



OFFICE OF THE AUDITOR-GENERAL

REPORT

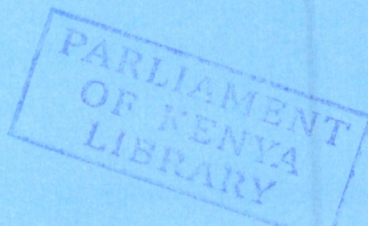
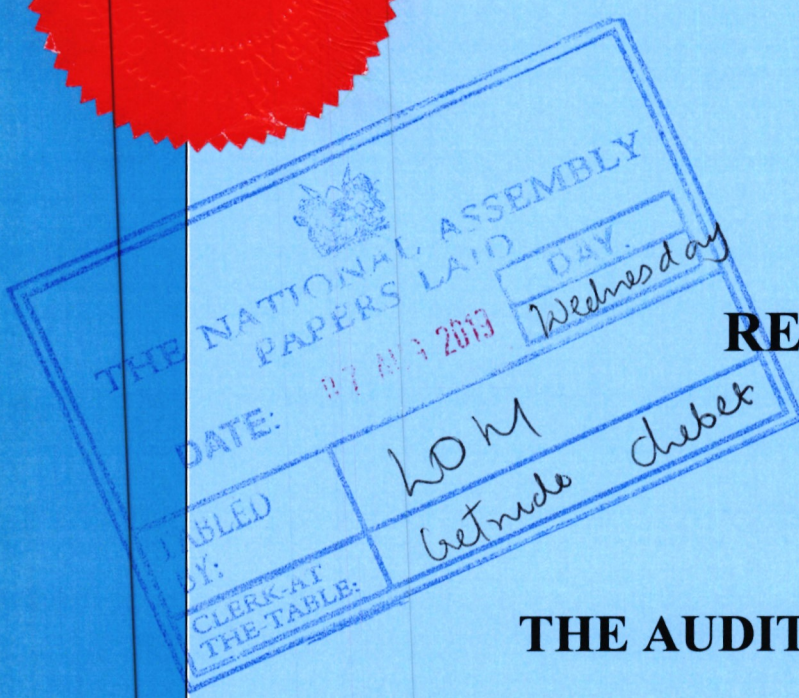
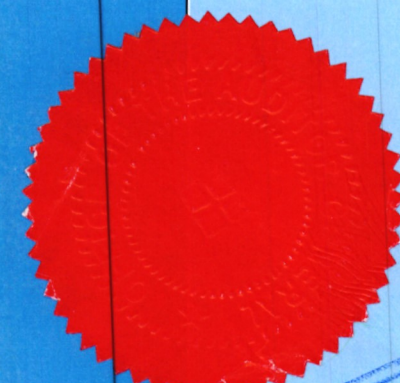
OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
RECEIVER OF REVENUE –STATE
DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT

FOR THE YEAR ENDED
30 JUNE 2018



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RECEIVER OF REVENUE

**MINISTRY OF TRANSPORT, INFRASTRUCTURE, HOUSING AND URBAN
DEVELOPMENT**

STATE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

REVENUE STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2018**

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



**RECEIVER OF REVENUE ENTITY – MINISTRY OF TRANSPORT, INFRASTRUCTURE,
HOUSING AND URBAN DEVELOPMENT
STATE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
REVENUE STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

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**RECEIVER OF REVENUE ENTITY – MINISTRY OF TRANSPORT, INFRASTRUCTURE,
HOUSING AND URBAN DEVELOPMENT
STATE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
REVENUE STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

I. KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

The Receiver of Rent of Government Buildings and Housing is under the Ministry of Transport, Infrastructure, housing and Urban Development. At cabinet level, the Receiver of rent of Government Buildings and Housing is represented by the Cabinet Secretary for collection of revenue who is responsible for the general policy and strategic direction of the rent of Government Buildings and Housing. The receiver of rent of Government Buildings and Housing was appointed as a receiver on 20th June, 2018.

(b) Principal activities

The Receiver of Revenue collects revenue from rent of government buildings. The Revenue collected is remitted to the National Treasury in accordance with Section 81 (2) of the PFM Regulations 2015 and used for exchequer issues.

(c) Key Management

The State Department of Housing and Urban Development day-to-day management is under the following key organs:

- Cabinet Secretary - James Wainaina Macharia.
- Permanent Secretary- Charles M. Hinga
- Senior Management;
 - Secretary Administration.....;Florence Amoit
 - Director Administration.....;Hussein Ibrahim
 - Secretary Housing.....;Patrick Bucha
 - Director Estates.....;Leah Muragori

(d) Entity Headquarters

Ministry of Transport, Infrastructure, Housing and Urban Development
P.O. Box 30119 - 00100
Ardhi House
Ngong road
Nairobi, KENYA

(e) Entity Contacts

State Department of Housing and Urban Development
Telephone: (254) (0)202718050
E-mail: pshud@ardhi.go.ke
Website:www.housingandurban.go.ke



**RECEIVER OF REVENUE ENTITY – MINISTRY OF TRANSPORT, INFRASTRUCTURE,
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FOR THE YEAR ENDED JUNE 30, 2018**

(f) Independent Auditors

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

(g) Principal Legal Adviser

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

(h) Bankers

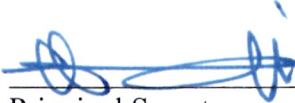
Central Bank of Kenya
Telephone: (254) 202860000
E-mail: comms@centralbank.go.ke
Website: www.centralbank.go.ke



**RECEIVER OF REVENUE ENTITY – MINISTRY OF TRANSPORT, INFRASTRUCTURE,
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FOR THE YEAR ENDED JUNE 30, 2018**


Approval of the Revenue Statements

The revenue statements were approved and signed by the Principal Secretary on 20/3/ 2019.



