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COUNTY GOVERNMENT OF BUNGOMA



COUNTY ASSEMBLY OF BUNGOMA

OFFICE OF THE CLERK

COUNTY ASSEMBLY OF BUNGOMA  
(LPCS)

22 APR 2025

TABLED

By Hon. Everline Muthoni

THIRD ASSEMBLY FOURTH SESSION

COUNTY ASSEMBLY OF BUNGOMA  
(LPCS)

22 APR 2025

NOTICE ISSUED  
By Hon. Everline Muthoni

FINANCE AND ECONOMIC PLANNING  
COMMITTEE

REPORT ON RECEIVER OF REVENUE QUARTERLY  
REPORT AND FINANCIAL STATEMENTS FOR THE  
PERIOD ENDED JUNE 30TH 2024.

Clerks Chambers  
County Assembly Buildings  
P.O BOX 1886 - 50200  
BUNGOMA, KENYA

April 2025

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## CHAPTER ONE

### **1.1 preface**

#### **Hon. Speaker**

The receivers of revenue financial statement for the period ending June 30th 2024 was tabled in the House on 16 October 2024 and committed to the Committee on Finance and Economic Planning.

The report has highlighted on the general performance in own source revenue collection including appropriation in Aid by the Bungoma County.

The Committee analyzed the report and did comparison with performance in previous years coupled with interrogation of the executive which aided it make some observations and agreed on clear and workable recommendations for the house to consider.

Generally, the committee observed each revenue stream's performance against the budget and historical behavior in revenue collection across all revenue streams.

### **1.2 Mandate of the Committee.**

#### **Mr. Speaker,**

The sectorial Committee on Finance and Economic Planning is constituted pursuant to the provisions of Standing Order No. 217 of the County Assembly of Bungoma and executes its mandate in accordance with Standing order 217(5) which provides as follows:

- a) Investigate, inquire and report all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments.
- b) Study the programme and policy objectives of departments and the effectiveness of the implementation;
- c) study and review all county legislation referred to it;
- d) study, assess and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives;
- e) investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the County Assembly;

- f) to vet and report on all appointments where the constitution or any law requires the County Assembly to approve, except those under Standing order 208(Committee on Appointments); and
- g) make reports and recommendations to the County Assembly as often as possible, including recommendations of proposed legislation

### **1.3 Committee Membership**

**Mr. Speaker,**

The Committee on Finance and Economic Planning as currently constituted comprises of the following members:-

1. Hon. James Mukhongo	Chairperson
2. Hon. Orize Kundu	Vice Chairperson
3. Hon. Stephen Wamalwa	Member
4. Hon. Everlyne Mutiembu	Member
5. Hon. Vitalis Wangila	Member
6. Hon. Violet Makhanu	Member
7. Hon. Jack Kawa	Member
8. Hon. Francis Chemion	Member
9. Hon. Tony Barasa	Member
10. Hon. George Makari	Member
11. Hon. Aggrey Mulongo	Member
12. Hon. Godfrey Wanyama	Member
13. Hon. Everton Nganga	Member
14. Hon Jerusa Aleu	Member
15. Hon Christine Mukhongo	Member

### **1.4 Legal Framework**

**Mr. Speaker,**

The report is prepared in compliance with section 165 of the Public Finance Management Act 2012 as read together with section 9 of the Bungoma County Revenue Administration and management act 2017 which states that :

***“165(1) At the end of each financial year, a receiver of revenue for a county government shall prepare an account in respect of the revenue collected, received and recovered by the receiver during that financial***

*year.*

**(2) The account under subsection (1) shall include—**

**(a) a statement of receipts and disbursement in a form prescribed by the Accounting Standards Board from time to time; and**

**(b) a statement of arrears of revenue.**

**(3) Not later than three months after the end of the financial year, the receiver of revenue for the county government shall—**

**(a) submit the accounts to the Auditor-General; and**

**(b) deliver a copy to the National Treasury, the Controller of Budget, County Treasury, and the Commission on Revenue Allocation.**

**(4) Not later than two months after the end of each financial year, a receiver of revenue for the County Government shall submit to a County Assembly a report with respect to all waivers and variations of taxes, fees or charges granted by the receiver during that year.**

**(5) The receiver shall include in the report the following details in respect of each waiver or variation—**

**(a) the full name of each person benefiting from the waiver or variation;**

**(b) the amount of tax, fee or charge affected by the waiver or variation;**

**(c) the year to which the waiver or variation relates;**

**(d) the reasons for waiver or variation; and**

**(e) the legislation in terms of which the waiver was authorized.”**

**Mr. Speaker,**

Section 9 of the Bungoma County Revenue administration and Management Act 2017, requires that the receivers of the revenue of the Bungoma County should prepare quarterly and annual financial statement in respect to the performance of own source revenue:-

**“9) A receiver of revenue for a county government shall provide quarterly and annual statements to the County Treasury and County Assembly with copies to the National Treasury and the Commission on Revenue Allocation.”**

In this case a receiver of revenue is the County Executive Committee Member

responsible matters Finance and Economic Planning. The Executive committee member is obligated also to designate persons responsible for collecting, receiving and accounting for such County Government revenue in compliance of the section 57 of the Public Finance Management Act, 2012:-

***157. (1) The County Executive Committee member for finance shall, in writing, designate persons to be responsible for collecting, receiving and accounting for such county government revenue as the County Executive Committee member for finance may specify in their letters of designation.***

***(2) A receiver of county government revenue is responsible to the County Executive Committee member for finance for ensuring that the revenue for which the receiver is responsible is collected or recovered, and is accounted for.***

***Section 158 of the public Finance Management, Act allows the county executive***

***158. (1) A receiver of revenue for a county government may authorize any public officer employed by that County Government or any of its entities to be a collector of revenue for the purpose of collecting revenue for that county government and remitting it to the receiver.***

- (2) Any other public officer, other than a receiver of revenue or collector of revenue for a County Government, who collects revenue for that Government shall, not later than three days after receiving it, deliver the revenue to a receiver or collector of revenue for that county government.
- (3) A receiver of revenue for a county government shall provide quarterly statements to the County Treasury with copies to the National Treasury and the Commission on Revenue Allocation.

***164(1) At the end of each financial year, the accounting officer for a County Government entity shall prepare financial statements in respect of the entity in formats to be prescribed by the Accounting Standards Board.***

(2) *The accounting officer shall include in the financial statements—*

*(a) appropriation accounts, showing—*

- (i) the services for which the appropriated money was spent;*
- (ii) the amounts actually spent on each service; and*
- (iii) the status of each Vote compared with the appropriation for the Vote; and*
- (iv) a statement explaining any variations between the actual expenditure and the sums voted; and*
- (v) any other information specified by the County Treasury;*

*(b) a statement of the entity's debt that is outstanding*

*at the end of the financial year;*

*(c) a statement of the entity's debt guaranteed by the national government as at the end of the financial year;*

*(d) a statement of the entity's assets and liabilities as at the end of the financial year in respect of—*

*(i) each Vote, clearly identifying between recurrent and development expenditure; and*

*(ii) funds and deposits;*

*(e) a statement of the accounting policies followed in preparing the financial statement; and*

*(f) a statement of the county government entity's performance against predetermined objectives.*

*(3) The accounting officer shall prepare the financial statements in a form that complies with relevant accounting standards prescribed and published by the Accounting Standards Board from time to time.*

*(4) Within three months after the end of each financial year, the accounting officer for an entity shall—*

*(a) submit the entity's financial statements to the Auditor-General; and*

(b) deliver a copy of the statements to the relevant County Treasury, the Controller of Budget, and the Commission on Revenue Allocation.

(5) In the case of an entity that is a County corporation, the accounting officer shall submit a copy of the county corporation's financial statements to the County Executive Committee member responsible for that corporation who shall approve and forward the statements to the County Executive Committee member for finance.

## **1.5 Acknowledgement**

### **Mr. Speaker,**

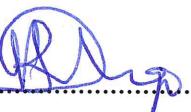
Let me take this opportunity to express my gratitude and sincere thanks to the members of the committee and its Secretariat for dedicating their time to analyze the receivers of revenue Financial Statement report and diligently carrying out critical analysis of the report including interrogation of the department.

The committee is grateful to the offices of Honorable Speaker and Clerk of the County Assembly of Bungoma for the support received as it discharged its mandate in the preparation of this report.

Lastly, the committee lauds the County Executive Committee Member of Finance and Economic Planning and his team for appearing before the Committee and availing the necessary information that enabled the Committee compile this report.

