,000,000	(64,500,000)	19,500,000	60,200,507	(40,700,507)
Total Expenditure of Programme 3	137,168,048	(61,828,512)	75,339,536	117,721,821	(40,700,507)
PROGRAMME 4: POLICY, PLANNING AND ADMINISTRATIVE SUPPORT SERVICES					
Administrative and Support Services	246,146,952	(4,093,900)	242,053,052	279,783,274	(37,730,222)
Financial Management Services	162,497,600	(22,654,215)	139,843,385	141,462,163	(1,618,778)
Assembly Infrastructure Development Services	122,283,800	-	122,283,800	41,208,919	81,074,881
Total Expenditure of Programme 4	530,928,352	(26,748,115)	504,180,237	460,835,578	41,725,881
GRAND TOTAL FOR THE PROGRAMMES	1,054,766,376	17,750,000	1,072,516,376	1,104,214,416	(31,635,040)

For: P.A.

Chief Finance Officer – County Assembly

Name: CPA Jacinter Adede ICPAK Member Number 13233

HOMA-BAY COUNTY ASSEMBLY
ASSEMBLY
 P.O. BOX 20-40300 HOMA-BAY

30 SEP 2021

ASSEMBLY CLERK

Name: Miss Faith Adhiambo

8.8 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 Cash-basis IPSAS financial reporting under the cash basis of Accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for: a) receivables that include imprests and salary advances and b) payables that include deposits and retentions. The statement of assets and liabilities, although not a requirement of the IPSAS Cash Standard, has been included to disclose information on receivables and payables.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of Homa Bay County Assembly all values are rounded to the nearest Kenya Shilling.

The accounting policies adopted have been consistently applied to all the years presented.

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

2. Reporting entity

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

3. Recognition of receipts and payments

a) Recognition of receipts

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Transfers from the Exchequer/ County Treasury

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

ii) Other Receipts

Other receipts relate to receipts such as tender fees among others. These are recognised in the financial statements when the associated cash is received.

b) Recognition of payments

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

i) Compensation of employees

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

ii) Use of goods and services

Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

iii) Acquisition of fixed assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by Homa Bay County Assembly and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

4. In-kind contributions

In-kind contributions are donations that are made to Homa Bay County Assembly 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 Homa Bay County Assembly includes such value in the statement of receipts and payments both as receipts and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. Third Party Payments

This relates to payments done directly to supplier on behalf of the county governments such as; national government may fund the operation of health or education program, a donor may pay directly for construction of a given market etc. Details of payments by third parties on behalf of the county government is detailed in the notes to this financial statement.

6. Cash and cash equivalents

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

Restriction on cash

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

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at 30th June 2021, this amounted to KShs 8,109,255 compared to zero balance in prior period as indicated on note 10.0. *There were no other restrictions on cash during the year.*

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

8. Accounts Payable

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

9. 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 Homa Bay County Assembly fixed asset register a summary of which is provided as a memorandum to these financial statements.

10. 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 Assembly of Homa Bay* 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.



SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

11. Contingent Liabilities

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the County Assembly of Homa bay; or
- b) A present obligation that arises from past events but is not recognised because:
 - i) It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - ii) The amount of the obligation cannot be measured with sufficient reliability.

Some of contingent liabilities may arise from: litigation in progress, guarantees, indemnities. Letters of comfort/ support, insurance, Public Private Partnerships. Homa Bay County Assembly does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. Annex 6 of this financial statement is a register of the contingent liabilities in the year.

Section 185 (2) (i) of the PFM Act requires the County Government to report on the payments made, or losses incurred, by the county government to meet contingent liabilities as a result of loans during the financial year, including payments made in respect of loan write-offs or waiver of interest on loans.

12. Contingent Assets

Homa Bay County Assembly does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Homa Bay County Assembly in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

If it has become virtually certain that, an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

13. Budget

The budget is prepared on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. Homa Bay County Assembly's budget was approved as required by Law. The original budget was approved by the County Assembly on 24th June, 2020 for the period 1st July 2020 to 30 June 2021 as required by law. There were two number of supplementary budgets passed in the year. The supplementary budgets were approved on 21st January 2021 and 14th June 2021. A high-level assessment of the Homa Bay County Assembly's actual performance against the comparable budget for the financial year under review has been included in the Statement of Comparison between actual and budgeted amounts included in these financial statements.

