

REPUBLIC OF KENYA



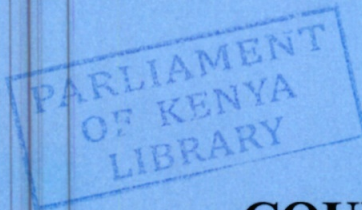
Enhancing Accountability

REPORT

PAPERS LAID	
DATE	14/05/2024
TABLED BY	Sen. Gloria Orwoba on behalf of SML
COMMITTEE	— OF
CLERK AT THE TABLE	Ms. Chesop.

THE AUDITOR-GENERAL

ON



COUNTY REVENUE FUND

FOR THE YEAR ENDED

30 JUNE, 2023

COUNTY GOVERNMENT OF WEST POKOT



COUNTY REVENUE FUND

County Government of West Pokot

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 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 West Pokot
County Revenue Fund
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
Kshs	Kenya Shillings

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

Article 207 of the Constitution of Kenya provides for the establishment of the County Revenue Fund into which shall be paid all money raised or received by or on behalf of the County Government.

b) Key Management Team

The County Revenue Funds day-to-day management is under the following key organs:

No.	Designation	Name
1.	CECM Finance and Economic planning	Mr. Paul Woyakapel
2.	C.O Finance	Ms. Chebbet Mungo
3.	Director Accounting Services/Finance	CPA Haron Muruny

c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	CECM Finance and Economic Planning	Mr. Paul Woyakapel
2.	Accounting Officer in charge of Finance	Ms. Chebbet Mungo
3.	Director Accounting Services/Finance	CPA Haron Muruny

d) Fiduciary Oversight Arrangements

The following are fiduciary oversight arrangements applicable to the County government;

Audit and Finance Committee Activities

The West Pokot County Audit Committee was constituted and inducted on 1st July 2018 as per the provisions of the Public Finance and Management Act, 2012. It is mandated to review audit reports and advise the County government on institutional risk management. The Committee held four meetings in the period under review.

The audit committee members are;

S/No	Name	Designation
1	Mr. Paul Loitangiro Rikilem, CPA	Chairperson
2	Thomas Lotiaka, CPA	Secretary
3	Mr. Kizito Musakala Makhumi	Member
4	Mr. Philip Ptiso	Member
5	Ms. Irene Chebet Lorot	Member
6	Mr. Fred Pkemoi Lourien	Member

Senate Committee Activities

The Senate by virtue of its constitutional mandate has secondary oversight responsibility over County governments. The County Public Accounts and Investment Committee of the Senate has been directly involved in oversight over County governments. During the period ended 30th June 2023 the County appeared before the Senate County Public Accounts and Investment Committee twice to discuss Audited reports for FY 2019/2020.

West Pokot County Assembly

Article 185(3) provides that a county assembly, while respecting the principle of the separation of powers, may exercise oversight over the County executive committee and any other County executive organs. The oversight role of the County assembly is exercised directly by all members of the County assembly and through County assembly committees. The following are the committees responsible for oversight in the County assembly:

- Public Accounts and Investment Committee
- Sectorial Committees
- Finance and Planning Committee
- Implementation Committee

Development partner oversight activities

The County continues to build a conducive environment for partners to supplement the government towards improving the lives of its citizens. The County has worked with several partners through capacity building of technical staff and also partnership in implementation of community development programs.

Controller of Budget

Article 228(4) of the Constitution of Kenya provides that the Controller of Budget shall oversee the implementation of the budgets of the national and county governments by authorizing withdrawal from public funds. The Controller of Budget is also mandated to inquire into any matter which may be brought to his/her attention or which he/she considers necessary in the process of budget implementation. The office of the controller of budget authorized withdrawal of funds from County Revenue Fund, processing of our exchequer requisitions and finally reviewing our expenditure report and giving necessary feedbacks.

