

REPUBLIC OF KENYA

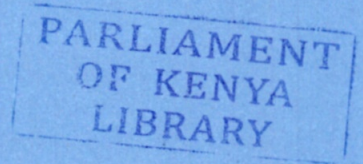


*Enhancing Accountability*

**REPORT**

PAPERS LAID	
DATE	6/3/2024
TABLED BY	May. Leader
COMMITTEE	
CLERK AT THE TABLE	Angelo

**OF**



**THE AUDITOR-GENERAL**

**ON**

**RECEIVER OF REVENUE - REVENUE  
STATEMENTS**

**FOR THE YEAR ENDED  
30 JUNE, 2023**

**COUNTY GOVERNMENT OF KAJIADO**





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## RECEIVER OF REVENUE

*(County Government of Kajiado)*

### REVENUE STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2023

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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 Kajiado**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2023**

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**I. Key Entity Information and Management**

*Report of The Receiver of Revenue: Office of Director General County Government of Kajiado.*

**(a) Background information**

The *receiver of revenue* is under the Department of Finance, Economic Planning & ICT. 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 *receiver of revenue* is designated as a receiver on 1<sup>st</sup> July 2022 by the County Executive Committee member for Finance, in accordance with section 157 of the PFM Act.

**(b) Principal activities**

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

**(c) Key Management**

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

- County Executive Committee Member for Finance Economic Planning &ICT
- Chief Officer, Finance, Economic Planning &ICT
- Director General, Revenue
- Head of Revenue Reporting



**(d) County Headquarters**

P.O. Box 11 Kajiado  
County Treasury  
Kajiado, KENYA

**(e) Entity Contacts**

Telephone: (254) 011666662  
E-mail: [revenue@kajiado.go.ke](mailto:revenue@kajiado.go.ke)  
Website: [www.go.ke](http://www.go.ke)

**(f) Independent Auditors**

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

**(g) Bankers**

**KCB- Kajiado Branch**

Acc: 1140749870 KAJIADO COUNTY- REV COLLECTION AC  
Telephone: (254) 0711087000  
E-mail: [mgropskajiado@kcbgroup.com](mailto:mgropskajiado@kcbgroup.com)  
Website: [www.go.ke](http://www.go.ke)

**II. Foreword by the CECM Finance and Economic Planning**

Over the past year, our county government has made significant strides in enhancing our revenue generation efforts. We understand that sustainable revenue mobilization is essential for delivering on our mandate to provide quality services, spur economic growth, and improve the living standards of our residents.

I am pleased to report that during the Financial Year 2022/2023 we have seen noteworthy improvements in our revenue collection. Our dedicated team of revenue officers, in collaboration with other County Departments, has worked tirelessly to streamline tax administration, enhance compliance, and harness innovative technologies for more efficient revenue management. These efforts have translated into tangible results, as evidenced by the growth in our revenue base.

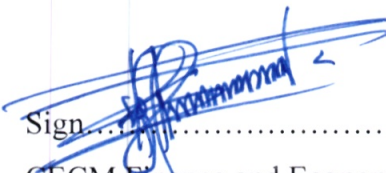
However, we also acknowledge that our journey is not without challenges. Economic uncertainties, changing market dynamics, and the ongoing impact of global events have posed challenges to revenue collection. Nevertheless, we remain committed to finding innovative solutions and exploring new revenue streams to mitigate these challenges.

As we move forward, we recognize the importance of fiscal discipline, prudent financial management, and strategic investments in revenue-enhancing initiatives. Our county government is actively engaged in initiatives aimed at broadening our tax base, promoting private sector growth, and improving our overall fiscal resilience.

In conclusion, this report provides a comprehensive overview of our county's revenue performance for the Financial Year 2022/2023. It reflects our commitment to transparency and accountability in financial matters and our dedication to serving our residents to the best of our abilities.

We remain focused on our goal of sustainable revenue growth, and we are confident that, with the support and cooperation of all stakeholders, we will continue to make significant strides in the years to come.

For year 2022/2023, total collection has grown by 71.49%. The total Revenue Collected is Kshs 905,429,461.03 Year 2022/2023 as compared to Kshs 527,973,636.80 for last financial year. The below are the financial for year 2022/2023

Sign.....