### **Mr. Speaker,**

It is therefore my singular duty, on behalf of the Committee of Finance and Economic Planning, to table this report and recommend it to the County Assembly for consideration and adoption.

Signed .....  Date ..... 6/4/2025

**Hon. James Barasa Mukhongo, MCA Chwele/Kabuchai Ward  
Chairperson, Committee on Finance and Economic Planning**

## **CHAPTER TWO**

### **2.1 Background information.**

The County Executive member for Finance and Economic Planning is responsible for the general policy and strategic direction of the receiver of revenue. The principal activity of the receiver of revenue is to collect revenue and remit to the County Revenue Fund (CRF).

The key local revenue sources for the County include, Trade Licenses, property taxes, cess, market fees, enclosed bus park and parking fees, administrative services fees, public health facilities fees among others. AIA is revenue collected from Mabanga ATC/AMC, level 2, 3, 4 &5 hospitals and County vocational training centres, hire of county machines & assets. Collection of revenue is done through Agents that are located within the facility entities.

### **2.1 Operation of the fund**

The County Government collects local revenue using the Bungoma Automated Revenue management system (BARMS) .Collectors for parking fees and market fees have collection mobile phones. Collectors at the stock auction yards are provided with point of sale devices (POS).Both modes of collection are fully cashless to ensure that all revenue paid is captured directly into the system and Mpesa/Bank to avoid leakages and encourage efficient revenue collection.

Collections for structured imposts including PSV stickers , Trade licenses and property taxes are made through Mpesa pay bill or direct banking in four revenue collection accounts held in commercial banks as opposed to the CBK as required by PFM Act 2012.These amounts are regularly swept to the Bungoma County Revenue Fund held at CBK.

### **2.2 Revenue Raising Measures**

#### **Mr. Speaker,**

In the year under review the County implemented a combination of administrative and system reforms aimed at increasing local revenue. These reforms focused on improving revenue collection and management processes. However, despite these efforts, the

County did not achieve any significant improvement in local revenue growth compared to previous years. The reforms included:

- i. Introduction of tax incentives including, negotiated flexible plans for defaulters, and a property tax waiver between March and April, 2024 to boost compliance.
- ii. The Following pieces of legislation were enacted to inform administration of various fees and charges;
  - a. Bungoma County Weights and Measures Bill, 2023.
  - b. Bungoma County Public Markets Amendment Bill, 2023.
  - c. Bungoma County Outdoor Advertisement and Signage Bill, 2023.
  - d. Bungoma County Revenue Administration and Management Amendment Bill, 2023.
  - e. Bungoma County Inspectorate, Compliance and Enforcement Bill, 2023.
  - f. Bungoma County Public Entertainment and Amenities Bill, 2023.

Further reforms to be implemented in the current year include:

- i. The County streamlining public finance controls within the County health Sector. A Hospital Management Information System has been procured and installed to support all service operations at the County Health Facilities.
- ii. The County has made arrangements for special purpose accounts for County Health facilities and Agricultural institutions for access of funds for provision of services and development to address uncertainties associated with spending revenues at source.
- iii. The County has procured 32 motorcycles to ease mobility. In addition, plans are underway to consider framework contracting for repairs and maintenance of existing revenue vehicles and periodically purchase of new vehicles to support supervision and collection of revenue.

### **2.3 Statement of Receiver of Revenue's Responsibility**

The receiver of revenue is responsible for the preparation of the receiver of revenue financial statements, which give a true and fair view of the state of affairs of the receiver of revenue for and as at end of the period.

## CHAPTER THREE

### 3.1 Financial Performance

Mr. Speaker,

The County projected to collect Kshs. 2,030,272,854 from own source revenue and AIA, representing 13.3 % of the total 2<sup>nd</sup> supplementary budget of Kshs. 15,243,651,077.

The total revenue collected during the period amounted to Kshs. 1,095,692,519, which is a decrease of Kshs. 23,666,623 compared to the Kshs. 1,119,359,143 collected in the same period of the previous year. This represents 54% of the expected Kshs. 2,030,272,854.

The collected revenue is broken down into two categories:

- Appropriation in Aid: Kshs. 707,377,772, which accounts for 61% of the targeted Kshs. 1,162,071,383.
- Own Source Revenue: Kshs. 388,314,747, which is 44.7% of the targeted Kshs. 868,201,471.

Revenue from hospital facilities is utilized at source, a report on the collection and utilization should be submitted to the Assembly quarterly

### 3.2 Budget Vs Actual own source revenue

Description of Revenue	Budget Amount	Actual Receipt	% realized
Local Revenue	868,201,471	388,314,747	45%
Appropriation in Aids	1,162,071,383	707,377,772	61%
<b>Total</b>	<b>2,030,272,854</b>	<b>1,095,692,519</b>	<b>54%</b>

**3.4 Statement of Receipts and Payments for The Period ended 30<sup>th</sup>  
June 2024**

	Period ended June 2024	Comparative period ended June 2023	Variance
<b>County Own Source Revenue</b>	Kshs	Kshs	Kshs
Hospital Fees	691,875,874	743,911,773	-52,035,899
Cess	21,274,695	41,645,810	-20,371,115
Hire Of County Assets	15,501,898	27,798,632	-12,296,734
Land/Poll Rate	24,647,705	32,353,767	-7,706,062
Other Fines, Penalties, And Forfeiture Fees	724,300	127,920	596,380
Public Health Service Fees	4,862,101	3,186,200	1,675,901
Parking Fees	71,259,786	69,512,965	1,746,821
Conservancy Administration	14,029,112	11,791,573	2,237,539
Advertising	9,385,390	6,497,300	2,888,090
Property Rent	15,374,769	11,609,032	3,765,737
Physical Planning and Development	7,823,492	1,395,595	6,427,897
Miscellaneous receipts	17,715,246	10,010,478	7,704,768
Market Fees	44,853,875	34,472,297	10,381,578
Single/Business Permits	115,671,231	100,056,193	15,615,038
Administration Control Fees and Charges	40,693,046	24,989,608	15,703,438
<b>Total Own Source Revenue</b>	<b>1,095,692,520</b>	<b>1,119,359,143</b>	<b>-23,666,623</b>
Other Receipts			
Donations/grants from County Government	28,483,751	40,787,837	28,483,753
<b>Total Other Receipts</b>	<b>28,483,751</b>	<b>40,787,837</b>	<b>28,483,753</b>
<b>Total Receipts</b>	<b>1,124,176,271</b>	<b>1,160,146,980</b>	<b>4,817,130</b>
Balance b/f at the beginning of year	127,815,249	150,289,753	-22,198,670
Disbursements To CRF	-381,742,137	-330,427,054	-41,362,119
Bank charges	-169,500	-143,738	
Expenditure by Health facilities	-753,218,255	-852,050,691	
<b>Balance Due for Disbursement</b>	<b>116,861,628</b>	<b>127,815,249</b>	

**Mr. Speaker sir,**

The inclusion of the Danida grant realized of Kshs.28, 483,751 in the local revenue figures creates confusion and misrepresents the actual local revenue achievement. The Danida grant was budgeted under the Development Partners category, not as part of the local revenue. By including this grant in the local revenue figures, the total amount appears inflated, leading to an inaccurate representation of the County's true local revenue performance. Despite the provisions of PFM reg (2) that allows the CEC finance to designate ROR, the receiver of revenue for loans and grants funds must be the Chief Officer to the County Treasury pursuant to PFM reg.61(3) hence the director of the revenue section receiving grants contravenes this section.

**3.5 Statement of comparison of budget vs actual amount for the period ended June 2024**

**Mr. Speaker,**

The County expected Kshs. 2,030,272,854 after the 2nd supplementary budget from AIA and local revenue. Kshs. 1,095,692,520 was collected which translates to 54% of target, a negative variance of Kshs. 934,580,334. A further Kshs.28, 483,753 was received as grant from DANIDA which was not part of the budget.

