



MUNICIPALITY OF AWENDO

COUNTY GOVERNMENT OF MIGORI

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2023

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

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1. Acronyms &Glossary of Terms

Insert acronyms and glossary of terms used in the report e.g.

PSASB	Public Sector Accounting Standards Board
FY	Financial Year
OSHA	Occupational Safety & Heath Act
Fiduciary Management	Key management personnel who have financial responsibility in the entity

2. Key Entity Information and Management

a) Background information

Municipality of Awendo is established by and derives its authority and accountability from Urban Areas and Cities Act No. 13 of 2011 and Cities and Municipal Charter on 20th March 2020. The Municipality is under the County Government of *Migori* and is domiciled in Kenya.

b) Principal Activities

The main functions of the municipality are drawn from section 20 of urban areas and cities act, 2011 and the municipal charter. The functions were officially transferred to the municipality vide Gazette Notice no 2384 of 20th March 2020. These include but not limited to:

- (a) Oversee the affairs of Municipality of Awendo;
- (b) Develop and adopt policies, plans, strategies and Programmes, and set targets for delivery of services;
- (c) Formulate and implement integrated development plan;
- (d) Maintain a comprehensive database and information system of the administration and provide public access thereto upon Payment of a nominal fee to be determined by the board;
- (e) Administer and regulate its internal affairs;
- (f) Implement applicable national and county legislation;
- (g) Enter into such contracts, partnerships or joint ventures as it may consider necessary for the discharge of its functions as required under the law;
- (h) Monitor and, where appropriate, regulate municipal services where those services are provided by service providers other than the board of the municipality;
- (i) Prepare its budget for approval by the county executive committee and administer the budget as approved;
- (j) Monitor the impact and effectiveness of any services, policies, programmes or plans;
- (k) Establish, implement and monitor performance management systems;
- (l) Facilitate and regulate public transport;
- (m) Promote a safe and healthy environment; and
- (n) Perform such other functions as may be delegated by the county government or as may be provided for by any written law.

(2) The functions performed by the board of municipality under this Act shall, in the case of a town, be performed by a committee appointed by

c) Municipality of Awendo Board

Ref	Position	Name
1.	Chairman of the Board	Ms. Beatrice Adongo
2.	County Executive Committee Member responsible for Cities and Urban areas.	Hon. John Kobado
3.	Board Member 1	Mr. Isaack Ochieng Ouko Vice Chairperson
4.	Board Member 2	Hon. Johnson Omollo Owiro, HSC.
5.	Board Member 3	Mr. John Keno Chol
6.	Board Member 4	Hon. Florence Abich
7.	Board Member 5	Mr. John Otieno Oswe
8.	Board Member 6	Ms. Ruth Adhiambo Odhiambo
9.	Municipality Manager	Plan. Mandela Nelson Akong'o

d) Fiduciary Management

The Municipal Manager who is the AIE holder is accountable to the Municipal board. The Municipal Board is then accountable to the County Executive committee and the County Assembly.

Ref	Position		Name
1	Municipality Manager		David Ore
2	Directors/Head of departments	Physical Planning	Patrick Peter
		Environment	Gerald Kibathi
		Social Safeguards	Kephas Owinga
		Land Survey	Geoffrey Ng'eno
		Public Works	Isaiah Gangla
		Accountant	Tom Mumbo

e) Fiduciary Oversight Arrangements

The Municipal Manager who is the AIE holder is accountable to the Municipal board. The Municipal Board is then accountable to the County Executive committee and the County Assembly.

i) Audit and Risk Management Committee

The Board has constituted an audit and Risk committee which is headed by Hon Florence Abich.

ii) County Assembly Committees

The board is answerable to the County assembly of Migori and makes annual financial reports to the county assembly. Whenever called upon, the board files reports to relevant County Assembly departmental committee. In terms of financial matters, the board always make appearance before public accounts committee, implementation committee, budget and appropriation committee whenever requested to do so.

iii) Committees of the Senate

The board can also be called to appear before the relevant Senate community like Public Investment Committee, and Public Accounts Committee as the case maybe

f) Registered Offices

P.O. Box 1172-40400 Suna Migori
Awendo Sub-County Office Building
Kisii –Isebania Highway
Migori, KENYA

g) Contacts

Telephone: (+254) 059-20928
E-mail: migoricountygov@gmail.com
Website: <https://migori.go.ke>

h) Bankers

Commercial Banks-Kenya Commercial Bank –

1. Municipality of Awendo Urban Development Grant Account No. 1250196620
2. Municipality of Awendo Account No. 1272575616
3. Municipality of Awendo Urban Development retention Account No. 1316545555

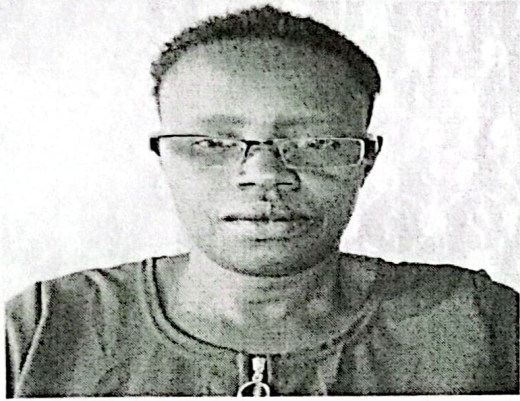
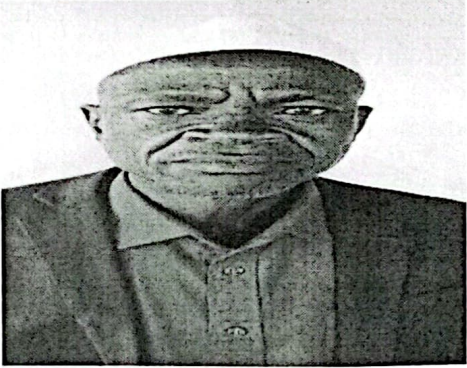
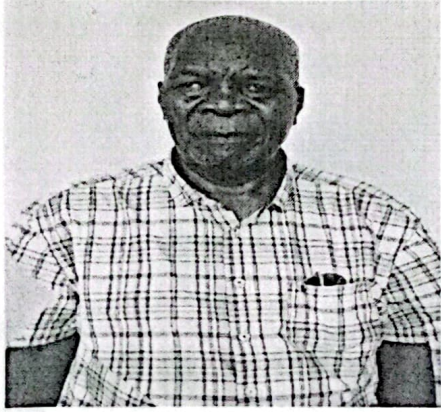
i) Independent Auditor

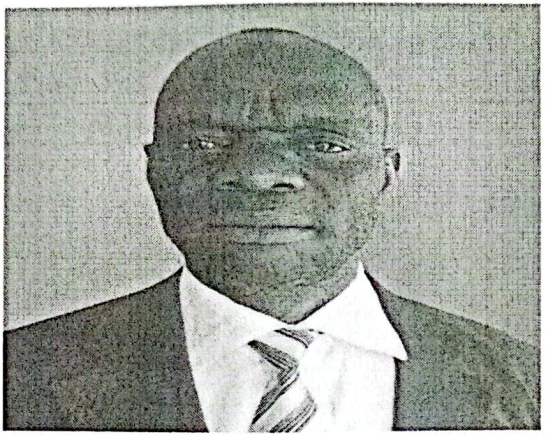
Auditor General
Office of The Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