Office of the Auditor General

Office of the Auditor General audited the financial statements for the financial year 2021/2022 queries for the various departments were issued and responded to appropriately. The office also gave advisories to the County departments and this contributed to decrease in queries during the Compliance audit as compared to the previous year's audit.

e) County Headquarters

The County's headquarters in Kapenguria has the following address:

P.O Box 222 – 30600

Office of the Governor

Off Kapenguria County Hospital Road Kapenguria, Kenya

f) County Contacts

Telephone: (254) 0532014000

E-mail: info@westpokot.go.ke

Website: www.westpokot.go.ke

g) County Bankers

1. Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200 Nairobi, Kenya

2. Kenya Commercial Bank Limited
Kapenguria Branch,
P.O. Box 66 – 30600
Kapenguria, Kenya

3. Equity Bank Limited
Kapenguria Branch
P.O. Box 75104
Kapenguria, Kenya

4. Cooperative Bank of Kenya Limited
Kitale Branch
P.O. Box 1058 – 0200
Kitale, Kenya

h) Independent Auditor

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

i) Principal Legal Adviser

The County Attorney
P.O Box 222 – 30600
Off Kapenguria County Hospital Road
Kapenguria, Kenya

3. Statement by the CECM Finance

It gives me pleasure to present the County revenue financial statements for the County Government of West Pokot for the period ended 30 June 2023. The financial statements have been prepared in accordance with Sections 109 and 167 of the Public Finance Management Act, Accounting Officer accepts responsibility for the County Revenue Fund's financial statements, 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). The Accounting Officer is of the opinion that the County Revenue Fund's financial statements give a true and fair view of the state of the County Revenue Fund's transactions during the financial year ended June 30, 2023, and of its financial position as at that date. Below include the table showing the total receipts received for the financial period

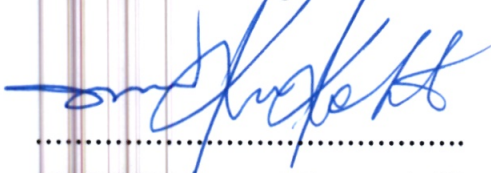
Sections 109 and 167 of the Public Finance Management Act, 2012 requires a County Revenue Fund established by the Constitution, an Act of Parliament or county legislation shall prepare financial statements for the Fund for each financial year in a form prescribed by the Public Sector Accounting Standards Board and submit to the Auditor General and a copy to the Commission on Revenue Allocation and the Controller of Budget. Total receipts for the period under review was Ksh **6,715,402,844**. This comprises of Exchequer releases, own source revenue, return CRF grants from development partners and proceeds from domestic and foreign borrowings, and other miscellaneous deposits in the County Revenue Fund Account.

In the Financial year 2022/2023 the County had projected revenues estimate of Ksh 7,664,537,188.83 as approved by County Assembly, Comprising of Ksh.6,297,284,329 from the Equitable share allocation, Ksh 617,782,747 being equitable share rollovers from the FY 2021-2022, Ksh 427,909,596.28 from conditional grants and Ksh 170,000,000 being own source Revenues.

Total receipt of Ksh 6,715,402,844 was received to the County Revenue Fund, the total major receipts included Ksh 6,297,284,329 being the actual equitable share received, conditional grants of Kshs 237,373,400 was received from development partners and Ksh 128,198,339 from own source revenues collected during the year.

From the County Revenue Fund Kshs 6,322,620,939 and 776,775,899 were disbursed to County Executive and Assembly respectively to finance the capital expenditure and recurrent operations.