CECM Finance and Economic Planning  
County Government of Kajiado



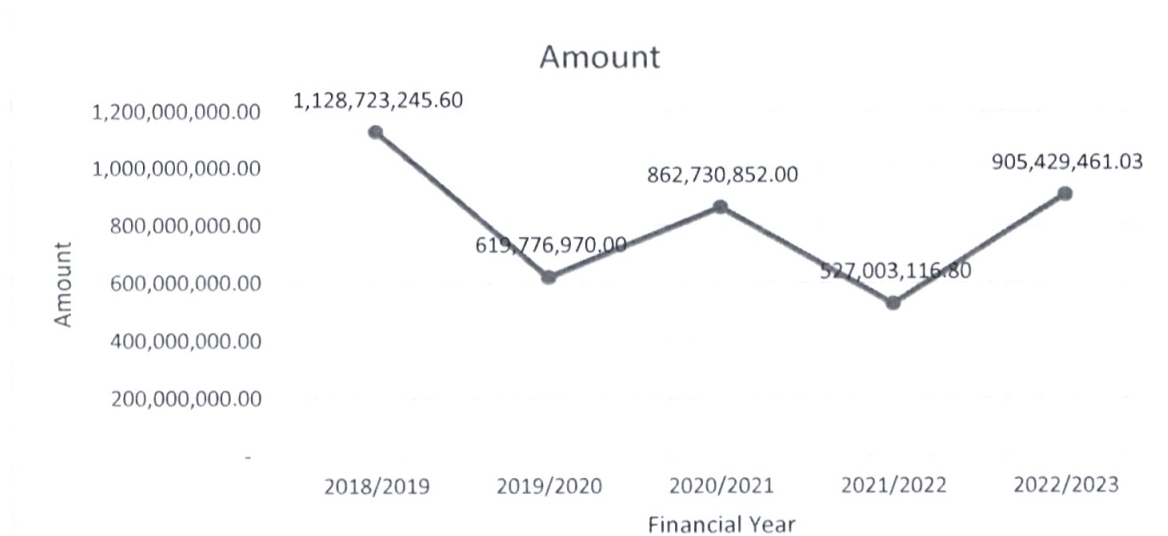
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**III. Management Discussion and Analysis**

Our Revenue Performance for the last five years are as highlighted below

<b>Financial Year</b>	<b>Amount</b>
2018/2019	1,128,723,245.60
2019/2020	619,776,970.00
2020/2021	862,730,852.00
2021/2022	527,003,116.80
2022/2023	905,429,461.03

Graphically presented as below.



From the above presentation there is a significant growth as compared to our total collection for the previous years.

**IV. Statement of Performance against County Predetermined Objectives**

**Introduction**

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

**Strategic development objectives (*Adopted from Kajiado County- Customize as per specific county,*)**

The County’s 2021-2022 CIDP has identified key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the Governor’s Manifesto, the National Government’s “Big Four”, NIUPLAN, SDGs and the MTP III.

The strategic objectives are a synthesised product of the afore-mentioned planning frameworks that amalgamate the thematic focus and development aspirations in these policy frameworks.

The key development objectives of the Kajiado County’s 2018-2022 CIDP are to promote;

- Adequate financing of county government programmes and projects
- Prudent management of public finances

Below we present the progress made in attaining the objectives of the CIDP (2022-2027) for Kajiado County.

<i>Ref</i>	<i>Objective as per CIDP</i>	<i>Performance/Progress made up since the start of CIDP planning period up to date</i>	<i>Remarks (Explain the reasons underperformance/ Overperformance)</i>
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**Receiver Of Revenue**  
**County Government of Kajiado**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2023**

		2018/19	2019/20	2021/22	2021/22	2022/23	
Increase to 20% the proportion of external resources to the total county budget		7.6%	10.5%	13.3%	2.6%	1.57%	The conditional grants had overperformance against the projected targets in annual budgets in Year 1,2 & 3. In year 4 & 5, there was an underperformance of conditional grants due to phasing out of donor funded programs.
Increase to 100% the local revenue against the target		71.26%	39.24%	51.14%	33.1%	55.2%	<ul style="list-style-type: none"> <li>• In the FY 2018/19 the revenue collection was quite well due to automation of revenue streams, revenue mapping and enforcement drives.</li> <li>• The second half of FY 2019/20 and better part of FY 2021/22 was affected by the outbreak of the covid-19 pandemic.</li> <li>• Severe drought in the county affected collections from agricultural and livestock cess as well as barter market.</li> <li>• The political risks experienced across the country led to a drop in business activities in FY 2021/22 and 2022/23. Retail</li> </ul>

