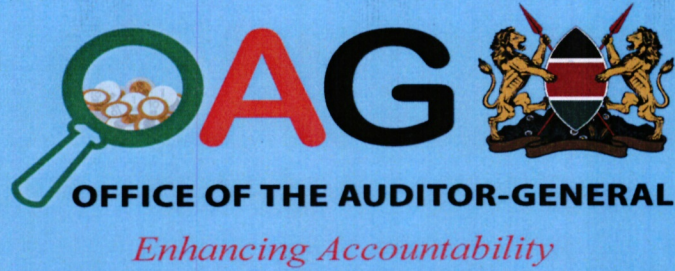


REPUBLIC OF KENYA



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**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**RECEIVER OF REVENUE**

**FOR THE YEAR ENDED  
30 JUNE, 2022**

**COUNTY GOVERNMENT OF BARINGO**

PAPERS LA	
DATE	19/04/2023
TABLED BY	SENATE DEPUTY MARIAM W...
COMMITTEE	
CLERK AT THE TABLE	Ms MARIA ADIBODU





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**RECEIVER OF REVENUE**

**COUNTY GOVERNMENT OF BARINGO**

**REVENUE STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2022**

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

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**Receiver Of Revenue**  
**County Government Of Baringo**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**I. Key Entity Information and Management**

**(a) Background information**

The *Receiver of Revenue* is under the Department of County Treasury, Finance and Economic planning. At the County Executive Committee level, the *receiver of revenue* is represented by the County Executive committee member for County Treasury, Finance and Economic planning, who is responsible for the general policy and strategic direction of the *receiver of revenue*. The *receiver of revenue* is designated as a receiver on 19<sup>th</sup> January, 2015 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 Baringo' day-to-day management of revenue is under the following: The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2022 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	County Executive Treasury and Economic Planning	Hon. CPA Enock K. Keston
2.	Chief Officer, Treasury and Economic Planning	Mr. John Kiptoo Kisang
3.	Director Finance and Administration	CPA Gikono Kiptoo Kiprono
4.	Deputy Director – Revenue	CPA Hillary Kipkoech Siror

**(d) County Headquarters**

P.O. Box 53-30400  
AFC Building/House/Plaza  
Market Road/Highway  
Kabarnet, KENYA

**Receiver Of Revenue**  
**County Government Of Baringo**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**(e) Independent Auditors**

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

**(f) Principal Legal Adviser**

The Attorney General  
State Law Office and Department of Justice  
Harambee Avenue  
P.O Box 40112 – 00200  
City Square  
**NAIROBI, KENYA**

**(g) Bankers**

Kenya Commercial Bank  
Kabarnet Branch  
P.O. Box 175 - 30400  
**KABARNET, KENYA**

**(h) County Treasury**

P.O. Box 53-30400  
AFC Building/House/Plaza  
Market Road/Highway  
**KABARNET, KENYA**

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


PFM Act, 2012 section 165(1) (2) (3) mandates the receiver of revenue to prepare an account in respect of the revenue collected, received and recovered by the receiver during that financial year. As defined in our service charter the key mandate of county treasury is to mobilize resources and collect all revenues for funding the budgetary requirements of the county government and putting in place mechanisms to raise revenue and resources.

In the year under review, the County Government of Baringo realize a performance of Kshs. 264,898,800 declared by the receiver of revenue as own source revenue. The sources of revenues are: game park fees; produce and other cess; land rates; single business permit; market fees and hospital user charges among others.

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

The CEC Member for Finance accepts responsibility for the County Government'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 CEC member for finance is of the opinion that the County Government's financial statements give a true and fair view of the state of the County Government's transactions during the financial year ended June 30, 2022, and of its financial position as at that date. The CEC member for finance further confirms the completeness of the accounting records maintained for the County Government which have been relied upon in the preparation of the its financial statements as well as the adequacy of the systems of internal financial control.

The CEC Member for Finance confirms that the County Government has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Government's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the CEC member for finance confirms that the County Government'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.

  
COUNTY EXECUTIVE MEMBER  
TREASURY & ECONOMIC PLANNING  
Hon. CPA Enock K. Keston  
30 SEP 2022  
COUNTY EXECUTIVE MEMBER – Finance and Economic Planning  
BARINGO COUNTY GOVERNMENT  
P.O. Box 53-30400, KABARNET

**Receiver Of Revenue**  
**County Government Of Baringo**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**III. Management Discussion and Analysis**

The table below shows the actual performances in comparison with the budgeted amount for the financial year 2021/2022 with its variances

		2021/2022	2021/2022	2021/2022	2021/2022
	Revenue Source	ANNUAL BUDGET	ACTUAL	VARIANCE	%ACHIEVEMENT AGAINST TARGET
1	Game Park Fees	40,845,850.00	8,087,650	32,758,200	20
2	Animal Stock Sale Fees	0	10,027,730	-10,027,730	
3	Produce & other cess	26,763,394.00	22,886,636	3,876,758	86
4	Single Business Permit	35,544,579.00	37,301,917	-1,757,338	105
5	Plot Rent/Rates	32,241,828.00	13,846,640	18,395,188	43
6	Market Fees & Others	24,372,178.00	32,180,930	-7,808,752	132
7	Public Health License	4,205,390.00	2,433,670	1,771,720	58
8	Veterinary	6,598,990.00	1,894,830	4,704,160	29
9	Koibatek ATC	2,533,684.00	1,558,904	974,780	62
10	Marigat AMS	0	158,000	-158,000	
11	Hospital Revenue	115,821,931.00	134,521,893	-18,699,962	116
	<b>Total</b>	<b>288,927,823</b>	<b>264,898,800</b>	<b>24,029,023</b>	<b>92</b>