**Own source revenue comparison of budget vs actual received**

<b>Own source revenue</b>	<b>Final budget</b>	<b>Actual cash</b>	<b>Variance</b>	<b>%</b>
Hospital fees	1,142,938,163	691,875,874	-451,062,289	61
Single Business permits	228,921,263	115,671,231	-113,250,032	51
Administration control fees	149,913,598	40,693,046	-109,220,552	27
Market fees	98,427,988	44,853,875	-53,574,113	46
Cess	70,192,478	21,274,695	-48,917,783	30
Parking	101,517,423	71,259,786	-30,257,637	70
Land /poll rate	47,500,4 95	24,647,705	-22,852,790	52
Advertising	42,967,742	9,385,390	-33,582,352	22
Public Health Service fees	23,076,730	4,862,101	-18,214,629	21
Conservancy Administration	30,100,000	14,029,112	-16,070,888	47
Property rent	30,569,789	15,374,769	-15,195,020	50
Physical planning and development	23,608,481	7,823,492	-15,784,989	33
Other Fines Penalties and forfeitures	6,793,200	724,300	-6,068,900	11
Education Science and ICT	9,133,220	-	-9,133,220	-
Miscellaneous receipts	5,538,560	17,715,246	12,176,686	320
Hire of County Assets	9,073,724	15,501,898	6,428,174	171
Public Admin	10,000,000	-	-	-
Other revenue sources(Donations/DANIDA)		-	0	
<b>Total Receipts</b>	<b>2,030,272,854</b>	<b>1,095,692,520</b>	<b>-924,580,334</b>	<b>54</b>

All the revenue streams fell way below the expected target. The County Government has to seriously re-evaluate revenue collection by deliberately investing in sources that will

increase collection, addressing corruption and all other challenges affecting revenue collection to be able to achieve the set targets and avoid creating pending bills.

Accurate revenue costing is essential for setting achievable revenue targets. Revenue costing involves calculating the costs associated with generating revenue, such as administrative expenses, collection costs, and any other related expenditures. When proper revenue costing is not conducted, it can lead to the establishment of unrealistic revenue targets that do not account for the true costs of revenue generation. This can result in a mismatch between projected and actual revenue, making it difficult for the County to meet its financial goals. To identify revenue streams that did not meet expectations, the department should provide detailed costing criteria for each revenue source. By comparing the actual performance of each revenue stream against its costing criteria, the committee pinpoints areas that underperformed and failed to deliver the anticipated results. This analysis will help the department better understand the reasons behind the shortfall and make informed decisions to improve revenue generation in the future. For example to effectively manage land rates, it is crucial to maintain a complete and up-to-date database of all plots within the jurisdiction. This database should contain information such as plot numbers, ownership details, assessed values, and payment history. By having a comprehensive database, the department can easily identify property owners who have not paid their land rates. This information is essential for targeted follow-up and enforcement actions to ensure compliance and maximize revenue collection. Without a documented database, it becomes difficult to determine which property owners have outstanding land rate obligations, leading to potential revenue leakages.

### 3.6 Appropriation In Aid

Description	Period ended June 2024	Comparative period Kshs	Variance
Level 4&5 hospitals	618,550,574.50	639,958,404	-21,407,829.50
Level 1,2,&3 hospitals (community units, Dispensaries & Health centres)	60,082,574.00	86,507,538	-26,424,964.00
Vocational Training Centres(VTC)	13,242,724.90	17,257,490	-4,014,765.10
Mabanga AMC/ATC	15,501,898.00	27,798,632	-12,296,734.00
<b>TOTAL</b>	<b>707,377,771.40</b>	<b>771,522,064</b>	<b>-64,144,292.60</b>

### 3.7 Statement of Arrears of Revenue as at 30<sup>th</sup> June 2024

Source of Revenue	Balance as at 1 <sup>st</sup> July 2023	Arrears received during the period	Additions in arrears for current year to June 30th 2024	Total arrears as at 30 <sup>th</sup> June 2024	Measures taken to recover the arrears	Assessment of recoverability
Cess	65,857,330			65,857,330	-	-
Land rates	160,354,731			160,354,731	-	-
<b>Total Arrears</b>	<b>226,212,061</b>			<b>226,212,061</b>		

The County had arrears of Kshs. 226,212,061 from land rates and cess as at 1<sup>st</sup> July 2023.

In the 2<sup>nd</sup> quarter report, it was reported that Kshs.2,012,656 was collected from land rates arrears in the period while the 4th quarter report indicates that no money was collected in the Period under review.

In the same report, it was stated that the County Government had issued demand notices to all the rate defaulters to pay up by 31<sup>st</sup> March 2024 or face legal action, there is no indication that any of them complied with the notice.

The report has not stated whether these arrears are recoverable or not and neither has it given any measures that will be taken to collect the amount recoverable.

### 3.8 Break down of collection

#### 1.Cess

Description	Period ended March 31st 2024	Comparative period 2023	Variance
	Kshs.	Kshs.	
Farm produce	21,138,245	41,426,380	-20,288,135
Fish farming	136,450	190,880	
veterinary		28,550	
<b>Total</b>	<b>21,274,695</b>	<b>41,645,810</b>	<b>-20,288,135</b>

The County collected Kshs.21.1m compared to Kshs.41.4m actual collected the previous financial year giving a negative variance of Kshs.20.2m and negative variance of 48.9m against the budget.

**Mr. Speaker,**

The County Government of Bungoma entered into an MOU with West Kenya Sugar company in January 2024 to maintain 96kms of roads in Tongaren sub county. The MOU did not take into account how much money is collectable from the factory per month and did not state the timelines to complete the work. The County waived cess payable to the county government during the period by West Kenya. The MOU took effect from February 2024, the machines were moved to Tongaren and were there till beginning of September 2024. During the entire period only grading of the roads was done, no murraming was done as had been stated in the MOU. West Kenya was to purchase borrow pits and gravel the roads but this was never done.

The company spent Kshs.3,453,281 on fuel and lubricants and Kshs.3.2m on staff allowances, a total of Kshs.6,653,280. The work done was not equivalent to cess payable in the 11 months that the MOU lasted. The reason for the long duration was given as the frequent machine break downs. The money spent on staff allowances was almost more than on the work done, staff were drawing allowances even when the machines were broken down and therefore not in operation. Moreover the waiver was neither approved by the Assembly nor the CECM Finance making it irregular. So far, no report has been received at the County Assembly on the waiver contravening regulation 64(3) of the Public Finance Management (County Government) Regulations of 2015 as ready together with section 165(4) of the public Finance Management Act 2012.

**3.9 Land/Poll rates**

<b>Description</b>	<b>Period ended June 2024</b>	<b>Comparative period</b>	<b>Variance</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs.</b>
Land rates	16,987,620	25,225,157	-8,237,537
Land penalties and interest	3,762,440	3,161,599	600,841
Arrears	3,897,645	3,967,011	-69,366
<b>Total</b>	<b>24,647,705</b>	<b>32,353,767</b>	<b>-7,706,062</b>

According to the table above, Kshs.3,897,645 was collected from arrears of land rates and only Kshs.16,987,620 was collected for the period under review compared to Kshs.25.2m actual collected same period previous financial year, a variance of Kshs.7.7m. It recorded a negative variance of Kshs. 22.8m against budget

## 3.10 Single /Business Permits

Description	Period ended June 2024	Comparative period 2023	Variance
	Kshs	Kshs	Kshs.
Business permit application fees	5,418,400	4,460,832	957,568
Annual Business permit fees	85,475,951	76,616,580	8,859,371
Business permit penalties and interest	2,530,250	2,513,925	16,325
single Bussiness permit advert fees	13,910,130	9,651,289	4,258,841
Business permit renewal fees	8,336,500	6,813,561	1,522,939
<b>Total</b>	<b>115,671,231</b>	<b>100,056,187</b>	<b>15,615,044</b>

Single business permit recorded a positive variance of Kshs.15.6m compared to Kshs.100m actual collected same period previous financial year but a negative variance of 113.2m against the budget.

## 3.11 Property rent

Description	Period ended June 24	comparative period 2023	Variance
	Kshs	Kshs.	
County Housing	8,075,432	7,612,835	462,597
Plot Rent	4,131,235	1,459,647	2,671,588
Transfer of Property	198,000	294,000	-96,000
Stalls/kiosks rent	2,400,072	1,613,650	786,422
Change of user	70,530		70,530
Consent to charge	115,000	124,000	-9,000
Clearance certificate	267,000	256,400	10,600
Extension of lease	102,000	100,000	2,000
Survey fees and beacon search	15,500	148,500	-133,000

<b>Total</b>	<b>15,374,769</b>	<b>11,609,032</b>	<b>3,765,737</b>
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Property rent collected Kshs.15.3m compared to Kshs.11.6m actual previous financial year. It recorded a negative variance of Kshs.15m against budget

### 3.12 street parking

<b>Description</b>	<b>Period ended June 2024</b>	<b>Comparative period 2023</b>	<b>Variance</b>
	<b>Kshs.</b>	<b>Kshs.</b>	
Street parking fees	5,981,110	2,553,513	3,427,597
monthly toll /sticker	55,990,676	46,776,792	9,213,884
Motorbike fees	3,229,500	2,268,030	961,470
Registration fees	613,500	386,100	227,400
Reserved parking	5,445,000	2,705,000	2,740,000
Bus park		14,823,530	-14,823,530
<b>Total</b>	<b>71,259,786</b>	<b>69,512,965</b>	<b>1,746,821</b>

Street parking recorded a positive variance of Kshs.1.7 m compared to actual collection same period previous financial year but a negative variance of Kshs.30.3m against budget

### 3.13 Market fees

<b>Description</b>	<b>Period ended June 2024</b>	<b>comparative period June 2023</b>	<b>Variance</b>
	<b>Kshs</b>	<b>Kshs.</b>	
Market entry fees	36,158,420	26,402,817	9,755,603
Livestock	5,487,705	6,336,670	-848,965
Hawking fees	212200	286,860	-74,660
Slaughter fee	2,908,750	1,426,950	1,481,800
Pulping	86,800	19,000	67,800
<b>Total</b>	<b>44,853,875</b>	<b>34,472,297</b>	<b>10,381,578</b>

Market fees recorded a positive variance of Kshs.10.3m compared to actual collection same period previous financial year but a negative variance of Kshs. 53.5m against budget.

