

REPUBLIC OF KENYA



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REPORT

OF

THE AUDITOR-GENERAL

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RECEIVER OF REVENUE

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

COUNTY GOVERNMENT OF NANDI



RECEIVER OF REVENUE
County Government of Nandi

REVENUE STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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



County Government of Nandi
Receiver Of Revenue

Annual Report and Financial Statements for the Financial Year ended 30th June, 2023.

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1. Acronyms and glossary of terms

a) Acronyms

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

b) Glossary of terms

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

2. Key Entity Information and Management

(a) Background information

The receiver of revenue is under the Department of Finance and Economic Planning. At the County Executive Committee level, the receiver of revenue is represented by the County Executive committee member for Finance, who is responsible for the general policy and strategic direction of the of revenue. The receiver of revenue is designated as a receiver on receipts 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 Nandi day-to-day management of revenue is under the following:

- County Executive Committee Member for Finance – CPA Hillary Serem
- Chief Officer, Finance – CPA Ms Prisca Jepchirchir
- Chief Officers, in charge of departments collecting revenue ...
- Director, Revenue CPA Nicholas Biwott

(d) County Headquarters

County Government of Nandi
P.O. Box 802 – 30300,
Kapsabet, Kenya

(e) Entity Contacts

Telephone: (254) 053 525 2355
E-mail: info@nandi.go
Website: www.nandi.go.ke

a) Independent Auditors

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

(f) Principal Legal Adviser

The County Attorney
P.O. Box 802 – 30300,
Kapsabet, Kenya.

(g) Bankers

1. Central Bank of Kenya Haile Selassie Avenue
P.O. Box 60000 City Square 00200, Nairobi, Kenya.

2. Cooperative Bank
P.O. Box 19828 – 00100,
Nairobi, Kenya.

3. Equity Bank
P.O. Box 75104–00200,
Nairobi, Kenya,

4. KCB
P.O. Box 48400–00100,
GPO Nairobi,

3. Foreword by the CECM Finance and Economic Planning

During the financial year ended 2023 there was tremendous improvement in revenue performance despite setbacks which were occasioned by political environment. Strategies were put in place to ensure that set targets were achieved with little deviation.

Our key local revenue sources for Nandi County includes Health and Sanitation, Vehicle Parking Fees, Business Permits, Kiborgok tea Estate proceeds, liquor licensing, House and stall Rents, Cess, Plot Rents, Agriculture, Market/Trade Centre fees, Slaughterhouses Administration cost, Sewerage and water, Cattle dips/veterinary and other small varied sources. Managing county government budget constraints forms a major risk to our strategic plans.

The total local revenue collected during the financial year ended 2023 was Kshs.196,596,982 against a set target budget of Kshs.373,234,444 representing 52.68% performance. A disbursement to Nandi County Revenue Fund amounted to Kshs.198,831,772.51 including an opening balance figure of Kshs. 7,738,391. The un remitted funds to the CRF was Kshs., 5,503,600.58 as at the close of business on 30th June 2023.

Missed targets in local collections have been noted with great concern since this would impact negatively on the general service delivery to the citizens of the county, critical measures have been put in place to gap the same during the subsequent financial years, and these measures included system upgrade among others.

In the financial year 2023-2024 I look forward to a more vibrant local revenue source.



.....
CECM Finance and Economic Planning

County Government of Nandi

4. Management Discussion and Analysis

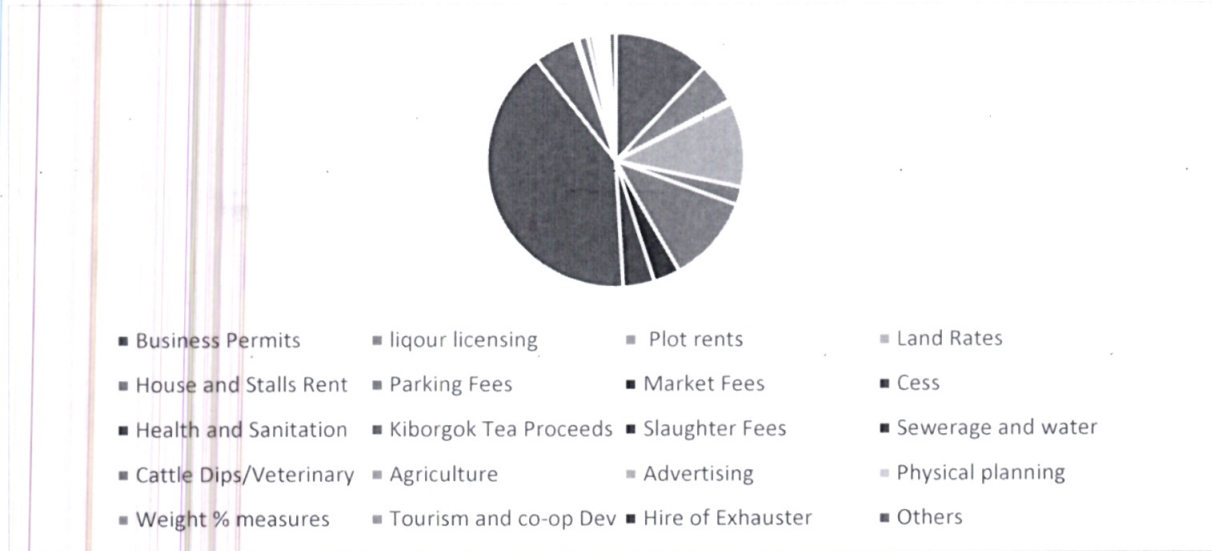
Revenue

In the year ended June 30,2023, the County had projected revenues of Kshs. **373,234,444** from the twenty revenue streams and an amount of Kshs.7,738,391 was the opening balance.