14. Comparative figures

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

15. Subsequent events

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

16. Errors

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

17. Related party transactions

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

HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

9 NOTES TO THE FINANCIAL STATEMENTS

9.1.1 Transfers from the County Treasury/Exchequer Releases

Description	2020-2021	2019-2020
	KShs	KShs
Transfers from the County Treasury for Q1	100,000,000	160,000,000
Transfers from the County Treasury for Q2	327,500,000	200,000,000
Transfers from the County Treasury for Q3	179,400,000	284,000,000
Transfers from the County Treasury for Q4	465,616,376	217,000,000
Cumulative Amount	1,072,516,376	861,000,000

9.1.2 OTHER RECEIPTS

Description	2020-2021	2019-2020
	KShs	KShs
Transfer from Treasury/Exchequer	42,161,745	-
Funding from HBCA Mortgage Fund	9,459,679	46,727,847
Total	51,621,424	46,727,847

(This is the amount borrowed from Mortgage account, which at the end of the FY 2020/2021 had not been refunded hence a liability to County Assembly of Homa bay while the extra funding from the County executive were directed towards individual committee facilitations)



1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS

9.1.3 COMPENSATION OF EMPLOYEES

Description	2020 - 2021	2019 - 2020
	KShs	KShs
Basic salaries of permanent employees	111,215,274	69,718,680
Basic wages of temporary employees	86,919,188	88,453,816
Personal allowances paid as part of salary	237,601,735	222,679,401
Personal allowances paid as reimbursements	6,345,573	5,868,000
Employer Contribution to compulsory National Social Schemes	182,500	14,049,282
Pension and other social security contributions	23,940,069	21,462,261
Total	466,204,339	422,231,440

HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9.1.4 USE OF GOODS AND SERVICES

Description	2020 – 2021	2019 - 2020
	KShs	KShs
Utilities, supplies and services	436,583	1,100,000
Communication, supplies and services	574,590	990,000
Domestic and Foreign travel and subsistence	239,142,813	150,901,324
Printing, advertising and information supplies & services	4,918,917	4,900,000
Rentals of produced assets	1,300,000	750,000
Residential rent and rates	3,300,3000	
Training expenses	48,736,696	37,856,260
Hospitality supplies and services	44,705,547	47,390,000
Insurance costs	27,045,765	32,500,000
Specialized materials and services	8,237,715	4,350,000
Office and general supplies and services	5,834,892	4,980,000
Fuel, oil and lubricants	2,812,759	4,200,000
Other operating expenses(Legal, Guards and Professional Subscriptions)	22,703,411	23,480,000
Routine maintenance – vehicles and other transport equipment	2,792,075	4,000,000
Routine maintenance – other assets	605,176	700,000
Total	413,146,938	318,097,584

HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9.1.5 SOCIAL SECURITY BENEFITS

Description	2020-2021	2019-2020
	KShs	KShs
Government Pension and Retirement Benefits	23,453,713	-
TOTAL	23,453,713	-

HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9.1.6 OTHER GRANTS AND TRANSFERS

Description	2020-2021	2019-2020
	KShs	KShs
Mortgage and car loan	98,000,000	41,000,000
Total	98,000,000	41,000,000

HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9.1.7 OTHER PAYMENTS-RECURRENT

Non- Financial Assets	2020 - 2021	2019 - 2020
	KShs	KShs
Staff Car Loan/Mortgage	-	41,000,000
Contribution to CAF and SOCATT	-	5,700,000
CASB Expenses	-	921,300
Ward Offices Operation Expenses	60,200,507	60,960,000
Fringe Benefits/Withholding Tax	2,000,000	5,000,000
Medical Expense	0	1,680,319
TOTAL	62,200,507	115,261,619

9.1.8 ACQUISITION OF ASSETS

Description	2020 - 2021	2019 - 2020
	KShs	KShs
Refurbishment of Buildings	2,811,137	2,220,000
Purchase of Office Furniture	1,996,931	5,245,929
Construction of Other Infrastructure-Automated Security System		4,267,910
Construction of MCAS Offices	32,040,758	33,458,329
Refurbishment of Building(canopy and drainage)	1,838,093	2,000,000
Construction of Civil Works	2,522,000	3,882,680
Total	41,208,919	51,074,84



HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9.1.9 CASH AND BANK BALANCES

