



COUNTY GOVERNMENT OF BUSIA
COUNTY EXECUTIVE COMMITTEE MEMBER
P.O. BOX PRIVATE BAG – 50400
BUSIA, KENYA



COUNTY TREASURY

CG/BSA/CECM/FIN/VOL.8/(130)

30th September, 2024

The Director
Office of the Auditor General
Western Hub
P.O Box 2042-50100
KAKAMEGA.



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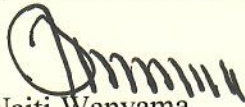
County Secretary
BUSIA COUNTY

RE: BUSIA COUNTY RECEIVER OF REVENUE FUND ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2024

The above subject matter refers.

I hereby forward to you the Annual Receiver of Revenue Fund Financial Statements for County Government of Busia for the year ended 30th June 2024 in accordance with Section 166 of the Public Finance Management Act 2012 for your action.

Thank you for the continued support.


Topister Naiti Wanyama
COUNTY EXECUTIVE COMMITTEE MEMBER
COUNTY TREASURY AND ECONOMIC PLANNING

Copy to:

The Principal Secretary
Office of the Controller of Budget
P.O Box 35616-00100
NAIROBI.

The Controller of Budget
National Treasury
P O Box 3007-00200
Nairobi

Secretary/CEO
CRA
Nairobi

Chief Officer-Finance



**COUNTY GOVERNMENT OF BUSIA
OFFICE OF THE GOVERNOR
P.O. BOX PRIVATE BAG**

**50400 BUSIA,
KENYA**



RECEIVER OF REVENUE

COUNTY GOVERNMENT OF BUSIA

REVENUE STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE, 2024

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

**Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024**

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***Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024***

1. Acronyms and glossary of terms

a) Acronyms

CA	County Assembly
COB	Controller of Budget
CRF	County Revenue Fund
FY	Financial Year
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OSR	Own Source Revenue
PFMA	Public Finance Management Act
PSASB	Public Sector Accounting Standards Board
ROR	Receiver of Revenue

b) Glossary of terms

Comparative FY	Comparative Prior Financial Year
Fiduciary Management	The key management personnel who had financial responsibility

2. Key Entity Information and Management

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

(a) Principal activities

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

(b) Key Management

The County Government of Busia’s day-to-day management of revenue is under the following:

No.	Designation	Name
1.	CECM Finance and Economic Planning	Hon. Topister Naiti Wanyama
2.	Accounting Officer in charge of Finance	Mr. Gypson Ojiambo Wafula
3.	Accounting Officer in charge of Agriculture	Mr. Odende Timothy
4.	Accounting Officer in charge of Sports	Mr. Dennis Ngira
5.	Accounting Officer in charge of Health	Dr. Lusamba Wilberforce
6.	Accounting Officer in charge of Transport	Mr. Hefow Aden
7.	Accounting Officer in charge of Trade	Mr. Mwaro Elijah
8.	Accounting Officer in charge of Lands	Ms. Imo Mercy
9.	Director Revenue	Ms. Peris A. Oyombera
10.	Head of Revenue Reporting unit	Mr. Barnabas Abwogah

(d) County Headquarters

P.O. Box Private Bag 50400
 Busia (K)
 Town Hall Building Busia-
 Kisumu Highway Busia

(e) Entity Contacts

Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024

E-mail: info@busiacounty.go.ke

Website: www.busiacyounty.go.ke

(f) Independent Auditors

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

(g) Principal Legal Adviser

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

(h) Bankers

1. Commercial banks

- i. Kenya Commercial Bank, Busia Branch
- ii. National Bank of Kenya, Busia Branch.

(i) County Attorney

P.O. Box Private Bag 50400
Busia (K)
Inyanza Plaza
Opposite KMTC-Busia

3. Foreword By the CECM Finance and Economic Planning

It is my pleasure to present the County Government of Busia Receiver of revenue financial statements for the year ended 30th June, 2024. The financial statements present the financial performance of the Receiver of Revenue Fund for the financial year 2023/2024.

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

Financing of the County Governments

Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Each County Government's equitable share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation and approved by Parliament in accordance with Article 217 of the Constitution of Kenya 2010.

The County also finances its operations through own generated revenues. These are revenues collected within the County. The key local revenue sources for Busia County included single business permits, land rates, business plan approvals, advertising fees, hospital user fees, cess and various other administrative charges.