| Receipt | Original Budget |
|------------------------|--------------------|
| Business Permits | 44,870,387 |
| liquor licensing | 19,430,482 |
| Plot rents | 1,485,821 |
| Land Rates | 40,158,060 |
| House and Stalls Rent | 8,432,267 |
| Parking Fees | 41,541,179 |
| Market Fees | 12,501,429 |
| Cess | 14,691,690 |
| Health and Sanitation | 150,761,069 |
| Kiborgok Tea Proceeds | 20,072,012 |
| Slaughter Fees | 962,292 |
| Sewerage and water | 665,067 |
| Cattle Dips/Veterinary | 4,426,419 |
| Agriculture | 2,578,042 |
| Advertising | 2,148,999 |
| Physical planning | 1,800,952 |
| Weight % measures | 1,206,428 |
| Tourism and co-op Dev | 1,001,795 |
| Hire of Exhauster | 1,038,048 |
| Others | 3,462,006 |
| TOTAL | 373,234,444 |

I. A graphical representation of the revenue budget is as shown below:

1.0 Graph 1: Graphical Representation of the Budget



*Receiver Of Revenue
County Government Of Nandi
Revenue Statements for the Period Ended 30th June 2023*

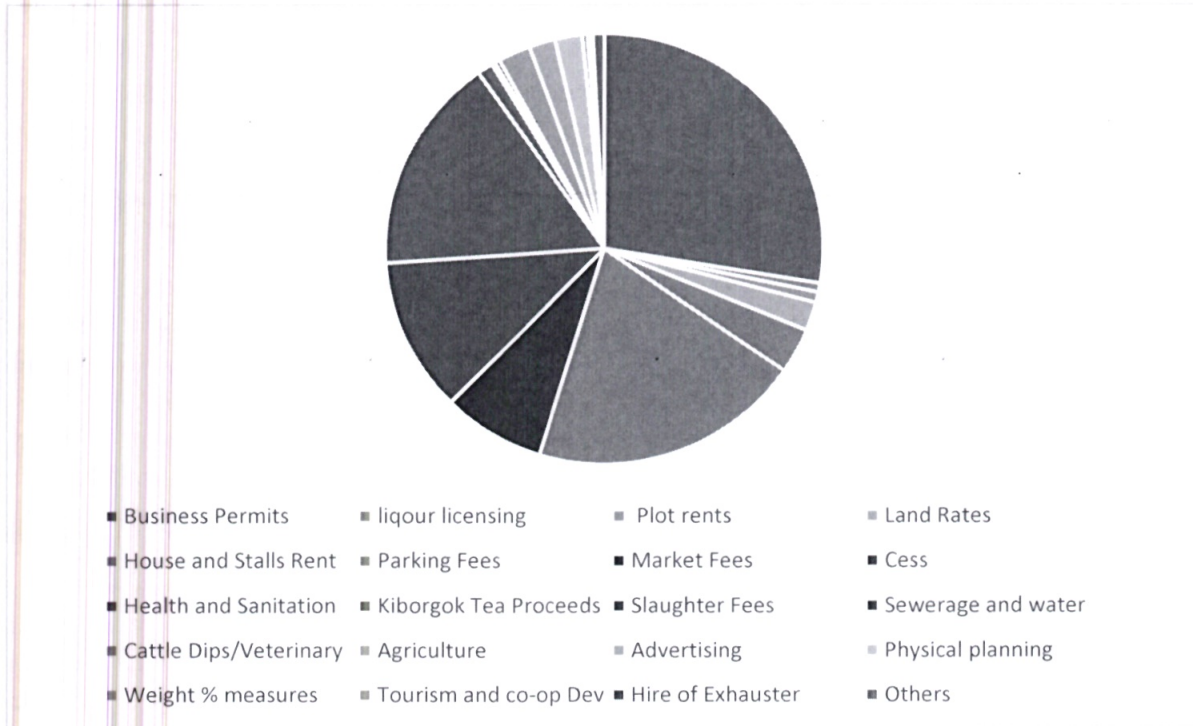
1.1 Figure 1: Nandi County revenue sources in FY 2022/2023

Health and sanitation continue to form the largest part of our revenue budget, contributing 28% towards our budget. Other revenue streams formed 72%. Out of the projected revenue, the County was able to realize Kshs.196,596,982.09 in actual revenues, representing 52.68% performance. In the table below, we present an analysis of revenue performance during the year.

Budget performance against actual amounts

| Receipt | Original Budget | Actual On Comparable Basis |
|--------------------------------------|------------------------|-----------------------------------|
| Business Permits | 44,870,387 | 52,980,727 |
| Administration control fees | 20,636,910 | 3,183,547 |
| Property rents | 9,918,088 | 8,597,873 |
| Land Rates | 40,158,060 | 4,613,618 |
| Parking fees | 41,541,179 | 38,479,112 |
| Other fines, penalties & forfeitures | 0 | 2,723,328 |
| Conservancy Administration | 665,067 | 4,404,067 |
| Market fees | 12,501,429 | 15,675,007 |
| Cess | 14,691,690 | 23,295,390 |
| Hospital fees | 150,761,069 | 27,176,547 |
| Public health service fees | 0 | 690,700 |
| Hire of county asset | 23,688,102 | 5,270,333 |
| Slaughter & veterinary | 5,388,711 | 540,987 |
| Advertising | 2,148,999 | 3,736,900 |
| Physical planning & development | 1,800,952 | 4,171,934 |
| Park fees | 1,001,795 | 472,190 |
| Miscellaneous fees | 3,462,006 | 584,722 |
| Total | 373,234,444 | 196,596,982 |