## 7. Advertising

Descriptions	Period ended June 2024	comparative period June 2023	Variance
	Kshs	Kshs.	
Branding	4,122,630	2,583,060	1,539,570
Billboard advertising	5,262,760	3,914,240	1,348,520
<b>Total</b>	<b>9,385,390</b>	<b>6,497,300</b>	<b>2,888,090</b>

Advertising collected Kshs.9.3m in the period under review, compared to Kshs.6.4m collected in previous period. Being an electioneering period; collection should have been more than that. It recorded a negative variance of Kshs. 33.5m against the budget.

### 3.14 Hospital Fees

Description	Period ended June-24	comparative period June 2023	Variance
	Kshs	Kshs.	
Level 5 and 4 hospitals	618,550,574	639,958,404	- 21,407,830
Level 1,2,& 3 hospitals (community units, dispensaries & health Centres)	60,082,574	86,507,538	- 26,424,964
Vocational Training Centres (Vtc) fees	13,242,724	17,257,490	- 4,014,766
<b>Total</b>	<b>691,875,872</b>	<b>743,723,432</b>	<b>- 51,847,560</b>

Hospital facilities recorded a negative variance of Kshs.51.8m compared to actual collection same period previous financial year and a negative variance of Kshs. 451 m against the budget. The Kshs. 13.2m relates to VTCs and not hospital facilities, that brings down the figure down by the same amount.

### 3.15 Public Health service fees

Description	Period ended June 2024	comparative period June 2023	Variance
	Kshs	Kshs.	
Inspection of buildings/premises/Institutions	1,636,151	117,600	1,518,551
Inspection for issuance of hygiene license		550	-550
Public health permit	3,225,950	3,068,050	157,900
<b>Total</b>	<b>4,862,101</b>	<b>3,186,200</b>	<b>1,675,901</b>

Public Health service fees recorded a positive variance of Kshs.1.6m in the period under review, it recorded a negative variance of Kshs. 18.2m against the budget

### 3.17 Physical Planning and Development

Description	Period ended June 2024	comparative period June 2023	Variance
	Kshs	Kshs.	Kshs
Building plans approval	7,596,392	1,365,970	6,230,422
Occupational Permits	217,000	10,000	207,000
Physical Planning	10,100	19,625	-9,525
<b>Total</b>	<b>7,823,492</b>	<b>1,395,595</b>	<b>6,427,897</b>

Physical Planning collected Kshs.7.8m compared to Kshs.1.3m previous financial year. It recorded a negative variance of Kshs. 15.7m against the budget. The revenue department should find out reason for the big variance

### 3.18 Hire Of County Assets

Description	Period ended June 2024	comparative period June 2023	Variance
	Kshs	Kshs.	Kshs
Agricultural Mechanization Services (AMS)	657,740	3,891,010	(3,233,270)
Hire of County Stadium	40,000	20,000	20,000
Conference facilities/Agricultural Training Centers (ATC)	14,804,158	23,887,622	(9,083,464)
<b>Total</b>	<b>15,501,898</b>	<b>27,798,632</b>	<b>(12,296,734)</b>

Hire of County assets recorded a negative variance of Kshs.12.2m compared to collection the same period previous financial year 2022/23

### 3.19 Conservancy Administration

Description	Period ended June 2024	comparative period June 2023	Variance
	Kshs	Kshs.	
Refuse disposal fees	13,892,012	11,711,973	2,180,039
Noise control	52,600	28,600	24,000
public cemetery	84,500	51,000	33,500
<b>Total</b>	<b>14,029,112</b>	<b>11,791,573</b>	<b>2,237,539</b>

Conservancy Administration recorded a collection of Kshs.14m compared to Kshs.11.7m previous financial year. It recorded a negative variance of Kshs. 16m against budget.

### 3.20 Administration control fees and charges

Description	Period ended June 2024	comparative period June 2023	Variance
	Kshs	Kshs.	Kshs.
Weights and measures	267,480	120400	147,080
Fire Services	22,498,135	18,752,758	3,745,377
Liquor licenses	7,555,100	6,116,450	1,438,650
Other	10,372,330		10,372,330
<b>Total</b>	<b>40,693,045</b>	<b>24,989,608</b>	<b>18,585,421</b>

Administration control fees recorded a collection of Kshs.40.6m compared to Kshs.24.9m previous financial year.Kshs.10.3m was collected from a source that was not there previous financial year, referred to as “other”, this should be disclosed and reasons given why there was no collection previous year.

## CHAPTER FOUR

### 4.0 Committee Observations and Recommendations

#### 4.1 Observations

The committee made the following observations:-

1. That the department did not submit to the County Assembly a report on waivers and variations as provided for in regulation 64(3) of the Public Finance Management (County Government) Regulations, 2015 and section 165(4) of Public Finance Management Act 2012 as read together with section 15 of Bungoma County Agriculture produce Cess Act 2017 on the West Kenya MOU waivers and exemptions in the hospital facilities.
2. That the West Kenya MOU hand in serious effect on revenue cess collection leading to the County Losing Kshs.21m in revenue.
3. That department included the Danida grant of Kshs.28,483,751 in the local revenue which misrepresents the actual local revenue realized. Danida was budgeted under grants and not local revenues. Further the receiver of revenue for loans and grants funds must be the Chief Officer to the County Treasury pursuant to Regulations 61(3) of the Public Finance Management (County Government) Regulation 2015 as opposed to the director of revenue
4. That despite the reforms in revenue administration in the FY 2023/24 which included the introduction of tax incentives/holiday, devolving revenue collection at the village level, Enactment of 6 Bills the County did not achieve any significant improvement in local revenue growth compared to previous years , in fact there was a negative variation.
5. That the poor state of market support infrastructure including auction rings, sanitation facilities ,slaughterhouses and poor drainage facilities during rainy seasons contributes to the decline in revenue collection.
6. The county still lacks necessary pieces of legislation to support revenue collection and administration. These have derailed enforcement of collection from major revenue streams including property taxes.
7. Inconsistent supply of drugs and medical equipment by KEMSA resulted in shortages of these medical supplies at public health facilities affecting services delivery and revenue generation since residents are forced to seek services from private hospitals.
8. Finances allocated towards revenue enhancement, collector trainings, regular capacity

building, trader sensitization, inspections, supervisions and enforcement have been low and always diverted to other uses in supplementary budget.

#### **4.3 Recommendations**

The Committee made the following recommendations:-

1. That not later than two months after the end of each financial year, County Executive Committee Member should be submit to the County Assembly a report with respect to all waivers and variations of taxes, fees or charges granted by the receiver during that year pursuant to the provision of section 165 of the Public Finance management Act 2012.
2. That before any waiver is given in respect to Cess or any other Revenue stream the County Executive Committee Member of Finance and Economic Planning should seek the approval of the County Assembly as stipulated in section 15 of Bungoma Agricultural Produce Cess Act ,2017
3. That the department of Finance and Economic planning, Roads, Transport, Infrastructure and Public Works should liaise with office of the County Attorney with view of terminating the MOU Between the County Government of Bungoma and West Kenya Sugar Company since it was irregularly procured. In addition the County Executive Committee Member of Finance should ensure that Cess revenue not remitted because of the MOU is remitted to the County and a compliance report submitted to the County Assembly within 60 working days from the day of adoption of this report.
4. That the County Executive Committee Member should give a comprehensive report to the County Assembly on the efficacy of revenue measure put in place including the use of Village administrators in improving of revenue collection across the County. The report should include the policy direction the department is going to employ hence forth to improve Revenue collections.
5. That Department of Finance and Economic Planning should liaise with all relevant departments to enable construction/ rehabilitation of all major market infrastructure including auction rings, sanitation facilities ,slaughterhouses and drainage facilities to create a conducive markets for traders which motivate them to pay relevant fees and charges. Further during budgeting for development project, those revenue generating projects should be given priority.
6. The County Executive Committee Member of Finance should develop and submit to the county assembly the following necessary pieces revenue raising legislations for

considerations :

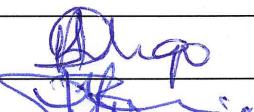
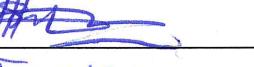
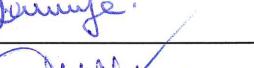
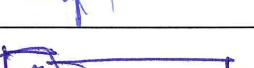
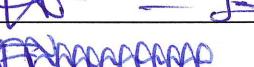
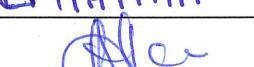
- a) The Construction and Development Bill
- b) The Bungoma County Public Health and Sanitation Bill.
- c) The Bungoma County Animal Welfare Control Bill.
  