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

- 1) Automation of revenue collection system – the County is currently using Busia County Revenue Management system as the revenue collection system;
- 2) Continuous revenue mapping to inform realistic projections and putting in place proper revenue collection enforcement measures.
- 3) Allocation of service delivery vehicles to enhance supervision and monitoring of own source revenue collection.
- 4) Collaborative approach including administrators at grassroot level to enhance revenue collection.

Sign.....

**Hon. Topister Naiti Wanyama.
CECM County Treasury and Economic Planning
County Government of Busia**

4. Management Discussion and Analysis

Background information

Own Source Revenue (OSR) is anchored by the 2010 Constitution, the 2012 Public Finance Management Act, the County Government Act of 2012 and Urban Areas and Cities Act 2011. Together, these allow counties to impose property tax, entertainment taxes and any other tax authorized by an Act of Parliament, as well as charges for the services they provide.

Improved OSR not only increases absolute revenues for a county but also improves the fiscal autonomy of county governments and allows them to better manage their public finances in manner more appropriate to their own economies. Studies by the National Treasury and reports by the Office of the Controller of Budget and the Commission on Revenue Allocation (CRA) have established that most counties raise less than 40 per cent of their estimated revenue potential. The joint devolution programme is working with partner counties and CRA to address this issue.

CRA has developed Own Sources Revenue Training Guidelines for counties that provide a tool for strengthening their technical capacity on OSR administration to improve performance. Through training programmes and ongoing assessments, the programme, together with CRA, is enhancing the technical capacity of county government revenue staff, supervisors, management and policymakers on the process of revenue collection, management and enhancement.

County own generated receipt.

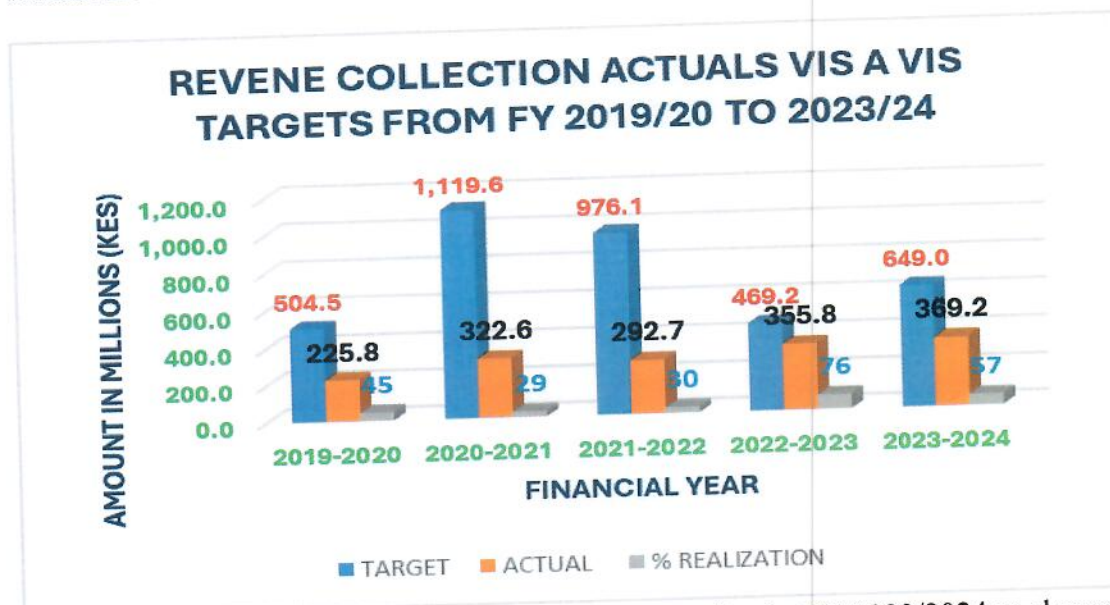
This is money derived by or on behalf of a County Government from levies, rates, fees, charges or any other source as authorized by Article 209 (3) of The Constitution of Kenya, 2010. The county heavily relied on levy rates on hospital user fees, trailer parking fees and single business permits for its services. During the financial year 2019/2020, 2020/2021, 2021/2022, 2022/2023 and 2023/2024 the County Government adopted electronic payment and improved its monitoring systems for charges, permits and fees.