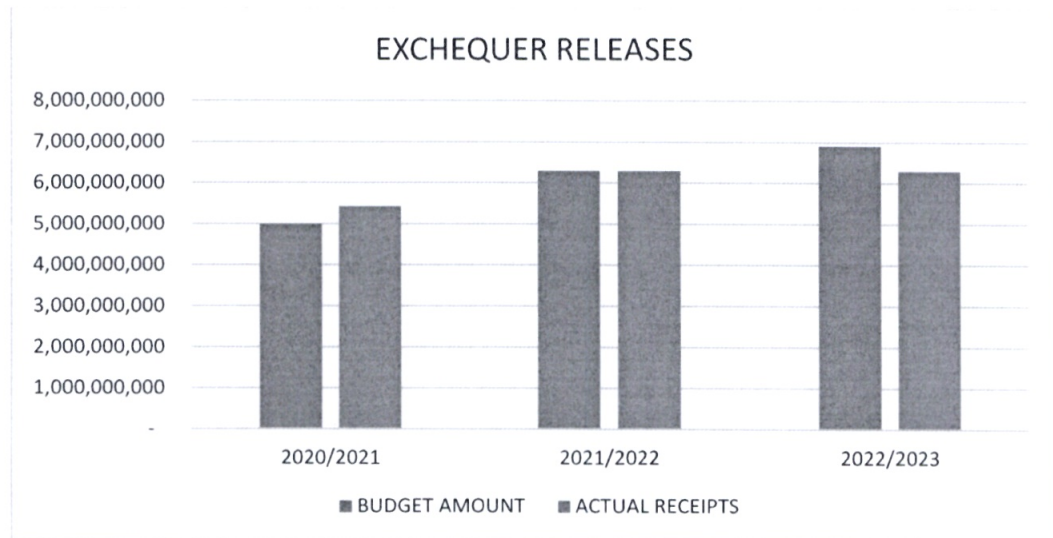
Exchequer releases remains our major source of revenue. The county is continuously investing on raft measures on increasing own source revenue.