Principal Secretary

Name: CHARLES M. HINGA



Principal Accounts Controller

Name: CHRISTINE DANBYA

ICPAK Member Number: 13329

**RECEIVER OF REVENUE ENTITY – MINISTRY OF TRANSPORT, INFRASTRUCTURE,
HOUSING AND URBAN DEVELOPMENT
STATE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
REVENUE STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

II. STATEMENT OF RECEIVER OF REVENUE'S RESPONSIBILITIES

Section 82 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, a receiver of revenue shall prepare an account of the revenue received and collected by that receiver during that financial year.

Section 83 (2)(b) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Principal Secretary in charge of the State Department of Housing and Urban Development is responsible for the preparation and presentation of the receiver of rent of Government Buildings and Housing account, which gives a true and fair view of the state of affairs of the receiver of rent of Government Buildings and Housing for and as at the end of the period ended on June, 30, 2018.

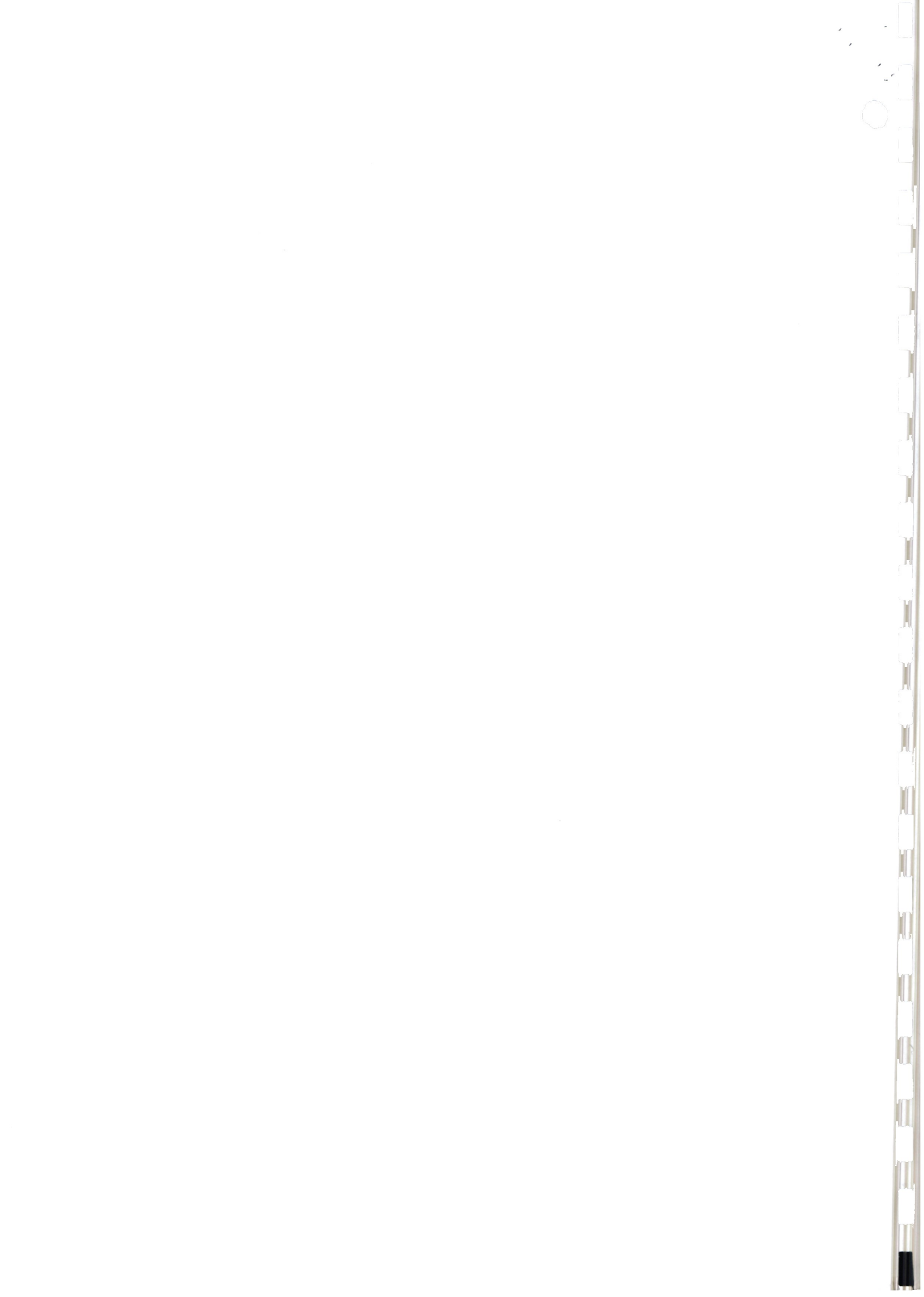
This responsibility includes:

- (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 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 State Department of Housing and Urban Development;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Principal Secretary in charge of the State Department of Housing and Urban Development 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 Principal Secretary is of the opinion that the State Department of Housing and Urban Development receiver of rent income account gives a true and fair view of the state of the State Department of Housing and Urban Development receiver of property income transactions during the period ended June, 30, 2018, and of the State Department of Housing and Urban Development's financial position as at that date.

The Principal Secretary in charge of the State Department of Housing and Urban Development further confirms the completeness of the accounting records maintained for the receiver of rent of Government Buildings and Housing, which have been relied upon in the preparation of the receiver of property income account as well as the adequacy of the systems of internal financial control.

The Principal Secretary in charge of the State Department of Housing and Urban Development confirms that the entity has complied fully with applicable Government Regulations and that the State Department of Housing and Urban Development funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Principal Secretary confirms that the receiver of the rent of Government Buildings and Housing accounts have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.



REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON RECEIVER OF REVENUE-STATE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Revenue of Receiver of Revenue-State Department of Housing and Urban Development set out on pages 5 to 14, which comprise the statement of statement of arrears in revenue as at 30 June 2018, and the statement of receipts and transfers, the statement of 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the statement of revenue presents fairly, in all material respects, the revenue position of the Receiver of Revenue-State Department of Housing and Urban Development as at 30 June 2018, and of its revenue performance in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Government Financial Regulations and procedures and Public Finance Management Act, 1012.