The County Government projected to collect a total of Kshs. 649,015,634 from the local sources which were planned to support priority programmes and projects identified for implementation over the FY 2023/2024. This is shown in the table below:

Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024

Own generated revenues for the FY 2019/2020 to 2023/2024				
Financial Year	Approved Budget	Actual Receipts	Deviation	Budget realization
	Kshs	Kshs	Kshs	%
2019-2020	504,500,647	225,827,435	278,673,212	45
2020-2021	1,119,555,802	322,558,227	796,997,575	29
2021-2022	976,108,322	292,736,456	683,371,867	30
2022-2023	469,156,699	355,797,718	113,358,981	76
2023-2024	649,015,634	369,203,975	279,811,659	57
Totals	3,069,321,470	1,196,919,836	1,872,401,635	39

Actual Revenue Performance against Annual Targets from FY 2019/2020 to FY 2023/2024



The county recorded an upward trajectory in revenue for the FY 2023/2024 as shown above. This was attributed to a number of factors listed below:

- i. Intensified revenue enhancement and enforcement through regular Rapid Result Initiatives and use of utility vehicles
- ii. Operationalization of car parking fees along designated parking areas
- iii. Enhancement in collection of sugarcane cess from the sugarcane companies
- iv. Regular follow up NHIF disbursements and sub sequent transfer of collection account

5. Statement of Receiver of Revenue's responsibilities

Section 166 (1) of the Public Finance Management Act, 2012 requires that, not later than three months after the end of financial year, the accounting officer for a County Government shall prepare financial statements in respect of that entity. Section 166 (2) (b) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

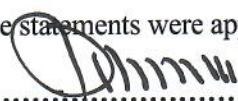
The Receiver of Revenue is responsible for the preparation and presentation of the receiver of revenue financial statements, which gives a true and fair view of the state of affairs of the receiver of revenue for and as at the end of the period ended on 30th June,2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period,(ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the statement of assets and liabilities of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Receiver of Revenue in charge accepts responsibility for the County Government of Busia receiver of revenue accounts, which have been prepared on the Cash Basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Receiver of Revenue is of the opinion that the County Government of Busia receiver of revenue account gives a true and fair view of the state of County Government's receiver of revenue transactions during the year ended 30th June,2024, and of the County Government's statement of financial assets and liabilities as at that date. The Receiver of Revenue further confirms the completeness of the accounting records maintained, which have been relied upon in the preparation of the receiver of revenue account as well as the adequacy of the systems of internal financial control.

The Receiver of Revenue confirms that the County Government of Busia has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable). The Receiver of Revenue confirms that the revenue statements have been prepared in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the Revenue Statements

The revenue statements were approved and signed by the Receiver of Revenue on 30th September, 2024.


.....
Name: Ms. Topister Naiti Wanyama.
County Receiver of Revenue.
County Government of Busia

Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024

6. Report of the Independent Auditor on the County Receiver of Revenue for the year ended 30th June 2024

Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024

7. Statement of Receipts and Disbursements for the year ended 30th June 2024

	Note	FY 2023/24	FY 2022/23
		Kshs	Kshs
County Own Source Revenue			
Cess	1	63,842,944	49,905,791
Land Rate	2	2,429,033	3,725,150
Single/Business Permits	3	73,608,301	64,080,118
Property Rent	4	7,748,537	6,090,268
Parking Fees	5	29,608,877	31,697,585
Market Fees	6	12,756,274	12,679,690
Advertising	7	18,809,328	12,518,898
Hospital Fees	8	119,906,901	153,638,955
Public Health Service Fees	9	7,401,736	6,072,514
Physical Planning and Development	10	2,517,650	4,927,616
Hire Of County Assets	11	3,335,830	1,387,095
Conservancy Administration	12	5,091,063	4,220,881
Administration Control Fees and Charges	13	6,385,370	3,974,980
Other Fines, Penalties, And Forfeiture Fees	14	147,000	672,928
Miscellaneous receipts	15	3,739,688	-
Cash in hand	16	437,270	205,249
Total County Own Source Revenue		357,765,802	355,797,718
Other Receipts			
Donations/Grants Not Received Through CRF		-	-
Total Other Receipts		-	-
Total Receipts		357,765,802	355,797,718
Balance b/f at the beginning of the year		38,798,596	80,036,552
Disbursements To CRF		(394,293,000)	(396,000,000)
Bank charges	17	(301,888)	(625,875)
Prior year adjustments		-	(409,798)
Balance Due for Disbursement	19	1,969,510	38,798,596

(Disclosure: The balance b/f at the beginning includes Kshs. 26,923,153-opening balance in the KCB collection account and sum of Kshs. 11,875,443 being opening balances in various revenue NHIF accounts which were later transferred to the collection account during the year under review and thus captured as part of Own source receipts in supporting schedules amounting to total of Kshs.369,203,975 receipts in KCB Collection account)