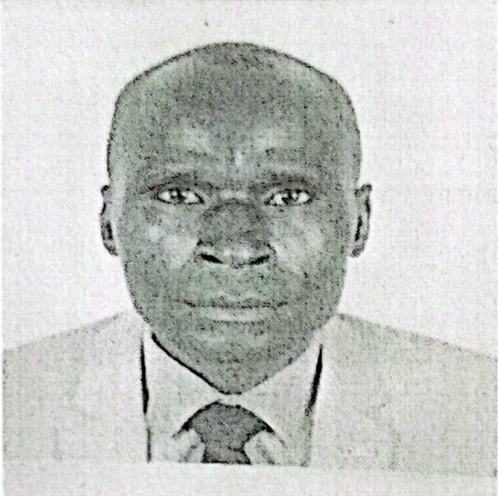
j) Principal Legal Adviser

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

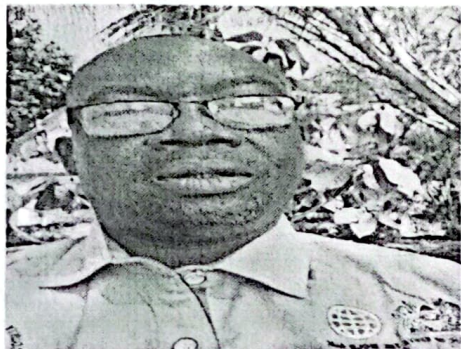
3. Municipality of Awendo Board

Name	Details of qualifications and experience
Ms. Beatrice Adongo 	Age: 37 Years Academic and Professional Qualification- • Bachelor of Arts in Education Work Experience • From 2016 to 2020 a teacher From March 2023 to date Chairperson Awendo Municipal Board
Mr. Isaack Ochieng Ouko 	Age 61 Years Academic and Professional Qualification- - Certificate in Strategic Management and County Governance - Diploma in Human Resource Management and Development Work Experience • Councillor in Awendo Town Council – (2008-2013) Independent Board Member Chairman -Finance Committee
Hon. Johnson Omollo Owiro, HSC. 	Age 75 Years Academic and Professional Qualification- - Diploma in County Governance - Diploma in Public Administration. - Diploma in Business Management. Work Experience - March 2023- Date Member Awendo Municipal Board 2013-2017 Majority Leader Migori County Assembly 2007-2013 Mayor Awendo Town Council. 1982-1989 Superintendent Sony Sugar Company Independent Board Member Chairman of the Planning Committee

Mr. John Keno Chol 	Age 54 Years Academic and Professional Qualification- Diploma in Hotel Management Work Experience March 2023-Date Board member Awendo municipality 2000-2009 Field Supervisor Sony Sugar Company. 1989-1999 Assistant Executive House Keeper Independent Board Member Chair finance committee.
Hon. Florence Abich 	Age 56 Academic and Professional Qualification- MBA in strategic management. Post Graduate Diploma in Supply Chain Management. Bachelors in Human Resource Management. Work Experience March 2023-Date. Board Member Awendo Municipality 2017-2023 Member of Migori County Assembly Independent Board Member Chairperson of the Committee
 Ms. Ruth Adhiambo Odhiambo	Age 45 years Academic and Professional Qualification- Diploma in fashion and design. Work Experience March 2023- Date Member Awendo Municipal Board Independent Board Member Chair Human Resource Committee.
Mr. John Otieno Oswe	Age 51 years Academic and Professional Qualification- Bachelors Degree in theology. Diploma in theology. Work Experience

	March 2023- Date Member Awendo Municipal Board 2015-Feb 2023 Manager Isaya Amonde Schools 2011-2014 Center Manager Pioneer Development Program 2007-2011 Teacher South Nyanza Baptist College Independent Board Member
Plan. Mandela Nelson Akong'o 	Age 32 years Academic and Professional Qualification- Master's Degree in Urban Development & Management (Ongoing) Bachelor's Degree in Urban and Regional Planning, with IT. Work Experience 2016-June 2023 Physical Planning Officer Migori County June 2023- Date Ag. Municipal Manager Municipality of Awendo Independent Board Member

4. Management Team

Name	Details of qualifications and experience
1. Municipal Physical Planner  Patrick Peter	Date of birth: 11/12/1994 Academic And Professional Qualification- • Master's Degree –Environmental Planning and Management (ongoing) • Bachelor's Degree in Urban and Regional Planning Work Experience 2016-Date –Physical Planning Officer Area of Responsibility Physical Planning Officer
 Gerald Kibathi	Date of birth: 02/10/1981 Academic and Professional Qualification- Bachelor's Degree in Environmental Science Work Experience 2009-Date –Environment Officer Area of Responsibility Municipal Environment Officer
2. Municipal Social Safeguards Officer  Kephass Owina	Date of birth: 16/07/1974 Academic and Professional Qualification- • Bachelor's Degree in Arts and Anthropology Work Experience • 1998-Date –Social Safeguards Officer Area of Responsibility • Social Safeguards Officer

Geoffrey Ng'eno	Date of birth: 09/04/1983 Academic and Professional Qualification- • Bachelor's Degree in Land Survey and Photogrammetry Work Experience • 2007-Date –Land Surveyor Area of Responsibility • Land surveyor
 Isaiah Gangla	Date of birth: 05/01/1989 Academic and Professional Qualification- •Bsc Technology (Building Construction) Work Experience • 2011-Date –Physical Planning Officer Area of Responsibility •Works officer
(Note: The Municipality Manager will feature under both the 'Board' and 'Management'.)	

5. Municipality of Awendo Board Chairperson's Report

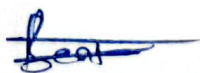
In the financial year 2022/23, Awendo Municipal Board made a number strides in the discharge of its mandate. In particular the board oversaw the implementation of several investment projects within the municipality. These include completion of construction of roads to bitumen standards, construction of Rapogi Modern Market, equipping of the borehole at Awendo Recreational Park , Fencing and landscaping of Awendo recreational park as well as the installation of the waste bins and fire extinguishers.

The board also has equally conducted meetings as required by law where several policy directions were given to the Municipal manager for implementation. The board also appreciates the support from development partners like the World Bank who has been supporting us with development funds.

We would also wish to thank HE. The Governor for the political good will he has extended to us since we were inaugurated. The support from the County Government of Migori has seen the Municipality grow in terms of staff establishment and self-reliance.

The board is optimistic that the next financial year will be favourable despite it being a year of transition in the governance at the county and Kenya at large.

Thank you.