Basis for Qualified Opinion

1. Arrears in Revenue

The statement of Arrears in Revenue reflect arrears of property income of Kshs.184,600,915 as at 30 June 2018. Management has not provided any measures being taken to recover the arrears. In the circumstance, the recoverability of the arrears of Kshs.184,600,915 as at 30 June 2018 could not be determined.

2. Under-collection of Revenue

The Department had budgeted to collect revenue of Kshs,450,000,000 during the period under audit. However, only Kshs.156,530,113 or 35% was realized resulting to a shortfall of Kshs.293,469,887 or 65% which was not explained.

Report of the Auditor-General on the Financial Statements of Receiver of Revenue - State Department of Housing and Urban Development for the year ended 30 June 2018

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of State Department of Housing in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion Section, I have determined that there were no Key Audit Matters to communicate in my report.

1. Unresolved Prior Year Matters

1.1 Non Maintenance of Books of Account and Revenue Bank Account

During the period ended 30 June 2017, the state Department of Housing and Urban Development did not maintain books of account (e. g. cash book and ledgers) and a revenue bank account contrary to Public Finance Management Act, 2012 Section 82 and Regulation 100 of the PFM National Government Regulation 2015.

In the circumstance, the validity and completeness of the rent revenue amount of Kshs.249,561,252 reported in the revenue statement for the year ended 30 June, 2018 could not be confirmed.

2. Rental Income

According to rent analysis provided by the Estate Department for the year ended 30 June, 2017, the rent paying houses totaling 27,547 were expected to generate monthly rent revenue of Kshs.49,131,995. Consequently, expected rental revenue for the year ended 30 June, 2017 was Kshs.589,583,940, but only Kshs.249,561,252 was disclosed in the revenue statement and the under collection of Kshs.340,022,688 was not satisfactorily explained. Further, a summary of payroll by product held by the Estate Department shows that the total rent revenue deducted from staff amounted to Kshs.407,966,482 during the year while the revenue statement reflected Kshs.249,561,252 resulting to a variance of Kshs.158,405,252 which has not been accounted for. In the circumstance, the management has failed to put in place measures and controls to ensure that all government houses are safeguarded and that rent deducted from payroll is received, recorded, banked and remitted to exchequer account as required.

A review of the above issues confirmed that the issues remained outstanding as at 30 June 2018.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC MONEY

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit so as to obtain assurance as to whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the procedures performed. I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 1315. The standard requires that I plan and perform the audit so as to obtain assurance as to whether effective processes and systems of internal control, risk management and governance was maintained in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and Those Charged with Governance

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

In preparing the financial statements, management is responsible for assessing the ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of

Report of the Auditor-General on the Financial Statements of Receiver of Revenue - State Department of Housing and Urban Development for the year ended 30 June 2018

services and using the applicable basis of accounting unless the management either intends to liquidate the or to cease operations, or have no realistic alternative but to do so
Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

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

Report of the Auditor-General on the Financial Statements of Receiver of Revenue - State Department of Housing and Urban Development for the year ended 30 June 2018

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern 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 ability to continue as a going concern or to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Receiver to cease to continue as a going concern or 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 Receiver to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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



FCPA Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

12 April 2019

RECEIVER OF REVENUE ENTITY – MINISTRY OF TRANSPORT, INFRASTRUCTURE,
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FOR THE YEAR ENDED JUNE 30, 2018

III. STATEMENT OF RECEIPTS AND TRANSFERS

	No te	2017/18 Kshs	2016/17 Kshs
TAX RECEIPTS			
Taxes on Property	1	-	-
TOTAL TAX RECEIPTS		-	-
NON TAX RECEIPTS			
Property Income	2	156,530,112.70	249,561,252.30
TOTAL NON TAX RECEIPTS		156,530,112.70	249,561,252.30
TOTAL RECEIPTS COLLECTED		156,530,112.70	249,561,252.30
TRANSFERS TO THE EXCHEQUER ACCOUNT		(174,311,799.65)	(94,927,852.60)
TRANSFER TO RECURRENT ACCOUNT		(131,254,153.00)	
BALANCE BROUGHT FORWARD	3	154,633,409.70	-
BALANCE CARRIED FORWARD	3	5,597,569.75	154,633,409.70

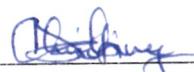
The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 20/3/ 2019 and signed by:



Principal Secretary

Name: CHARLES M. HINGA

(Ref: PFM ACT section 82, 2(a))



Principal Accounts Controller

Name: CHRISTINE DAMBYA

ICPAK Member Number: 13329



RECEIVER OF REVENUE ENTITY – MINISTRY OF TRANSPORT, INFRASTRUCTURE,
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IV. STATEMENT OF ARREARS IN REVENUE AS AT 30 JUNE 2018

