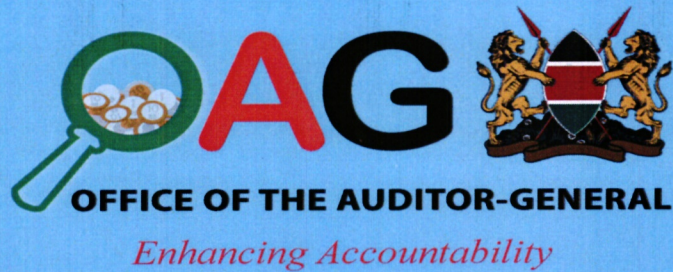


REPUBLIC OF KENYA



PAPERS LAID	
DATE	19/04/2023
TABLED BY	SENATE DEPUTY MINORITY WAIL
COMMITTEE	
CLERK AT THE TABLE	Ms. NARITA ADIBAYAR

**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

**THE AUDITOR-GENERAL**

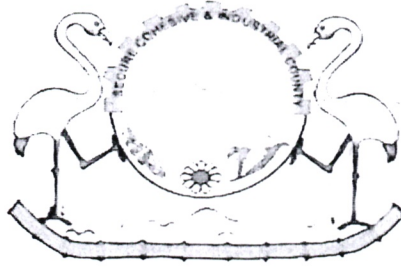
**ON**

**RECEIVER OF REVENUE**

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

**COUNTY GOVERNMENT OF NAKURU**





---

**RECEIVER OF REVENUE**  
*County Government of Nakuru*

**REVENUE STATEMENTS**

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

---

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

(leave page blank)

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

---

<b>Table of Contents</b>	<b>Page</b>
I. Key Entity Information and Management .....	iv
II. Foreword By the CECM Finance and Economic Planning .....	vii
III. Management Discussion and Analysis .....	viii
IV. Statement of Performance against County Predetermined Objectives .....	xi
V. Statement of Receiver of Revenue's responsibilities .....	xiii
VI. Report of the Independent Auditors on the xx Receiver of Revenue.....	xiv
VII. Statement of Receipts and Disbursements for the year ended 30th June 2022.....	1
VIII. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30 <sup>th</sup> June 2022 .....	3
IX. Statement of Arrears of Revenue As At 30th June 2022 .....	5
X. Notes to the Financial Statements.....	6
XI. Appendices.....	19

**I. Key Entity Information and Management**

**(a) Background information**

The *receiver of revenue* is under the Department of Finance and economic planning. At the County Executive Committee level, the *receiver of revenue* is represented by the County Executive committee member for Finance and economic planning who is responsible for the general policy and strategic direction of the County *receiver of revenue*. The County *receiver of revenue* is designated as a receiver on 9<sup>th</sup> July, 2014 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 Nakuru day-to-day management of revenue is under the following:

No.	Name	Designation
1.	H.E. Lee Kinyanjui	Governor
2.	H.E. Dr. Korir Eric	Deputy Governor
3.	Dr. Peter Evans Ketyenya	CECM, Finance and Economic Planning
4.	Dr. Zachary Kariuki Gichuki	CECM, Health Services
5.	Mr, Francis Mwangi Njuguna	CECM, Lands, Housing and Physical Planning
6.	Dr. Immaculate Njuthe	CECM, Agriculture, livestock & Fisheries
7.	Eng. Festus Kipkoech Ng'eno	CECM, Water, Environment, Energy & Natural Resources
8.	Mr. Raymond Komen	CECM, Trade, Industry, Marketing and Tourism
9.	Mr. Lawrence Mwanja	CECM, Public Service, Training and Devolution
10	Mr. Joseph Wainaina Kiuna	CECM, Education, ICT and E-Govt
11.	Mr, Reuben Maritim	A.g. CECM, Transport, Roads and Public Works
12.	Eng. Lucy Wanjiku Kariuki	CECM, Youth Affairs, Gender, Sports and Culture

**(d) County Headquarters**

P.O. Box 2870-20100  
NEW TOWN HALL BUILDING  
MOI ROAD  
NAKURU, KENYA

**(e) Entity Contacts**

Telephone: (051) 221-6472  
E-mail: [nakurucountygovernor@gmail.com](mailto:nakurucountygovernor@gmail.com)  
Website: [www.nakurucounty.co.ke](http://www.nakurucounty.co.ke)

**(f) Independent Auditors**

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

**(g) Principal Legal Adviser**

The County Attorney  
New Town Hall Building  
Moi Road  
P.O. Box 2870-20100  
Nakuru, Kenya

**(h) Bankers**

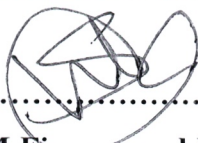
CENTRAL BANK OF KENYA  
HAILE SELASSIE AVENUE  
P.O BOX 60000  
CITY SQUARE 00200  
NAIROBI, KENYA