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 30th September and signed by:

.....
Ms. Topister Naiti Wanyama
County Receiver of Revenue

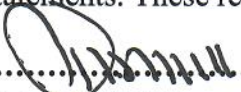
.....
CPA. Abwogah Barnabas
Head of Revenue Reporting
ICPAK M/No:23547


*Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024*

8. Statement of Financial Assets and Liabilities As at 30th June 2024

	Note	FY 2023/24	FY 2022/23
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances	18	1,969,510	38,593,347
Cash In Hand	16	437,270	205,225
Total Financial Assets		2,406,780	38,798,596
Total Financial Assets		2,406,780	38,798,596
Financial Liabilities			
Payables-Due to CRF		2,406,780	38,798,596
Total Financial Liabilities		2,406,780	38,798,596

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 30th September and signed by:

.....

Ms. Topister Naiti Wanyama
County Receiver of Revenue

.....

CPA. Abwogah Barnabas
Head of Revenue Reporting
ICPAK M/No:23547

**Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024**

9. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30th June 2024

Receipt	Original Targets A Kshs	Adjustments B Kshs	Final Targets C=A+B Kshs	Actual On Comparable Basis D Kshs	Budget Realization Difference E=C-D Kshs	% Of Realization F=D/C % Kshs
County Own Source Revenue						
Cess	54,130,184	8,803,506	62,933,690	63,842,944	(909,254)	101%
Land/Poll Rate	84,530,715	(3,676,056)	80,854,659	2,429,033	78,425,626	3%
Single/Business Permits	61,891,345	973,543	62,864,888	73,608,301	(10,743,413)	117%
Property Rent	19,242,561	(10,050,452)	9,192,109	7,748,537	1,443,572	84%
Parking Fees	42,300,640	-	42,300,640	29,608,877	12,691,763	70%
Market Fees	16,307,094	400,000	16,707,094	12,756,274	3,950,820	76%
Advertising	8,077,685	6,922,315	15,000,000	18,809,328	(3,809,328)	125%
Hospital Fees	169,347,944	98,200,000	267,547,944	119,906,901	153,638,955	49%
Public Health Service Fees	8,621,362	4,227,998	12,849,360	7,401,736	5,447,624	58%
Physical Planning and Development	51,626,027	(19,526,027)	32,100,000	2,517,650	29,582,350	8%
Hire of County Assets	15,677,476	11,958,894	27,636,370	3,335,830	24,300,540	12%
Conservancy Administration	9,950,579	-	9,950,579	5,091,063	4,859,516	51%
Administration Control Fees and Charges	6,918,001	1,300,300	8,218,301	6,385,370	1,832,931	78%
Other Fines, Penalties, And Forfeiture Fees	394,020	465,980	860,000	147,000	713,000	17%
Miscellaneous Receipts	-	-	-	3,739,688	-	-
Total County Own Source Revenue	549,015,633	100,000,001	649,015,634	357,328,532	295,426,790	55%
Other Receipts						
Total Other Receipts	-	-	-	-	-	-
Total Receipts	549,015,633	100,000,001	649,015,634	357,328,532	295,426,790	55%


**Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024**


Budgetary notes on under realization (below 90%)

- a. Land/poll rate: the under realization was attributed to un-operationalization of the Rating Act due to lack of Rating of Committee and lack of un-updated valuation Roll.
- b. Property Rent: the under realization was attributed to un-operationalization of the Rating Act due to lack of Rating of Committee and lack of un-updated valuation Roll.
- c. Parking fees: the under collection was attributed to hike in fuel prices which had an effect on matatu industry lack of trailer park to maximize on trailer parking fee.
- d. Market fees: the under realization was attributed to tough economic times thus trading activities especially the purchasing power of the taxpayers affected, and also the seasonality of this revenue stream affected regular collection.
- e. Public health services: under realization was as result of decline in need of this services due tough economic times affecting hospitality industry.
- f. Physical planning: the under collection from this stream was as a result of declining demand for building plan approval due reduced construction works as result of harsh economic times.
- g. Conservancy Administration: the under realization was as a result of struggling water schemes thus the low supply and low receipts in respect of sale of water from the water schemes.
- h. Administration control fees: the under realization was as a result of consumer behavior in response to tough economic times like the liquor sector which led to most liquor stores to close amid low customer turn out.
- i. Other fines, penalties and forfeitures: the under realization from this stream, owing to the fact that this stream is pegged in non-compliance cases that leads to clamping and impounding, in which such cases were limited, furthermore any court fines to defaulters end up to judiciary and not the County government.

**Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024**

The County Receiver of revenue's financial statements were approved on 30th September, 2024 and signed by:


.....
Ms. Topister Naiti Wanyama
County Receiver of Revenue


.....
CPA. Abwogah Barnabas
Head of Revenue Reporting
ICPAK M/No:23547

**Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024**

10. Statement of Arrears of Revenue As at 30th June 2024

Classification Of Receipts (Indicate As Applicable)	Balance as at The beginning of the current year (1st July 2023) A	Arrears received during the year. B	Additions in arrears for the current year to June 30, 2024 C	Total arrears as at 30 June 20xx D=A+(B)+C	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Land/Poll Rate	110,754,353	602,250	7,709,064	188,446,667	Passing of Rating Regulations to operationalize enforcement of the Rating Act	
Property Rent	6,987,504	315,154	1,412,366	8,715,024	Passing of Rating Regulations to operationalize enforcement of the Rating Act	
Total Arrears	117,741,857	917,404	9,121,430	197,161,691		

11. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and relevant legal framework of the County Government of Busia. 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. The accounting policies adopted have been consistently applied to all the years presented.

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

2. Recognition of Receipts

The County Government of Busia recognises all receipts from the various sources when the related cash has been received by the County Government of Busia.

3. Budget

The County Revenue budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County budget was approved as required by law. The original budget was approved by the County Assembly on 28th March, 2023 for the period 1st July 2023 to 30 June 2024 as required by law. There were two number of supplementary budgets passed in the year. A high-level assessment of the County's actual performance against the comparable budget for the financial year under review has been included in these financial statements.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include revenue collection accounts held at Commercial banks.

5. Revenue in Arrears

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

6. Disbursements to CRF

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

7. Comparative Figures

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

8. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the revenue statements for the year ended June 30, 2024

*Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024*

12. Notes to the Financial Statements

1. Cess

Description	2023/24	2022/23
	Kshs	Kshs
Farm produce (Sugar, Tobacco, Transit cess)	53,675,537	43,211,291
Quarrying (sand cess)	3,494,780	1,214,850
Livestock (Stock sale & slaughter fees)	4,076,108	4,089,840
Fish farming (fish cess, import, licence, mov't permit)	2,596,519	1,389,810
Total	63,842,944	49,905,791

2. Land rates

Description	2023/24	2022/23
	Kshs	Kshs
Land rates	1,826,773	3,649,803
Arrears	602,260	75,347
Total	2,429,033	3,725,150

3. Single /Business Permits

Description	2023/24	2022/23
	Kshs	Kshs
Annual Business permit fees	73,608,301	64,080,118
Total	73,608,301	64,080,118

4. Property Rent

Description	2023/24	2022/23
	Kshs	Kshs
County Housing	5,757,658	4,511,838
Plot Rent	1,417,909	830,020
Stalls/kiosks rent	572,970	748,410
Total	7,748,537	6,090,267

*Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024*

5. Parking Fees

Description	2023/24	2022/23
	Kshs	Kshs
Private/Reserved parking	5,684,033	3,137,940
Bus Park fees	20,428,604	2,468,580
Trailer parking fees	3,496,240	26,091,811
Total	29,608,877	31,697,587

6. Market Fees

Description	2023/24	2022/23
	Kshs	Kshs
Market entry fees	12,756,274	12,679,690
Total	12,756,274	12,679,690

7. Advertising

Descriptions	2023/24	2022/23
	Kshs	Kshs
Advertising	18,809,328	12,518,898
Total	18,809,328	12,518,898

8. Hospital Fees

Description	2023/24	2022/23
	Kshs	Kshs
Hospital user fees	39,929,474	57,430,823
mortuary fees	2,074,870	5,040,285
Funds from NHIF	77,902,557	91,167,847
Total	119,906,901	153,638,955

9. Public Health Service Fees

Description	2023/24	2022/23
	Kshs	Kshs
Veterinary services	3,045,836	1,858,214
Public Health	4,355,900	4,214,300
Total	7,401,736	6,072,514

*Receiver Of Revenue
County Government of Busia
Revenue Statements for the financial year ended 30th June 2024*