Ms. Beatrice Adongo
Chairperson
Awendo Municipal Board

6. Report of the Municipality Manager

5.1 Budget Performance

In the FY 2021/2023 the County Government of Migori allocated to Municipality of Awendo Ksh 14 Million. Allocation for Development expenditure was Ksh 5 Million whereas Recurrent expenditure amounted to Ksh 9 Million.

The funds for development were used to undertake urban beautification and waste management programs within the municipality. The programs were as detailed below:

- Supply and delivery of waste management equipment- Ksh 2,000,000
- Supply, delivery and planting of tree seedlings- Ksh 2,199,000

On the other hand, the municipality used the funds in the recurrent budget for office operations and payments of allowances to Board members/staff and purchase of other procurable items as detailed here below:

- Supply and Delivery of Generator – Kshs.300,000
- Provision of Printing and Publishing Services- Kshs.300,000
- Supply and Delivery of furniture- Kshs.1,514,7571
- Supply and Delivery of Cleaning materials- Kshs.819,800
- Supply and Delivery of printer and other IT equipment- Kshs. 841,950

The municipality also got funds from the World Bank through the Kenya Urban Support Program. In the last financial year, the donor funds were remarkably reduced as compared to the previous financial years. The municipality received Ksh 119,054,454 from the World Bank which are used to construct Rapogi Modern Market. The physical progress of the market is at 70% .

5.2 Progress of Municipality projects

Since the inauguration of the municipality the following projects/programs have been implemented:

Project	Output	Outcome	Progress(%)
Construction of Awendo Recreational Park	• Park Auditorium • Benches/furniture • Ornamental tree shades • Grass lawns • Scenic water park • Children playground • Scented/colour gardens • Flower and shrub	• Improved aesthetic value of the town • Improved environmental conservation • Preservation of sociocultural and religious values • Increased revenue generation • Improved social	100 % complete

	- displays • Sporting area • Food courts	interaction among the residents	
Construction of Awendo Township Roads	• Street lights • Storm water drainage channels • NMT facilities • Access culverts • Box culverts • Carriage way with bitumen • Speed calmers • Road Signages	• Improved accessibility • Reduced traffic snarl-up • Reduced accidents • Enhanced security • Reduced flooding in town	100 % complete
Construction of Rapogi Modern Market	• Market stalls • Storm water drainage channels • Access road • Market shade • Market kiosks • Water supply • Flood light • Waste management area	• Improved security • Improved accessibility • Increased revenue collection • Improved income/livelihood • Improved sanitation at the market	70% complete
Urban Beautification	• Ornamental trees • Waste bins • Waste skips	• Improved aesthetic value of the town • Improved waste management	100 complete

The implementation of the above projects were done in collaboration with the county department of physical planning and Urban Development through the County Project Coordination team (CPCT) as provided for in the KUSP programme operation manual. The residents of the municipality have experience first-hand impacts of the projects and as such the value for money has not been lost.

5.3 Challenges on the Strategic Objectives

In line with our strategic plan, the municipality intends to achieve the following strategic objectives over the next five years:

1. To secure all public land for development by 2025
2. To improve infrastructural and utility services for Municipality of Awendo by 2025
3. To mobilize resources for recurrent and development expenditures in Municipality of Awendo by 2025
4. To strengthen the capacity of the Board and staff of Municipality of Awendo by 2025

5. To improve and enhance security in Municipality of Awendo by 2025
6. To Monitor the conservation and management of green spaces in Municipality of Awendo by 2025
7. To set up a fully functional disaster management programme in Municipality of Awendo by 2025
8. To promote Public Health services
9. To set up an industrial park in Municipality of Awendo by 2025
10. To promote the establishment of light industries by 2025
11. To monitor upcoming and established learning resources centres
12. To monitor and support TVET institutions in line with trade and manufacturing needs in the municipality.

We have however faced a number of challenges in the course of realization of the above objectives. This challenge includes but limited to;

- Lack of trained technical staffs- the municipality is in dire need of additional employees in the field of physical planning, engineering, accounting, human resource, land surveying, quantity surveying, procurement and supply chain management, architecture among others.
- Insufficient funding-the municipality has been receiving little funds from the county government which is not commensurate to the functions it is suppose to discharge. The funding from development partners has also been insufficient in terms of amount and timely disbursement.
- Non delegation of functions to the municipality- the county government of Migori has not fully delegated/transferred functions to Municipality of Awendo as required by the Urban Areas and Cities Act.
- Duplication of roles /functions-the spirit of section 48 (1)(a) and 48(2) of the County Government Act, 2012 has not been respected with respect to Awendo subcounty and Municipality of Awendo as decentralized units within County Government of Migori.

5.4 Risk Management Strategies

The Municipality identified and undertook an assessment of impending risks to effective and efficient operations. These risks are environmental, political, organizational, operational, financial and technological in nature and affect implementation of programmes and its outcomes. The foregoing risks call for accountability, monitoring and reporting on mitigation factors so as to ensure a prosperous Municipality. Using the Low, Medium and High risk ranking on the basis of Likelihood and impact, the significant risks are highlighted as follows:

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Key Risks	Likelihood (H/M/L)	Impact (H/M/L)	Contingency Plan/ Steps to Mitigate Risk	Person(s) Responsible
Political instability and Insecurity (e.g. election unrest, terrorism etc.)	Low	High	Utilizing already existing county government structures, national government and other key actors	Office of the Governor
Limited Financial Resources	Medium	High	Development of sustainable income generating programmes	CEC and Chief Officer
Insufficient collaboration, cooperation and strategic partnerships with relevant stakeholders (PPP)	Medium	High	Enhancing partnerships with various stakeholders	Municipality Board/ CEC
Few technical staff	Medium	High	- Identifying, developing and retaining the requisite human resources to support the strategy implementation - Provide a competitive remuneration and benefits policy	Public Service Board
Rapid technological advancement	Medium	High	Integrating information and communication technologies in the processes of services provision	Directors
Resistance to change	Medium	High	- Employee engagement; highly directed, engaged, mobilized county officers - Team building for staff and the Board - Communicating the vision and strategy to all effectively	Municipal Manager

Mandela Nelson Akong'o



Municipal Manager

Municipality of Awendo

7. Statement of Performance Against Predetermined Objectives for the FY 2021/2023
Introduction

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, 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 including a statement of the county government entity's performance against predetermined objectives. The key development goals of the Municipality of Awendo as espoused in the strategic plan (2020-2025) are:

- a) To ensure effective and efficient urban development and management
- b) To promote Environmental management and public health
- c) To promote industrialization within the municipality
- d) To establish a framework for monitoring, evaluation and reporting programmes for cushioning vulnerable groups in the Municipality.