A. BANK BALANCES

Name of Bank, Account Name & currency	Account Number	Indicate whether Rec, Dev, Dep e.t.c	2020 - 2021	2019 - 2020
			KShs	KShs
<i>Central Bank of Kenya</i> <i>Currency: Kshs</i>	1000239379	Recurrent	-	260,177
<i>Central bank of Kenya</i> <i>Currency: Kshs</i>	1000309482	Development	21,575,928	1,391,081
<i>Cooperative Bank of Kenya</i> <i>Currency: Kshs</i>	01141456870100	Commercial	-	1,286
<i>Equity Bank of Kenya</i>	0980263265106	Commercial	-	0
<i>Equity Bank of Kenya</i>	0980279894772	Retention	8,109,255	
Total			29,685,182	1,652,544

B. FUND BALANCE BROUGHT FORWARD

Description	2020 - 2021	2019 - 2020
	KShs	KShs
Fund Balance Brought Forward from Previous Year	1,652,544	590,189
Total	1,652,544	590,189

10.0 ACCOUNTS PAYABLES

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Deposit and Retention	8,109,255	-
TOTAL	8,109,255	-

HOMABAY COUNTY ASSEMBLY
Reports and Financial Statements
For the year ended June 30, 2021

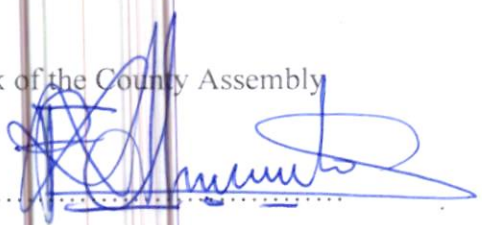
11.0 PROGRESS ON FOLLOW ON PRIOR YEAR AUDITOR'S

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	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Development budget underutilization	This was due to delayed disbursements of funds from the exchequer.	Resolved	N/A
1.4	Lack of enough evidence supporting Budgetary reallocation	This was occasioned by change of the old management and lack of proper office handover of the relevant documentation however; we attached correspondences from the County treasury over the same.	Resolved	N/A

Clerk of the County Assembly

Sign.....



Date.....



HOMABAY COUNTY ASSEMBLY

Reports and Financial Statements
For the year ended June 30, 2021

12.0 ANNEXES

12.1 ANNEX 1: ANALYSIS OF THE EXCHEQUER RECEIPTS

SUMMARY OF RECEIPTS FROM COUNTY TREASURY/EXCHEQUER RELEASES AS AT 30.06.2021 FOR FY 2020-2021			
DATE	DETAILS OF TRANSFER		DEVELOPMENT KSHS
	TRANSFERS	RECURRENT KSHS	
08.09.2020	TRANSFER TO COUNTY ASSEMBLY	36,000,000	
08.09.2020	TRANSFER TO COUNTY ASSEMBLY	64,000,000	
22.10.2020	TRANSFER TO COUNTY ASSEMBLY	72,500,000	
26.11.2020	TRANSFER TO COUNTY ASSEMBLY	37,000,000	
26.11.2020	TRANSFER TO COUNTY ASSEMBLY	43,000,000	
31.12.2020	TRANSFER TO COUNTY ASSEMBLY	39,451,096	
31.12.2020	TRANSFERTO COUNTY ASSEMBLY	40,548,904	
23.10.2020	TRANSFERTO COUNTY ASSEMBLY	87,500,000	
01.02.2021	TRANSFERTO COUNTY ASSEMBLY	38,529,494	
01.02.2021	TRANSFERTO COUNTY ASSEMBLY	41,470,506	
25.02.2021	TRANSFERTO COUNTY ASSEMBLY	20,000,000	
25.02.2021	TRANSFERTO COUNTY ASSEMBLY	31,687,236	
25.02.2021	TRANSFERTO COUNTY ASSEMBLY	40,312,764	
16.04.2021	TRANSFERTO COUNTY ASSEMBLY	37,395,534	
16.04.2021	TRANSFERTO COUNTY ASSEMBLY	42,604,466	
20.04.2021	TRANSFERTO COUNTY ASSEMBLY	20,000,000	
19.05.2021	TRANSFERTO COUNTY ASSEMBLY	41,198,528	
20.05.2021	TRANSFERTO COUNTY ASSEMBLY	38,801,472	
22.06.2021	TRANSFERTO COUNTY ASSEMBLY	80,000,000	
30.06.2021	TRANSFERTO COUNTY ASSEMBLY	98,000,000	
30.06.2021	TRANSFERTO COUNTY ASSEMBLY	30,000,000	
30.06.2021	TRANSFERTO COUNTY ASSEMBLY	10,000,000	