.....
CECM Finance and Economic Planning
County Government of West Pokot

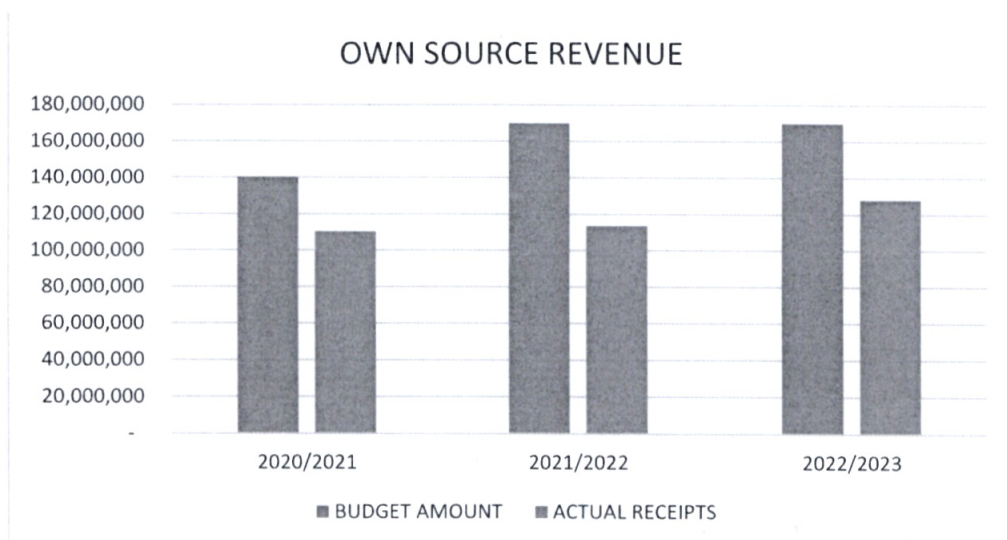
4. Management Discussion and Analysis

1. Exchequer Releases



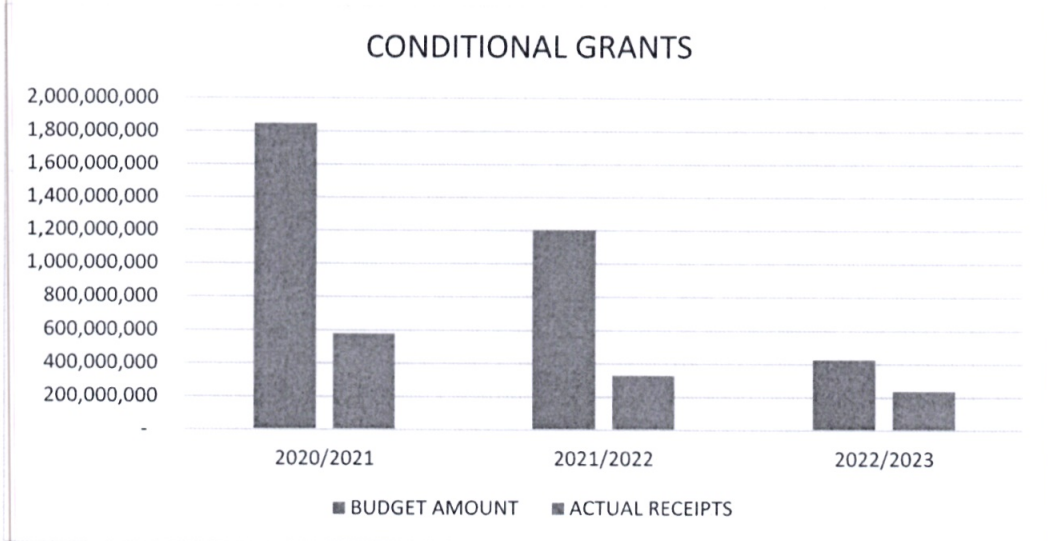
Equitable share continues to be the major source of revenue to the County Government of West Pokot.

2. Own Source Revenue



Own source revenue has been recording an upward increase in collection despite not meeting the targeted amount. Revenue collection is in the process of being fully automated and sealing of loop holes for revenue leakages have been enhanced.

3. Conditional Grants



5. Overview of the County Revenue Fund Operations

Background

Article 207 of the Constitution of Kenya provides for the establishment of a County Revenue Fund into which shall be paid all money raised or received by or on behalf of the County Government. As outlined under Section 109 of the Public Finance Management (PFM) Act, 2012 the County Treasury is responsible for administration of the County Revenue Fund. The County Revenue Fund is maintained as the County Exchequer Account at the Central Bank of Kenya.

Receipts into the County Revenue Fund

County Government revenue is received through appointed County Receiver of Revenue by the County Executive Committee Member for finance to the County Treasury pursuant to Section 157 (1) of the PFM Act 2012. Receipts include Exchequer releases, grants from development partners, proceeds from domestic and foreign borrowings, and other miscellaneous deposits in the County Revenue Fund Account.

Transfers from the County Revenue Fund

The withdrawal of funds from the County Revenue Fund is authorized by the County appropriation Act. The County Treasury is required to seek the Controller of Budget's approval for withdrawal of funds from the County Revenue Fund to the County Executive and County Assembly bank accounts. These entities are responsible for the administration of their respective approved budgets.

Financial Reporting requirements

The Accounting Officer for the County Revenue Fund is required to prepare and submit the financial statements to the Auditor-General and a copy to the Controller of Budget, and the Commission on Revenue Allocation.

This statement therefore covers the operations of the County Exchequer Account for the financial year ended 30th June 2023.



.....
Hon. Paul Woyakapel

**CEC Member – Finance and Economic Planning
County Government of West Pokot**

6. Statement of Management Responsibility

Article 207 of the Constitution, Sections 109 and 167 of the Public Finance Management Act, 2012 requires a County Revenue Fund established by the Constitution, an Act of Parliament or county legislation to prepare financial statements for the Fund for each financial year in a form prescribed by the Public Sector Accounting Standards Board and submit to the Auditor General and a copy to the Commission on Revenue Allocation and the Controller of Budget.

The Accounting Officer at the County Treasury is responsible for the preparation and presentation of the County Revenue Fund financial statements, which give a true and fair view of the state of affairs of the Fund as at the end of the financial year ended on June 30, 2023. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Revenue Fund; (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 County Revenue Fund; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

The Accounting Officer accepts responsibility for the County Revenue Fund's financial statements, 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). The Accounting Officer is of the opinion that the County Revenue Fund's financial statements give a true and fair view of the state of the County Revenue Fund's transactions during the financial year ended June 30, 2023, and of its financial position as at that date.