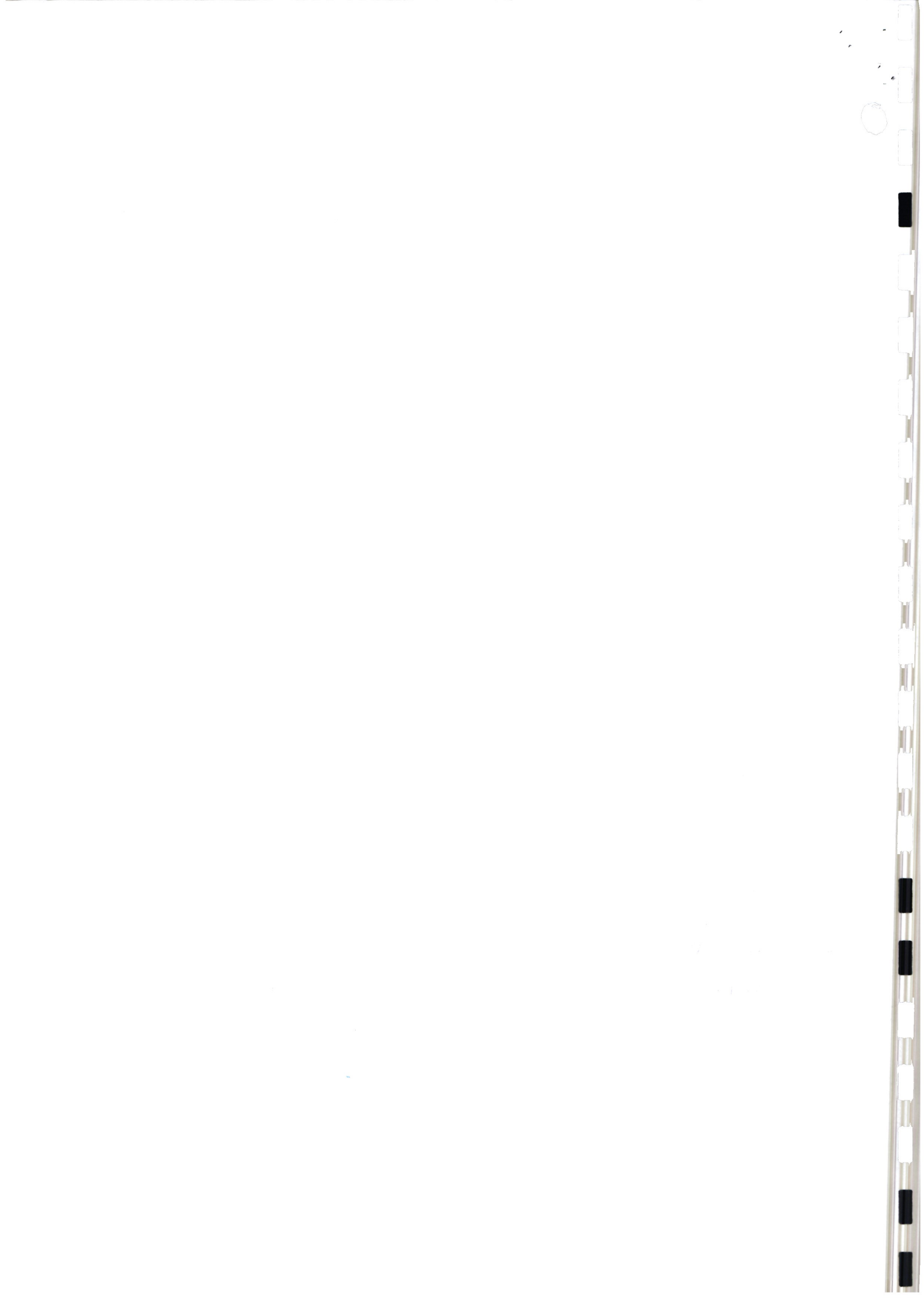
Classification of Revenue	Accumulated amount in arrears from prior periods to June 2016 (a)	Amount in arrears for the immediate previous year to 30 June 2017 (b)	Amount in arrears for the current year to June 30 2018 (c)	Total arrears as at 30 June 2018 (a+b+c)	Measures taken to recover the arrears	Assessment of the recoverability of arrears
Tax Revenues						
Taxes on property	-	-	-	-	-	
Non Tax Revenues						
Property Income	211,897,152.10	158,405,252.00	184,600,915.45	184,600,915.45	Letter were dispatched to the various departments informing them to pay their liabilities	
Total arrears	211,897,152.10	158,405,252.00	184,600,915.45	184,600,915.45		


Principal Secretary

Name: CHARLES M. HINGA


Principal Accounts Controller

Name: CHRISTINE DAMBYA
ICPAK Member Number: 13329



RECEIVER OF REVENUE ENTITY – MINISTRY OF TRANSPORT, INFRASTRUCTURE, HOUSING AND URBAN DEVELOPMENT
 STATE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
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 FOR THE YEAR ENDED JUNE 30, 2018

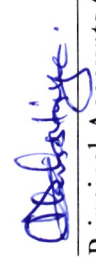
V. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30 JUNE 2018

	Original budget 2017/18 Kshs	Adjustments 2017/18 Kshs	Final budget 2017/18 Kshs	Actual on comparable basis 2017/18 Kshs	Performance difference 2017/18 Kshs
Revenue					
Taxes on Property	-	-	-	-	-
Total tax receipts	-	-	-	-	-
Non tax receipts					
Property Income	450,000,000	-	450,000,000	156,530,112.70	293,469,887.30
Total Non-tax receipts	450,000,000	-	450,000,000	156,530,112.70	293,469,887.30
Total receipts	450,000,000	-	450,000,000	156,530,112.70	293,469,887.30

The cumulative actual realised in during the year is more since some institutions had collected more than what they had budgeted to collect.

The revenue statements were approved and signed by the Principal Secretary on 20/3 2019.


 Principal Secretary
 Name: CHARLES M. HINGA


 Principal Accounts Controller
 Name: GHAISTINE DAMBYA
 ICPAK Member Number: 13329

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VI. SIGNIFICANT ACCOUNTING POLICIES

The principle 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 Government of Kenya. 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 State Department of Housing and Urban Development. 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 Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the State Department of Housing and Urban Development.