Below we provide the progress on attaining the stated objectives:

Programme 1: Urban Institutional Development

Objective (s):

1. To improve governance within the municipality
2. To enhance service delivery excellence

Outcome :

1.Enhanced public order, Local governance systems & Improved transparency and accountability in citizen engagement in decision making of urban government

Sub-program me	Key Output	Baseline	Key performance indicators (KPIs)	Planned Targets					Performance
				2019/ 1 20	2020/ 2 1	2021/ 2 2	2022/ 2 23	2023/2 4	
Sp 1.1 Municipality Governance Structure	Operational Board	-	Number of Board meetings held annually	8	8	8	8	8	In the FY under review the Board conducted 4 ordinary sittings and 4 special stings
	Board sub-committees	-	Number of Board sub-committ ee meetings	24	24	24	24	24	In the FY under review 16 Board Sub-Committ ee meetings were held

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Operational Municipal administration	1	Number of offices established and equipped per year	3	15	5	5	5	In the FY under review the municipal managers office was allocated recurrent budget to aid its operations
Automation of revenue collection	0	Number of machines purchased	0	0	20	20	10	In the FY under review automation of revenue collection was never done. The function is yet to be delegated.
Purchase of motor vehicles		Number of vehicles purchased			1	0	1	No new vehicle bought
Lobby for the Establishment of Municipal court	-	Number of Courts per year	0	0	0	1	0	Was not in the target

Sp 1.2 Capacity Building	Board Training	-	Number of trainings per year	5	4	4	4	4	2 trainings were conducted
	Staff Training	-	Number of trained	10	15	13	30	45	3 trainings were conducted
Sp 1.3 Public Participation	Citizen fora	2	Number of fora held per year	4	4	4	4	4	4 citizen for a were conducted
Sp 1.4 Plans and Policies	Plans, policies and by-laws		Number of plans, policies and by-laws prepared	3	3	3	3	3	Draft municipal bylaws prepared awaiting county assembly approval and gazettelement

Programme 2: Urban Infrastructure Development

Objective: To enhance transport and infrastructure needs

Outcomes

1. Improved road network for municipality dwellers and user. 2.Enhanced economy

Sub-programme	Key Output	Baseline	Key performance indicators	Planned Targets					Performance
				2019/20	2020/21	2021/22	2022/23	2023/24	
				0	1	2	3		

Sp 2.1	Roads & Transport infrastructure	Paved lots	Paved roads	Paved Walk-ways & Cycling Lanes
	Number of Parking lots paved annually	20	10.5	
	300	2		3
	200	2		3
	200	2		3
	200	2		3
	100	2		3
	No parking lots paved.	3km of roads constructed to bitumen standard	3 km of walkways constructed along the new roads	

[illegible]

Sp 2.2	Monitoring the installation of New Sewer line	Number of KMs constructed Per Year	0	1	2	2	5	Not done
Water & Sewerage Infrastructure	Monitoring the Installation of extension water Pipeline	Number of KMs constructed Per Year	1	3	4	4	8	Not done
Sp 2.3 Improving informal settlement	Paved roads	Number of kilometers paved per year	0	1	2	2	3	No new road done in the informal settlement
Sp 2.4 Plans and policies	Constructed sanitation blocks	Number sanitation blocks	0	2	2	2	2	1 water borne toilet done.
	Floodlights installed	Number floodlights	0	2	2	2	2	Not done
	Street lights installed	Number streetlights	0	5	5	5	5	Not done
	Formulation of plans and policies	Number of plans and policies formulated	3	3	3	3	3	1 action Area plan prepared for Jiw-Dendi settlement

Program 3: Environmental Management

Objectives: 1. To support pollution prevention; and Promote sustainable environmental protection and management		Key performance indicators	Planned Targets					Performance
			2019/20	2020/21	2021/22	2022/23	2023/24	
Outcomes: 1. Improved health; 2. Enhanced cleanliness; and 3. Improved recycling and reuse practices at point of waste generation								
Sub-programme	Key Output	Baseline	Planned Targets					
Sp 3.1 Solid waste management Environmental conservation	Specialized Garbage trucks	0	1	1	1	1	1	No specialized garbage trucks purchased
	Garbage receptacles	-	4	4	4	4	4	200 waste bins installed
	Constructed incinerator	-	0	0	1	1	1	No incinerator constructed
	Revitalization of rivers	0	0	0	1	0	0	No river revitalized

Sub-programme	Key Output	Baseline	Key	Planned Targets	Performance
Outcomes: Incubation of small businesses; Increased number of tourists to the Municipality; and Improved standards of living					

		performance indicators	2019/20	2020/21	2021/22	2022/23	2023/24
Sp 4.1 Improvement markets	Constructed modern market	Number of modern market constructed	0	1	1	1	1 modern market constructed at Rapogi
	floodlights	Number floodlights	-	2	2	3	1 floodlight installed at Rapogi
	Capacity building of SMEs	Number of SMEs trained in business best practices	--	100	100	100	Not done
Sp 4.2 Enterprise development							
Sp 4.3 Tourism Development Marketing	Mapped tourism sites	Number of tourism guides developed	-	0	1	0	Not done
	Develop tourist attraction sites	Number of tourist sites developed	-	0	0	1	Not Done

Programme 5: Public Health and Social Services

Sub-programme	Key Output	Baseline	Key performance indicators	Planned Targets				Performance	
				2019/20	2020/21	2021/22	2022/23	2023/24	
Sp 5.2 Monitoring of health services	Lobby for Newly Built and operational dispensaries	5	Number of newly built dispensaries	-	0	1	1	1	No new dispensary built
	Upgraded health facilities	-	Number of upgraded health facilities (Upgrading of dispensaries to health centers and upgrading of health centers to level four hospitals.)	-	0	2	2	1	No health facility upgraded
Sp 5.1 Promotion of preventive health	Media campaigns	-	Number of health promotion media campaigns	-	12	12	12	12	Not done

		Number of public health officers trained per year	5	5	5	5	None

Programme 6: Disaster management

Objectives:

1. To improve disaster preparedness
2. To safeguard and make available vital materials supplies and equipment to ensure the safety and reliable recovery predictable disasters

Outcomes 1.Enhanced efficiencies in emergency response

Sub-programe	Key Output	Baseline	Key performance indicators	Planned Targets					performance
				2019/20	2020/21	2021/22	2022/23	2023/24	
Sp 6.1 Disaster Response Investments	Emergency Fund	-	Amount of Fund Per Year (Ksh. In Millions)	5	5	5	5	5	No funds allocated
Established, operational call and data center				Number of call and data center established					None established
				-0	0	0	1	0	

	Fire engine purchased	-	Number of fire engines purchased	0	0	1	0	0	No Fire engine purchased
	Purchased ambulances	-	Number of ambulances purchased	0	0	1	1	1	No Ambulance purchased
	Modern fire station	-	Number of modern fire stations built	0	1	0	0	0	None was built
	Purchase of fire extinguishers	-	Number of fire extinguishers purchased	0	0	0	12	0	12 fire extinguishers purchased

Programme 7: Literacy and Social Protection

Objectives: To enhance literacy in the Municipality; and to safeguard the welfare of vulnerable groups including youth, PWD, women and street families