**Receiver Of Revenue  
County Government of Kajiado  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2023**

							and wholesale outlets ceased operations due to the economic outcry across; sand harvesting dipped.
	Automate to 100% all revenue streams	100 %	100 %	100 %	10 0%		

**Progress on attainment of Development Objectives from Annual Development Plan (Adopted from Kajiado County ADP) - Customize as per specific county.**

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:



**Receiver Of Revenue**  
**County Government of Kajiado**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2023**

<b>Department</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
<b>Revenue Department</b>	Increase to 20% the proportion of external resources to the total county budget	Increased resources from development partners	Proportion of external resources to the total county budget	1.57% of external resources against the total county budget.
	Increase to 100% the local revenue against the target	Increased revenue by 66.3% from previous financial year	% of local revenue collected against the target	55.2% of targeted revenue collected.
	Automate to 100% all revenue streams	Increased revenue	% level of automation of all revenue streams	100% of automation achieved

**V. Statement of Receiver of Revenue’s responsibilities**

Section 165 (1) of the Public Finance Management Act, 2012 requires that, 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.

The Receiver of Revenue is responsible for the preparation and presentation of the *receiver of revenue account*, 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 financial year (period) ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period,(ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the statement of assets and liabilities of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Receiver of Revenue in charge accepts responsibility for the *entity’s 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 *entity’s receiver of revenue* account gives a true and fair view of the state of *entity’s receiver of revenue* transactions during the financial year ended June 30, 2022, and of the *entity’s* statement of 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 *entity* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable). The Receiver of Revenue confirms that the revenue statements have been prepared in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the Revenue Statements**

COUNTY GOVERNMENT

The ~~revenue~~ statements were approved and signed by the Receiver of Revenue on ..... 17<sup>th</sup> July 2023

29 DEC 2023

Signature.....

Name.....

TREASURY DEPARTMENT

COUNTY RECEIVER OF REVENUE

DIRECTOR GENERAL REVENUE



# REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke  
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**HEADQUARTERS**  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON RECEIVER OF REVENUE - REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2023 - COUNTY GOVERNMENT OF KAJIADO**

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### **PREAMBLE**

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for intended purpose; and,
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

### **REPORT ON THE REVENUE STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying revenue statements of Receiver of Revenue - Revenue Statements - County Government of Kajiado set out on pages 1 to 20, which comprise of the statement of financial assets and liabilities and the statement of arrears of revenue as at 30 June, 2023, the statement of receipts and disbursements, and statement of

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*Report of the Auditor-General on Receiver of Revenue - Revenue Statements for the year ended 30 June, 2023 - County Government of Kajiado*



comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the revenue statements present fairly, in all material respects, the financial position of Receiver of Revenue - Revenue Statements - County Government of Kajiado as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the County Governments Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Financial Statements**

Review of the financial statements revealed errors in the presentation and disclosures to the financial statements as detailed below:

##### **1.1. Overstatement of Revenue in Arrears**

The statement of arrears of revenue reflects land/poll rate balance of Kshs.12,007,761,090. However, the supporting schedule provided for audit reflects a balance of Kshs.11,988,405,145 resulting to an unexplained and unreconciled variance of Kshs.19,355,945. Further, the amounts in the financial statements varied with those reflected in the supporting ledger in respect of various revenue streams.

In the circumstances, the accuracy and completeness of the land/poll rate balance of Kshs.12,007,761,090 as at 30 June, 2023 could not be confirmed.

##### **1.2. Inaccuracies in Cash and Cash Equivalents Balances**

The statement of financial assets and liabilities reflects a comparative opening balance of Kshs.198,990,023 as cash in hand (FIF & NHIF). However, the corresponding disclosure Note 19 to the revenue statements reflects a Nil comparative cash in hand balance. Further, the comparative bank balance of Kshs.4,979,369 differs with the audited balance of Kshs.643,196,858 for the period.

In the circumstances, the accuracy and fair presentation of the comparative bank and cash in hand (FIF & NHIF) balances could not be confirmed.

##### **1.3. Inconsistencies on Reported Own Source Revenue**

The statement of receipts and disbursements reflects own source revenue total amount of Kshs.908,053,798 while the statement of comparison of budget and actual amounts reflects actual revenue of Kshs.905,429,461 resulting into an unexplained and unreconciled variance of Kshs. 2,624,337.