2. Recognition of Revenue

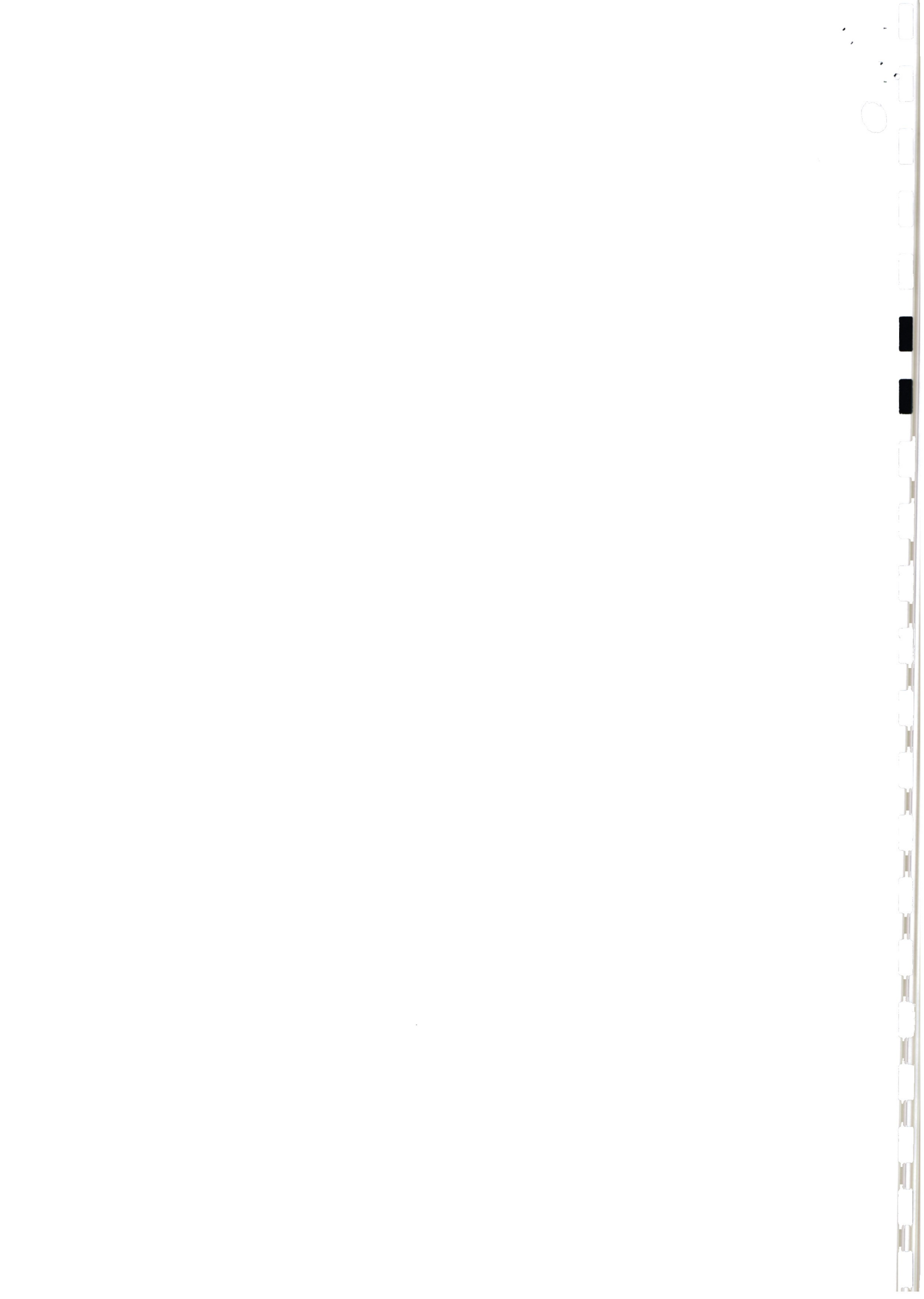
The State Department of Housing and Urban Development recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the State Department of Housing and Urban Development.

3. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the revenue statements. The revenue budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the revenue's actual performance against the comparable budget for the financial year under review has been included as part of notes to 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 amounts held at the Central Bank of Kenya.



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SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Revenue in Arrears

This relates to revenue due and is yet to be received or collected by the receiver of revenue. The revenue in arrears is as disclosed in the Statement of Revenue in Arrears under section IV of these financial statements.

6. Comparative Figures

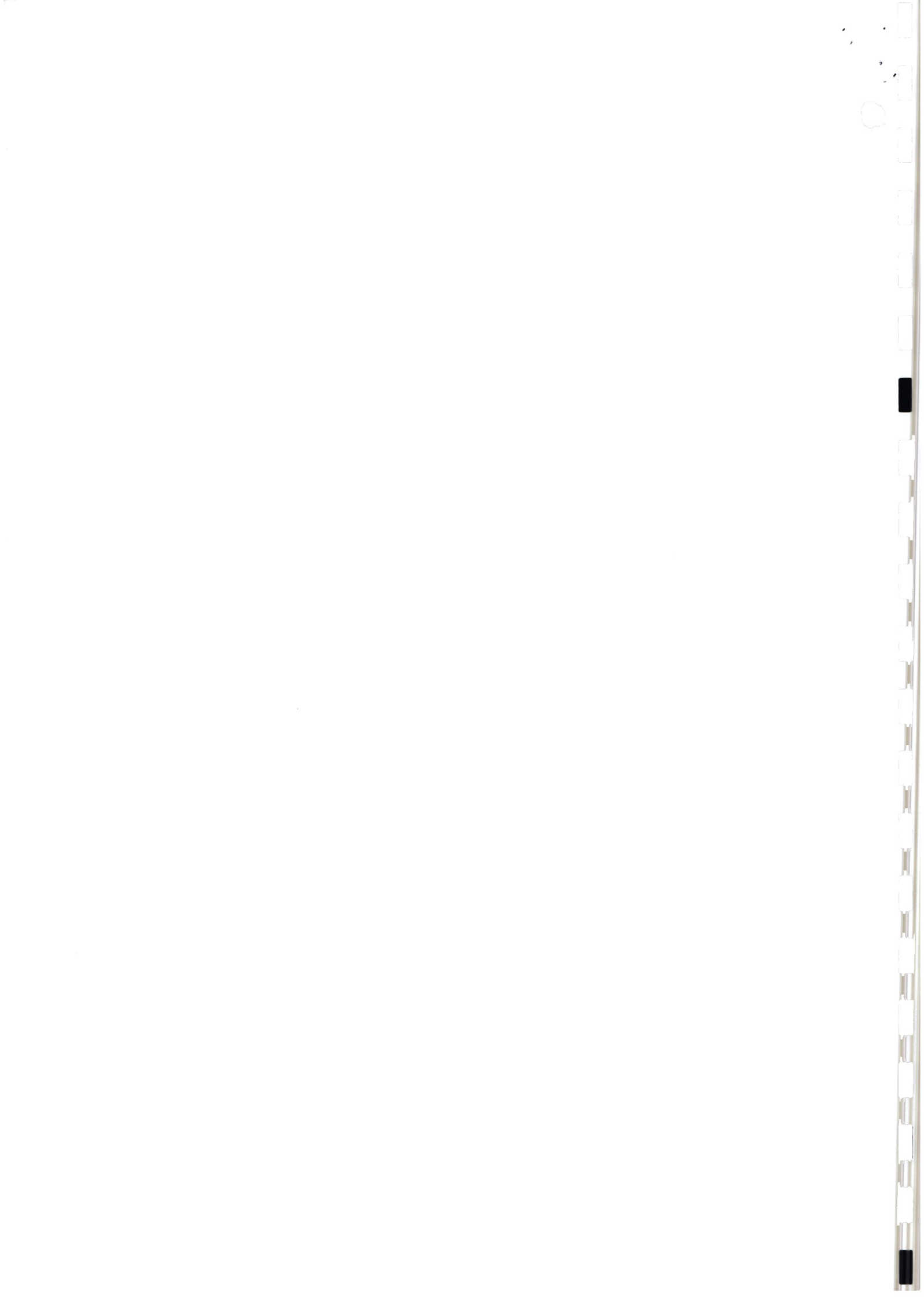
Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