Graph 2: Revenue Performance in FY 2022/2023



5. 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, 20xx. 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, 20xx, 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

The revenue statements were approved and signed by the Receiver of Revenue on **18-12-2023**



.....
**Name Nicholas Biwott
County Receiver of Revenue
ICPAK M/No 15598**

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON RECEIVER OF REVENUE FOR THE YEAR ENDED 30 JUNE, 2023 - COUNTY GOVERNMENT OF NANDI

PREAMBLE

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

- A. Report on the Revenue Statements that considers whether the revenue 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 revenue 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 Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on 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, the risk management environment and the 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 - County Government of Nandi set out on pages 1 to 21, which comprise of the statement of financial assets and liabilities as at 30 June, 2023, and the statement of receipts and disbursements, statement of comparison of budget and actual amounts, and statement

of arrears of revenue 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 discussed in the Basis for Qualified Opinion section of my report, the revenue statements present fairly, in all material respects, the financial position of the Receiver of Revenue - County Government of Nandi as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with the 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. Lack of Valuation Roll

The statement of receipts and disbursements reflects county own generated receipts amount of Kshs.196,596,982 which includes land rates amount of Kshs.4,613,618 as disclosed in Note 2 to the revenue statements. However, records provided for audit indicated that land rates charged were based on defunct local authority rates. In the absence of an updated valuation roll, the land rate collections could be misstated.

In the circumstance, the accuracy and completeness of land rates collections of Kshs.4,613,618 could not be confirmed

2. Accuracy of Street Parking Fees

The statement of receipts and disbursements reflects county own generated receipts totaling to Kshs.196,596,982 which includes parking fees balance of Kshs.38,479,112 comprising revenue from four sources as disclosed in Note 5 to the revenue statements. However, Management did not maintain a register of the parking slots available within the sub-counties, which, would otherwise give an indication of the amount of collection of revenue from street parking fees. Further, it was not possible to establish the total number of street parking slots within the county.

In the circumstances, the accuracy and completeness of revenue from street parking fees of Kshs.38,479,112 could not be confirmed.

3. Unconfirmed Cash and Cash Equivalents Balance

The statement of financial assets and liabilities reflects cash and cash equivalents balance of Kshs.5,503,600 which includes Ksh.2,626,016 held in a commercial bank account. However, the cash book and bank reconciliation statement for June, 2023 was not provided for review.

In the circumstance, the accuracy and completeness of cash and cash equivalents balance of Kshs.2,626,016 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Receiver of Revenue - County Government

of Nandi Management in accordance with ISSAI 130 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 Qualified Opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amount of Kshs.373,234,444 and Kshs.196,596,982 respectively resulting to an under-collection of Kshs.176,637,462 or 47% of the approved budget. The underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

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 Audit Matters

Review of the progress on follow up on prior year auditor's recommendations revealed that, several issues 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, the issues remained unresolved contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which require Accounting Officers designated for County Government entities to try to resolve any issues resulting from an audit that remain outstanding.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Presentation of the Financial Statements

Review of the revenue statements revealed that the Institute of Public Accountants of Kenya (ICPAK) membership number of the Fund accountant who signed the financial

statements was not disclosed. In the circumstances, the financial statements are not in the format prescribed by the Public Sector Accounting Standard Board (PSASB) as revised in June, 2023 and do not comply with the International Public Sector Accounting Standards.

The audit was conducted in accordance with 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 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, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit 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 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, 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 Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these revenue 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 revenue statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the revenue statements, Management is responsible for assessing the Fund'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 Fund or cease operations.

Management is also responsible for the submission of the revenue 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 revenue statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the revenue statements are

in compliance 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 Fund'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 overall 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 revenue 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 revenue statements.

In addition to the audit of the revenue 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 revenue 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 revenue statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall 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 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 revenue 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 noncompliance. 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 revenue 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 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 Fund'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 revenue 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 Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the revenue statements, including the disclosures, and whether the revenue 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 Fund to express an opinion on the revenue 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 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


06 February, 2024

*Receiver Of Revenue
County Government Of Nandi
Revenue Statements for the Period Ended 30th June 2023*

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

| | Note | 2022/23 Kshs | 2021/22 Kshs |
|---|------|-----------------------|--------------------|
| County Own Source Revenue | | | |
| Cess | 1 | 23,295,390.00 | 23,931,845 |
| Land/Poll Rate | 2 | 4,613,618.00 | 14,503,673 |
| Single/Business Permits | 3 | 52,980,727.27 | 33,886,516 |
| Property Rent | 4 | 8,597,873.00 | 8,623,652 |
| Parking Fees | 5 | 38,479,112.00 | 24,815,122 |
| Market Fees | 6 | 15,675,007.17 | 15,009,301 |
| Advertising | 7 | 3,736,900.00 | 5,384,840 |
| Hospital Fees | 8 | 27,176,547 | 116,723,119 |
| Public Health Service Fees | 9 | 690,700.00 | 2,246,801 |
| Physical Planning and Development | 10 | 4,171,934.00 | 5,150,823 |
| Hire Of County Assets | 11 | 5,270,332.80 | 19,462,553 |
| Conservancy Administration | 12 | 4,404,067.00 | 2,410,466 |
| Administration Control Fees and Charges | 13 | 3,183,547.00 | 11,981,880 |
| Park Fees | 14 | 472,190.00 | 441,133 |
| Other Fines, Penalties, And Forfeiture Fees | 15 | 2,723,328.00 | 713,990 |
| Miscellaneous receipts | 16 | 584,722.00 | 787,414 |
| slaughter & veterinary fee | 17 | 540,987.00 | 1,330,194 |
| Total County Own Source Revenue | | 196,596,982 | 287,403,322 |
| | | | |
| Balance b/f at the beginning of the year | | 7,738,391.00 | 19,974,896 |
| Disbursements To CRF | | 198,831,772.51 | 299,639,827 |
| | | | - |
| Balance Due for Disbursement | | 5,503,600.58 | 7,738,391 |