Summary of Revenue Trends			
Financial Year	Budget	Actual	Variance
2021/2022	288,927,823.47	264,898,800.00	24,029,023.47
2020/2021	296,088,720.48	205,203,689.00	90,885,031.48
2019/2020	393,416,295.05	301,663,645.00	91,752,650.05
2018/2019	371,147,446.00	359,321,520.00	11,825,926.00
2017/2018	350,000,000.00	308,177,130.00	41,822,870.00
2016/2017	330,000,000.03	286,546,866.00	43,453,134.03
2015/2016	300,000,000.00	279,736,551.00	20,263,449.00
2014/2015	255,800,000.00	249,723,428.05	6,076,571.95

**Receiver Of Revenue**  
**County Government Of Baringo**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

<b>BARINGO COUNTY GOVERNMENT</b>						
<b>SUMMARY REVENUE REPORT PER SOURCE PER FINANCIAL YEAR</b>						
<b>No</b>	<b>SOURCES</b>	<b>2017/2018 Actual</b>	<b>2018/2019 Actual</b>	<b>2019/2020 Actual</b>	<b>2020/2021 Actual</b>	<b>2021/2022 Actual</b>
1	Game Park Fees	71,916,550	84,704,490	57,843,830	2,341,450	8,087,650
2	Animal Stock Sale Fees	11,822,380	9,182,420	10,295,020	8,722,090	10,027,730
3	Produce & Other Cess	34,065,124	29,829,710	29,456,773	26,136,969	22,886,636
4	Single Business Permit	33,035,321	40,807,990	23,854,632	37,296,688	37,301,917
5	Plot Rent/ Rates	11,096,369	14,332,886	10,806,845	13,760,887	13,846,640
6	Market Fees & Others	37,002,770	38,156,702	31,795,774	28,956,094	32,180,930
7	Public Health Licences	4,046,030	3,270,276	2,376,210	1,946,100	2,433,670
8	Veterinary	23,290,990	17,989,295	6,052,430	1,836,360	1,894,830
9	Koibatek ATC	1,784,760	1,273,249	920,454	2,496,875	1,558,904
10	Marigat AMS	287,582	544,036	698,000	217,000	158,000
11	Hospital Revenue	73,056,001	119,230,467	127,563,677	81,837,356	134,521,893
<b>TOTAL</b>		<b>308,177,130</b>	<b>359,321,521</b>	<b>301,663,645</b>	<b>205,203,689</b>	<b>253,222,149</b>

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

**Introduction**

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

**Strategic development objectives**

The County's 2018-2022 CIDP has identified twenty two key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the Governor's Manifesto, the National Government's "Big Four", Vision 2030, SDGs and the MTP III.

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

The key development objectives of the Baringo County's 2018-2022 CIDP are to:

1. To improve mobilization and allocation of financial resource
2. Track implementation of development policies, strategies and programs
3. To increase Livestock productivity through improved nutrition and disease management, vector and pest control
4. To increase productivity, commercialization and competitiveness of agricultural commodities
5. Establish alternative source of income, improve nutrition and enhance food security
6. To improve health status of the individual, family and community
7. To reduce incidence of Preventable Diseases and ill Health's
8. To improve access and quality of learning
9. To impart technical skills through quality technical training
10. Promote socio- economic empowerment and psycho-social support for all members of community in the county.

**Receiver Of Revenue**

**County Government Of Baringo**

**Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

11. Establish and preserve cultural heritage and cultural sites
12. To manage urban areas for efficient service delivery
13. To acquire ownership documents for County properties
14. To improve human settlement environment
15. To provide adequate housing facilities
16. To provide proper road network that is efficient and effective
17. To maintain required standards in construction
18. To provide safe, efficient and orderly movement of motorist, pedestrian and commuters
19. To increase access and availability of safe and adequate water
20. To sustainably manage and conserve the environment
21. facilitate and promote uptake of green energy to ensure environmental sustainability
22. Efficient and effective provision of services to the county citizenry
23. Enhance capacity of the County to manage disasters
24. Promote trade activities by providing the necessary infrastructure
25. To enhance development of co-operative societies
26. Improve county competitiveness through tourism
27. Provide a modern reliable communication and information to citizens
28. To offer quality service to citizens and Modernize County Printing Press Unit
29. To reinforce sporting activities across the county and promote harnessing of talents

Below is the progress made in attaining the objectives of the CIDP (2018-2022) for County Government of Baringo.

<i>Ref</i>	<i>Sector/ Department</i>	<i>Objective as per CIDP/ind icator Handboo k</i>	<i>Indicator</i>	<i>Baseline</i>	<i>Annual Target</i>	<i>Performance /Progress made up since 2018 up to date</i>	<i>Remark (reason underpe ormanc Over perform nce)</i>
	<b><i>F/Y 2018/19</i></b>						
<b><i>I.</i></b>	Finance and Economic	Improve own	% Increase	301,403,877	19% increase in own source	359,321,521	

**Receiver Of Revenue**  
**County Government Of Baringo**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

	Planning	source revenue	in own Source Revenue		revenue up from 301M		
	<b>F/Y 2019/20</b>						
			% Increase in own Source Revenue	359,321,521	16% reduction in own source revenue	301,663,645	Covid pandemi negative affected revenue collectio due governr nt measure put place cushion the spre of t dicease
	<b>F/Y 2020/21</b>						
			% Increase in own Source Revenue	301,663,645	31% further reduction in own source revenue	205,547,869	Effects Covid Pandemi especiall on Tourism sector which our maj revenue source
	<b>F/Y 2021/22</b>						
			% Increase in own Source Revenue	205,547,869	28.80% increase in own source revenue	264,898,800	Gradual recovery from Covid and t economy

**Progress on attainment of Development Objectives from Annual Development Plan**

The implementation of the CIDP under review is premised on the increasing demand for adoption of Result Based Management tools in execution and management of public affairs. The Constitution of Kenya 2010 provides for adherence to transparency and accountability in management of public programmes/projects. In recognizing this fact, the CIDP development initiatives have been developed with focus on results and management tools.