Sub-programme	Key Output	Baseline	Key performance indicators	Planned Targets					Performance
				2019/20 2020/21	2021/22	2022/23	2023/24		
Monitoring of Literacy Improvement programmes	Lobby for Construction of new ECDE Classes	-	Number of new ECDE Classes per year	-	-	3	3	3	2 New ECDE Constructed
	Lobby for Equipment of ECDE(s)	-	Number of ECDE facilities equipped	0	0	5	5	5	1 new ECDE facilities equipped

	Educational Fund to the Needy	-	Amount(ksh) of fund allocated annually	0	0	10	10	10	No funds were allocated
	Lobby for Construction of village/technical institute		Number of new polytechnics workshops per year	0	0	3	3	3	None constructed
	Lobby for Construction of a public/community library		Number constructed	0	0	1	0	1	None constructed
	Lobby for Opening up of a university learning centre		Number of centres established	0	0	0	1	1	Not done
Social Protection	Establish a Safety net Fund	-	Amount(Ksh) of fund allocated annually	0	5	5	5	5	Not done
	Lobby for the Establishment of Rescue Center	-	Number of facilities established	0	0	0	1	1	Not done
			Total						

8. Corporate Governance Statement

7.1 Process of appointment and removal of Board members.

Awendo municipal board members were appointed as provided for in section 11 of Urban Areas and cities (Amendment) Act, 2019). Upon nomination the names of the nominees were forwarded to the county assembly of Migori for vetting and subsequent approval.

In terms of removal of the board members from office, the appointment letter given to them provides that, “subject to section 18 of the urban areas and cities (Amendment) Act, 2019 and all the applicable laws, either party can terminate the contract by giving 30 day’s notice”

7.2 Roles and functions of the Municipality of Awendo Board members

Pursuant to Article 184 of the Constitution of Kenya, section 48 (1) (a) of the County Governments Act, 2012, sections 9 (1) and Section 20 of the Urban Areas and Cities Act, 2011 and section 6 of the Awendo Municipal Charter, the Governor, Migori County transferred the under listed functions to the Municipal Board of Awendo—

- (a) oversee the affairs of Municipality of Awendo;
- (b) develop and adopt policies, plans, strategies and programmes, and set targets for delivery of services;
- (c) formulate and implement integrated development plan;
- (d) maintain a comprehensive database and information system of the administration and provide public access thereto upon payment of a nominal fee to be determined by the board;
- (e) administer and regulate its internal affairs;
- (f) implement applicable national and county legislation;
- (g) enter into such contracts, partnerships or joint ventures as it may consider necessary for the discharge of its functions as required under the law;
- (h) monitor and, where appropriate, regulate municipal services where those services are provided by service providers other than the board of the municipality; (i) prepare its budget for approval by the county executive committee and administer the budget as approved;
- (j) monitor the impact and effectiveness of any services, policies, programmes or plans;
- (k) establish, implement and monitor performance management systems;
- (l) facilitate and regulate public transport;
- (m) promote a safe and healthy environment; and

***Municipality of Awendo
Annual Report and Financial Statements for the year ended June 30, 2023***

(n) perform such other functions as may be delegated by the county government or as may be provided for by any written law. The transfer of the above functions took effect immediately.

7.3 Induction and training Municipality Board members and member's performance

As at the time of establishment of the board the County government of Migori through the department of Physical Planning and urban development conducted induction exercises to board members. The induction focused on the following areas:

- Roles/functions of the Municipal Board
- Relationship between the Municipal Board and County government departments/other devolve units
- Structure of Kenya Urban Support Program

In the financial year under review board members were taken through two trainings which focussed on formulation of By-laws and preparation of various municipal plans.

7.4 Number of Municipality Board meetings held and the attendance to those meetings by members

The number of Municipal Board Meetings are capped by law at 4 ordinary sittings and 4 special sittings in a year. In the financial year 2023/2024 the Awendo Municipal Board conducted a total of 8 sittings. The four ordinary meetings were done once every quarter of the year. Awendo Municipal Board also has 4 sub-committees which include: Finance Committee, Audit Risk& Compliance Committee, Human Resource & Gender committee and Technical & Strategy Committee.

The above four sub-committees held one meeting each quarter of the year under review bringing a total of 16 sub-committee meetings.

7.5 Succession plan

As per the applicable law the board of municipality shall be body corporate with perpetual succession and common seal. Each member of the board shall hold office for a term of five years, on part time basis. The term of office of Awendo Municipal Board Members shall lapse on 5th August 2024 upon which a new board will be established.

7.6 Existence of a service charter

Municipality of Awendo has a service charter which was gazetted on 20th March 2020 in the Kenya Government gazette Notice Vol. CXXII—No. 5. The charter was then used by HE. The Government to confer the status of Municipality to Awendo town. The charter outlines how the operations of the municipality are undertaken.

7.7 Board remuneration

As per the law the Board Members are not entitled to salaries since they work on part-time basis. However the individual members are being payed sitting and lunch allowances as per the letter from Salaries & Remuneration Commission dated 27th February, 2019 Ref: SRC/TS/CG/3/61/19 (38)

9. Management Discussion and Analysis

(2- 3 pages)

Under this section, the management shall give a report:

- a. On the operational and financial performance of the City/Municipality during the period,*
- b. Entity's key projects or investments decision implemented or ongoing,*
- c. City/Municipality's compliance with statutory requirements,*
- d. Major risks facing the City/Municipality, material arrears in statutory and other financial obligations, and*
- e. Any other information considered relevant to the users of the financial statements.)*

(The management should make use of tables, graphs, pie charts and other descriptive tools to make the information as understandable as possible.)

10. Environmental And Sustainability Reporting

(Two-to-three pages)

1. Sustainability strategy and profile

Include an Introductory paragraph on the main mandate of the organization and its strategy on sustainability. Sustainability being the ability to maintain or continue offering services to the citizens of the country over the long- term. The top management especially the Accounting Officer should make reference to sustainable efforts, broad trends in political and macroeconomic factors affecting sustainability priorities, reference to international best practices and key achievements and failure.

2. Environmental performance

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

3. Employee welfare

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

4. Market place practices

The organisation should outline its efforts to:

a) Responsible competition practice.

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

b) Responsible Supply chain and supplier relations

Explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.

c) Responsible marketing and advertisement

Outline efforts to maintain ethical marketing practices

d) Product stewardship

Outline efforts to safeguard consumer rights and interests

5. Community Engagements

Give evidence of community engagement including charitable giving (cash & material), Community Social Investment and any other forms of community (The City/Municipality gives details of CSR activities carried out in the year and the impact to the society. The statement may also include how the City/Municipality promotes education, sports, healthcare, labour relations, staff training and development, and water and sanitation initiatives) Where no CSR activities are undertaken during the year, there is no need to include the statement).

11. Report of the City/Municipality Board Members

The Board Members submit their report together with the audited financial statements for the year ended June 30, 2023 which show the state of the City/Municipality affairs.