10. Physical Planning and Development

Description	2023/24	2022/23
	Kshs	Kshs
Building plans approval	2,517,650	4,927,616
Total	2,517,650	4,927,616

11. Hire Of County Assets

Description	2023/24	2022/23
	Kshs	Kshs
Machines hire	47,500	198,000
Tractor hire	1,698,255	-
Hire of County Stadia/Halls	66,500	56,000
Agricultural Training Centre (ATC)	1,523,575	943,855
Water bowser services	-	189,240
Total	3,335,830	1,387,095

12. Conservancy Administration

Description	2023/24	2022/23
	Kshs	Kshs
Solid waste	2,984,260	2,625,470
Noise	345,200	358,200
sale of water from water scheme (Busia Hill, Busijo, Alema, Munana, Butula, Port.Victoria)	1,761,603	1,237,211
Total	5,091,063	4,220,881

13. Administration Control Fees and Charges

Description	2023/24	2022/23
	Kshs	Kshs
Weights and measures	163,000	-
Fire Services	2,986,500	2,472,800
Liquor licenses	3,000,000	1,353,000
Group registration	127,350	104,650
Coop Audit fee	108,520	44,530
Total	6,385,370	3,974,980

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14. Other Fines, Penalties and Forfeitures

Description	2023/24	2022/23
	Kshs	Kshs
Impounding Fees	147,000	594,050
Other miscellaneous	-	78,878
Total	147,000	672,928

15. Miscellaneous Receipts

Description	2023/24	2022/23
	Kshs	Kshs
Insurance compensations	3,739,688	-
Total	3,739,688	-

16. Bank Charges

Description	2023/24	2022/23
	Kshs	Kshs
Bank Charges & wrong account reversals	381,901	625,875
Total	381,901	625,875
DATE	DETAILS	AMOUNT (DR)
01-Jul	Bank charge	600
07-Jul	Bank charge	120
17-Jul	Bank charge	1,065
18-Jul	Bank charge	120
01-Aug	Bank charge	575
01-Aug	Reversal-Erroneous	52,000
05-Sep	Bank charge	575
07-Sep	Reversal-Erroneous	30,000
07-Sep	Reversal -Erroneous	70,000
18-Sep	Bank charge	115
01-Oct	Bank charge	575
02-Oct	Bank charge	230
02-Nov	Bank charge	575
15-Nov	Bank charge	1,065
27-Nov	Bank charge	1,065
30-Nov	Bank charge	115
30-Nov	Bank charge	115
01-Dec	Bank charge	575
01-Dec	Bank charge	575
22-Dec	Reversal-Erroneous	100,000

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04-Jan	Bank charge	575
12-Jan	Bank charge	882
12-Jan	Bank charge	5,880
12-Jan	Bank charge	1,065
18-Jan	Bank charge	115
29-Jan	Bank charge	115
02-Feb	Bank charge	575
07-Feb	Bank charge	115
07-Feb	Bank charge	115
19-Feb	Bank charge	230
20-Feb	Reversal-Erroneous	10,729
28-Feb	Reversal-Erroneous	11,000
02-Mar	Bank charge	575
06-Mar	Bank charge	115
13-Mar	Bank charge	115
19-Mar	Reversal-Erroneous	2,310
03-Apr	Bank charge	1,065
03-Apr	Bank charge	575
11-Apr	Bank charge	115
12-Apr	Bank charge	230
15-Apr	Bank charge	115
22-Apr	Bank charge	115
22-Apr	Bank charge	115
22-Apr	Bank charge	1,065
03-May	Bank charge	575
08-May	Bank charge	115
08-May	Bank charge	115
11-May	Bank charge	115
29-May	Bank charge	115
30-May	Bank charge	230
04-Jun	Bank charge	575
10-Jun	Bank charge	115
15-Jun	Bank charge	200
15-Jun	Bank charge	30
15-Jun	Bank charge	200
15-Jun	Bank charge	30
18-Jun	Bank charge	200
18-Jun	Bank charge	30
19-Jun	Unpaid cheque bank charge	117
19-Jun	Unpaid cheque bank charge	585
28-Jun	Bank charge	575
	Total	301,888