The County M&E policy 2015 articulates the County Government commitment to manage for results at all levels. Full operationalization of the county M&E policy ensures effective implementation of the CIDP. The policy outline the M&E structures specifying the roles and responsibilities of each implementation structure including the relationship in terms of reporting and feedback. Implementation reports are categorized into monthly, quarterly and annual including Mid-Term reviews and End-Term evaluations. Complete M&E reports are shared with all stakeholders on various communication platforms.

**County Priorities**

The County Integrated Development Plan (CIDP) 2018-2022 priorities were selected and implemented by eight sectors as highlighted in the annual budget documents. The projects includes the flagship and other prioritized projects during public participation. The eight implementing sectors are; Energy, Infrastructure and ICT, Environment Protection, Water and Natural Resources. Agriculture, Education, Health, Social Protection, Culture and Recreation, Public Administration and Governance.

**Receiver Of Revenue  
County Government Of Baringo  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

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

Section 165 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, a receiver of revenue for a county government shall prepare an account in respect of the revenue collected, received and recovered by the receiver during that financial year.

The Receiver of Revenue is responsible for the preparation and presentation of the *receiver of revenue account*, which gives a true and fair view of the state of affairs of the *receiver of revenue* for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the 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 *Baringo County Government ROR* 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 *Baringo County Government receiver of revenue* account gives a true and fair view of the state of *Baringo County Government ROR* transactions during the financial year ended June 30, 2022, and of the *Baringo County Government ROR* 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 *Baringo County Government receiver of revenue* 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**

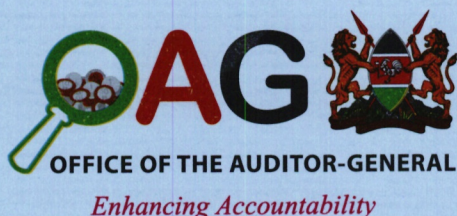
The *revenue* statements were approved and signed by the Receiver of Revenue on .....30/09/.....  
2022



.....  
**CPA Hillary Kipkoech Siror  
County Receiver of Revenue**

# 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, 2022 - COUNTY GOVERNMENT OF BARINGO**

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### **PREAMBLE**

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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**

#### **Adverse Opinion**

I have audited the accompanying Revenue Statements set out on pages 1 to 18, which comprise the statement of financial assets and liabilities as at 30 June, 2022 and the statement of receipts and disbursements and statement of comparison of budget and

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*Report of the Auditor-General on Receiver of Revenue for the year ended 30 June, 2022 - County Government of Baringo*

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

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the revenue performance of the Receiver of Revenue – Revenue Statement and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the Public Finance Management Act, 2012.

## **Basis for Adverse Opinion**

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

#### **1.1. Inaccuracies in the Statement of Receipts and Disbursements**

The statement of receipts and disbursements reflects own source revenue of Kshs.264,898,800 that includes revenue from Animal Stock Sale Fees, Produce & Other Cess, Plot Rent/Rates, Market Fees and Others, Veterinary, Koibatek Agricultural Training Centre, Marigat Agricultural Mechanization Services, Property Rent, Parking Fees, Administration Control Fees and Charges which differed with Management Discussion and Analysis balances in the annual report resulting to unreconciled variances as detailed below:

<b>Revenue Source</b>	<b>Amount as Per Statement of Receipts and Disbursements (Kshs.)</b>	<b>Amount as Per Management Discussion and Analysis (Kshs.)</b>	<b>Variance (Kshs.)</b>
Animal Stock Sale Fees	0	10,027,730	(10,027,730)
Produce & Other Cess	32,914,366	22,886,636	10,027,730
Plot Rent/Rates	4,916,383	13,846,640	(8,930,257)
Market Fees and Others	6,957,260	32,180,930	(25,223,670)
Veterinary	0	1,894,830	(1,894,830)
Koibatek Agricultural Training Centre	0	1,558,904	(1,558,904)
Marigat Agricultural Mechanization Services	0	158,000	(158,000)
Property Rent	23,278,870	0	23,278,870
Parking Fees	11,684,100	0	11,684,100
Administration Control Fees and Charges	1,894,830	0	1,894,830
<b>Total</b>	<b>81,645,809</b>	<b>82,553,670</b>	

## 1.2. Inaccurate Statement of Comparison of Budget

The statement of comparison of budget and actual amounts reflects final budget balances that differed with the approved budget balances as detailed below:

Revenue Source	Amount as per Statement of Budget Comparison (Kshs.)	Amount as per Approved Budget (Kshs.)	Variance (Kshs.)
Cess	26,763,394		26,763,394
Land/Plot Rates	32,241,828	47,176,532	(14,934,704)
Single Business Permit	35,544,579	42,377,729	(6,833,150)
Market Fees and Others	24,372,178	31,222,426	(6,850,248)
Hospital Revenue (FIF)	115,821,931	74,360,161	41,461,770
Public Health	4,205,390	1,169,549	3,035,841
Hire of County Assets	2,533,684	0	2,533,684
Administration Control Fees and Charges	6,598,990	0	6,598,990
Park Fees	40,845,850	49,749,292	(8,903,442)
Animal Stock Sales Fees	-	6,101,843	(6,101,843)
Produce and Other Sales	-	21,565,018	(21,565,018)
Koibatek Agricultural Training Centre	-	4,188,017	(4,188,017)
Marigat Agricultural Mechanisation Services	-	9,534,326	(9,534,326)
Veterinary	-	1,102,042	(1,102,042)
<b>Total</b>	<b>288,927,824</b>	<b>288,546,935</b>	

## 1.3. Inconsistencies Between Statements of Receipts and Disbursements and Statement of Comparison of Budget

The statement of comparison of budget and actual amounts reflects actual revenue amounts on comparable basis that differed with those reflected in the statement of receipts and disbursements resulting to unreconciled variances as detailed below: -