Principal activities

The principal activities of the City/Municipality are *(continue to be)*

Performance

The performance of the City/Municipality for the year ended June 30, 2023 are set out on page xv

Board Members

The members of the Board who served during the year are shown on page x (*refer to the key entity information and management page*). The changes in the Board during the financial year are as shown below:

Auditors

The Auditor General is responsible for the statutory audit of the City/Municipality in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

OR

[XYZ Certified Public Accountants were nominated by the Auditor General to carry out the audit of the entity for the year/period ended June 30, 20xx, in accordance to section 23 of the Public Audit Act, 2015 which empowers the Auditor General to appoint an auditor to audit on his behalf].

By Order of the Board


.....
Name: *Mandele Nelson Akong'o*
Secretary of the Board

12. Statement of Management's Responsibilities

Section 180 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of the Municipality established by Urban Areas and Cities Act No. 13 of 2011 shall prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Municipality manager is responsible for the preparation and presentation of the Municipality's financial statements, which give a true and fair view of the state of affairs of the Municipality for and as at the end of the financial year ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Municipality, (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 Municipality, (v) Selecting and applying appropriate accounting policies, and (vi) Making accounting estimates that are reasonable in the circumstances.

The Municipality Manager accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and *Urban Areas and Cities Act No. 13 of 2011*. The Municipality Manager is of the opinion that the financial statements give a true and fair view of the state of Municipality's transactions during the financial year ended June 30, 2022, and the financial position as at that date.

The Municipality Manager further confirms the completeness of the accounting records which have been relied upon in the preparation of financial statements as well as the adequacy of the systems of internal financial control. In preparing the financial statements, the Municipality Manager has assessed the Municipality's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements.

Nothing has come to the attention of the Municipality Manager to indicate that the Municipality will not remain a going concern for at least the next twelve months from the date of this statement.

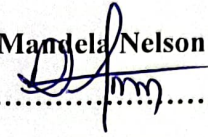
Approval of the financial statements

The Municipal/City's financial statements were approved by the Board on 29 September 2022 and signed on its behalf by:

Ms. Beatrice Adongo

.....


Plan. Mandela Nelson Akong'o

.....


Chairperson of the Board

Accounting officer of the Board

13. Report of the Independent Auditor

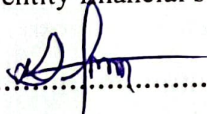
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Municipality of Awendo
Annual Report and Financial Statements for the year ended June 30, 2023

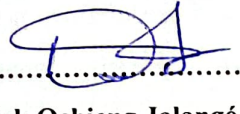
14. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2023.

	Notes	2022/23	2021/22
		Kshs.	Kshs.
Revenue from non-exchange transactions			
Transfers from County Government	1	6,394,460	3,963,430
Total revenue		6,394,460	3,963,430
Expenses			
Use of Goods & Services	3	764,798	646,220
Board Expenses	4	2,456,980	2,697,400
Staff Cost	5	3,163,214	615,000
Finance Cost	6	9,468	4,810
Depreciation and Amortization	7	3,261,985	0
Total expenses		6,394,460	3,963,430
Surplus for the period		(3,261,985)	0

The entity financial statements were approved on 29th September 2023 and signed by:



 Name: Plan Nelson M. Akong'o
 Municipality Manager
 Date.....

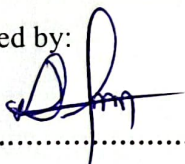


 Name: Erick Ochieng Jalangó
 Director Accounting Services
 ICPAK M/No.14959
 Date.....

15. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

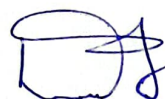
	Note	2022/23	2021/22
		Kshs.	Kshs.
Assets			
Current assets			
Cash and cash equivalents	8	27,866,876	78,071,298
Non-Current Assets			
Property, Plant & Equipment	9	138,332,313	89,948,321
Total Assets		166,199,189	168,019,619
Net Assets			
Capital /Development Grants/Fund		120,496,009	119,054,454
Accumulated Surplus		45,703,180	48,965,165
Total net assets and liabilities		166,199,189	168,019,619

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 29th September 2023 and signed by:



.....
Name: Nelson M. Akong'o
Municipality Manager

Date:



.....
Name: Erick Ochieng Jalangó
Director Accounting Services

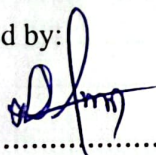
ICPAK M/No.14959

Date.....

16. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2023

	Capital/Development Grants/Fund	Accumulated Surplus/(Deficit)	Total
		Kshs.	Kshs.
Balance as at 1 July 2021	-	48,965,165	48,965,165
Surplus/(deficit) for the period		-	-
Funds received during the year	119,054,454		119,054,454
Balance as at 30 June 2022	119,054,454	48,965,165	168,019,619
Surplus/(deficit) for the period		(3,261,985)	(3,261,985)
Funds received during the year	1,441,555.32		1,441,555.32
Balance as at 30 June 2023	120,496,009	45,703,180	166,199,189

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 29th September 2023 and signed by:



Name: Name: Plan. Nelson M. Akong'o

Municipality Manager

Date:



Name: Erick Ochieng Jalangó

Director Accounting Services

ICPAK M/No.14959

Date.....

17. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Note	2022/23	2021/22
		Kshs.	Kshs.
Cash flows from operating activities			
Revenue from non-exchange transactions			
Transfers from County Government	1	6,394,460	3,963,430
Public Contributions and Donations	2	1,441,555	119,054,454
Total Receipts		7,836,015	123,017,884
Payments			
Use of Goods & Services	3	764,798	646,220
Board Expenses	4	2,456,980	2,697,400
Staff Cost	5	3,163,214	615,000
Finance Cost	6	9,468	4,810
Total Payments		6,394,460	3,963,430
Cash flows from operating activities		1,441,555	119,054,454
Cash flows from investing activities			
Property Plant and Equipment	9	51,645,976	(89,948,321)
Net cash flows used in investing activities		51,645,976	(89,948,321)
Net increase/(decrease) in cash and cash equivalents		(50,204,420)	29,106,133
Cash and cash equivalents at 1 JULY 2022		78,071,298	48,965,165
Cash and cash equivalents at 30 JUNE 2023	8	27,866,876	78,071,298

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 29th September 2023 and signed by:

.....
Name: Name: Plan Nelson M. Akong'o
Municipality Manager
Date:

.....
Name: Erick Ochieng Jalang'o
Director Accounting Services
ICPAK M/No.14959
Date:

18. STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2023

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% of utilisation
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
	A	b	c=(a+b)	d	e=(c-d)	f=d/c
Revenue	KShs	KShs	KShs	KShs	KShs	
Transfers from County Government	10,085,138	0	10,085,138	6,394,460	3,690,678	63%
Public Contributions and Donations	86,902,985	0	86,902,985	79,512,854	7,390,131	91%
Total income	96,988,123	0	96,988,123	85,907,314	11,080,809	89%
Expenses						
Use of Goods & Services	3,175,138	0	3,175,138	764,798	2,410,340	24%
Board Expenses	3,500,000	0	3,500,000	2,456,980	1,043,020	70%
Staff Cost	3,400,000	0	3,400,000	3,163,214	236,786	93%
Finance Cost	10,000	0	10,000	9,468	532	95%
Development Expenditure	86,902,985	0	86,902,985	51,645,977	35,257,008	59%
Total expenditure	96,988,123	0	96,988,123	58,040,437	38,947,686	60%
Surplus for the period	0	0	0	27,866,877	(27,866,877)	

The under utilization of the fund was due to late disbursement of exchequer releases affecting both receipts and expenditure to less than 90%. The variance between the actual revenue and expenditure noted in this statement and financial performance is that financial only captured amount received during the year for operations from the county government whereas in budget of comparison includes cash and cash balances for Donor funds and receipts from the operation. The unexplained variance between actual and budget of public contribution and cashflow amount resulted from unspent cash in bank in previous financial year being paid for contractual obligations.