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on **18-12-2023** and signed by:

.....

Name: Nicholas Biwott
County Receiver of Revenue
ICPAK M/No 15598

.....

Name: Kevin Kipkoeh
Head of Revenue Reporting
ICPAK M/No 23469

*Receiver Of Revenue
County Government Of Nandi
Revenue Statements for the Period Ended 30th June 2023*

8. Statement of Financial Assets and Liabilities as at 30th June 2023

| | | 2022/23 | 2021/22 |
|------------------------------------|-----------|---------------------|---------------------|
| | | Kshs | Kshs |
| Financial Assets | | | |
| Cash And Cash Equivalents | | | |
| Bank Balances | 18 | 5,477,630.58 | 7,718,451.00 |
| Cash In Hand | 19 | 25,970.00 | 19,940.00 |
| Total Financial Assets | | 5,503,600.58 | 7,738,391.00 |
| Total Financial Assets | | 5,503,600.58 | 7,738,391.00 |
| Financial Liabilities | | | |
| Payables-Due to CRF | 20 | 5,503,600.58 | 7,738,391.00 |
| Total Financial Liabilities | | 5,503,600.58 | 7,738,391.00 |

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 **18-12-2023** and signed by:

.....
Name: Nicholas Biwott
County Receiver of Revenue
ICPAK M/No 15598

.....
Name: Kevin Kipkoech
Head of Revenue Reporting
ICPAK M/No 23469

**Receiver of Revenue
County Government of Nandi
Revenue Statements for the Period Ended 30th June 2023**

9. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30th June 2023

| Receipt | Original Budget A | Adjustments B | Final Budget C = A+B | Actual On Comparable Basis D | Budget Realization Difference E = C-D | % Of Realization F = D/C % |
|--|-----------------------|------------------|-------------------------|------------------------------------|---|----------------------------------|
| | Kshs | Kshs | Kshs | Kshs | Kshs | |
| County Own Source Revenue | | | | | | |
| Business Permits | 44,870,387 | - | 44,870,387.00 | 52,980,727.00 | - 8,110,340.00 | 118.08 |
| administration Control fees and charges | 20,636,910 | - | 20,636,910.00 | 3,183,547.00 | 17,453,363.00 | 15.43 |
| property rent | 9,918,088 | - | 9,918,088.00 | 8,597,873.00 | 1,320,215.00 | 86.69 |
| Land Rates | 40,158,060 | - | 40,158,060.00 | 4,613,618.00 | 35,544,442.00 | 11.49 |
| Parking Fees | 41,541,179 | - | 41,541,179.00 | 41,202,440.00 | 338,739.00 | 99.18 |
| Market Fees | 12,501,429 | - | 12,501,429.00 | 15,675,007.00 | - 3,173,578.00 | 125.39 |
| Cess | 14,691,690 | - | 14,691,690.00 | 23,295,390.00 | - 8,603,700.00 | 158.56 |
| Health and Sanitation | 150,761,069 | - | 150,761,069.00 | 27,867,247.00 | 122,893,822.00 | 18.48 |
| hire of county assets | 23,688,102 | - | 23,688,102.00 | 5,270,333.00 | 18,417,769.00 | 22.25 |
| Slaughter & veterinary fee | 5,388,711 | - | 5,388,711.00 | 540,987.00 | 4,847,724.00 | 10.04 |
| conservancy administration | 665,067 | | 665,067.00 | 4,404,067.00 | - 3,739,000.00 | 662.20 |
| Advertising | 2,148,999 | | 2,148,999.00 | 3,736,900.00 | - 1,587,901.00 | 173.89 |
| Physical planning | 1,800,952 | | 1,800,952.00 | 4,171,934.00 | - 2,370,982.00 | 231.65 |
| Tourism and co-op Dev | 1,001,795 | | 1,001,795.00 | 472,190.00 | 529,605.00 | 47.13 |
| Miscellaneous Receipts | 3,462,006 | | 3,462,006.00 | 584,722.00 | 2,877,284.00 | 16.89 |
| Total County Own Source Revenue | 373,234,444.00 | - | 373,234,444.00 | 196,596,982.00 | 176,637,462.00 | 52.67 |
| Other Receipts | | | | | | |
| Donations /Grants Not Received Through CRF | - | - | - | - | - | - |
| Total Other Receipts | | | | | | |
| Total Receipts | 373,234,444.00 | - | 373,234,444.00 | 196,596,982.00 | 176,637,462.00 | 52.67 |

*Receiver of Revenue
County Government of Nandi
Revenue Statements for the Period Ended 30th June 2023*

(a) The general under collection was generally attributed to political season which affected negatively most of the revenue streams.