The Accounting Officer further confirms the completeness of the accounting records maintained for the County Revenue Fund which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control. The Accounting Officer confirms that the County Revenue Fund has complied fully with applicable Government Regulations and the terms of external financing covenants. Further, Accounting Officer confirms that the County Revenue Fund's Financial Statements have been prepared in a form that complies with relevant Accounting Standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the Financial Statements

The County Revenue Fund's financial statements were approved and signed on 06/12 2023.

Signature _____



Name: Priscillah Chebbet Mungo

Chief Officer Finance /Accounting Officer

County Government of West Pokot

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON COUNTY REVENUE FUND FOR THE YEAR ENDED 30 JUNE, 2023 - COUNTY GOVERNMENT OF WEST POKOT

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Revenue Fund - County Government of West Pokot set out on pages 1 to 13, which comprise the statement of receipts and payments and statement of comparison of budget and actual amounts for the year ended 30 June, 2023 and a summary of significant accounting policies and other

Report of the Auditor-General on County Revenue Fund for the year ended 30 June, 2023 - County Government of West Pokot

explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial performance of the County Revenue Fund - County Government of West Pokot for the year ended 30 June, 2023 in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012, and County Governments Act, 2012.

Basis for Qualified Opinion

1. Accuracy of Exchequer Receipts

The statement of receipts and payments reflects exchequer receipts of Kshs.6,297,284,329 while records maintained by The National Treasury shows that a total of Kshs.6,801,067,076 in respect of exchequer issues was disbursed to the County Government of West Pokot. The variance of Kshs.503,782,747 has not been explained or reconciled.

In this circumstances, the accuracy and completeness of the Exchequer receipts of Kshs.6,297,284,329 could not be confirmed.

2. Unreconciled Exchequer Releases, Own Source Revenue and Budget Balances

The statement of receipts and payments for the year ended 30 June, 2023 reflects transfers to County Executive of Kshs.6,322,620,939 which is at variance with the amount reflected in the financial statements of the County Executive of Kshs.6,663,550,467 by Kshs.340,929,528. The statement also shows own source revenue amount of Kshs.128,198,339 which is also at variance with the amount reported in the statement of receipts and payments for the County Executive of Kshs.128,892,738 by Kshs.694,399.

The statement of comparison of budget and actual amounts reflects total budgeted receipts and payments each of Kshs.7,664,537,189. The amount varies with budgeted receipts and payments for the County Executive and County Assembly of Kshs.7,664,537,189 and Kshs.877,687,286 respectively, totalling to Kshs.8,542,224,475.

In the circumstances, the accuracy of the actual and budgeted amounts of Exchequer releases, own source revenue and receipts and payments could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparative budget and actual amounts reflects final receipts budget and actual amounts on comparable basis of Kshs.7,664,537,189 and Kshs.6,715,402,844 respectively resulting to an underfunding of Kshs.949,134,345 or 12% of the budget. Similarly, the Fund disbursed Kshs.7,099,396,838 against an approved budget of Kshs.7,664,537,189 resulting to an under disbursement of Kshs.565,140,351 or 7% of the budget.

The underfunding/under collection of receipts and subsequent under disbursement is an indication that the planned programs and activities were not implemented and the citizens may not have received the envisaged services.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, 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 Information

The Management is responsible for the other information set out on page iii to ix which comprise of Key Entity Information and Management, statement by CECM Finance, Management Discussion and Analysis, Overview of County Revenue Fund Operations and Statement of Management Responsibilities. The other information does not include the financial statements and my audit report thereon.

My opinion on the financial statements does not cover the other information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

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, I confirm that nothing 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

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the

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

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

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, 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 governance were not effective.

Basis for Conclusion

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

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the County Revenue 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 the Management is aware of the intention to terminate the Fund or cease operations.