- d) Bungoma County Agricultural Institutional Bill 2024
- e) Bungoma County Livestock Sale Yard Bill, 2024
- f) The Bungoma County Food Safety Coordination Bill, 2024
- g) Any other legislations necessary for revenue mobilization

7. That County Executive Committee Member of Finance and Economic Planning and Health CECM and the County Assembly should ensure that enough money is budgeted for and remitted to clear pending bills for medical supplies from KEMSA to enable continuous supply of drugs. In addition the County Executive Committee member of Health should ensure that all health facilities in the County have enough necessary drugs at all time for better service delivery and enhance revenue and a separate account strictly collecting revenue from sale of drugs should be used to pay for KEMSA pending bills.

8. That Finances allocated towards revenue enhancement, collector trainings, regular capacity building, trader sensitization, inspections, supervisions and enforcement should be utilized for that purpose.

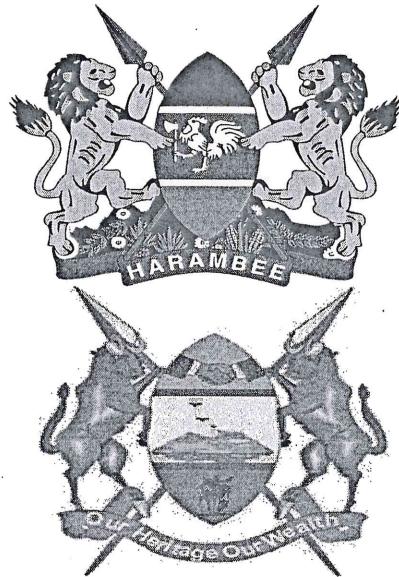
## Adoption schedule

The following members of Finance and Economic Planning Committee append our signatures confirming the contents there in the Receivers of revenue report financial statement for the period ending 30<sup>th</sup> June 2024.

NO	NAME	DESIGNATION	SIGNATURE
1	Hon James Mukhongo	Chairman	
2	Hon Orize Kundu	Vice Chair	
3	Hon Stephen Wamalwa	Member	
4	Hon Aggrey Mulongo	Member	
5	Hon Everlyne Mutiembu	Member	
6	Hon Tony Barasa	Member	
7	Hon Vitalis Wangila	Member	
8	Hon Jack Kawa	Member	
9	Hon Violet Makhanu	Member	
10	Hon George Makari	Member	
11	Hon Francis Chemion	Member	
12	Hon Godfrey Mukhwana	Member	
13	Hon Everton Nganga	Member	
14	Hon Jerusa Aleu	Member	
15	Hon Christine Mukhongo	Member	

## ANNEXURES

### **1. Receivers of Revenue financial statement for the period ending 30<sup>th</sup> June 2024.**



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## **RECEIVER OF REVENUE**

County Government of Bungoma

**QUARTERLY REPORT AND FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED**

**June 30, 2024**

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

***Receiver Of Revenue***

***County Government of Bungoma***

***Quarterly Reports and Financial Statements for the Period Ended June 30, 2024***

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**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**

Fiduciary Management The key management personnel who had financial responsibility.

**Receiver Of Revenue**

**County Government Of Bungoma**

**Quarterly Reports and Financial Statements for the Period Ended June 30, 2024**

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**2. Key Bungoma county Information and Management**

**(a) Background information**

The receiver of revenue is under the department of Finance and Economic Planning. At the County Executive Committee level, the receiver of revenue is represented by the County Executive Committee member for Finance and Economic Planning who is responsible for the general policy and strategic direction of the receiver of revenue. The County Executive Committee member for Finance, in accordance with section 157 of the PFM Act, designated the receiver of revenue as a receiver on 1<sup>st</sup> July 2023.

**(b) Principal activities**

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

**(c) Key Management**

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

No.	Designation	Name
1.	CECM Finance and Economic Planning	CPA Chrispinus Barasa
2.	Accounting Officer - Finance and Economic Planning	Robert Simiyu
3.	Accounting Officer - Health and Sanitation	Dr. Magrina Mayama
4.	Accounting Officer - Gender and Culture	Denson Barasa
5.	Accounting Officer - Youth and Sports	Denson Barasa
6.	Accounting Officer - Tourisms & Environment	Stephen Makhanu
7.	Accounting Officer - Water and Natural Resources	Stephen Makhanu
8.	Accounting Officer - Agriculture and Irrigation	Dinah Makokha
9.	Accounting Officer - Livestock and Fisheries	Edward Makhandia
10.	Accounting Officer - Cooperatives & Development	Beatrice Nakhumicha
11.	Accounting Officer - Education & Vocational Training	Nicholas Kiboi
12.	Accounting Officer - County Secretary	Joseph Kisindai
13.	Accounting Officer - Roads and Public works	Evelyn Wekesa
14.	Accounting Officer - Public Service Management and Administration	Evelyn Wekesa
15.	Accounting Officer – Trade, Energy and Industrialization	Reuben Wambwa
16.	Accounting Officer – Lands, Urban, Physical Planning and Housing	George Kombo
17.	Accounting Officer - Governor's Office	CPA Ambrose Makokha
18.	Accounting Officer - County Public Service Board	Joseph Makata
19.	Director Revenue/ Receiver of Revenue	Moses Walekhwa

**Key Bungoma County Information and Management Continued**

**(d) County Headquarters**

P.O. Box 437-50200  
Former Municipal Buildings  
Moi Avenue Street  
Bungoma, KENYA

**(e) Bungoma County Contacts**

Telephone: (254) 728 039 039  
E-mail: [revenue@bungoma.go.ke](mailto:revenue@bungoma.go.ke)  
Website: <https://bungoma.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 Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya
  
- 2 Kenya Commercial Bank,  
P.O. Box 201-50200  
Bungoma.
  
- 3 Equity Bank Ltd,  
P. O. Box 2450-50200,  
Bungoma.

***Receiver Of Revenue***

***County Government Of Bungoma***

***Quarterly Reports and Financial Statements for the Period Ended June 30, 2024***

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**Key Bungoma county Information and Management Continued**

- 4 Co-operative Bank of Kenya Ltd,  
P.O. Box 1964-50200,  
Bungoma.
- 5 National Bank of Kenya,  
P.O. Box 25-50200,  
Bungoma.
- 6 Safaricom PLC,  
Moi Avenue, Moghe Plaza Ground floor  
Bungoma.

**(i) County Attorney**

Bungoma Municipal Building,  
P.o. Box 437-50200.  
Bungoma, Kenya.

### **3. Management Discussion and Analysis**

The County supplements financing of its operations through own generated revenues. These are revenues collected within the County and are composed of local revenue and Appropriation in Aid. The key local revenue sources for Bungoma County included Trade Licenses, Property taxes, cess, market fees, Enclosed bus park and parking fees, administrative service fees, public health facilities' fees among others. Appropriation in Aid include collections from Mabanga ATC/AMC, level 2, 3, 4 & 5 hospitals and County vocational training centres, hire of county machines and assets. Collection of revenue is done through agents that are located within the facilities.

#### **Operation of the fund.**

County Government collects local revenue using the Bungoma Automated Revenue Management System (BARMS). Collectors for Parking fees, market fees and other unstructured imposts have collection mobile phones that prompt real-time STP push to respective categories of traders. Collectors at the stock auction yards are provided with POS devices. All collection modes are fully cashless to ensure every revenue paid reflects directly into the system and M-Pesa/ Bank to avoid leakages and encourage efficiency.

Collections for structured imposts including PSV Stickers, Trade Licenses and Property taxes are made through M-pesa Pay bill or direct banking in four revenue collection accounts held by commercial banks. All the amounts collected are regularly swept to the Bungoma County Revenue Fund account held at CBK.