In the circumstances, the accuracy and completeness of the total own source revenue amount of Kshs.908,053,798 could not be confirmed.

#### **1.4. Errors in Presentation and Disclosure in the Revenue Statements**

Review of the receiver of revenue statements for the year under review revealed anomalies on presentation and disclosure as below;

- i. The statement of receipts and disbursements does not disclose the name of the entity. Further, the headers refer to the period ended instead of the year ended.
- ii. Information on principal legal adviser has been omitted.
- iii. Information on Progress on follow-up of prior Year Auditor Recommendation is blank.

In the circumstances, the accuracy and completeness of the Revenue statements could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Receiver of Revenue - Revenue Statements - County Government of Kajiado Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion

#### **Emphasis of Matter**

##### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final own source revenue budget and actual on comparable basis of Kshs.1,583,536,109 and Kshs.905,429,461 respectively, resulting to under collection of Kshs.678,106,648 (or 43%) of the budgeted receipts. The County Management has not indicated measures being instituted to ensure prompt and effective collection of own source revenue.

In the circumstances, the shortfall in collection of County own source revenue affected the implementation of planned activities and programs and may have impacted negatively on service delivery to the residents of Kajiado.

My opinion is not modified in respect of this matter.

#### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.



## **Other Matter**

### **Unresolved Prior Year Matters**

In the audit report of the previous year, several paragraphs were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management has not resolved any of the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board reporting template.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Late Submission of Revenue Statements**

The Management of the County Government of Kajiado submitted the Revenue Statements - Receiver of Revenue for the year ended 30 June, 2023 for audit on 7 November, 2023 which was one month and seven (7) days after the stipulated deadline of 30 September, 2023. This was contrary to provisions of Section 47(1) of the Public Audit Act, 2015 which states that the financial statements required under the Constitution, the Public Finance Management Act, 2012 and any other legislation, shall be submitted to the Auditor- General within three months after the end of the fiscal year to which the accounts relate.

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

#### **2. Long Outstanding Revenue in Arrears**

Review of the debt aging analysis reflects revenue in arrears of Kshs.12,007,761,090 owed by several debtors which comprise of uncollected land rent, rates and royalties. However, Management did not provide evidence of the measures put in place to collect the revenues in arrears. Further, Management indicated having contracted a firm to collect revenue arrears from the defaulters however, the agreement was not provided for audit review.

In the circumstances, failure to collect revenue may have impacted negatively on service delivery to the residents of Kajiado.



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

## REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

#### **Failure to Undertake Property and Land Valuation**

The County collected own source revenue on land/poll rate and property rent of Kshs.31,941,475 and Kshs.13,653,278 respectively during the year under review. However, review of records provided in support of own generated revenue revealed that the County does not have in place a valuation roll. It was therefore not possible to confirm whether the land and property rates charged and applied during the year were regular and reflective of the current property value in the County.

In the absence of the valuation roll, the County rent and rates being applied may be below the market rates resulting to low revenue collection which might negatively impact on service delivery.

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

### **Responsibilities of the Management and those Charged with Governance**

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

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

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

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

Those charged with governance are responsible for overseeing the Receiver of Revenue's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that



might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


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

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

13 February, 2024



*Receiver Of Revenue  
County Government Of xx  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2023*

**VII. Statement of Receipts and Disbursements for the year ended 30th June 2023**

	Note	2022/23	2021/22
		Kshs	Kshs
<b>County Own Source Revenue</b>			
Cess	1	150,350,732.00	119,747,742.00
Land/Poll Rate	2	31,941,475.00	5,387,614.00
Single/Business Permits	3	148,381,892.00	129,346,680.00
Property Rent	4	13,653,278.08	35,677,444.00
Parking Fees	5	39,572,178.00	33,744,165.00
Market Fees	6	21,635,928.00	21,815,600.00
Advertising	7	71,310,238.98	20,955,459.00
Hospital Fees	8	234,647,838.02	4,604,880.00
Public Health Service Fees	9	29,842,800.95	23,114,260.00
Physical Planning and Development	10	43,279,752.00	53,130,112.80
Hire Of County Assets	11	6,754,125.00	595,800.00
Conservancy Administration	12	97,673,250.00	61,935,500.00
Administration Control Fees and Charges	13	19,010,310.00	16,426,360.00
Park Fees	14		