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

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

Those charged with governance are responsible for overseeing the 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

governance and risk management and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal 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 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 Fund's policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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 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 Fund to cease 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 Fund 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 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

17 April, 2024

8. Statement of Receipts and Payments for the Year Ended 30th June 2023.

		2022 - 2023	2021 - 2022
	Notes	Kshs.	Kshs.
Receipts			
Exchequer releases	1	6,297,284,329	6,297,284,329
Transfers from other government agencies	2	237,373,400	331,994,202
Own Source Revenue	3	128,198,339	113,705,713
Return to CRF issues	4	52,546,776	32,480,692
Total Receipts		6,715,402,844	6,775,464,936
Payments			
Transfers to County Executive	5	6,322,620,939	5,972,813,490
Transfers to County Assembly	6	776,775,899	670,548,179
Total Payments		7,099,396,838	6,643,361,669
Net increase/ (decrease) in cash for the year		(383,993,994)	132,103,267
Add Opening fund balance B/F	7	603,490,886	469,710,235
Closing Fund balance for the year	7	219,496,892	603,490,886



.....
 Name: Chebbet Mungo
 Chief Officer - Finance and Economic
 Planning

Date..... 6/12/2023



.....
 Name Haron Muruny
 Director Accounting Services
 ICPAK Member No 26158

Date..... 6/12/2023

9. Statement of Comparison of Budget Actual Amounts for the Year Ended 30th June, 2023.

Receipt/Payments	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Realization Difference	% of Realization
	A	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Exchequer Releases	6,297,284,329		6,297,284,329	6,297,284,329	-	100%
Transfers from other government agencies	963,704,497	181,001,587	1,144,706,084	237,373,400	907,332,684	26%
Own Source Revenue	170,000,000		170,000,000	128,198,339	41,801,661	75%
Return to CRF Issues	52,546,776		52,546,776	52,546,776	-	
Total Receipts	7,483,535,602	181,001,587	7,664,537,189	6,715,402,844	949,134,345	
Payments						
Transfers to County Executive	6,709,490,854	77,359,049	6,786,849,903	6,322,620,939	464,228,964	93%
Transfers to County Assembly	774,044,748	103,642,538	877,687,286	776,775,899	100,911,387	89%
Total Payments	7,483,535,602	181,001,587	7,664,537,189	7,099,396,838	565,140,351	93%
Balance						

10. Significant Accounting Policies

a) Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the Cash-Basis of accounting, as prescribed by the PSASB and Section 167 of the PFM Act 2012.

The Financial Statements are presented in Kenya Shillings, which is the functional and reporting currency of the Fund, all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented.

b) Reporting entity

This report relates to financial operations of the County Revenue Fund domiciled at the County Treasury and bank account maintained at Central Bank of Kenya.

c) Receipts

Receipts include funds deposited in the County Revenue Fund pursuant to Article 207 of the Constitution of Kenya and Section 109 of the PFM Act 2012.

The receipts collected include Exchequer releases, own source revenue, grants from development partners, proceeds from domestic and foreign borrowings, and other miscellaneous deposits in the County Exchequer Account.

Transfers from the exchequer and own source revenue are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

d) Payments

Payments are based on the County Government Appropriation Act. The exchequer requests are received by County Treasury, which rationalizes the requests based on the available balance, consolidates the requests and forwards them to Controller of Budget (COB) for approval. Once the approval of COB is obtained, the funds are released to the County Assembly and County Executive operational accounts appropriately.

Significant Accounting Policies (Continued)

e) Fund Balances

Fund balances comprise bank balances in County Exchequer Account held at Central Bank of Kenya.

f) Restriction on Cash

Restricted cash represents amounts that are limited/restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation. During the period under review there were no restrictions on cash.