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17. Bank Balances

Name of Bank, Account No. & currency	Amount	Exc. rate (if in foreign currency)	2023/24	2022/23
			Kshs	Kshs
KCB Revenue Collection-1140748017	1,953,019	-	1,953,019	26,923,153
Sio Port Victoria Health Centre KCB - Health (NHIF)-1183867425	314	-	314	202
Teso North Sub County hospital (NHIF)1264006292	498	-	498	8,370
Alupe Sub District hospital (NHIF)	3,310	-	3,310	42
Khuyangu health centre (NHIF)01001036736900	672	-	672	785,023
Nambale Sub County Hospital (NHIF)1255604875	2,640	-	2,640	144
Busia County Referral Hospital (NHIF)01001036712400	978	-	978	3,638,179
Port Victoria hospital (NHIF)01001036646000	614	-	614	1,830,092
Busia Transport and Public Works - NBK01071253868000	-	-	-	834
Busia Lands Housing and Urban Devt-01071253878000	1,230	-	1,230	75,347
Busia Agriculture crop and animal resources01071253873700	6,235	-	6,235	105,669
Busia Health and Sanitation revenue Account-1309510830	-	-	-	5,225,499
Total bank balances	1,969,510	-	1,969,510	38,592,552

18. Cash in hand

	2022/23	2022/2023
	Kshs	Kshs
Cash in Hand	437,270	205,249
Grand total	437,270	205,249

Description	FY 2023/24
	Kshs
Produce cess	37,960
Hospital user fees	80,650
Trailer parking fees	14,010
SBP	169,000
Market fees	57,820
Sand cess	27,200

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Public health	21,500
Group registration	1,250
Private parking	3730
Veterinary fees	13650
Audit fee	10,500
Total	437,270

19. Payables- Due To CRF

Payables	FY 2023/24	FY 2022/23
	Kshs	Kshs
Balance b/f at the beginning of the year	38,798,545	80,036,545
Amount collected during the year	357,328,532	355,797,718
Amounts disbursed to CRF during the year	(394,293,000)	(396,000,000)
Reversals, Bank charges	(301,888)	(625,875)
Prior year adjustments	-	(409,778)
Balance c/d at the end of the year	1,969,510	38,798,545

Disclosure: The balance b/f at the beginning includes Kshs. 26,923,153-opening balance in the KCB collection account and sum of Kshs. 11,875,443 being opening balances in various revenue NHIF accounts which were later transferred to the collection account during the year under review and thus captured as part of Own source receipts in supporting schedules amounting to total of Kshs.369,203,975 receipts in KCB Collection account

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20. (a) Prior year disclosures

Description	2021/2022	2020/21
	Kshs	Kshs
Coop Audit fee	28,020	-
	28,020	
<p>Ksh. 28,020 was revenue collection under “administration control fees and charges”, in respect of Co-operative Audit fee for FY 2021/2022 which was omitted in statement of receipts and disbursement but included in Statement of comparison budget and actual thus was part of the Kshs.79,388,491 disclosed balance as at 30th June,2022</p>		

(b)Prior year disclosure

Description	2022/2023	2020/21
	Kshs	Kshs
Land rates arrears	111,250,103	7,015,612
Property rent arrears	7,986,229	1,806,511
NHIF arrears	6,250,000	24,060,000
Total	125,486,332	32,882,123
<p>Ksh. 32,882,123 was arrears of revenue for FY 2021/2022 from Land rates-Kshs.7,015,612, Plot rent-Kshs.1,806,511 and NHIF-Kshs.24,060,000 that was not disclosed in the year under review. Kshs.125,486,332 was total revenue arrears for FY 2022/2023 which includes Kshs.6,250,000 NHIF arrears was omitted in summation of totals in arrears declared in the statement of arrears for the year under review.</p>		

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21. Ageing Analysis of Revenue in Arrears

Description (indicate as applicable)	Less than 1 year	Between 1-2 years	Between 2-3 years	Over 3 years	Total
Land rate	-	-	188,446,667	-	188,446,667
Property rent	-	-	8,715,024	-	8,715,024
Total	-	-	197,161,691	-	197,161,691

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13. Appendices

Appendix 1: A Report of Waivers and Variations of Fees or charges granted by the Receiver of Revenue during the year.

There were no waivers and variations of fees or charges granted by the Receiver of Revenue during the year

S/No	Name of person / organisation benefiting from waiver/ variation	Year in which waiver/ variation relates	Amount of variation/ waiver (fee or charge)	Reasons for waiver/ variation	The law in terms of which the variation/waiver was granted

(PFM ACT section 165 subsection 4, 5)

Gysem Hachaleo
Accounting Officer

Sign and date 30/07/2024
Accounting Officer

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Appendix 2: Progress on follow up of prior Year Auditor Recommendations.