#### **Financial Performance**

##### **a) Receipts**

For the FY 2023/24, the County had projected to collect both local revenue and Appropriation in Aids of Kshs. 2,030,272,854, representing 13.3% of the funding to the county Budget of Kshs 15,243,651,077. Ksh. 1,095,692,519 was reported over the reporting period representing 54.0% attainment of the projected collection. This is a slight decline of 6% from similar period FY 2022/23 where Ksh. 1,160,146,980 was reported.

Table 1 details budget amount and actual receipt for the period ended June 30, 2024.

**Receiver Of Revenue**

**County Government Of Bungoma**

**Quarterly Reports and Financial Statements for the Period Ended June 30, 2024**

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**Table 1: Budget Vs Actual Own Source Revenue**

Description of Revenue	Budget Amount	Actual Receipt	% realized
Local Revenue	868,201,471	388,314,747	45%
Appropriation in Aids	1,162,071,383	707,377,772	61%
<b>Total</b>	<b>2,030,272,854</b>	<b>1,095,692,519</b>	<b>54%</b>

**Revenue Collection Challenges**

Various cross-cutting challenges encountered over the reporting period have hampered effective revenue mobilization initiatives. These are;

- i. The poor state of market support infrastructure including auction rings, sanitation facilities and slaughterhouses and poor drainage facilities during rainy seasons.
- ii. The county still lacks necessary pieces of legislation to support revenue collection and administration. These have derailed enforcement of collection from major revenue streams including property taxes.
- iii. Intermittent supply of drugs and medical equipment by KEMSA resulted in shortages of these medical supplies at public health facilities affecting services delivery and generation of revenues.
- iv. Revenue supervision, inspection and enforcement faced mobility constraints. Vehicles allocated for these exercises are not enough. The few available are old and frequently break down.
- v. Revenue department still rely on employees on casual terms with uncertain job security and zero remuneration to undertake collections. This has demotivated their collection efforts.
- vi. Due to budgetary constraints, finances allocated towards revenue collector trainings and regular capacity building, trader sensitization, inspections, supervisions and enforcement have been low.

**Revenue Raising Measures**

The County has undertaken a combination of both revenue administrative and system reforms maintain a sustained growth. These include;

- I. Introduction of tax incentives including, negotiated flexible plans for defaulters, and a property tax waiver to boost compliance

- II. Fast tracking enactment of relevant pieces of legislation to inform administration of various fees and charges. Six bills were enacted over the reporting period. These were;
  - a. Bungoma County Weights and Measures Bill, 2023
  - b. Bungoma County Public Markets Amendment Bill, 2023
  - c. Bungoma County Outdoor Advertisement and Signage Bill, 2023
  - d. Bungoma County Revenue Administration and Management Amendment Bill, 2023
  - e. Bungoma County Inspectorate, Compliance and Enforcement Bill, 2023
  - f. Bungoma County Public Entertainment and Amenities Bill, 2023
- III. The County is streamlining public finance controls within the county health sector. A Hospital Management Information System has been procured to support all service operations at the County Health Facilities.
- IV. The County has made arrangements for special purpose accounts for County health facilities and Agricultural institutions for access of funds for provision of services and development to address uncertainties associated with spending revenues at source.
- V. The County initiated procurement of 32 motorcycles to ease mobility. In addition, a plans are underway to consider framework contracting for repairs and maintenance of existing Revenue vehicles and periodically purchase of new vehicles to support supervision and collection of revenue.

#### **4. Statement of Receiver of Revenue's Responsibilities**

Section 166 (1) of the Public Finance Management Act, 2012 requires that, at the end of each quarter, the accounting officer for receiver of revenue shall prepare financial statements in respect of that County. Section 166 (2) (b) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by 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 June 30, 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 Bungoma county, (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 Bungoma county, (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 Bungoma county 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 Bungoma county receiver of revenue account gives a true and fair view of the state of Bungoma county receiver of revenue transactions during the period ended June 30, 2024, and of the Bungoma county 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 Bungoma county has complied fully with applicable Government Regulations and the terms of external financing covenants. 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.

*Receiver Of Revenue*

*County Government Of Bungoma*

*Quarterly Reports and Financial Statements for the Period Ended June 30, 2024*

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### **Approval of the Revenue Statements**

The revenue statements were approved and signed by the Receiver of Revenue on .....

.....  
**Moses Walekhwa**

**Bungoma County Receiver of Revenue**

**Receiver Of Revenue**

**County Government of Bungoma**

**Quarterly Reports and Financial Statements for the Period Ended June 30, 2023**

**5. Statement of Receipts and Payments for the Period ended June 30, 2024**

	Note	Total for Period Ended June 2024	
		Kshs	Kshs
<b>County Own Source Revenue</b>			
Cess	1	21,274,695	41,645,810
Land/Poll Rate	2	24,647,705	32,353,767
Single/Business Permits	3	115,671,231	100,056,193
Property Rent	4	15,374,769	11,609,032
Parking Fees	5	71,259,786	69,512,965
Market Fees	6	44,853,875	34,472,297
Advertising	7	9,385,390	6,497,300
Hospital Fees	8	691,875,874	743,911,773
Public Health Service Fees	9	4,862,101	3,186,200
Physical Planning and Development	10	7,823,492	1,395,595
Hire Of County Assets	11	15,501,898	27,798,632
Conservancy Administration	12	14,029,112	11,791,573
Administration Control Fees and Charges	13	40,693,046	24,989,608
Other Fines, Penalties, And Forfeiture Fees	14	724,300	127,920
Miscellaneous receipts	15	17,715,246	10,010,478
<b>Total County Own Source Revenue</b>		<b>1,095,692,519</b>	<b>1,119,359,143</b>
<b>Other Receipts</b>			
Donations/Grants Received From County Government.	16	28,483,751	40,787,837
<b>Total Other Receipts</b>		<b>28,483,751</b>	<b>40,787,837</b>
<b>Total Receipts</b>		<b>1,124,176,270</b>	<b>1,160,146,980</b>
Balance b/f at the beginning of the year	18	128,172,638	* 351,389 150,289,753
Disbursements To CRF		(381,742,137)	(330,427,054)
Bank Charges	17	(169,500)	(143,738)
<b>Expenditure by health facilities</b>		<b>(753,218,255)</b>	<b>(852,050,691)</b>
<b>Balance Due for Disbursement</b>		<b>117,210,016</b>	<b>127,815,249</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The quarterly financial statements were approved on \_\_\_\_\_ 2024 and signed by:

.....  
**Moses Walekwa**  
**County Receiver of Revenue**

.....  
**Diana Nanjala**  
**Head of Revenue Reporting**

**6. Statement of Financial Assets and Liabilities as at June 30, 2024**

Description	Note	Period Ended June 2024	Audited Prior Year 2022-2023
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances	18	117,219,016	127,815,249
Cash In Hand		-	-
<b>Total Financial Assets</b>		<b>117,219,016</b>	<b>127,815,249</b>
<b>Total Financial Assets</b>		<b>117,219,016</b>	<b>127,815,249</b>
<b>Financial Liabilities</b>			
Payables-Due to CRF	19	117,219,016	127,815,249
<b>Total Financial Liabilities</b>		<b>117,219,016</b>	<b>127,815,249</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Bungoma county financial statements were approved on \_\_\_\_\_ 2024 and signed by:

.....  
**Moses Walekwa**  
**County Receiver of Revenue**

.....  
**Diana Nanjala**  
**Head of Revenue Reporting**

## 7. Statement of Comparison of budget vs Actual Amounts for the Period Ended June 30, 2024

Receipt	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Realization Difference	% Of Realization	Ex-D/C %
	A	B	C=A+B	D	E=C-D		
County Own Source Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Cess	70,192,478		70,192,478	21,274,695	48,917,783	30%	
Land/Poll Rate	47,500,495		47,500,495	24,647,705	22,852,790	52%	
Single/Business Permits	228,921,263		228,921,263	115,671,231	113,250,032	51%	
Property Rent	30,569,789		30,569,789	15,374,769	15,195,020	50%	
Parking Fees	101,517,423		101,517,423	71,259,786	30,257,637	70%	
Market Fees	98,427,988		98,427,988	44,853,875	53,574,113	46%	
Advertising	42,967,742		42,967,742	9,385,290	33,582,352	22%	
Hospital Fees	1,124,665,392	28,272,771	1,152,938,163	691,875,874	461,062,290	60%	
Public Health Service Fees	23,076,730		23,076,730	4,862,101	18,214,629	21%	
Physical Planning and Development	23,608,481		23,608,481	7,823,492	15,784,989	33%	
Hire Of County Assets	9,073,724		9,073,724	15,501,898	(6,428,174)	171%	
Conservancy Administration	30,100,000.00		30,100,000	14,029,112	16,070,888	47%	
Administration Control Fees and Charge	200,413,596	(50,499,998)	149,913,598	40,693,046	109,220,552	27%	
Other Fines, Penalties, And Forfeiture	6,793,200		6,793,200	724,300	6,068,900	11%	
Miscellaneous Receipts	5,538,560		5,538,560	17,715,246	(12,176,686)	32.0%	
Education, Science and ICT		9,133,220			9,133,220	0%	
<b>Total County Own Source Revenue</b>	<b>2,943,366,861</b>	<b>(13,094,007)</b>	<b>2,030,272,854</b>	<b>1,095,692,519</b>	<b>947,674,342</b>	<b>54%</b>	
<b>Other Receipts</b>							
Donations / Grants Not Received Through	-	-	-	28,483,751	(28,483,751)	0%	
<b>Total Other Receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,483,751</b>	<b>(28,483,751)</b>	<b>0%</b>	
<b>Total Receipts</b>	<b>20,306,361</b>	<b>(13,092,007)</b>	<b>7,006,272,852</b>	<b>1,095,692,519</b>	<b>919,901,591</b>	<b>55%</b>	

The less than 100% collection on revenue collection is attributed to under collection.

The County Receiver of revenue's quarterly financial statements were approved on \_\_\_\_\_ 2024 and signed by:

.....  
Moses Walekwa  
County Receiver of Revenue

.....  
Diana Njanjala  
Head of Revenue Reporting.

**8. Statement of Arrears of Revenue as at June 30, 2024**

Classification Of Receipts (Indicate As Applicable)	Balance as at 1 <sup>st</sup> July 2023	Arrears received during the year to June 30, 2024	Additions in arrears for the current year to June 30, 2024	Total arrears as at June 30, 2024	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Cess	65,857,330.00			65,857,330.00		
Land/Poll Rate	160,354,731.37			160,354,731.37		
<b>Total Arrears</b>	<b>226,212,061.37</b>			<b>226,212,061.37</b>		

.....  
**Moses Walekwa**  
 County Receiver of Revenue

.....  
**Diana Nanjala**  
 Head of Revenue Reporting

## **9. Notes to the Financial Statements**

### **Accounting Policies**

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

#### **1. Statement of Compliance and Basis of Preparation**

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and relevant legal framework of the County Government. 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. 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 Bungoma county.

#### **2. Recognition of Receipts**

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

#### **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 22<sup>nd</sup> June, 2023 for the period 1<sup>st</sup> July, 2023 to 30<sup>th</sup> June, 2024 as required by law. The final supplementary budget was passed on May 17, 2024. A high-level assessment of the County's actual performance against the comparable budget during the period under review has been included in these financial statements.

#### **4. Cash and cash equivalents**

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

**Notes To the Financial Statements (Continued)**

**5. Revenue in Arrears**

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

**6. Disbursements to CRF**

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

*Receiver Of Revenue*

*County Government of Bungoma*

*Quarterly Reports and Financial Statements for the Period Ended June 30, 2024*

**Notes To the Financial Statements (Continued)**

**1. Cess**

Description	Period Ended June 2024	Comparative period
	Kshs	Kshs
Farm produce	21,138,245.00	41,426,380.12
Quarrying		190,880.00
Fish farming	136,450.00	-
Veterinary		28,550.00
<b>Total</b>	<b>21,274,695.00</b>	<b>41,645,810.12</b>

**2. Land rates**

Description	Period Ended June 2024	Comparative period
	Kshs	Kshs
Land rates	16,987,620.00	25,225,157.00
Land penalties and interest	3,762,440.00	3,161,599.00
Arrears	3,897,645.00	3,967,011.00
<b>Total</b>	<b>24,647,705.00</b>	<b>32,353,767.00</b>

**3. Single /Business Permits**

Description	Period Ended June 2024	Comparative period
	Kshs	Kshs
Business permit application fees	5,418,400.00	4,460,832.00
Annual Business permit fees	85,475,951.00	76,616,586.00
Business permit penalties and interest	2,530,250.00	2,513,925.00
Single Business Permit Advertisement Fees	13,910,130.00	9,651,289.00
Business permit renewal fees	8,336,500.00	6,813,561.00
<b>Total</b>	<b>115,671,231.00</b>	<b>100,056,193.00</b>

**4. Property Rent**

Description	Period Ended June 2024	Comparative period
	Kshs	Kshs
County Housing	8,075,432.00	7,612,835.00
Plot Rent/Ground Rent	4,131,235.00	1,459,647.00
Transfer of Property	198,000.00	294,000.00
Stalls/kiosks rent	2,400,072.00	1,613,650.00
Change of User	70,530.00	
Consent to charge	115,000.00	124,000.00
Clearence certificate	267,000.00	256,400.00
Extension of lease	102,000.00	100,000.00
Survey fees \$ Beacon search	15,500.00	148,500.00
<b>Total</b>	<b>15,374,769.00</b>	<b>11,609,032.00</b>

## Notes to the Financial Statements (continued)

## 5. Parking Fees

Description	Period Ended June 2024	Comparative period
	Kshs	Kshs
Street parking fees	5,981,110.00	2,553,513.00
Monthly toll/sticker fees	55,990,676.00	46,776,792.00
Motorbike fees	3,229,500.00	2,268,030.00
Registration fees	613,500.00	386,100.00
Reserved parking	5,445,000.00	2,705,000.00
Bus Park fees		14,823,530.00
<b>Total</b>	<b>71,259,786.00</b>	<b>69,512,965.00</b>

## 6. Market Fees

Description	Period Ended June 2024	Comparative period
	Kshs	Kshs
Market entry fees	36,158,420.00	26,402,817.00
Livestock	5,487,705.00	6,336,670.00
Hawking fees	212,200.00	286,860.00
Pulping	86,800.00	19,000.00
Slaughter fee	2,908,750.00	1,426,950.00
<b>Total</b>	<b>44,853,875.00</b>	<b>34,472,297.00</b>

## 7. Advertising

Descriptions	Period Ended June 2024	Comparative period
	Kshs	Kshs
Branding	4,122,630.00	2,583,060.00
Billboard advertising	5,262,760.00	3,914,240.00
<b>Total</b>	<b>9,385,390.00</b>	<b>6,497,300.00</b>

## 8. Hospital Fees

Description	Period Ended June 2024	Comparative period
	Kshs	Kshs
Level 4& 5 hospitals	618,550,574.50	639,958,404.00
Level 1,2,& 3 hospitals ( Community Units, Dispensaries & Health centres)	60,082,574.10	618,633 86,507,538.00
Vocational Training centers (VTC)	13,242,724.90	17,257,490.00
<b>Total</b>	<b>691,875,873.50</b>	<b>743,911,773.00</b>

## 9. Public Health Service Fees

Description	Period Ended June 2024	Comparative period
	Kshs	Kshs
Inspection for issuance of hygiene license	1,636,151.00	117,600.00
Applications for medical examination		550.00
Public health permit	3,225,950.00	3,068,050.00
<b>Total</b>	<b>4,862,101.00</b>	<b>3,186,200.00</b>

**Receiver Of Revenue**

**County Government Of Bungoma**

**Quarterly Reports and Financial Statements for the Period Ended June 30, 2024**

**Notes to the Financial Statements (continued)**

**10. Physical Planning and Development**

Description	Period Ended June	Comparative period
	2024	Kshs
	Kshs	Kshs
Building plans approval	7,596,392.00	1,365,970.00
Occupational Permits	217,000.00	10,000.00
Physical Planning	10,100.00	19,625.00
<b>Total</b>	<b>7,823,492.00</b>	<b>1,395,595.00</b>

**11. Hire Of County Assets**

Description	Period Ended June	Comparative period
	2024	Kshs
	Kshs	Kshs
Agricultural Mechanisation Services (AMS)	657,740.00	3,891,010.00
Hire of County Stadium	40,000.00	20,000.00
Conference facilities/Agricultural Training Centers (ATC)	14,804,158.00	23,887,622.00
<b>Total</b>	<b>15,501,898.00</b>	<b>27,798,632.00</b>

**12. Conservancy Administration**

Description	Period Ended June	Comparative period
	2024	Kshs
	Kshs	Kshs
Refuse disposal fees/Conservancy fees	13,892,012.00	11,711,973.00
Public cemetery	84,500.00	51,000.00
Noise control	52,600.00	28,600.00
<b>Total</b>	<b>14,029,112.00</b>	<b>11,791,573.00</b>