**Receiver Of Revenue**  
**County Government Of Kajiado**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2023**

Other Fines, Penalties, And Forfeiture Fees (Sand Fees)	15		
Miscellaneous receipts	16		
<b>Total County Own Source Revenue</b>		<b>908,053,798.03</b>	<b>526,481,616.80</b>
<b>Other Receipts</b>			
Donations/Grants Not Received Through CRF	17	0.00	0.00
<b>Total Other Receipts</b>			
<b>Total Receipts</b>		<b>908,053,798.03</b>	<b>526,481,616.80</b>
Balance b/f at the beginning of the year		63,398,652.20	8,028,004.00
<b>Disbursements To CRF</b>		<b>630,873,636.80</b>	<b>471,110,968.60</b>
<b>Balance Due for Disbursement</b>		<b>340,578,813.43</b>	<b>63,398,652.20</b>

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 3<sup>rd</sup> July 2023 and signed by:

**COUNTY GOVERNMENT OF KAJIADO**  
 29 DEC 2023  
 Signature: *[Signature]*  
 Name: *Wendy Moraa*  
**TREASURY DEPARTMENT**  
**County Receiver of Revenue**  
 (Ref: PFM ACT section 165, 2(a))  
**DIRECTOR GENERAL REVENUE**

Signature: *[Signature]*  
 Name: *Alex Puler*  
**Head of Revenue Reporting**  
 ICPAK M/No.....

**VIII. Statement of Financial Assets and Liabilities As At 30<sup>th</sup> June 2023**

	Note	2022/23 Kshs	2021/22 Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalent</b>			
Bank Balances	18	1,567,430.00	4,979,369.00
Cash In Hand (FIF & NHIF)	19		198,990,023.02

*Receiver Of Revenue  
County Government Of Kajiado  
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<b>Total Financial Assets</b>		<b>1,567,430.00</b>	<b>203,969,392.02</b>
<b>Financial Liabilities</b>			
Payables-Due to CRF	<b>20</b>	<b>340,578,813.43</b>	<b>63,398,652.20</b>
<b>Total Financial Liabilities</b>		<b>0</b>	<b>0</b>

*Receiver Of Revenue  
County Government Of Kajiado  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2023*

**IX. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30<sup>th</sup> June 2023**

Receipt	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Realization Difference	% Of Realization
	A	B	C=A+B	D	E=C-D	F=D/C %
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>County Own Source Revenue</b>						
Cess	335,609,042.00	0.00	335,609,042.00	150,350,732.00	185,258,310.00	45%
Land/Poll Rate	123,053,718.00	0.00	123,053,718.00	31,941,475.00	91,112,243.00	26%
Single/Business Permits	182,602,808.00	0.00	182,602,808.00	148,381,892.00	34,220,916.00	81%
Property Rent	40,938,655.00	0.00	40,938,655.00	13,653,278.08	27,285,376.92	33%
Parking Fees	40,938,655.00	0.00	40,938,655.00	<b>39,572,178.00</b>	35,053,282.00	14%
Market Fees	32,966,432.00	0.00	32,966,432.00	21,635,928.00	11,330,504.00	66%
Advertising	72,086,796.00	0.00	72,086,796.00	71,310,238.98	-776,557	99%
Hospital Fees	180,735,108.00	0.00	180,735,108.00	232,023,501.02	51,288,392.08	128%
Public Health Service Fees	45,462,597.00	0.00	45,462,597.00	29,842,800.95	15,619,796.05	66%
Physical Planning and Development	250,933,008.00	0.00	250,933,008.00	43,279,752.00	207,653,256.00	17%
Hire Of County Assets	34,884,340.00	0.00	34,884,340.00	6,754,125.00	28,130,215.00	19%
Conservancy Administration	<b>121,935,000.00</b>	0.00	<b>121,935,000.00</b>	97,673,250.00	24,261,750.00	80.1%



**Receiver Of Revenue**  
**County Government Of Kajiado**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2023**

Receipt	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Realization Difference	% Of Realization
	A	B	C=A+B	D	E=C-D	F=D/C %
Administration Control Fees and Charges	121,389,950.00	0.00	121,389,950.00	19,881,456.00	102,379,640.00	15.66%
Park Fees		0.00				
Other Fines, Penalties, And Forfeiture Fees	0.00	0.00	0.00		0.00	80%
Miscellaneous Receipts		0.00				
<b>Total County Own Source Revenue</b>	<b>1,583,536,109.00</b>	<b>0.00</b>	<b>1,583,536,109.00</b>	<b>905,429,461.03</b>	<b>678,106,647.97</b>	<b>57%</b>
<b>Other Receipts</b>						
Donations /Grants Not Received Through CRF						
<b>Total Other Receipts</b>						
<b>Total Receipts</b>						