Revenue Source	Amount as per Statement of Receipts and Disbursements (Kshs.)	Amount as per Statement of Comparison of Budget (Kshs.)	Variance (Kshs.)
Land/ Plot Rate	4,916,383	13,846,640	(8,930,257)
Property Rent	23,278,870	-	23,278,870
Parking Fees	11,684,100	-	11,684,100
Market Fees	6,957,260	32,180,930	(25,223,670)
Hire of county Assets	-	1,716,904	(1,716,904)

Further, the statement of budget comparison and actual amounts reflect balances that differed with management discussion and analysis balances as detailed below:

<b>Revenue Source</b>	<b>Amount as per Statement of Comparison of Budget (Kshs.)</b>	<b>Amount as per Management Discussion and Analysis (Kshs.)</b>	<b>Variance (Kshs.)</b>
Veterinary	-	6,598,990	(6,598,990)
Koibatek Agricultural Training Centre	-	2,533,684	(2,533,684)
Hire of County Assets	2,533,684	-	2,533,684
Administration Control Fees and Charges	6,598,990	-	6,598,990

#### **1.4. Prior Year Comparative Balances**

The statement of receipts and disbursements reflects comparative balances which differed with the 2020/2021 audited financial statements balances for Baringo County Executive as detailed below:

<b>Revenue Source</b>	<b>Comparative Balances- Revenue Statements (Kshs.)</b>	<b>Audit Certificate- Baringo County Executive 2020/2021 (Kshs.)</b>	<b>Variance (Kshs.)</b>
Cess	34,859,059	-	34,859,059
Other Property Income	-	2,373,695	(2,373,695)
Sale of Market Establishments	-	34,859,059	(34,859,059)
Environment and Conservancy	-	2,341,450	(2,341,450)
Hospital Fees	81,837,356	-	81,837,356
Public Health Service Fees	1,946,100	1,942,100	4,000
Slaughter Houses Administration	-	1,836,360	(1,836,360)
Hire of County Assets	2,713,875	-	2,713,875
Other Health and Sanitation	-	81,837,356	(81,837,356)
Administration Control Fees and Charges	1,836,360	-	1,836,360
Park Fees	2,341,450	-	2,341,450

In the circumstances, the accuracy and completeness of the receiver of revenue statement for the year ended 30 June, 2022 could not be confirmed.

#### **2. Variance Between Revenue Statements and Supporting Schedules**

The statement of receipts and disbursements reflects balances that differed with the supporting schedules as detailed below:

Revenue Source	Revenue Statements (Kshs.)	Supporting Schedule (Kshs.)	Variance (Kshs.)
Land/Plot Rate	4,916,383	4,760,548	155,835
Property Rent	23,278,870	23,273,870	5,000
Hospital Fees	134,521,893	144,542,708	(10,020,815)

In the circumstances, the accuracy and completeness of the revenue statement for the year ended 30 June, 2022 could not be confirmed.

### 3. Unreconciled County Own Source Revenue

The statement of receipts and disbursements reflects total county own source revenue balance of Kshs.264,898,800 that differed with the recomputed balance of Kshs.263,990,939 resulting to an unexplained variance of Kshs.907,861. Further, the balance differed with the County Executive financial statement balance of Kshs.253,222,149 resulting to unreconciled variance of Kshs.11,676,651.

In the circumstances, the accuracy and completeness of the own source revenue balance of Kshs.12,584,512 for the year ended 30 June, 2022 could not be confirmed.

### 4. Inaccurate Disbursements to County Revenue Fund

The statement of receipts and disbursements reflects disbursements to County Revenue Fund of Kshs.204,082,483. However, the amount differed with County Receiver of revenue balance of Kshs.253,222,149 resulting to unreconciled variance of Kshs.49,139,666. Further, the amount differed with the cash book balance of Kshs.228,748,318 resulting to unreconciled variance of Kshs.24,665,835.

In the circumstances, the accuracy and completeness of disbursements to County Revenue Fund balance of Kshs.204,082,483 for the year ended 30 June, 2022 could not be confirmed.

### 5. Inaccurate Balance Due for Disbursement

The statement of receipts and disbursements reflects revenue balance due for disbursement of Kshs.27,391,208 which differs with balance brought forward at the beginning of financial year of Kshs.24,339,305 resulting to unexplained variance of Kshs.3,051,903.

In the circumstances, the accuracy and fair statement of balance due for disbursements of Kshs.85,155,622 as at 30 June, 2022 could not be confirmed.

### 6. Bank Balance

The statement of financial assets and liabilities reflects bank balances of Kshs.85,155,622. However, the balance differs with Kshs.78,197,242 reflected in Note 18 to the revenue statements resulting to an unexplained variance of Kshs.6,958,380. Further, the balance includes M-pesa Paybill Account balance of Kshs.448,803 whose cash book extracts and reconciliation statements were not provided for audit.

In the circumstances, the accuracy and completeness of the bank balance of Kshs.85,155,622 as at 30 June, 2022 could not be confirmed.

## **7. Unsupported Revenue Arrears**

The statement of arrears of revenue reflects a balance of Kshs.158,625,584 in respect of land rates and property rent. However, a detailed analysis of the arrears indicating the respective defaulter's name, property reference numbers, invoiced amounts, invoice numbers, date of billing, amount paid to date and outstanding balances as at 30 June, 2022 was not provided.

In the circumstances, the accuracy and fair statement of the revenue arrears balance of Kshs.158,625,584 as at 30 June, 2022 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 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 adverse opinion.

### **Key Audit Matters**

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

### **Other Matter**

#### **Budgetary Controls and Performance**

The statement of comparison of budget and actual amounts reflects total receipts budget and actual on comparable basis of Kshs.288,927,824 and Kshs.264,898,800 respectively resulting to revenue shortfall of Kshs.24,029,024. The revenue shortfall could have affected the planned activities and may have impacted negatively on service delivery to the residents of Baringo County.