11. Notes to the Financial Statements

1. Exchequer releases

The following is an analysis by revenue type of the receipts collected in the County Revenue Fund:

Description	2022 -2023	2021 - 2022
	Kshs.	Kshs.
Equitable Share (a)	6,297,284,329	6,297,284,329
Total	6,297,284,329	6,297,284,329

2. Transfers from other government agencies

Description	2022 -2023	2021 - 2022
	Kshs.	Kshs.
World Bank -Transforming Health Systems for Universal Care Project (THUSP)-Ministry of Health		43,146,498
World Bank Kenya Climate Smart Agriculture (KCSAP) -State Department of Crop Development	104,519,473	197,626,077
DANIDA Grant -Primary Health care in devolved context -Ministry of Health		5,539,875
SIDA Agricultural Sector Development Support Programme II (ASDSP II)-State Department of Crop Development	24,578,643	6,000,000
Word Bank-Emergency Locust Response Project (ELRP) State Department of Crop Development	69,046,231	12,292,914
Word Bank-Kenya Urban Support Programe (KUSP)-State Department of Housing & Urban Development	2,339,915	
EU Grant (Instruments for Devolution Advice and Support- (IDEAS)-State Department of Devolution	25,889,138	1,120,781
FLOCA West Pokot County Climate Change-Min. Water, Sanitation, and Irrigation	11,000,000	
Kenya Devolution Support Programme	-	66,268,057
Total	237,373,400	331,994,202

County Government of West Pokot
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3. Own Source Revenue

Description	2022 - 2023	2021 - 2022
	Kshs.	Kshs.
Market Kiosk Rent	2,183,650	1,473,604
Business Permit	7,743,100	6,468,670
Market Shelter Fees	1,218,355	1,284,187
Building Plan Approval Fee	203,000	417,579
Ballast/Sand Cesses	16,645,030	20,146,053
Livestock Cess	4,503,840	3,275,699
Rent of Government Building & Housing	1,269,876	1,440,263
Advertising Fee	822,200	1,157,292
Street Parking Fee	381,930	505,481
Other Vehicles Enclosed Park Fee	2,184,260	2,814,697
Applications/Renewal	1,129,350	1,115,320
Licensing Fee	126,000	208,410
Other Miscellaneous Fee	3,336,465	1,940,244
Receipt From Admin. Fees and Charges (Trade)	149,200	1,207,309
Facility Improvement Fund (A.I.A)	78,542,689	64,020,327
Lands (Plot/Land Rates)	6,917,344	5,630,937
Other Revenues (Livestock movement	471,200	362,694
Forest Material Cess	370,850	236,947
Total	128,198,339	113,705,713

4. Return to CRF Issues

Description	2022 - 2023	2021 - 2022
	Kshs.	Kshs.
Recurrent Account (<i>County Executive</i>)	22,984,263	31,045,711
Development Account (<i>County Executive</i>)	28,868,114	140,427
Recurrent Account (<i>County Assembly</i>)	23,879	1,007,937
Development Account (<i>County Assembly</i>)	670,520	286,617
Total	52,546,776	32,480,692

5. Transfers to County Executive

Description	2022 - 2023	2021 - 2023
	Kshs.	Kshs.
Recurrent Account	4,291,928,307	4,287,989,545
Development Account	1,828,948,642	1,352,829,743
Special Purpose Accounts	201,743,990	331,994,202
Total	6,322,620,939	5,972,813,490

6. Transfers to County Assembly

Description	2022 - 2023	2021 - 2022
	Kshs.	Kshs.
Recurrent Account	730,078,511	648,197,503
Development Account	46,697,388	22,350,676
Total	776,775,899	670,548,179

7. Fund balance

Description	2022 - 2023	2021 - 2022
	Kshs.	Kshs.
County Exchequer Account - (CBK Account number 1000171577)	219,496,892	603,490,886
Total	219,496,892	603,490,886

Notes to the Financial Statements (Continued)

8. Disclosure of Balances in Revenue Collection Accounts

County Government Own source revenue is recognized in the financial statements when it has been swiped to CRF. Revenue collection account balances are disclosed as at the end of the reporting period as below.