[Provide below a commentary on significant under realisation (below 90% of realisation) and any over realisation]

- (a) Drought conditions and erratic weather patterns leading to losses and drop in collections
- (b) Royalties due from the National Government approximately Kshs 660 Million
- (c) Early disruptive political season in quarter 1
- (d)

(Explain whether the changes between the original and final are as a result of reallocations within the budget or other causes as per IPSAS 1.7.23 The total of actual on comparable basis should tie with the totals under receipts and payments where this is not the case, a reconciliation should between the two statements should be prepared and disclosed.)

**Receiver Of Revenue**  
**County Government Of Kajiado**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2023**

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The County Receiver of revenue's financial statements were approved on \_\_\_\_\_ 20xx and signed by:



Signature: *[Handwritten Signature]*  
 Name: *Alex Pule*  
**Head of Revenue Reporting**  
 ICPAK M/No.....

**X. Statement of Arrears of Revenue As At 30th June 2023**

Classification of Receipts (Indicate as applicable)	Balance as at 1 <sup>st</sup> July 20xx <sup>-1</sup>	Arrears received during the year	Additions in arrears for the current year to June 30, 20xx	Total arrears as at 30 June 20xx	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Cess	0	0	0	0		
land/poll rate	<b>12,007,761,090.00</b>	0	0	<b>12,007,761,090.00</b>	Litigation proceedings and	

Receiver Of Revenue  
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 Revenue Statements for the Period Ended 30<sup>th</sup> June 2023

					enforcement relationships e.g following up with debtors collectors (RBC Debt Agencies)	
<b>Total arrears</b>	<b>12,007,761,090.00</b>	<b>(0)</b>	<b>0</b>	<b>12,007,761,090.00</b>		

**COUNTY GOVERNMENT OF KAJIADO**  
 29 June 2023  
 Signature.....  
 Name.....  
 County Receiver of Revenue  
 (Ref: PFM ACT section 165, 2(a))  
 An ageing analysis of revenue in arrears has been shown on 21 of these financial statements.

Signature.....  
 Name.....  
 Head of Revenue Reporting  
 ICPAK M/No.....



## **XI. 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 of Kajiado. 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 *entity*. 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 *entity*.

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

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

#### **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 xxx for the period 1st July 2021 to 30 June 2022 as required by law. There was number of supplementary budgets passed in the year. A high-level assessment of the County's actual performance against the comparable budget for the financial year under review has been included in these financial statements.

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

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

**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. *(Include the receiver's actual policy on disbursements)*

**7. Comparative Figures**

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

**8. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the revenue statements for the year ended June 30, 2022



Notes To the Financial Statements (Continued)

1. Cess

Description	2022/23	2021/22
	Kshs	Kshs
Farm produce	36,104,764.00	15,570,250.00
Quarrying	54,819,009.00	26,343,301.00
Livestock	20,712,285.00	14,691,150.00
Fish farming		0
Others ( <i>Transit Cess</i> )	38,714,674.00	63,143,041.00
<b>Total</b>	<b>150,350,732.00</b>	<b>119,747,742.00</b>

2. Land/Poll rates

Description	2022/23	2021/22
	Kshs	Kshs
Land rates	31,941,475.00	5,514,235
Land penalties and interest	0	0
Arrears	0	0
<b>Total</b>	<b>31,941,475.00</b>	<b>5,514,235</b>

3. Single /Business Permits

Description	2022/23	2021/22
	Kshs	Kshs
Business permit application fees	xxx	Xxx
Annual Business permit fees	148,381,892.00	129,346,680

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Business permit penalties and interest	0	0
Business permit fees arrears	0	0
<b>Total</b>	<b>148,381,892.00</b>	<b>129,346,680</b>

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

**4. Property Rent**

<b>Description</b>	<b>2022/23</b>	<b>2021/22</b>
	<b>Kshs</b>	<b>Kshs</b>
County Housing	0	0
Plot Rent	13,653,278.08	35,677,444
Tenancy Agreement	0	0
Transfer of Property	0	0
Stalls/kiosks rent	0	0
Others ( <i>Specify</i> )	0	595,800
<b>Total</b>	<b>13,653,278.08</b>	<b>36,273,244.00</b>