**13. Administration Control Fees and Charges**

Description	Period Ended	Comparative period
	March 2024	Kshs
	Kshs	Kshs
Weights and measures	267,480.00	120,400.00
Fire Services	22,498,135.00	18,752,758.00
Liquor licenses	7,555,100.00	6,116,450.00
Others (Specify) Payroll Product	10,372,330.55	
<b>Total</b>	<b>40,693,045.55</b>	<b>24,989,608.00</b>

**14. Other Fines, Penalties and Forfeitures**

Description	Period Ended June	Comparative period
	2024	Kshs
	Kshs	Kshs
Impounding Fees	724,300.00	127,920.00
<b>Total</b>	<b>724,300.00</b>	<b>127,920.00</b>

**Notes to the Financial Statements (Continued)****15. Miscellaneous Receipts**

Description	Period Ended June 2024	Comparative period
	Kshs	Kshs
Miscellaneous Income( Unclassified)	12,950.00	9,463,441.00
Overpayment Recovery	522,229.30	547,037.00
Other charges	246,300.00	
Cooperative	219,485.00	
Others (Specify) Consolidated AIA	16,714,281.40	
<b>Total</b>	<b>17,715,245.70</b>	<b>10,010,478.00</b>

**16. Donations and Grants Received**

Description	Period Ended June 2024	Comparative period
	Kshs	Kshs
Danida Transfers	28,483,751.00	
<b>Total</b>	<b>28,483,751.00</b>	<b>-</b>

**17. Bank Charges**

Description	Period Ended June 2024	Comparative period
	Kshs	Kshs
Bank Charges & commissions	169,500.22	143,738.00
<b>Total</b>	<b>169,500.22</b>	<b>143,738.00</b>

**Receiver Of Revenue**

**County Government Of Bungoma**

**Quarterly Reports and Financial Statements for the Period Ended June 30, 2024**

**18. Bank Balances**

Name of Bank, Account No. & currency	Period Ended June 2024	Prior year Audited	
		Kshs	Kshs
1. Kenya Commercial Bank 177737930	KES	867,101.35	2,614,502
2. National Bank of Kenya 100113676000	KES	2,257,415.46	7,594,887
3. Cooperative bank of Kenya 0141669167100	KES	20,855,282.50	5,235,493
4. Equity Bank 0480261006908	KES	57,749.75	1,170,957
5. M-pesa Paybill 337890	Kes	-	978,600
6. Bumula Health Centre Dev Community	KES	703,795.20	1,174,499
7. Mt. Elgon District Health Services	KES	220,663.52	361,699
8. Kimilili Health Management Services	KES	2,544,106.13	13,937,651
9. Health Care Services Webuye	KES	5,333,869.25	10,322,904
10. MOH Hospitals(Bungoma Referral)	KES	63,197,153.74	48,007,462
11. Bokoli Sub-District Hospital	KES	879,374.90	2,813,162
12. Mcd Sep Nait. Cost Sharing Account	KES	572,102.40	4,471,156
13. Sirisia Sub-District Hospital CA MoE/ School Accounts	KES	1,674,304.53	80,741
14. Chwele Sub-District Hospital - BGM	KES	2,065,298.48	24,620
15. Cheptais Sub-District Hospital	KES	793,136.05	1,526,164
16. Cheptais Sub County Hospital Collection Account	KES	FIF	-
17. Mabanga Agricultural Training Centre KCB	KES	FIF	580,047.55
18. Bungoma County Agriculture Mechanization Centre Equity	KES	FIF	29,747.26
19. Chwele Sub County Hospital Collection account ( Co-op. Bank)	KES	FIF	(600.00)
20. MT. Elgon Sub-County Hospital - Collection 1141782311800	KES	FIF	2,150.01
21. Sirisia Sub County Hospital Revenue Collection -0114178231100	KES	FIF	85,440.02
22. Naitiri Sub-District Hospital Collection Account(KES)	KES	FIF	(619.41)
23. Sinoko Sub County Hospital cooperative Bank	KES	FIF	42,757.30
24. Sinoko Sub County Hospital kcb Bank	KES	FIF	289,465.85
25. Bumula Sub County Hospital Collection Account -01141782311500	KES	FIF	8,390.00
26. Bungoma HSSF(Consolidated)	KES	FIF	6,135,510.19
27. Public Health Collection Account KCB 1156993393	KES	FIF	395,830.15
28. Public Health Collection Account KCB 1225921872	KES	FIF	3,173,820.00
29. Bungoma Vocational Training(Consolidated)	KES	Fund	4,455,723.33
<b>Total</b>			<b>117,219,015.51</b>
			<b>127,815,249</b>

**19. Payables- Due To CRF**

Payables	Period Ended June 2024	Prior year Audited	
		Kshs	Kshs
Balance b/f at the beginning of the year	127,815,249.24	150,190,650.05	
Adjustment VTC opening Balance	357,388.34	99,102.50	
Amount collected during the year	1,124,176,269.75	1,160,146,980.12	
Amounts disbursed to CRF during the year	(381,742,137.10)	(330,427,054.10)	
Expenditure By Facilities collection AIA	(753,218,254.50)	(852,050,690.93)	
Bank Charges	(169,500.22)	(143,738.40)	
<b>Balance c/d at the end of the year</b>	<b>117,219,015.51</b>	<b>127,815,249.24</b>	

**20. Ageing Analysis of Revenue in Arrears**

Description (indicate as applicable)	Less than	Between	Between	Over 3 years	Total
	1 year	1-2 years	2-3 years		
Cess		65,857,330.00			65,857,330.00
Land/poll rate		160,354,731.37			160,354,731.37
<b>Total</b>		<b>226,212,061.37</b>			<b>226,212,061</b>

10. Appendices

Appendix I: Statement of Receipts and Disbursements per Quarter

Headline	Quarter	Quarter	Quarter	Quarter	Cumulative to date		Comparative prior year (at year end)	
					2024	2023	2024	2023
<b>County Own Source Revenue</b>								
Cess								
Land/Poll Rate	3,981,551	1,746,363	12,836,836		21,274,695			
Single/Business Permits	1,361,464	2,082,656	12,657,242		8,546,344		41,645,810	
Property Rent	8,052,407	17,670,000	53,955,843		35,992,981		24,647,705	
Parking Fees	764,246	1,294,051	8,906,618		4,409,854		115,671,231	
Market Fees	12,929,110	18,089,050	24,227,396		16,014,230		15,374,769	
Advertising	42,190	9,768,568	23,631,157		11,411,960		71,259,786	
Hospital Fees	422,770	641,950	5,186,774		3,133,896		44,853,875	
Public Health Service Fees	176,799,488	150,676,657	167,005,130		197,394,599		9,385,390	
Physical Planning and Development	685,420	1,054,950	1,190,321		1,931,400		691,875,874	
Hire Of County Assets	1,674,033	2,134,601	1,956,831		2,058,027		4,862,101	
Conservancy Administration	5,083,650	3,080,105	2,805,969		4,532,174		7,823,492	
Administration Control Fees and Charges	34,400	2,232,500	8,032,432		3,729,780		15,501,898	
Park Fees	800,320	5,554,200	18,068,600		16,269,926		14,029,112	
Other Fines, Penalties, And Forfeiture Fees	-	-	-		40,693,046		11,791,573	
Miscellaneous receipts	162,950	444,300	23,338		93,712		24,989,608	
Total County Own Source Revenue	11,922,632	1,000,000	2,400,000		2,392,614		724,300	
	224,716,640	317,469,051	342,884,487		310,621,441		17,715,246	
<b>Other Receipts</b>								
Donations/Grants Not Received Through CRF								
Total Other Receipts	24,766,254	2,101,338	1,616,161		2,483,753		127,920	
Total Receipts	24,766,254	2,101,338	1,616,161		28,483,753		10,010,478	
Balance b/f at the beginning of the year **	249,482,895	219,571,288	344,509,648		319,621,441		1,124,176,372	
Disbursements To CRF	127,815,249	127,815,249	127,815,249		127,815,249		128,172,638	
Bank Charges	(53,753,474)	(59,060,039)	(166,691,042)		(102,237,582)		(38,742,337)	
Expenditure By Facilities collection AIA	(20,788)	(96,527)	(52,186)		(169,590)		(330,427,054)	
Balance Due for Disbursement as at the end	131,527,631	102,387,357	100,985,721		165,406,669		(143,728)	
							(753,218,255)	
							(832,050,691)	
							117,219,018	
							127,815,249	