## **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, because of the significance of the matters described in the basis for conclusion on Lawfulness and effective use of Public Resources section of my report, I confirm that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **1. Irregular Operation of Foreign Currency Bank Account**

The statement of financial assets and liabilities reflects a bank balance of Kshs.85,155,622 out of which Kshs. 118,695 was held in a revenue dollar account in a commercial bank. However, proof for permission, if any, granted by the Cabinet Secretary for National Treasury to Management to operate the foreign currency bank account was not presented for audit.

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

### **2. Non-Appointment of Revenue Collectors**

Records provided for audit revealed that county employees continue to collect and account for items of revenue without official appointments by the County Receiver of Revenue in breach of Section 158 (1) of the Public Finance Management Act, 2012 which states that a Receiver of Revenue for a county government may authorise any public officer employed by that County Government or any of its entities to be a collector of revenue for the purpose of collecting revenue for that county government and remitting it to the receiver.

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

### **3. Delayed Disbursements to County Revenue Fund Account**

The statement of receipts and disbursements reflects revenue balance due for disbursement to County Revenue Fund of Kshs.85,155,622 as at 30 June, 2022. Verification of the revenue collection bank accounts revealed that the amount had been lying in the revenue collection bank accounts for more than five days. This is contrary to Section 81 of the Public Finance Management (County Government) Regulations, 2015 that requires Receivers of Revenue to promptly pay the revenue received into the County Revenue Fund.

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

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, except for the effects of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance

section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

## **Basis for Conclusion**

### **1. Long Outstanding Land Rate and Property Rents**

The statement of arrears of revenue reflects total outstanding revenue of Kshs.158,625,584 in respect of land rates and property rent out of which Kshs.145,585,445 had been outstanding for more than one year. However, there was no evidence of any concerted efforts having been made by Management to enforce the collections as provided for under Section 63(1) of Public Finance Management (County Governments) Regulations, 2015. Further, the collector of revenue did not provide satisfactory reasons for the failure to collect the arrears by making a report to the County Executive Committee Member of Finance and Economic Planning as provided for in Section 63(2) of the Regulations.

In the circumstances, the effectiveness on internal controls relating to land rates and property rents revenue collection and enforcement procedures could not be confirmed.

### **2. Lack of an Updated Valuation Roll**

During the year under review, the County Executive did not have an updated valuation roll which maps out property owners and the annual rates that each should pay and instead used a valuation roll prepared in the year 2009 by the defunct Municipal Council of Kabarnet. Information available indicates that the new valuation roll had not been finalized and therefore the outstanding rates have not been reconciled to reflect the correct balances.

In the circumstances, the Receiver of Revenue was unable to maximise revenue collections from land rates and property rents.

### **3. Lack of Fraud Management Strategies**

The Receiver of Revenue did not have a risk management policy or strategy in place and therefore, had no approved processes and guidelines on how to mitigate operational, legal and financial risks including loss of revenues. Further, it was noted that revenue amounting to Kshs.496,490 was reportedly collected and stolen by one of the revenue collectors during the year under review. However, at the time of audit, the Receiver of Revenue had not commenced recovery of the stolen amount from the officer's salary.

In the circumstances, existence of an effective internal control to safeguard against loss of public resources could not be established.

### **4. Under-Collection of County Own-Generated Revenue**

The annual report under management discussion and analysis indicates that performance of the County Government in revenue collections has been erratic over the last nine (9) years as detailed in the table below:

Year	Budget (Kshs.)	Actual (Kshs.)	Variance (Revenue Shortfall) (Kshs.)	Percentage Shortfall of Budgeted Collections
2013/2014	280,000,000	201,519,605	(78,480,395)	28%
2014/2015	255,800,000	249,723,428	(6,076,572)	2%
2015/2016	300,000,000	279,736,551	(20,263,449)	7%
2016/2017	330,000,000	286,546,866	(43,453,134)	13%
2017/2018	350,000,000	301,403,877	(48,596,123)	14%
2018/2019	371,147,446	359,321,521	(11,825,925)	3%
2019/2020	393,416,294	301,663,645	(91,752,649)	23%
2020/2021	346,088,720	205,203,689	(140,885,031)	41%
2021/2022	288,546,935	264,898,800	(23,648,135)	7%
<b>Total</b>	<b>2,914,999,395</b>	<b>2,450,017,982</b>	<b>(464,981,413)</b>	<b>16%</b>

No sufficient explanations were provided by the Management for the unsatisfactory state of affairs and measures being put in place to reverse the negative trend.

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

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

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

Those charged with governance are responsible for overseeing the Receiver of Revenue 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 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 going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Receiver of Revenue'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 Receiver of Revenue to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Receiver of Revenue to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



**CPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**


**Nairobi**


**31 March, 2023**

**VII. Statement of Receipts and Disbursements for the year ended 30th June 2022**

	Note	2021/22 Kshs	2020/21 Kshs
<b>County Own Source Revenue</b>			
Cess (Sale of Market Establishment)	1	32,914,366.00	34,859,059.00
Land/Poll Rate	2	4,916,383.00	13,760,887.00
Single/Business Permits	3	37,301,917.00	37,296,688.00
Property Rent	4	23,278,870.00	-
Parking Fees	5	11,684,100.00	-
Market Fees	6	6,957,260.00	28,956,094.00
Advertising	7	-	-
Hospital Fees (Other Health & Sanitation)	8	134,521,893.00	81,837,356.00
Public Health Service Fees	9	2,433,670.00	1,946,100.00
Physical Planning and Development	10	-	-
Hire Of County Assets (Other Property Income)	11	-	2,373,695.00
Conservancy Administration	12	-	-
Administration Control Fees and Charges (Slaughter houses Administration)	13	1,894,830.00	1,836,360.00
Park Fees (Environment & Conservancy)	14	8,087,650.00	2,341,450.00
Other Fines, Penalties, And Forfeiture Fees	15	-	-
Miscellaneous receipts	16	-	-
<b>Total County Own Source Revenue</b>		<b>264,898,800.00</b>	<b>205,203,689.00</b>
<b>Other Receipts</b>			
Donations/Grants Not Received Through CRF	17	-	-
<b>Total Other Receipts</b>		-	-
<b>Total Receipts</b>		<b>264,898,800.00</b>	<b>205,547,869.00</b>
Balance b/f at the beginning of the year		24,339,304.60	30,774,847.80
<b>Disbursements To CRF</b>		<b>204,082,483.00</b>	<b>208,931,509.00</b>
<b>Balance Due for Disbursement</b>		<b>85,155,621.60</b>	<b>27,391,207.80</b>