The difference between the actual public contribution and donation receipt on the statement of financial performance and statement of comparison of budget and actual amounts is cash and cash equivalent brought forward of Kshs 78,071,299. Further, the amount reflected in the statement of financial performance of Kshs 6,394,460 was actual receipt for recurrent expenditure.

The entity financial statements were approved on 29th September 2023 and signed by:

.....


Name: Plan. Nelson M. Akong'o

Municipality Manager

Date:

.....


Name: Erick Ochieng Jalangó

Director Accounting Services

ICPAK M/No.14959

Date:

19. Notes to the Financial Statements

1. General Information

Awendo Municipality is established by and derives its authority and accountability from Urban Areas and Cities Act No. 13 of 2011. The Municipality is under the Migori County Government and is domiciled in Kenya. The *entity's* principal activity is oversee the affairs of Municipality of Awendo

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts, and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the *entity's* accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the *county*.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act (*include any other applicable legislation*), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Application of New and revised standards (IPSAS)

- (i) New and amended standards and interpretations in issue effective in the year ended 30 June 2023.
- (ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.
- (iii) Early adoption of standards- The Entity did not adopt any new or amended standards in the financial year

4. Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the *Entity* and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

b) Budget information

The original budget for FY 2022/23 was approved by the County Assembly on 30th June 2022. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the City/Municipality upon receiving the respective approvals in order to conclude the final budget. Accordingly, the City/Municipality recorded additional appropriations of Kshs. 86,902,985 on 14th of November 2022 following the governing body's approval.

The City/Municipality's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, and the actuals as per the statement of financial performance has been presented under section xxx of these financial statements.

A statement to reconcile the actual amounts on a comparable basis is included in the statement of comparison of budget and actual amounts prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

c) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the City/Municipality recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

d) Depreciation Policy

Depreciation is charged annually on a reducing balance basis on the balance at year end. The depreciation rates for the Non-Current assets of the STVCA are outlined below:

Category	Estimated Useful Life	Depreciation rate
Buildings	50 years	2%
Roads and other Civil works	40 years	2.5%
Equipment/Water Network	5 years	12.5%

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

e) Cash and cash equivalents

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

purposes of these financial statements, cash and cash equivalents also include short-term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

f) Comparative figures

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

g) Events after the reporting period

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorized for issue. Two types of events can be identified:

- (a) Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
 - (b) Those that are indicative of conditions that arose after the reporting date (*non-adjusting events after the reporting date*).
- The City/Municipality should indicate whether there are material adjusting and non - adjusting events after the reporting period.

h) Currency

The financial statements are presented in Kenya Shillings (Kshs.) and the values rounded off to the nearest shilling.

5. Significant judgments and sources of estimation uncertainty

The preparation of the Municipality's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

State all judgments, estimates and assumptions made.

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Municipality based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the City/Municipality. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- (i) The condition of the asset based on the assessment of experts employed by.
- (ii) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- (iii) The nature of the processes in which the asset is deployed.
- (iv) Availability of funds to replace the asset.
- (v) Changes in the market in relation to the asset.

***Municipality of Awendo
Annual Report and Financial Statements for the year ended June 30, 2023***

19. Notes to the Financial Statements

1. Transfers from the County Government

Description	2022/23 Kshs.	2021/22 Kshs.
Transfers from County government for re -current use	6,394,460	3,963,430
Total	6,394,460	3,963,430

2. Public Contributions and Donations

Description	2022/23 Kshs.	2021/22 Kshs.
Donation from development partners - KUSP-03/02/2023	39,359	
Donation from development partners - KUSP-03/02/2023	207,637	
Donation from development partners - KUSP-27/06/2023	1,194,559	119,054,454
Total	1,441,555	119,054,454

3. Use of Goods and Services

Description	2022/23 Kshs.	2021/22 Kshs.
Utilities, supplies and services - Electricity bill	9,500	8,000
Domestic travel and subsistence	162,200	134,000
Domestic travel costs	380,400	314,600
Hospitality supplies and services	49,800	42,920
Specialized materials and services	9,200	8,000
Printing services	78,128	65,250
Purchase of equipment	75,570	73,450
Total	764,798	646,220

4. Staff costs

Description	2022/23 Kshs.	2021/22 Kshs.
Casual wages/cost	3,163,214	615,000
Total	3,163,214	615,000

5. Board expenses

Description	2022/23 Kshs.	2021/22 Kshs.
Sitting allowances	941,000	983,000
Induction and Training	598,280	658,400
Travel and Transport cost	403,000	451,000
Accommodation	514,700	605,000
Total	2,456,980	2,697,400

Municipality of Awendo
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6. Finance costs

Description	2022/23	2021/22
	Kshs.	Kshs.
Bank Charges	9,468	4,810
Total	9,468	4,810

7. Depreciation and amortization

Description	2022/2023	2021/2022
	KShs	KShs
Property, plant and equipment	3,261,985	0
Intangible assets	0	0
Investment property carried at cost	0	0
Total depreciation and amortization	3,261,985	0

8. Cash and cash equivalents

Description	2022/23	2021/22
	Kshs.	Kshs.
Current account-125019662	15,626,200	78,071,298
Retain account-1316545555	12,240,676	0
Total cash and cash equivalents	27,866,876	78,071,298

Detailed analysis of the cash and cash equivalents are as follows:

Financial institution	Account number	2022/23 Kshs.
a) Current account		
Kenya Commercial bank-operation	1272575616	0
Kenya Commercial bank-Grant	1250196620	15,626,200
Kenya Commercial bank-Retention	1316545555	12,240,676
Grand total		27,866,876

9. Property, Plant and Equipment

Description	Road Works	Market Building-Rapogi	Recreational Park-Building	Total
	Shs	Shs	Shs	Shs