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. However, the management is yet to appear before recommended committee(s) for resolution to be made.

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.	<p>Unsupported Receipts – Single Business Permit</p> <p><i>The statement of receipts and disbursements reflects an amount of Kshs.64,080,118 in respect of revenue from single business permit as disclosed in Note 3 to the financial statements. Available records indicated that the single business permit revenue stream is fully automated, and collections are done through the Busia County Pro-Revenue System. However, at the time of audit in November, 2023, there was no data provided for audit verification in relation to the revenue stream.</i></p>	<p>The management acknowledges that the previous data could not be accessed due to system shutdown of County pro system by the vendor with effect from February 2023 hence denying the county access to obtain system generated single business permit (SBP) register.</p> <p>However, the management maintained the same information of SBP data in an excel format which was used as back-up and hereby avails extract of excel schedule for SBP amounting to Kshs.64,080,118 for audit verification.</p> <p>The database is now available in the Revenue management system in place as a consolidated</p>		

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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)
	<p><i>Further, during the year under review, the County Executive of Busia did not maintain a data base of all the businesses operating in the sub-counties and a register of invoices issued to various business owners requesting for payment for business permits. No revenue registers were also maintained to ascertain the amount invoiced, amount collected and outstanding balances. In the circumstances, the accuracy and completeness of the revenue of Kshs. 64,080,118 from single business permit could not be ascertained</i></p>	<p>report and as per the various sub counties</p>		
2.	<p>Inaccuracies in the Statement Arrears of Revenue <i>The statement of arrears of revenue reflects total</i></p>	<p>The management would like to clarify that the statement of arrears for the period under review was erroneously captured as</p>		

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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)
	<p>arrears of Kshs.119,236,332. However, re-calculation of the total arrears amounted to Kshs.112,973,487 resulting to reconciled variance of Kshs.6,262,845.</p> <p>In the circumstances, the accuracy and completeness of total arrears of revenue balance of Kshs.119,236,332 could not be confirmed.</p>	<p>Kshs 119,236,332 instead of Kshs 125,486,332.</p> <p>The Kshs119,236,332 is the total arrears from Land/Poll rates of Kshs 111,250,103.00 and property rates of Kshs 7,986,229.00.</p> <p>The amount of Kes 6,250,000.00 NHIF Hospital fees was omitted in the total amount as highlighted</p>		
3	<p>Unsupported Bank Balances</p> <p>The statement of financial assets and liabilities reflects a balance of Kshs.38,593,347 in respect of bank balances which, as disclosed in Note 18 to the financial statements, comprises of balances in thirteen (13) bank accounts. However, certificates of bank</p>	<p>The management hereby provides certificates of bank balances for the three bank accounts</p>		

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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)
	<p><i>balances for three (3) bank accounts with balances of Kshs.785,023. Kshs.3,638,179 and Kshs.1,830,092 respectively, were not provided for audit review.</i></p> <p><i>In the circumstances, the accuracy and completeness of the bank balances of the three (3) accounts with total balance of Kshs.6,253,294 could not be confirmed.</i></p>			
4	<p>Variations between Financial Statements and Supporting Schedules <i>The statement of receipts and disbursements reflects own source revenue amounts of Kshs.153,638,955, Kshs.3,725,150 and Kshs.6,072,514 relating to hospital fees, land rates and public health services, respectively. However, the amounts are at variance</i></p>	<p>The management would like to clarify that the mentioned variance was as a result of misclassification of revenue streams in the respective classes which has since been reconciled and supporting schedules availed for verification as highlighted under appendix 4.</p>		

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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)
	<p>with the amounts of Kshs.142,150,611, Kshs.3,649,803 and Kshs.5,966,845 shown in the respective supporting schedules. The variances of Kshs.11,488,344, Kshs.75,347 and Kshs.105,669 have not been explained or reconciled</p>			
	<p>Budgetary Control and Performance The statement of comparison of budget and actual amounts reflects receipts budget and actual on comparable basis of amounts of Kshs.469,156,699 and Kshs.355,797,718 respectively, resulting to under-collection of revenue Kshs.113,358,981 or 24% of the targeted receipts. The under-collection of revenue affected the</p>			


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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)
	planned activities and may have impacted negatively on service delivery to the public			

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report.
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management.
- (iii) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.

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 Ms. Topister Naiti Wanyama


 CPA. Abwoga Barnabas

County Receiver of Revenue
 Head of Revenue Reporting

ICPAK M/No:23547

Date
 Date