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 30/06/ 2022 and signed by:


  
 .....  
**CPA Hillary K. Siror**  
**County Receiver of Revenue**  
*(Ref: PFM ACT section 165, 2(a))*


  
 .....  
**CPA Gikono Kiptoo**  
**Director Finance and Administration**  
**ICPAK M/No 6624**

**Receiver Of Revenue  
County Government Of Baringo  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022  
VIII.Statement of Financial Assets and Liabilities As At 30<sup>th</sup> June 2022**

	Note	2021/22	2020/21
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances	18	85,155,621.60	27,391,207.80
Cash In Hand	19	714,696.00	5,432,967.00
<b>Total Financial Assets</b>		<b>85,870,317.60</b>	<b>32,824,174.80</b>
<b>Total Financial Assets</b>		<b>85,870,317.60</b>	<b>32,824,174.80</b>
<b>Financial Liabilities</b>		-	-
Payables-Due to CRF	20	85,155,621.60	27,391,207.80
<b>Total Financial Liabilities</b>		<b>85,870,317.60</b>	<b>32,824,174.80</b>

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 30/06/2022 and signed by:

  
 .....  
**CPA Hillary K. Siror**  
**County Receiver of Revenue**  
**ICPAK M/No 8891**

  
 .....  
**CPA Gikono Kiptoo**  
**Director Finance and Administration**  
**ICPAK M/No 6624**

**Receiver Of Revenue**  
**County Government Of Baringo**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**IX. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30<sup>th</sup> June 2022**

Receipt	Original Budget	Adjustments Approved	Final Budget	Actual On Comparable Basis	Budget Realization Difference	% Of Realization
	A	B	C=A+B	D	E=C-D	F=D/C %
<b>County Own Source Revenue</b>	Kshs	Kshs	Kshs	Kshs	Kshs	
Cess	26,763,394.00	0	26,763,394.00	32,914,366.00	(6,150,972.00)	123%
Land/Poll Rate	32,241,828.00	47,176,532.00	32,241,828.00	13,846,640.00	18,395,188.00	43%
Single/Business Permits	35,544,579.00	42,377,729.00	35,544,579.00	37,301,917.00	(1,757,338.00)	105%
Property Rent	-	-	-	-	-	-
Parking Fees	-	-	-	-	-	-
Market Fees	24,372,178.00	31,222,426.00	24,372,178.00	32,180,930.00	(7,808,752.00)	132%
Advertising	-	-	-	-	-	-
Hospital Fees	85,821,931.00	30,000,000.00	115,821,931.00	134,521,893.00	(18,699,962.00)	116%
Public Health Service Fees	4,205,390.00	1,169,549.00	4,205,390.00	2,433,670.00	1,771,720.00	58%
Physical Planning and Development	-	-	-	-	-	-
Hire Of County Assets	2,533,684.00	0	2,533,684.00	1,716,904.00	816,780.00	68%
Conservancy Administration	-	-	-	-	-	-
Administration Control Fees and Charges	6,598,990.00	0	6,598,990.00	1,894,830.00	4,704,160.00	29%
Park Fees	40,845,850.00	0	40,845,850.00	8,087,650.00	32,758,200.00	20%
Other Fines, Penalties, And Forfeiture Fees	-	-	-	-	-	-
Miscellaneous Receipts	-	-	-	-	-	-
<b>Total County Own Source Revenue</b>	<b>258,927,824.00</b>		<b>288,927,824.00</b>	<b>264,898,800.00</b>	<b>24,029,024.00</b>	<b>92%</b>
<b>Other Receipts</b>						
Donations /Grants Not Received Through CRF	-	-	-	-	-	-

**Receiver Of Revenue**  
**County Government Of Baringo**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

Receipt	Original Budget	Adjustments Approved	Final Budget	Actual On Comparable Basis	Budget Realization Difference	% Of Realization
	A	B	C=A+B	D	E=C-D	F=D/C %
<b>Total Other Receipts</b>	-	-	-	-	-	-
<b>Total Receipts</b>	<b>258,927,824.00</b>	<b>30,000,000.00</b>	<b>288,927,824.00</b>	<b>264,898,800.00</b>	<b>24,029,024.00</b>	<b>92%</b>

*Below is a commentary on significant under realisation (below 90% of realisation) and any over realisation) of some of the revenue sectors*

*(a) Cess*

*The category involves cess from all sectors. We over performed due the charcoal cess collected which was not factored in during the targeting period.*

*(b) Land/Poll Rent*

*We managed to realise 34% from the revenue source attributed mainly from the huge backlog of parcel of lands not transferred, undeveloped plot within the major town within the county and unresolved court cases.*

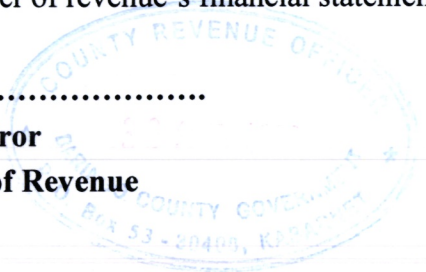
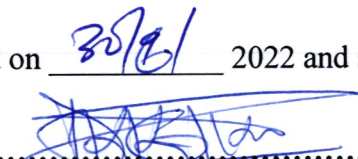
*(c) Park Fees*

*These are revenues from the entry fees of our games parks within the County. The sector was mainly affected by the Covid 19, the overflow of water which lead to submergence of the Lake Bogoria main gate and part of the roads leading to the springs inside the Lake.*