HOMABAY COUNTY ASSEMBLY

**Reports and Financial Statements
For the year ended June 30, 2021**

30.06.2021	TRANSFERTO COUNTY ASSEMBLY	4,000,000		
30.06.2021	TRANSFERTO COUNTY ASSEMBLY		67,778,121	
	TOTAL	994,000,000.00	67,778,121.00	
	TRANSFER FROM DEPARTMENT OF FINANCE ACCOUNT			
12.01.2021	TRANSFER TO COUNTY ASSEMBLY	7,400,000		
24.06.2021	TRANSFERTO COUNTY ASSEMBLY	8,000,000		
30.06.2021	TRANSFERTO COUNTY ASSEMBLY	13,500,000		
30.06.2021	TRANSFERTO COUNTY ASSEMBLY	2,500,000		
30.06.2021	TRANSFERTO COUNTY ASSEMBLY	1,000,000		
30.06.2021	TRANSFERTO COUNTY ASSEMBLY	1,000,000		
30.06.2021	TRANSFERTO COUNTY ASSEMBLY	1,000,000		
30.06.2021	TRANSFERTO COUNTY ASSEMBLY	10,000,000		
30.06.2021	TRANSFERTO COUNTY ASSEMBLY	1,000,000		
	TOTAL	45,400,000.00		
	TRANSFERS FROM EXECUTIVE SERVICES ACCOUNTANT			
02.12.2020	TRANSFERTO COUNTY ASSEMBLY	7,500,000		
	GRAND TOTAL	1,046,900,000		
	BALANCE	(96,667,424.00)		54,505,679.00
	GRAND TOTAL			1,114,678,121.00
	SUMMARY			
	AMT KSH			
Q1	100,000,000			
Q2	327,500,000			
Q3	179,400,000			
Q4	465,616,376			
TOTAL	1,072,516,376			

HOMABAY COUNTY ASSEMBLY

Reports and Financial Statements

For the year ended June 30, 2021

	OTHER RECEIPTS	
TRANSFER	FROM TREASURY/EXCHEQUER	42,161,745
TRANSFER	FROM CAR LOAN AND MORTGAGE ACC.	9,459,679
TOTAL		51,621,424



HOMABAY COUNTY ASSEMBLY

**Reports and Financial Statements
For the year ended June 30, 2021**

12.2 ANNEX 2 – ANALYSIS OF PENDING ACCOUNTS PAYABLE-PENDING BILLS

Supplier of Goods or Services	Date Contracted	Original Amount	balance at the beginning of the year	Addition During the year	Amount paid During the year	Outstanding Balance	Comments
			a	b	c	d=a+b-c	
Construction of Buildings							
1. Oduru Enterprise		7,979,656	2,709,190	-	5,270,466	2,709,190	
2. Sconan Construction		6,402,859	1,854,449	-	4,548,410	1,854,449	
3. Oxygen Transport		6,768,373	3,098,139	-	3,670,234	3,098,139	
4. HeartLand	07/10/2019	348,927,840	282,330,235	-	66,597,605	282,330,235	
5. Rico Interio Design	2016/2017	14,000,000	994,632	-		994,632	
SUB TOTAL		384,078,728	290,986,645	-	80,086,715	290,986,645	
Construction Works							
1. Build High	21/05/2020	6,898,950	3,016,270	-	3,882,680	3,016,270	
2. Kombiro Building & Construction	21/05/2020	7,112,260	3,112,260	-	4,000,000	3,112,260	
SUB TOTAL		14,011,210	6,128,530	-	7,882,680	6,128,530	
Supply of Goods							
1. Joy Sta Business Training	06/05/2020	132,500	132,500	-	-	132,500	
2. Vaaliva Enterprise		205,000	205,000	-	-	205,000	
3. Infolink Consultancy	3935800	1,935,800	1,935,800	-	2,200,000	1,935,800	
6. Fast Choice Furniture	06/01/2017	6,327,180	4,127,180	-	2,200,000	4,127,180	
7. Vitarose Enterprise	12/04/2020	2,520,500	2,520,500	-		2,520,500	
8. Hopeleze Systems	12/04/2020	2,461,800	2,461,800	-	-	2,461,800	