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As at 1 July 2021	-	-	-	-
Additions	71,687,310	8,698,661	9,562,350	89,948,321
Disposals	-	-	-	-
Transfers/adjustments	-	-	-	-
As at 30th June 2022	71,687,310	8,698,661	9,562,350	89,948,321
Additions for the year	14,332,490	10,254,360	27,059,126	51,645,976
Transfer/adjustments	-	-	-	-
As at 30th June 2023	86,019,800	18,953,021	36,621,476	141,594,298
Depreciation and impairment				
At 1 July 2021	-	-	-	-
Depreciation	-	-	-	-
Impairment	-	-	-	-
Transfers/ Adjustments	-	-	-	-
As at 30 June 2022	-	-	-	-
Depreciation for the year	2,150,495	379,060	732,430	3,261,985
Disposals for the year	-	-	-	-
Impairment for the year	-	-	-	-
Transfer/adjustment	-	-	-	-
As at 30th June 2023	2,150,495	379,060	732,430	3,261,985
NBV as at 30th June 2022	71,687,310	8,698,661	9,562,350	89,948,321
NBV as at 30th June 2023	83,869,305	18,573,961	35,889,046	138,332,313

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I. Capital risk management

The objective of the Municipality's capital risk management is to safeguard the Municipality's ability to continue as a going concern. The Municipality capital structure comprises of the following Municipality's:

	2022/23	2021/22
	Kshs.	Kshs.
Capital/Development Grants/Municipality	141,594,297	89,948,321
Accumulated surplus	27,866,877	78,071,298
Total Funds	169,461,174	168,019,619
Less: cash and bank balances	27,866,876	78,071,298
Net debt/(excess cash and cash equivalents)	141,594,297	89,948,321
Gearing		

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20. Annexes

Annex 1. Progress on Follow up of Auditors Recommendations.

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

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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)
Basis	Cash and cash equivalent not supported	Bank balance confirmation certificate and bank reconciliation statement as at 30 th June 2022 now availed	Resolved	N/A
Emphasis of a matter	Budgetary control and performance	<i>The underfunding and under-expenditure is normally caused by delay in disbursement of funds from National Treasury which poses challenge in implementation of County Budget which subsequently impact negatively on service delivery to the people of Migori County. However, the county will continuously provide necessary</i>	Not resolved	

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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)
		feedback on these delays on service delivery to The National Treasury through various intergovernmental coordination meetings and Council of Governors		
Key audit matters	Construction of Ultra-Modern Market, Washrooms, Cabro Paving of Paths and Landscaping-Awendo Municipality Phase III	(ii) Management has availed procurement files for review. (iii) signed form of tender and the bid bond which are part of the tender document. (iv) The signed bills of quantities is part of the tender document and have been provided for review (v) There were delays which was occasioned by a court case on the land which the project was being implemented. However, the project has been completed and operational meeting the	Resolved	N/A

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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)
		<i>intended objective</i>		

Guidance Notes:

- a) Use the same reference numbers as contained in the external audit report.
- b) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management.
- c) Before approving the report, discuss the time frame with the appointed Focal Point persons within your entity responsible for implementation of each issue.
- d) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to

County Treasury.


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Annex 2: Inter Entity Transfers

Municipality of Awendo			
Breakdown of Transfers from the County Executive of Migori County			
FY 2022-2023			
a.	Recurrent Grants	Bank Statement Date	Amount (Kshs.)
	Office operations	24/10/2022	1,640,820.00
	Office operations	2/12/2022	950,000.00
	Office operations	5/1/2023	383,000.00
	Office operations	1/2/2023	1,514,880.00
	Office operations	06/03/2023	354,000.00
	Office operations	24/03/2023	360,000.00
	Office operations	4/5/2023	371,760.00
	Office operations	31/05/2023	370,000.00
	Office operations	30/06/2023	450,000.00
		Total	6,394,460.00
b.	Development Grants	Bank Statement Date	Amount (Kshs.)
	Urban Development Grant	03/02/2023	39,359
	Urban Development Grant	03/02/2023	207,637
	Urban Development Grant	27/06/2023	1,194,559
		Total	1,441,555
			Indicate the FY to which the amounts relate
			FY 2022 - 2023
			FY 2022 - 2023
			FY 2022 - 2023
			Indicate the FY to which the amounts relate

Annex 3: Reporting of Climate Relevant Expenditures

Name of the Organization: Municipality of Awendo
Telephone Number: 0712701042
Email Address: ore david 92@gmail.com
Name of CEO/MD/Head Awendo Municipal Manager

Name and contact details of contact person (in case of any clarifications)

Project Name	Project Description	Project Objectives	Project Activities						
					Q1	Q2	Q3	Q4	Kenya
Kenya Urban Support Program	Construction of Awendo Township Roads to deliver improved infrastructure and services in participating counties in Kenya	establish and strengthen urban institutions to deliver improved infrastructure and services in participating counties in Kenya	Site clearance and topsoil stripping, earth works, sub grades, Based material and excavation of culverts	Site clearance and topsoil	19,384,625	0	42,671,779	9,630,906	Ministry of Infrastructure, Housing and Urban
Kenya Urban Support	Construction of Awendo Township Roads to deliver improved infrastructure and services in participating counties in Kenya	establish and strengthen urban institutions to deliver improved infrastructure and services in participating counties in Kenya	Site clearance and topsoil	0	0	0	0	0	Ministry of Transport, Infrastructure
Kenya Urban Support	Construction of Awendo Township Roads to deliver improved infrastructure and services in participating counties in Kenya	establish and strengthen urban institutions to deliver improved infrastructure and services in participating counties in Kenya	Site clearance and topsoil	0	0	0	0	0	Kenya

Program	township roads phase I	institutions to deliver earth works, sub grades, Based material and participating in services in counties in Kenya	strengthening, stripping, earth works, sub grades, Based material and participating in services in counties in Kenya	0	0	0	0	18,261,011	Ministry of e, Housing and Urban Development	Kenya
Program	Urban Support	Construction of Ultra-Modern Market	establish and strengthen urban institutions to deliver improved infrastructure and services in participating counties in Kenya	Modern market, washroom, cabro, paving of the path and land escaping	0	0	0	18,261,011	Ministry of Transport, Infrastructure, Housing and Urban Development	Kenya

Annex 4: Disaster Expenditure Reporting Template

Date:

Entity

Period to which this report refers (FY)	Name of Reporting Officer	Year	Quarter

Details of the reporting officer:	Name of Reporting Officer	Year	Quarter
Contact details of the reporting officer:			
Email			
Telephone			

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

Annex 5: Trial balance for the year ended June 2023

DEBIT	CREDIT
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KES	KES	
Property Plant & Equipment	138,332,313	
Cash & Cash Equivalents		
KCB-1316545555	12,240,676	
KCB-1250196620	15,626,200	
Reserves		
Capital/Development Grant		120,496,009
Accumulated Surplus		45,703,180
Revenue		
Transfers from County Government-Operations		6,394,460
Payments		
Use of Goods & Services	764,798	
Board Expenses	2,456,980	
Staff Cost	3,163,214	
Finance Cost	9,468	
TOTAL	172,593,650	172,593,650