7. 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, 2018.

8. Statement of Arrears of Revenue

The statement of arrears of revenue is not a requirement as per the IPSAS Cash Standard. The IPSAS Cash Standard encourages disclosure of accrual based balances since it's a transitional standard to accrual basis of accounting. The PFM Act, 2012 section 82,2b and section 69(c) of the PFM Regulations 2015 requires a Receiver of Revenue to prepare a statement on revenue of arrears due but not yet collected at the end of the period. This statement has been disclosed under section IV of these financial statements.



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FOR THE YEAR ENDED JUNE 30, 2018**

VII. NOTES TO THE FINANCIAL STATEMENTS

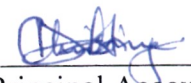
I. TAXES ON PROPERTY

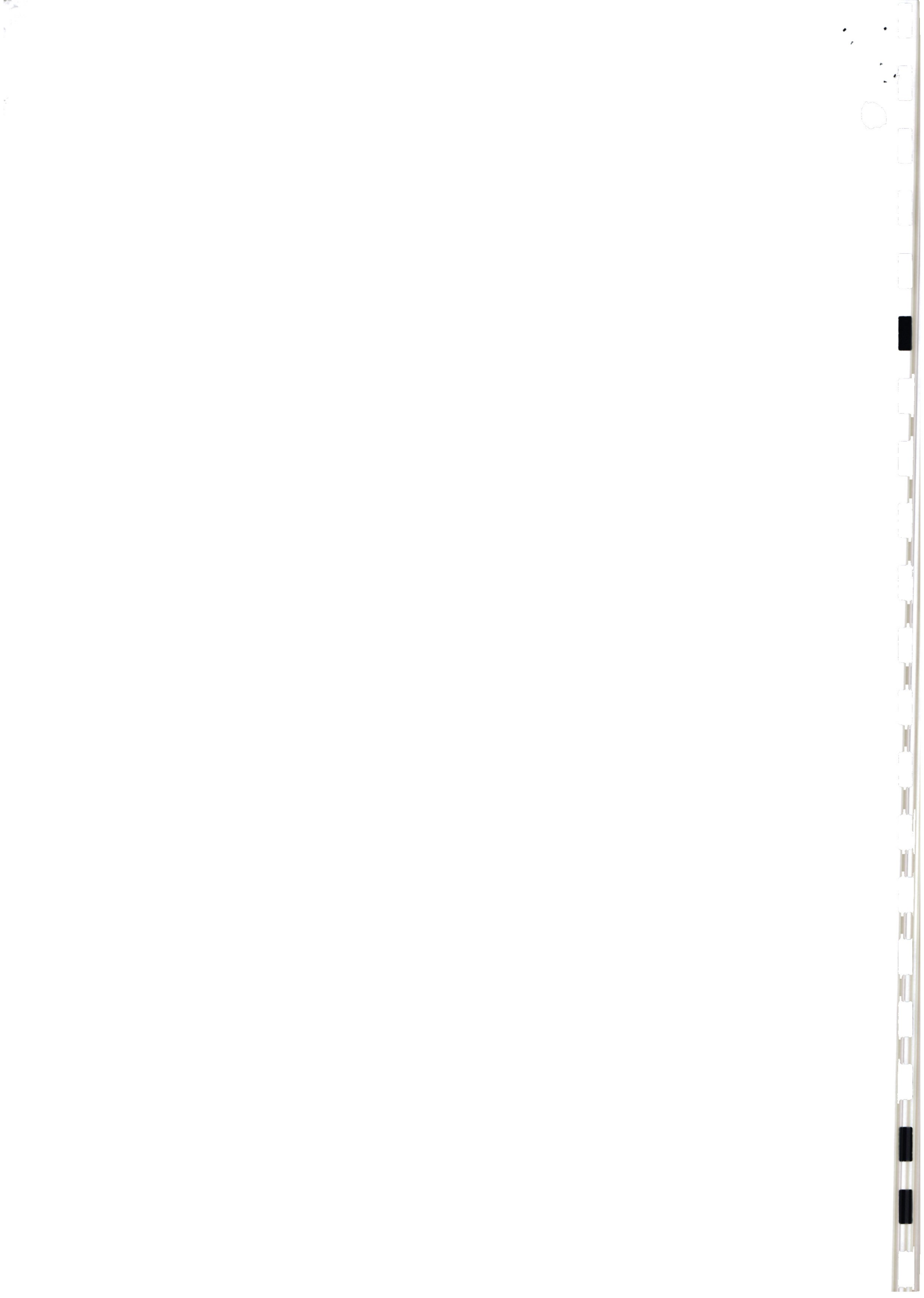
	Original Estimates	Revised Estimates	Actual	% Realized
Income Tax from Individual (PAYE)				
Income from Corporative Tax				
Income share of LATF				
Other Income (Refunds)				
Total Revenue				
Balance brought forward				
Transfers to the Exchequer account				
Balance carried forward				