HOMABAY COUNTY ASSEMBLY

**Reports and Financial Statements
For the year ended June 30, 2021**

9. Sahanajanand	10/12/2020	576,500	576,500	-	-	576,500	-	576,500
10. Penmas Engineering	06/03/2021	324,500	324,500	-	-	324,500	-	324,500
11. Edam Enterprise	03/08/2021	389,470	389,470	-	-	389,470	-	389,470
12. Twistone Ventures	11/85/2021	2,136,907	2,136,907	-	-	2,136,907	-	2,136,907
13. Pitos Logistic	06/09/2021	291,000	291,000	-	-	291,000	-	291,000
14. Palimasho Investment	18/5/2021	790,380	790,380	-	-	790,380	-	790,380
15. Jascom Stationaries	19/2/2021	246,940	246,940	-	-	246,940	-	246,940
16. Berima Enterprise	24/2/2021	84,800	84,800	-	-	84,800	-	84,800
17. Dakpovq Enterprise	24/6/2021	180,000	180,000	-	-	180,000	-	180,000
18. Global Pace	24/12/2020	342,000	342,000	-	-	342,000	-	342,000
19. Donna Serve Solution	25/3/2021	515,456	515,456	-	-	515,456	-	515,456
20. Climax Digital Galaxy	25/5/2021	819,600	819,600	-	-	819,600	-	819,600
21. Nyamtonglo Enterprise	25/6/2021	566,290	566,290	-	-	566,290	-	566,290
22. Ratido Enterprrise	08/08/2018	3,100,050	2,100,050	-	1,000,000	2,100,050	-	2,100,050
23. Iconet Solution	2017/2018		175,018	-	-	175,018	-	175,018
SUB TOTAL		23,946,673	20,921,691	5,400,000	5,400,000	20,921,691	20,921,691	
Supply of Services								
1. Kenya Alliance Insurance		35,000,000	3,999,995	-	-	3,999,995	-	3,999,995
2. Pridein Flamingo			62,750	-	-	62,750	-	62,750
3. AON Insurance company		944,213	744,213	-	200,000	744,213	-	744,213
4. Amaco Insurance			46,000	-	-	46,000	-	46,000
5. Ciala Resort			2,700,000	-	-	2,700,000	-	2,700,000
6. Kisumu Link Tours		3,417,685	3,417,685	-	-	3,417,685	-	3,417,685



01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

HOMABAY COUNTY ASSEMBLY

**Reports and Financial Statements
For the year ended June 30, 2021**

7. Vitoria Site			1,200,000			1,200,000
8. Pride Kings Services		4,811,000	4,811,000			4,811,000
9. Japat General Services		5,600,000	5,600,000			5,600,000
10. Nation Media Group		2,199,560	2,199,560			2,199,560
11. Standard Media Group		3,096,734	3,096,734			3,096,734
12. Glacier East Africa		3,420,000	285,000	-	3,135,000	285,000
13. Liquid Telecommunication Kenya	30/4/2020	1,000,920	520,920	-	480,000	520,920
14. Syscore Solution		1,260,000	760,000		500,000	760,000
15. The Monarch Insurance		3,400,000	3,400,000	-	-	3,400,000
16. Hotel Panari	2020/2021	152,000	152,000	-	-	152,000
SUB TOTAL		64,302,112	32,995,857	-	4,315,000	32,995,857

Note: Pending bills comprise goods and services rendered and invoiced but not yet settled and does not include commitments

HOMABAY COUNTY ASSEMBLY

Reports and Financial Statements
For the year ended June 30, 2021

12.3 ANNEX 3 – SUMMARY OF NON-CURRENT ASSET REGISTER

Asset class	Historical Cost b/f (KShs) 2019/20	Additions during the year (KShs)	Disposals during the year (KShs)	Transfers in/(out)	Historical Cost c/f (KShs) 2020/2021
Land					
Buildings and structures	47,768,866	41,262,143	-	-	89,049,009
Transport equipment					
Office equipment, furniture and fittings	2,220,000	-	-	-	2,220,000
ICT Equipment, Software and Other ICT Assets	5,245,929	-	-	-	5,245,929
Total	55,234,795				96,514,938

NB: The balance as at the end of the year is the cumulative cost of all assets bought and inherited by the County Assembly. Additions during the year should tie to note 10 on acquisition of assets during the year. Ensure a complete fixed asset register is separately prepared in line with guidelines from The National Treasury.