**5. Parking Fees**

<b>Description</b>	<b>2022/23</b>	<b>2021/22</b>
	<b>Kshs</b>	<b>Kshs</b>
Street parking fees	<b>5,885,373.00</b>	6,990,150
Monthly toll/sticker fees	0	0
Motorbike fees	0	0
Registration fees	0	0
Reserved parking	0	0
Bus Park fees	<b>33,686,805.00</b>	29,909,550
Others ( <i>Specify</i> )		
<b>Total</b>	<b>39,572,178.00</b>	<b>33,744,165.00</b>



6. Market Fees

Description	2022/23	2021/22
	Kshs	Kshs
Market entry fees	21,635,928.00	21,815,600.00
Hawking fees		
Others ( <i>Specify</i> )		
<b>Total</b>	<b>21,635,928.00</b>	<b>21,815,600.00</b>

Notes to the Financial Statements (Continued)

7. Advertising

Descriptions	2022/23	2021/22
	Kshs	Kshs
Branding	7,481,300.00	0
Billboard advertising	28,191,181.00	20,955,459.00
Signage	29,736,897.98	0
Roadshows	0	0
Banners	5,900,860.00	0
Posters	0	0
Tent advertising	0	0
Street pole/clock advertising	0	0
others ( <i>Specify</i> )	0	0
<b>Total</b>	<b>71,310,238.98</b>	<b>20,955,459.00</b>

8. Hospital Fees

Description	2022/23	2021/22
	Kshs	Kshs
Level 5 hospitals	127,535,780.02	3,214,667
Level 4 hospitals		1,390,213
Others ( <i>NHIF Refunds</i> )	107,112,058.00	
<b>Total</b>	<b>234,647,838.02</b>	<b>4,604,880.00</b>

9. Public Health Service Fees

Description	2022/23	2021/22
	Kshs	Kshs
Inspection of buildings/premises/Institutions	4,474,425.00	5,980,000
Inspection for issuance of hygiene license	<b>14,692,781.00</b>	
Vaccination: Yellow fever, Typhoid, etc		
Applications for medical examination	<b>643,373.00</b>	
Sanitation inspection for schools		
Public health permit	<b>10,032,221.95</b>	
Rodent Control/Fumigation		
Others ( <i>Specify</i> )		
<b>Total</b>	<b>29,842,800.95</b>	<b>5,980,000</b>

Notes to the Financial Statements (Continued)

10. Physical Planning and Development

Description	2022/23	2021/22
	Kshs	Kshs
Sale of County planning documents		
Land valuation and registration fees		
Change / Renewal of user		
Building plans approval	<b>43,279,752.00</b>	<b>53,130,113.00</b>
Signboards		
Occupational Permits		
Enforcement / Demolition		
Architectural designs by county officers		
Hoarding fees		
Others		
<b>Total</b>	<b>43,279,752.00</b>	<b>53,130,113.00</b>



### 11. Hire Of County Assets

Description	2022/23	2021/22
	Kshs	Kshs
Agricultural Mechanisation Services (AMS)		
Hire of Machines and Equipment		
Hire of County Stadia		
Hire of County Halls		
Conference facilities/Agricultural Training Centers (ATC)		
Others ( <i>Market Stalls</i> )	6,754,125.00	595,800.00
<b>Total</b>	<b>6,754,125.00</b>	<b>595,800.00</b>

### Notes to the Financial Statement (Continued)

### 12. Environment And Conservancy Administration

Description	2022/23	2021/22
	Kshs	Kshs
Refuse disposal fees		
Dumpsite fees		
Sewerage fees		
Sale of seedlings		
Public cemetery		
Disposal of carcasses		
Noise control		
Others ( <i>Sand Harvesting fees</i> )	97,673,250.00	61,935,500.00
<b>Total</b>	<b>97,673,250.00</b>	<b>61,935,500.00</b>

### 13. Administration Control Fees and Charges

Description	2022/23	2021/22
	Kshs	Kshs
Weights and measures		
Fire Services		

**Receiver Of Revenue**  
**County Government Of Kajiado**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2023**

Liquor licenses	15,385,210.00	521,500.00
Betting levy		
Others ( <i>Social services</i> )	3,625,100.00	
<b>Total</b>	<b>19,010,310.00</b>	<b>28,263,295</b>