Commentary on Actual Revenue against the Revised Estimates

The above revenue statement was approved on 20/3/ 2019 and signed by:


Principal Secretary
Name: CHARLES M. HINGA


Principal Accounts Controller
Name: CHRISTINE DAMBA
ICPAK Member Number: 13329



RECEIVER OF REVENUE ENTITY – MINISTRY OF TRANSPORT, INFRASTRUCTURE,
HOUSING AND URBAN DEVELOPMENT
STATE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
REVENUE STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

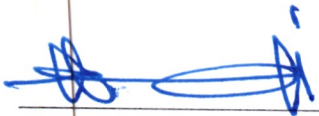
2. PROPERTY INCOME

	Original Estimates	Revised Estimates	Actual	% Realized
Interest				
Dividends from Central Bank of Kenya (CBK)				
Other Profits and Dividends				
Surplus funds from Regulatory Authorities				
Rent of Land				
Rent of Government Buildings and Housing	450,000,000	-	156,530,112.70	35%
Total Property Income	450,000,000		156,530,112.70	35%
Balance brought forward			154,633,409.70	
Transfers to the Exchequer account			(174,311,799.65)	
Transfer to recurrent account			(131,254,153.00)	
Balance carried forward			5,597,569.75	

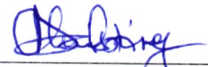
Comments

The low percentage is due to the fact that rent collected as indicated is that which has already been deposited into the deposit bank account and the rest is still will the collection stations and yet to be deposited.

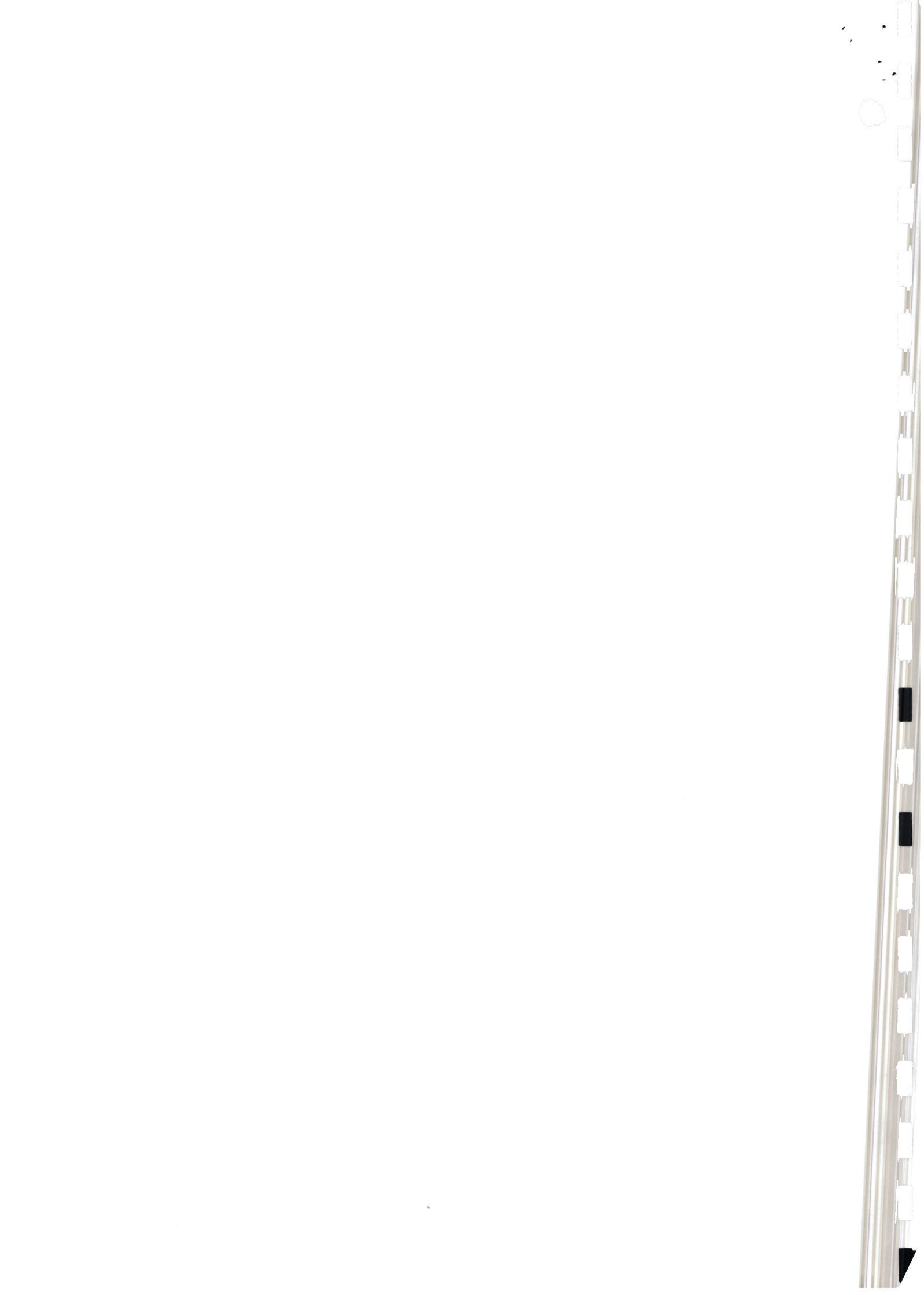
The above revenue statement was approved on 20/3 2019 and signed by:



Principal Secretary
Name CHARLES M. HINGA



Principal Accounts Controller
Name: CHRISTINE JAMBYA
ICPAK Member Number: 13329



RECEIVER OF REVENUE ENTITY – MINISTRY OF TRANSPORT, INFRASTRUCTURE,
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 REVENUE STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. BALANCES CARRIED FORWARD

a) Balance brought forward subsequently transferred	
Amount	Date transferred
1. 174,311,799.65	On various dates
b) Balance carried forward yet to be transferred	
Amount	
1. 5,597,569.75	
5,597,569.75	

Revenue not yet transferred to exchequer since the state department was given authority to use the revenue as part of AIA



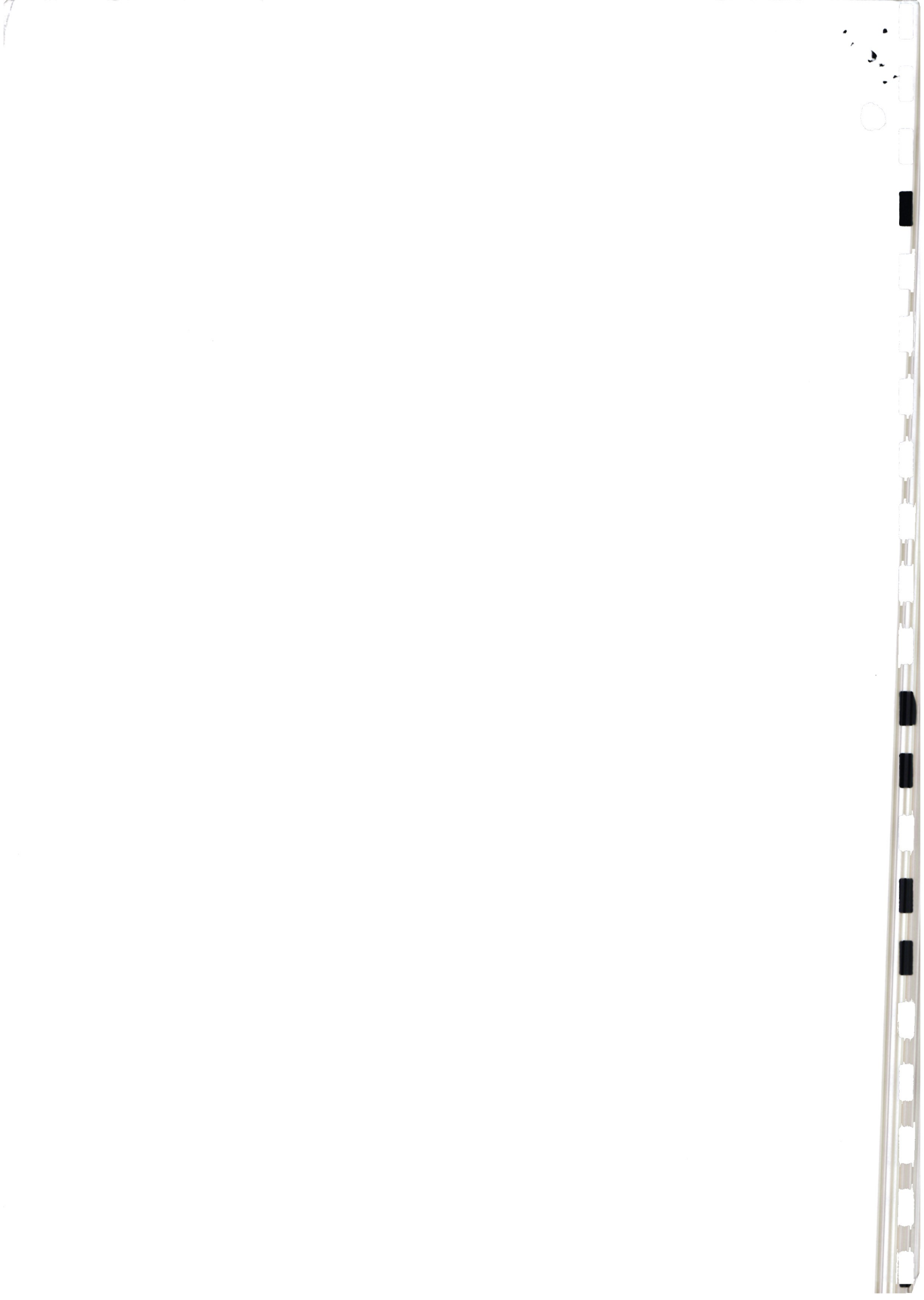
RECEIVER OF REVENUE ENTITY – MINISTRY OF TRANSPORT, INFRASTRUCTURE,
 HOUSING AND URBAN DEVELOPMENT
 STATE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
 REVENUE STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2018

VIII. APPENDICES

APPENDIX 1: A REPORT OF WAIVERS AND VARIATIONS OF TAXES, FEES OR
 CHARGES GRANTED BY THE RECEIVER OF REVENUE DURING THE YEAR.

Name of person / organisation benefitting from waiver/ variation	Year in which waiver/ variation relates	Amount of variation/ waiver	Reasons for waiver/ variation	The law in terms of which the variation was granted
N/A	N/A	N/A	N/A	N/A

(PFM ACT section 82 sub section 4, 5)



**RECEIVER OF REVENUE ENTITY – MINISTRY OF TRANSPORT, INFRASTRUCTURE,
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STATE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
REVENUE STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

APPENDIX 11: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Non maintenance of books of account and revenue bank account	Books of accounts for revenue statement were not maintained	Revenue accountant	Not resolved	
2.0	Rental income	Management need to put in place measures of controlling receipt of rent	Estate management	Not resolved	
3.0	Statement of revenue arrears	Statement of arrears reflected a nil balance	Revenue accountant	Not resolved	