The County Receiver of revenue's financial statements were approved on 30/6/2022 and signed by:



CPA Hillary K. Siror  
 County Receiver of Revenue

CPA Gikono Kiptoo  
 Director Finance and Administration  
 ICPAK M/No 6624

**Receiver Of Revenue  
County Government Of Baringo  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**X. Statement of Arrears of Revenue As At 30th June 2022**

Classification Of Receipts (Indicate As Applicable)	Balance as at 1 <sup>st</sup> July 2021	Arrears received during the year	Additions in arrears for the current year to June 30, 2022	Total arrears as at 30 June 2022	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Cess	-	-	-	-		
Land/Poll Rate	52,758,197.00	13,220,410	-	65,978,607.00		
Single/Business Permits	-	-	-	-		
Property Rent	92,827,247.00	-	-	92,646,977.00		
<b>Total Arrears</b>	<b>145,585,445.00</b>	<b>13,220,410</b>	<b>-</b>	<b>158,625,584.00</b>		



*[Signature]*  
 Name: *William K. Sior*  
 County Receiver of Revenue  
 (Ref: PFM ACT section 165, 2(a))

*[Signature]*  
 CPA Gikono Kiptoo  
 Director Finance and Administration  
 ICPAK M/No 6624

*An ageing analysis of revenue in arrears has been shown on note 21 of these financial statements.*

**XI. Notes to the Financial Statements**

**Accounting Policies**

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

**1. Statement of Compliance and Basis of Preparation**

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and relevant legal framework of the County Government of Baringo. 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 *Baringo County Government*. 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 *Baringo County Government*.

**2. Recognition of Receipts**

The *Baringo County Government* recognises all receipts from the various sources when the related cash has been received by the County treasury of *Baringo County Government*.

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

**4. Cash and cash equivalents**

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

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

**5. Revenue in Arrears**

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

**6. Disbursements to CRF**

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

**7. Comparative Figures**

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

**8. Subsequent Events**

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

**Notes To the Financial Statements (Continued)**

**1. Cess**

Description	2021/22	2020/21
	Kshs	Kshs
Farm produce	15,624,866.00	34,859,059.00
Quarrying	7,261,800.00	-
Livestock	10,027,700.00	-
Fish farming	-	-
Others	-	-
<b>Total</b>	<b>32,914,366.00</b>	<b>34,859,059.00</b>

**2. Land/Poll rates**

Description	2021/22	2020/21
	Kshs	Kshs
Land rates	4,916,383.00	13,760,889.00
Land penalties and interest	-	-
Arrears	-	-
<b>Total</b>	<b>4,916,383.00</b>	<b>13,760,889.00</b>

**3. Single /Business Permits**

Description	2021/22	2020/21
	Kshs	Kshs
Business permit application fees	1,478,700.00	-
Annual Business permit fees	35,714,302.00	37,296,688.00
Business permit penalties and interest	108,915.00	-
Business permit fees arrears	-	-
<b>Total</b>	<b>37,301,917.00</b>	<b>37,296,688.00</b>

*Receiver Of Revenue  
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**Notes to the Financial Statements (continued)**

**4. Property Rent**

Description	2021/22	2020/21
	Kshs	Kshs
County Housing	13,924,466.00	-
Plot Rent	8,485,484.00	-
Tenancy Agreement	-	-
Transfer of Property	868,920.00	-
Stalls/kiosks rent	-	-
Others	-	-
<b>Total</b>	<b>23,278,870.00</b>	<b>-</b>

**5. Parking Fees**

Description	2021/22	2020/21
	Kshs	Kshs
Street parking fees	1,949,950.00	-
Monthly toll/sticker fees	-	-
Motorbike fees	900.00	-
Registration fees	-	-
Reserved parking	540,000.00	-
Bus Park fees	9,193,250.00	-
Others	-	-
<b>Total</b>	<b>11,684,100.00</b>	<b>-</b>

**6. Market Fees**

Description	2021/22	2020/21
	Kshs	Kshs
Market entry fees	6,957,260.00	-
Hawking fees	-	-
Others	-	-
<b>Total</b>	<b>6,957,260.00</b>	<b>-</b>

Notes to the Financial Statements (Continued)

7. Advertising

Descriptions	2021/22	2020/21
	Kshs	Kshs
Branding	-	-
Billboard advertising	-	-
Signage	-	-
Roadshows	-	-
Banners	-	-
Posters	-	-
Tent advertising	-	-
Street pole/clock advertising	-	-
others	-	-
<b>Total</b>	-	-

8. Hospital Fees

Description	2021/22	2020/21
	Kshs	Kshs
Level 5 hospitals	134,521,893.00	81,837,356.00
Level 4 hospitals	-	-
Others	-	-
<b>Total</b>	134,521,893.00	81,837,356.00

9. Public Health Service Fees

Description	2021/22	2020/21
	Kshs	Kshs
Inspection of buildings/premises/Institutions	1,913,400	-
Inspection for issuance of hygiene license	518,200	-
Vaccination: Yellow fever, Typhoid, etc	2,000	-
Applications for medical examination	-	-
Sanitation inspection for schools	-	-
Public health permit	-	-
Rodent Control/Fumigation	-	-
Others	-	-
<b>Total</b>	<b>2,433,670.00</b>	-

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

**10. Physical Planning and Development**

Description	2021/22	2020/21
	Kshs	Kshs
Sale of County planning documents	-	-
Land valuation and registration fees	-	-
Change / Renewal of user	-	-
Building plans approval	-	-
Signboards	-	-
Occupational Permits	-	-
Enforcement / Demolition	-	-
Architectural designs by county officers	-	-
Hoarding fees	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**11. Hire Of County Assets**

Description	2021/22	2020/21
	Kshs	Kshs
Agricultural Mechanisation Services (AMS)	-	-
Hire of Machines and Equipment	-	-
Hire of County Stadia	-	-
Hire of County Halls	-	-
Conference facilities/Agricultural Training Centers (ATC)	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Notes to the Financial Statement (Continued)