The County Receiver of revenue's financial statements were approved on **18-12-2023** and signed by:


.....
Name: Nicholas Biwott
County Receiver of Revenue
ICPAK M/No 15598


.....
Name: Kevin Kipkoech
Head of Revenue Reporting
ICPAK M/No 23469

*Receiver of Revenue
County Government of Nandi
Revenue Statements for the Period Ended 30th June 2023*

10. Statement of Arrears of Revenue as at 30th June 2023

| Classification Of Receipts (Indicate As Applicable) | Balance as at 1 st July 2022 | Arrears received during the year | Additions in arrears for the current year to June 30, 2023 | Total arrears as at 30 June 2023 | Measures taken to recover the arrears | Assessment to the recoverability of arrears |
|--|---|----------------------------------|--|----------------------------------|--|--|
| cess | 960,992 | - | 8,603,700 | 7,642,708 | No arrears during the year, amounts were recovered | Recovered |
| Land/Poll Rate | 48,249,779 | - | 35,544,442 | 83,794,221 | There's ongoing negotiation with the multinational | Recover in the current year |
| Single/Business Permits | 10,569,989 | - | 8,110,340 | 2,459,649 | Upgrade of revenue system and enforcement on the same | Not possible to ascertain if the business was in operational |
| Property Rent | 7,721,398 | - | 1,320,215 | 6,401,183 | No arrears during the year, amounts were recovered | Recover in the current year |
| Parking Fees | 28,435,926 | - | 338,739 | 28,774,665 | Sensitization & enforcement on montly stickes for motorbikes | Recover in the current year |
| Market Fees | 8,184,392 | - | 3,173,578 | 5,010,814 | Upgrade of revenue system and enforcement on the same | Recover in the current year |
| Health and sanitation | 85,931,658 | - | 122,893,822 | 208,825,480 | Upgrade of revenue system to recover the arrears | Recover in the current year especially NHIF |
| Hire Of County Assets | 13,250,269 | - | 18,417,769 | 31,668,038 | Upgrade of revenue system | Coming into effect of the agriculture revolving fund Act |
| Conservancy Administration | 1,999,584 | - | 3,739,000 | 1,739,416 | No arrears during the year, amounts were recovered | Recovered |
| Administration Control Fees and Charges | 7,020,930 | - | 17,453,363 | 24,474,293 | Upgrade of revenue system and enforcement on the same | Coming into effect of the liquour revolving fund Act |
| veterinary & slaughter | 9,862,475 | - | 4,847,724 | 14,710,199 | Upgrade of revenue system | Coming into effect of the agriculture revolving fund Act |
| Miscellaneous Receipts | 19,957,799 | - | 2,877,284 | 22,835,083 | Upgrade of revenue system and enforcement on the same | Not possible to ascertain if the business was in operational |
| Total Arrears | 226,702,395 | - | 180,066,740 | 406,769,135 | | |

.....

Name: Nicholas Biwott
County Receiver of Revenue
ICPAK M/No 15598

.....

Name: Kevin Kipkoech
Head of Revenue Reporting
ICPAK M/No 23469

11. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and relevant legal framework of the County Government of Nandi. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the county. The accounting policies adopted have been consistently applied to all the years presented.

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

2. Recognition of Receipts

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

3. Budget

The County Revenue budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County budget was approved as required by law. The original budget was approved by the County Assembly on June 2023 for the period 1st July 2023 to 30 June 2023 as required by law. There was no of supplementary budgets passed in the year. A high-level assessment of the County's actual performance against the comparable budget for the financial year under review has been included in these financial statements.

4. Cash and cash equivalents

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

5. Revenue in Arrears

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

6. Disbursements to CRF

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

7. Comparative Figures

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

8. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the revenue statements for the year ended June 30, 2023

*Receiver of Revenue
County Government of Nandi
Revenue Statements for the Period Ended 30th June 2023*

12. Notes to the Financial Statements

1. Cess

| Description | 2022/23 | 2021/22 |
|---------------------|----------------------|----------------------|
| | Kshs | Kshs |
| Farm produce | 22,957,979 | 23,551,035.00 |
| murrum cess | 265,651.00 | 155,500.00 |
| log/timber/firewood | 71,760.00 | 225,310.00 |
| Others (specify) | | |
| Total | 23,295,390.00 | 23,931,845.00 |

2. Land/Poll rates

| Description | 2022/23 | 2021/22 |
|-----------------------------|---------------------|----------------------|
| | Kshs | Kshs |
| Land rates | 4330314 | 14,048,533.00 |
| Land transfer fee | 62,000.00 | 152,000.00 |
| Land subdivision fee | - | 20,800.00 |
| Board fee | 76,804.00 | 35,000.00 |
| Survey fee | 8,000.00 | 30,000.00 |
| Land penalties and interest | - | 340.00 |
| Land clearance certificate | 136,500.00 | 217,000.00 |
| Total | 4,613,618.00 | 14,503,673.00 |

3. Single Business Permits

| Description | 2022/23 | 2021/22 |
|--|----------------------|----------------------|
| | Kshs | Kshs |
| Business permit application fees | 2,4184,24.00 | 1,333,139.00 |
| Undercharge fee on SBP | 256,034.00 | 22,504.00 |
| Annual Business permit renewal fees | 1,342,767.00 | 1,008,617.00 |
| Reprint fee | 8,050.00 | 105,813.00 |
| Business permit penalties and interest | 155,647.00 | 10,951.00 |
| Business permit fees current year | 48,799,805.27 | 31,405,492.00 |
| Total | 52,980,727.27 | 33,886,516.00 |