**14. Park Fees**

Description	2022/23	2021/22
	Kshs	Kshs
Lodge Tariffs and levies		
Park entry fees		
Filming and Photography fees		
Camping fees		
Balloon landing fees		
Others ( <i>Specify</i> )		
<b>Total</b>		

**Notes to the financial statements (continued)**

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

Description	2022/23	2021/22
	Kshs	Kshs
Impounding Fees		
Towing Fees		
Others (Weight and measures)		
<b>Total</b>		

**16. Miscellaneous Receipts**

Description	2022/23	2021/22
	Kshs	Kshs
Dividends		
Interest		
Commissions		
<b>Others (<i>Specify</i>)</b>		
<b>Total</b>		



**17. Donations And Grants Not Received Through CRF**

<b>Description</b>	<b>2022/23</b>	<b>2021/22</b>
	<b>Kshs</b>	<b>Kshs</b>
Donations <i>(Specify Based on Source)</i>		
Grants <i>(Specify Based on Source)</i>		
Others		
<b>Total</b>		

Notes To the Financial Statements (Continued)

18. Bank Balances

Name of Bank, Account No. & currency	Amount in bank account currency	Exc. rate (if in foreign currency)	2022/23	2021/22
			Kshs	Kshs
KCB , 1140749870. & Kshs			1,567,430.00	4,979,369.00
Equity Bank (Kajiado County revenue Collection Account)			459,625.00	
Name of Bank, Account No. & currency				
<b>Total</b>			<b>1,567,430.00</b>	<b>4,979,369.00</b>

18 (a) Balance carried forward as at 30th June 2023 and subsequently transferred

Ref	Amount (Kshs)	Date subsequently transferred
	63,398,652.20	1 July 2022
<b>Total</b>	<b>63,398,652.20</b>	

19. Cash in hand

Description	2022/23	2021/22
	Kshs	Kshs
Cash Balance	Nil	
Mobile Money		
<b>Total</b>	<b>Nil</b>	

20. Payables- Due To CRF

Payables	2022/23	2021/22
	Kshs	Kshs
Balance b/f at the beginning of the year	63,398,652.20	8,028,004.00
Amount collected during the year	908,053,798	526,481,616.80
Amounts disbursed to CRF during the year	(630,873,636)	(471,110,968.60)
<b>Balance c/d at the end of the year</b>	<b>340,578,813.43</b>	<b>63,398,652.20</b>

*This relates to amounts yet to be disbursed to the exchequer at the end of the financial year. The amount should be supported by the bank balances as per note 16 above.*



Notes To the Financial Statements (Continued)

21. Ageing Analysis of Revenue in Arrears

Description (indicate as applicable)	Less than 1 year	Between 1-2 years	Between 2-3 years	Over 3 years	Total
Cess					
Land/poll rate				12,007,761,090.00	12,007,761,090.00
Single/business permits					
Property rent					
Parking fees					
Market fees					
Advertising					
Hospital fees					
Public health service fees					
Physical planning and development					
Hire of County Assets					
Conservancy administration					
Administration control fees and charges					
Park fees					
Other fines, penalties, and forfeiture fees					
Miscellaneous receipts					
<b>Total (agree to statement of arrears)</b>				<b>12,007,761,090.00</b>	<b>12,007,761,090.00</b>

**XII. Appendices**

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

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

*(PFM ACT section 165 subsection 4, 5)*



**Appendix 2: Progress on follow up of prior Year Auditor recommendations**

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

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)

**Guidance Notes:**

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

**COUNTY GOVERNMENT OF KAJIADO**

Signature: Verah Moraa  
 Name: Verah Moraa  
 County Receiver of Revenue  
 Date: 29/12/2023

TREASURY DEPARTMENT  
 DIRECTOR GENERAL REVENUE

Signature: Alex Puler  
 Name: Alex Puler  
 Head of Revenue Reporting  
 Date: 29/12/2023

**Appendix 3 - Reports Generated From IFMIS**

The following Financial Reports generated from IFMIS should be generated and attached as appendices to these financial statements.

- i. GOK IFMIS Comparison Trial Balance
- ii. GOK Miscellaneous Receipts Register
- iii. FO30 (Bank reconciliations) for all bank accounts