12. Conservancy Administration

Description	2021/22	2020/21
	Kshs	Kshs
Refuse disposal fees	-	-
Dumpsite fees	-	-
Sewerage fees	-	-
Sale of seedlings	-	-
Public cemetery	-	-
Disposal of carcasses	-	-
Noise control	-	-
Others	-	-
<b>Total</b>	-	-

13. Administration Control Fees and Charges

Description	2021/22	2020/21
	Kshs	Kshs
Weights and measures	-	-
Fire Services	-	-
Liquor licenses	-	-
Betting levy	-	-
Veterinary Services	1,894,830.00	1,836,360.00
Others	-	-
<b>Total</b>	<b>1,894,830.00</b>	<b>1,836,360.00</b>

14. Park Fees

Description	2021/22	2020/21
	Kshs	Kshs
Lodge Tariffs and levies	-	-
Park entry fees	8,087,650.00	2,341,450.00
Filming and Photography fees	-	-
Camping fees	-	-
Balloon landing fees	-	-
Others	-	-
<b>Total</b>	<b>8,087,650.00</b>	<b>2,341,450.00</b>

Notes to the financial statements (continued)

15. Other Fines, Penalties and Forfeitures

Description	2021/22	2020/21
	Kshs	Kshs
Impounding Fees	-	-
Towing Fees	-	-
Others	-	-
<b>Total</b>	-	-

16. Miscellaneous Receipts

Description	2021/22	2020/21
	Kshs	Kshs
Dividends	-	-
Interest	-	-
Commissions	-	-
<b>Others</b>	-	-
<b>Total</b>	-	-

17. Donations And Grants Not Received Through CRF

Description	2021/22	2020/21
	Kshs	Kshs
Donations <i>(Based on Source)</i>	-	-
Grants <i>(Based on Source)</i>	-	-
Others	-	-
<b>Total</b>	-	-

**Notes To the Financial Statements (Continued)**

**18. Bank Balances**

Name of Bank, Account No. & currency	Amount in bank account currency	Exc. rate (if in foreign currency)	2021/22	2020/21
			Kshs	Kshs
Baringo County Rev Collection Acc 1142790762	1,014.49	117	118,695.33	50,938.42
Baringo County Revenue Collection Acc 1141231549	39,016,318.47	-	39,016,318.47	12,763,338.32
Baringo District Hospital Acc 1149507659	23,110,807.00	-	23,110,807.00	5,018,648.00
Marigat Sub-District Hospital Acc 1149507950	1,212,462.00	-	1,212,462.00	773,351.50
Kabartonjo District Hospital Acc 1149508043	2,331,160.00	-	2,331,160.00	164,022.00
Eldama Ravine District Hospital Acc 1149507837	9,379,145.00	-	9,379,145.00	2,194,535.00
Chemolingot District Hospital Acc 1149508108	69,001.00	-	69,001.00	553,736.00
Baringo County Government Revenue – DFF 1154241874	655,345.00	-	655,345.00	2,386,686.36
Lake Bogoria N. Reserve 1252239084	1,150,097.00	-	1,150,097.00	217,287.00
Mogotio District Hospital 1252238924	705,408.00	-	705,408.00	216,762.00
Baringo County Revenue Collection Paybill 315330	219,603.00	-	219,603.00	-
Baringo District Hospital Paybill 252230	37,780.00	-	37,780.00	-
Chemolingot District Hospital Paybill 301630	100.00	-	100.00	-
Eldama Ravine District Hospital Paybill 235730	5,330.00	-	5,330.00	-
Kabartonjo District Hospital Paybill 313530	5,540.00	-	5,540.00	-
Lake Bogoria N. Reserve Paybill 940775	180,450.00	-	180,450.00	-
<b>Total</b>			<b>78,197,241.80</b>	<b>24,339,304.60</b>

**Receiver Of Revenue  
County Government Of Baringo  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022**

**18 (a) Balance carried forward as at 30<sup>th</sup> June 2022 and subsequently transferred**

Ref	Amount (Kshs)	15 <sup>th</sup> July 2022
	78,197,241.80	24,339,304.60
<b>Total</b>	<b>78,197,241.80</b>	<b>24,339,304.60</b>

**19. Cash in hand**

Description	2021/22 Kshs	2020/21 Kshs
Cash Balance	714,696.00	5,432,967.00
Mobile Money	-	-
Others	-	-
<b>Total</b>	<b>714,696.00</b>	<b>5,432,967.00</b>

**20. Payables- Due To CRF**

Payables	2021/22 Kshs	2020/21 Kshs
Balance b/f at the beginning of the year	<b>24,339,304.60</b>	<b>30,774,847.80</b>
Amount collected during the year	264,898,800.00	205,547,869.00
Amounts disbursed to CRF during the year	204,082,483.00	208,931,509.00
<b>Balance c/d at the end of the year</b>	<b>78,197,241.80</b>	<b>27,391,207.80</b>

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

**Notes To the Financial Statements (Continued)**

**21. Ageing Analysis of Revenue in Arrears**

<b>Description (indicate as applicable)</b>	<b>Less than 1 year</b>	<b>Between 1-2 years</b>	<b>Between 2-3 years</b>	<b>Over 3 years</b>	<b>Total</b>
Land/poll rate	<b>13,040,139</b>	<b>14,777,392</b>	<b>14,265,841</b>	<b>116,542,212</b>	<b>158,625,584</b>
<b>Total (agree to statement of arrears)</b>	<b>13,040,139</b>	<b>14,777,392</b>	<b>14,265,841</b>	<b>116,542,212</b>	<b>158,625,584</b>




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

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

Reference No. on the external audit Report	Issue Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

  
.....  
CPA Hillary K. Siror

County Receiver of Revenue  
Date 30/09/2022

  
.....  
Name

Head of Revenue Reporting  
Date 30/6/22

**Appendix 3 - Reports Generated From IFMIS**

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