Notes to the Financial Statements (continued)

4. Property Rent

| Description | 2022/23 | 2021/22 |
|--------------------|---------------------|---------------------|
| | Kshs | Kshs |
| Plot Rent | 1,486,016.00 | 1,485,873.00 |
| Stalls/kiosks rent | 7,111,857.00 | 7,137,779.00 |
| Others (Specify) | - | - |
| Total | 8,597,873.00 | 8,623,652.00 |

5. Parking Fees

| Description | 2022/23 | 2021/22 |
|---------------------------|----------------------|----------------------|
| | Kshs | Kshs |
| Street parking fees | 6,696,731.00 | 5,938,720.00 |
| Monthly toll/sticker fees | 23,973,478.00 | 17,790,402.00 |
| Motorbike fees | 6,848,890.00 | - |
| Reserved parking | 960,013.00 | 1,086,000.00 |
| Others (Specify) | - | - |
| Total | 38,479,112.00 | 24,815,122.00 |

6. Market Fees

| Description | 2022/23 | 2021/22 |
|--------------------|----------------------|----------------------|
| | Kshs | Kshs |
| Market entry fees | 15,675,007.17 | 14,880,911.00 |
| Hawking fees | - | 128,390.00 |
| Others (Specify) | - | - |
| Total | 15,675,007.17 | 15,009,301.00 |

*Receiver of Revenue
County Government of Nandi
Revenue Statements for the Period Ended 30th June 2023*

Notes to the Financial Statements (Continued)

7. Advertising

| Descriptions | 2022/23 | 2021/22 |
|-------------------------------------|---------------------|---------------------|
| | Kshs | Kshs |
| Branding | 1,216,900.00 | 2,633,040.00 |
| Signage | 598,700.00 | 417,770.00 |
| Roadshows/banners/posters/billboard | 782,500.00 | 1,403,180.00 |
| Tent advertising | 140,400.00 | 56,000.00 |
| Sandwich | 504,000.00 | 30,050.00 |
| Promotion | 494,400.00 | 844,800.00 |
| others (Specify) | - | - |
| Total | 3,736,900.00 | 5,384,840.00 |

8. Hospital Fees

| Description | 2022/23 | 2021/22 |
|-------------------|----------------------|-----------------------|
| | Kshs | Kshs |
| Level 5 hospitals | 678,980.00 | 11,093,366.00 |
| Level 4 hospitals | 1,685,812.00 | 3,671,298.00 |
| Level 3 hospitals | 506,969.00 | 2,107,390.00 |
| NHIF | 24,304,786.00 | 99,851,065.27 |
| Others (Specify) | - | - |
| Total | 27,176,547.00 | 116,723,119.27 |

9. Public Health Service Fees

| Description | 2022/23 | 2021/22 |
|----------------------|-------------------|---------------------|
| | Kshs | Kshs |
| Public health permit | 690,700.00 | 2,246,801.00 |
| Others (Specify) | - | - |
| Total | 690,700.00 | 2,246,801.00 |

Notes to the Financial Statements (Continued)

10. Physical Planning and Development

| Description | 2022/23 | 2021/22 |
|-------------------------------------|---------------------|---------------------|
| | Kshs | Kshs |
| Scrutiny | 351,278.00 | 2,009,512.00 |
| certificate of compliance | - | 499,000.00 |
| Change / Renewal of user | - | 121,870.00 |
| Building plans approval | 1,880,353.00 | 150,700.00 |
| Extension of user | 147,880.00 | 124,380.00 |
| Application fee | - | 3,000.00 |
| PPA1/PLUPA/DC/2 | 296,112.00 | 88,000.00 |
| PP2/PLUPA/DC/8 | 7,000.00 | 62,200.00 |
| Structural approval fee | 324,139.00 | 172,770.00 |
| Circulation form | 25,608.00 | 45,990.00 |
| Occupational Permits | - | 7,000.00 |
| Regularization/Renovation | 193,857.00 | 16,100.00 |
| Site inspection /perimeter wall fee | - | 22,000.00 |
| Enforcement / Demolition | 904,567.00 | - |
| Approval of container | 31,140.00 | 77,520.00 |
| Master plan | - | 1,571,581.00 |
| Approval of bts | - | 161,700.00 |
| Hoarding fees | 10,000.00 | 17,500.00 |
| Others (Specify) | - | - |
| Total | 4,171,934.00 | 5,150,823.00 |

Notes To the Financial Statements (Continued)

11. Hire Of County Assets

| Description | 2022/23 | 2021/22 |
|---|---------------------|----------------------|
| | Kshs | Kshs |
| Agricultural Mechanisation Services (AMS) | 551,540.00 | 610,754.00 |
| Hire of Exhauster | 349,900.00 | 145,800.00 |
| Hire of County Stadia | 117,000.00 | 5,000.00 |
| Kiborgok fee | 2,428,957.80 | 11,594,501.73 |
| Conference facilities/Agricultural Training Centers (ATC) | 1,822,935.00 | 7,106,497.00 |
| Others (Specify) | - | - |
| Total | 5,270,332.80 | 19,462,552.73 |

12. Conservancy Administration

| Description | 2022/23 | 2021/22 |
|-------------------------|---------------------|---------------------|
| | Kshs | Kshs |
| Sewerage fees | 737,600.00 | 704,000.00 |
| Sewerage connection fee | 9,000.00 | 15,000.00 |
| Conservancy | 3,542,617.00 | 1,583,566.00 |
| Public cemetery | 3,000.00 | 4,500.00 |
| Noise control | 111,850.00 | 103,400.00 |
| Others (Specify) | - | - |
| Total | 4,404,067.00 | 2,410,466.00 |