Name Of Bank, Account No. & Currency	Amount in bank account currency*	Ex. rate (if in foreign currency)	FY 2022 2023	FY 2021 - 2022
			Kshs	Kshs
Equity Bank Ac no. 1070260824340 Kapenguria Branch West Pokot County Revenue Account	KES		474,991	68,760
Total			474,991	68,760

12. Annexes

Annex 1: Progress on follow up of Auditor's Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.3	Non-remittance of all Revenues Collected to the CRF Account	The County Government of West Pokot issued standing order instructions to Kenya Commercial Bank in a letter dated 19th Dec 2019 to transfer all funds every Friday to West Pokot Collections Account No. 1070260824340 maintained at Equity Bank. The cashbook closing balance b/d is incorrectly summed as Kes 67,060,263 and yet it was transferred in the subsequent months. This led to overstatement of unremitted amount of Kes 68,760 to Kes 66,797,749.	Resolved	March 2023
4.5	Budget Control and performance	The overall revenue shortfall was largely contributed by delayed exchequer releases for the month of June, 2022. The under expenditure was mainly due to procured projects	Resolved	June 2023

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		which had not been completed by contractors and suppliers to facilitate payment by 30th June, 2022. Political differences, conflict and disagreements between the County Executive and County Assembly delayed approval of supplementary budget for 3 months also affected budget implementation. In addition, some pending bills which had been classified as eligible by Office of Auditor General could not be paid due to incomplete works and tax compliance challenges by contractors and suppliers. Despite these external challenges, the management has taken note of the recommendation		



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Name: Chebbet Mungo
Chief Officer Finance
Date: 6/12/23

Annex 2. Analysis Of Receipts from The National Treasury Exchequer Releases

Period (FY 2022/2023)	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
Equitable Share	535,269,168	1,039,051,914	1,542,834,661	3,180,128,586	6,297,284,329
Emergency Locust Response Program Grant			27,795,710	41,250,521	69,046,231
Kenya Urban Support Programme				2,339,915	2,339,915
Agriculture Sector Development Support Project (ASDSP)			24,578,643		24,578,643
Kenya Climate Smart Agriculture Project (KCSAP)			104,519,474		104,519,474
Water and Sanitation Development Project- Climate Change			11,000,000		11,000,000
EU Grant (Instruments for Devolution Advice and Support- IDEAS) Ministry of Devolution			25,889,138		25,889,138
Total	535,269,168	1,039,051,914	1,736,617,626	3,223,719,022	6,534,657,730

Annex 3. Analysis Of Receipts from Own Source Revenue per Quarter

Period 2022/2023	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)
Cess	2,943,865	8,795,805	8,521,865	1,358,535	21,620,070
Land/Plot Rates	1,351,350	1,468,650	3,589,004	508,340	6,917,344
Single/Business Permits	208,450	475,500	6,637,450	1,551,050	8,872,450
Property Rent	371,776	855,900	1,276,650	949,200	3,453,526
Parking Fees	337,960	507,910	1,135,860	584,460	2,566,190
Market Fees	249,890	394,990	334,905	238,570	1,218,355
Advertising	-	99,000	531,900	191,300	822,200
Hospital Fees	12,622,539	16,624,660	34,298,170	14,997,319	78,542,688
Physical Planning and Development	80,000	29,000	68,000	26,000	203,000
Administration Control Fees and Charges	5,000	10,000	176,000	84,200	275,200
Miscellaneous Receipts	373,160	1,326,956	1,257,339	749,861	3,707,316
Total	18,543,990	30,588,371	57,827,143	21,238,835	128,198,339

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 County Revenue Fund
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Annex 4: Analysis of Transfers from the County Revenue Fund

Period -2022/2023	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
County Executive -Rec	425,283,072	1,455,478,564	828,281,909	1,582,884,763	4,291,928,307
County Executive -Dev		13,699,800	173,821,412	1,641,427,430	1,828,948,642
County Assembly -Rec	40,708,661	186,315,350	256,300,090	246,754,410	730,078,511
County Assembly -Dev				46,697,388	46,697,388
Special Purpose Account					-
ELRP			27,795,710	41,250,521	69,046,231
KCSAP			104,519,474		104,519,474
ASDSP			14,838,371		14,838,371
Climate Change				11,000,000	11,000,000
KUSP				2,339,915	2,339,915
Total	465,991,733	1,655,493,714	1,405,556,966	3,572,354,427	7,099,396,839