13. Administration Control Fees and Charges

| Description | 2022/23 | 2021/22 |
|----------------------|---------------------|----------------------|
| | Kshs | Kshs |
| Weights and measures | 825,546.00 | 664,280.00 |
| Fire Services | 971,001.00 | 341,500.00 |
| Liquor licenses | 1,387,000.00 | 10,976,100.00 |
| Others (Specify) | - | - |
| Total | 3,183,547.00 | 11,981,880.00 |

Notes to the financial statements (continued)

14. Park Fees

| Description | 2022/23 | 2021/22 |
|------------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Park entry fees | 447,190.00 | 441,133.00 |
| Filming and Photography fees | 25,000.00 | - |
| Others (Specify) | - | - |
| Total | 472,190.00 | 441,133.00 |

15. Other Fines, Penalties and Forfeitures

| Description | 2022/23 | 2021/22 |
|---------------------------|---------------------|-------------------|
| | Kshs | Kshs |
| Impounding Fees | 418,480.00 | 92,830.00 |
| Penalty/Wrong fee | 6,500.00 | 2,070.00 |
| Enforcement fee | 460,200.00 | 175,900.00 |
| Obstruction | 215,000.00 | 96,500.00 |
| Declamping | 13,050.00 | 26,790.00 |
| Parking default | 1,463,602.00 | 314,000.00 |
| Damage of County property | 28,000.00 | 5,400.00 |
| SBP enforcement fee | 90,796.00 | - |
| Towing Fees | 10,000.00 | 500.00 |
| Roaming cattle | 14,700.00 | - |
| Abusive language | 3,000.00 | - |
| Others (Specify) | - | - |
| Total | 2,723,328.00 | 713,990.00 |

*Receiver of Revenue
County Government of Nandi
Revenue Statements for the Period Ended 30th June 2023*

Notes To the Financial Statements (Continued)

16. Miscellaneous Receipts

| Description | 2022/23 | 2021/22 |
|------------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Refunds | - | 522,815.00 |
| Cooperative audit fee | 253,652.00 | 217,140.00 |
| Certificate of participation | 1,200.00 | 3,600.00 |
| Pool table inspection fee | 320,600.00 | 26,140.00 |
| Renovation of PSS | 500.00 | 3,460.00 |
| Maintenance of fence | 1,870.00 | 14,259.00 |
| Dishonour cheque | 6,400.00 | - |
| Storage | 500.00 | - |
| Others (Specify) | | |
| Total | 584,722.00 | 787,414.00 |

17. Slaughter and Veterinary Fees

| Description | 2022/23 | 2021/22 |
|---------------------------|-------------------|---------------------|
| | Kshs | Kshs |
| Slaughter | 536,182.00 | 783,221.00 |
| livestock movement | - | 48,500.00 |
| Meat Inspection | 4,625.00 | 364,295.00 |
| AI services | - | 133,058.00 |
| Vaccination/ hides & skin | 180.00 | 1,120.00 |
| Others (Specify) | - | - |
| Total | 540,987.00 | 1,330,194.00 |

Notes To the Financial Statements (Continued)

18. Bank Balances

| Name of Bank, Account No. & currency | Amount in bank account currency | 2022/23 | 2021/22 |
|--|---------------------------------|---------------------|---------------------|
| | | Kshs | Kshs |
| Kaimosi ATC Revenue Account A/C No 0490280776278-Equity | | 2,626,016.20 | 4,148,677.00 |
| NANDI COUNTY REVENUE FUND EQUITY 0490260871255 | | 774,962.38 | 329,735.00 |
| Nandi County NHIF Nandi Hills County Hospital 01141594316300 | | | 1,067,180.00 |
| Nandi County Meteitei Sub County Hospital 01141594316300 | | | 121,460.00 |
| Nandi county NHIF Kaptumo sub-County Hospital 01141594316400 | | | 545,201.00 |
| Kapsabet District Hospital account 01141329212200 | | | - |
| Chepterwai Sub-district account 01141329282900 | | | 60,720.00 |
| Mpesa 299299 | | 139,433.00 | 80,091.00 |
| MPesa 4094029 | | 1,791,139.00 | - |
| Nandi County Revenue Collection Account- NBK- 01570246414100 | | 146,080.00 | 1,365,387.00 |
| cash in hand | | 25,970.00 | 19,940.00 |
| Total | | 5,503,600.58 | 7,738,391.00 |

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

| Ref | Amount (Kshs) | Date subsequently transferred |
|--------------|---------------|-------------------------------|
| | - | - |
| Total | - | - |

19. Cash in hand

| Description | 2022/23 | 2021/22 |
|-------------------------|------------------|------------------|
| | Kshs | Kshs |
| Cash Balance (Location) | 25,970.00 | 19,940.00 |
| Mobile Money | - | - |
| Others (Specify) | - | - |
| Total | 25,970.00 | 19,940.00 |

*Receiver of Revenue
County Government of Nandi
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20. Payables- Due To CRF

| Payables | 2022/23 | 2021/22 |
|--|----------------|----------------|
| | Kshs | Kshs |
| Balance b/f at the beginning of the year | 7,738,391 | 19,974,896 |
| Amount collected during the year | 196,596,982.00 | 287,403,322 |
| Amounts disbursed to CRF during the year | 198,831,772.51 | 299,639,827 |
| Balance c/d at the end of the year | 5,503,600.58 | 7,738,391 |

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 | - | - | - | 83,794,221 | 83,794,221 |
| Single/business permits | - | 2,459,649 | - | - | 2,459,649 |
| Property rent | - | - | - | - | - |
| Parking fees | - | - | - | 28,774,665 | 28,774,665 |
| Market fees | - | 5,010,814 | - | - | 5,010,814 |
| Advertising | - | - | - | - | - |
| Hospital fees | - | - | - | 208,825,480 | 208,825,480 |
| Public health service fees | - | - | - | - | - |
| Physical planning and development | - | - | - | - | - |
| Hire of County Assets | - | - | - | 31,668,038 | 31,668,038 |
| Conservancy administration | - | - | - | - | - |
| Administration control fees and charges | - | - | - | 24,474,293 | 24,474,293 |
| Park fees | - | - | - | - | - |
| Veterinary & Slaughter | - | - | - | 14,710,199 | 14,710,199 |
| Miscellaneous receipts | - | - | - | 22,835,135 | 22,835,135 |
| Others (<i>Specify</i>) | - | - | - | - | - |
| Total | - | 7,470,463 | - | 415,082,031 | 422,552,494 |

*Receiver of Revenue
County Government of Nandi
Revenue Statements for the Period Ended 30th June 2023*

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 |
|------|--|---|---|-------------------------------|--|
| 1 | Patrick Kerich | 2023 | 3,600 | PWD | Article 159, PFM act 2012 |
| 2 | Cosmas Kipchumba | 2023 | 18,500 | PWD | Article 159, PFM act 2012 |
| 3 | George Otura | 2023 | 8,500 | PWD | Article 159, PFM act 2012 |
| 4 | Julius Tanui | 2023 | 13,000 | PWD | Article 159, PFM act 2012 |
| 5 | Jane Musimbi | 2023 | 7,000 | PWD | Article 159, PFM act 2012 |
| 6 | Kiprop Rotich | 2023 | 18,500 | PWD | Article 159, PFM act 2012 |
| 7 | Emmy Jepngetich | 2023 | 2,500 | PWD | Article 159, PFM act 2012 |
| 8 | Noah Limo | 2023 | 15,000 | PWD | Article 159, PFM act 2012 |
| 9 | James Kirwa | 2023 | 2,000 | PWD | Article 159, PFM act 2012 |
| | | | 88,600 | | |

(PFM ACT section 165 subsection 4, 5)



Sign and date

18-12-2023

Accounting Officer

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 comment 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) |
|--|--|---|-----------------------------------|---|
| 5.2.1 | Budget of Own Generated Revenue | <ol style="list-style-type: none"> 1. Most businesses were closed as a result of covid-19 pandemic hence affecting the number of single business permits issued. 2. No sensitization was done to plot and land owners because of ministry of health protocols concerning Covid-19 neither was any waiver issued 3. PSVs were issued with restrictions to carry few passengers as a result of covid-19 i.e passengers from 14 to 7. Monthly parking stickers fees were waived by half. 4. Auctions are the leading source of income in markets. During the year under review, most auctions were closed due to foot mouth disease outbreak and most markets underperformed due to covid-19 constraints and restrictions 5. Miscellaneous income includes promotion fees, noise pollution fees, advertisement fees, Branding fees etc. All the above targets were not achieved due to low economic activity and disbandment of gatherings occasioned by covid-19 restrictions. 6. The suspension of tea cess collection due to the pending court case affected the total cess collected | Resolved | April 2022 |
| 5.2.2 | Kiborgok Tea Proceeds | <ol style="list-style-type: none"> 1. Section 4.1, sub section 4.1.1 states that the farmer(County) shall subcontract plucking services through the managing agent who in this case is Chebut Tea factory as stipulated in the contract agreement 2. Section 5.3 of the contract states that the | Resolved | April 2022 |

Receiver of Revenue
 County Government of Nandi
 Revenue Statements for the Period Ended 30th June 2023

| Reference No. on the External audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe (Put a date when you expect the issue to be resolved) |
|--|-----------------------------------|--|-----------------------------------|---|
| | | <p>farmer will be paid as per the factory's prevailing payment policies. Furthermore, the Directors are representing the farmers, and the County Government is listed as one of the farmers. The prices paid by KTDA are determined by the prevailing market prices which fluctuate from time to time due to demand and supply forces. The work of the Directors, just like any other board of management, only approves the prices arrived at in the auction</p> <p>3. The County appointed an officer, one Jackson Kemboi, vide a letter dated 6th January, 2021 to oversee the overall management of the farm which includes among other duties, record keeping and management of all farm activities like plucking, infilling, weeding etc. The farm records are attached herein</p> | | |
| 5.2.3 | Liquor Licensing Fees | <p>1. The County Executive is in the process of preparing Regulations for the operationalization of the Act which includes the opening of the Alcoholic Drinks Liquor fund account to allow separation of liquor revenues from the other County collections hence enable preparation of the fund financial statements.</p> <p>2. It is true that the list of successful applicants was not gazetted as provided in the Nandi county alcoholic drink act of 2014. Reference is hereby made to a petition of No 52 of 2016 in the high court of Kenya Nairobi at the constitutional and human rights division which challenged the constitutionalism of the county gazette as herein</p> | Resolved | April 2022 |

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report.

*Receiver of Revenue
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- (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.

..... 

Name: Nicholas Biwott
County Receiver of Revenue
Date: 18-12-2023

..... 

Name: Kevin kipkoech
Head of Revenue Reporting
Date: 18-12-2023

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