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

The County Own source revenue collection has in past two years been adversely affected by the containment measures of COVID 19 which resulted in mixed performance for the various streams of own source revenue. Despite the adverse effects of the pandemic the County has steadily witnessed an improvement in own source revenue from Kshs 2.4 billion posted in 2019/2022 to kshs 2.82 in 2020/2021 to high of kshs 3.25 billion in FY 2021/2022. Own source revenue is mainly comprised of various revenue stream including hospital fees (facility improvement fund) which is utilized at source. The original approved budget targeted a collection of 3,112,133,447 from own source with upward adjustments during supplementary of kshs 267,866,553 resulting in a final budget of kshs 3,380,000,000. Own source revenue witnessed a growth of 14.5% (kshs 408,158,050.80) from kshs 2.82 billion in 2020/2021 to kshs 3.25 billion in 2021/2022

Over performance was on account of advertisement fee at 104% and hospital fees at 110%. A number of streams ranged between 91%-98 % on account of adjusted supplementary targets including property tax, royalties fees, liquor fee and trade licenses. Under performance against OSR targets was majorly witnessed in house rent at 25%, County part fees at 7%, slaughter fees at 37%, cess at 49% market fees at 61% and public health fees at 65%. The underperformance was due to a myriad of reasons including political interference, economic conditions, relocations and the effects of the electioneering period. Other source of revenue that continue to underperform include parking fees due to relocation of bus parks and building plan approval due to manual processing of plans. Overallly the County surpassed the 3 billion mark in actual revenue collection since the inception of the County Government of Nakuru.

The effects of the pandemic coupled with the onset on the 2022 electioneering period will continue to be felt in the management and collection of Own source in the 1<sup>st</sup> half of FY 2022/2023. The above notwithstanding the County treasury is cognizant of the fact that the Slack in exponential growth of own source revenue has considerably slowed down the implementation of County development programmes Moving forward the county intends to leverage on the capability of the new automated system, scale up the use of cashless system and Nakuru citizen app to increase revenue collection. Further effort will entail the continued mapping of businesses and County assets to increase the tax base, use of a debt collection agency and operationalization of Nakuru Revenue Authority.



.....  
**CECM Finance and Economic Planning**

**County Government of Nakuru**

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

**III. Management Discussion and Analysis**

		Actual 2017/18	Actual 2018/19	Actual 2019/20	Actual 2020/21	Actual 2021/22
		Kshs	Kshs	Kshs	Kshs	Kshs
	<b>County Own Source Revenue</b>					
1	Cess	19,928,183.00	13,927,667.00	22,245,563.00	22,284,895.00	19,906,004.00
2	Property tax (Plot rent and Land rates)	315,852,139.00	332,164,642.00	196,945,122.00	401,518,169.00	358,025,333.00
3	Single/Business Permits	342,784,519.00	386,404,655.00	260,490,430.00	316,448,065.00	340,914,255.00
4	Parking Fees	259,477,415.00	277,001,387.00	253,340,376.00	219,378,664.00	242,540,937.00
5	Market Fees	55,338,887.00	63,565,826.00	50,046,240.00	40,093,432.00	42,902,255.00
6	Advertising	106,243,139.00	104,967,636.00	95,703,056.00	108,618,320.00	135,641,699.00
7	Hospital Fees (FIF)	597,551,764.00	957,002,225.10	1,085,902,883.70	1,194,128,375.20	1,551,625,289.37
8	Public Health Service Fees	77,597,728.00	84,207,827.00	59,454,302.00	54,858,105.00	59,230,055.00
9	Physical Planning and Development	21,566,973.00	40,378,499.00	66,833,353.00	62,731,124.00	62,899,592.00
10	Hire Of County Assets (Housing)	30,013,036.00	17,991,218.00	20,306,877.00	14,351,317.00	12,825,091.00
11	Conservancy (Royalties)	201,570,346.00	217,040,996.00	188,948,337.00	223,995,891.00	226,165,890.00
12	Administration Control Fees and Charges (Liquor)	68,531,860.00	95,801,573.00	39,345,240.00	39,783,231.00	78,088,705.00
13	Park Fees	5,500.00	73,400.00	17,000.00	-	56,000.00
14	Slaughter fees	4,042,340.00	13,393,627.00	11,235,679.00	8,431,939.00	10,032,019.00
15	Miscellaneous receipts	180,018,785.00	206,649,779.80	89,852,238.00	116,328,385.00	118,219,850.00
	<b>Total County Own Source Revenue</b>	<b>2,280,522,614.00</b>	<b>2,810,570,957.90</b>	<b>2,440,666,696.70</b>	<b>2,822,949,912.20</b>	<b>3,259,072,974.37</b>

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

---

Revenue Trend for FY 2017/18 – 2021/22

**ANNUAL REVENUE TREND FOR FY 2017/18 - FY 2021/22**



The office of County receiver of Revenue is established under provision of section 157 of the PFM Act 2022. The Act stipulates the duties and responsibilities of County Receiver of Revenue which is mainly management collection and accounting revenue collected. In line with the provision of the Nakuru County Revenue Administration Act, the current holder of the office was gazette in March 2020.

In view of the roles and responsibilities of the holder of the office, the office is charged with delegating revenue collection responsibility to staff in Directorate of Revenue as well as other departments.

In the past three years, the County Receiver of Revenue has continuously undertaken the preparation of Quarterly and Annual revenue statement in compliance with the PFM Act and Public Accountancy Standard. This had led to reduction of audit queries in relation to compliance with provision of the PFM Act for preparation of such statement.

Further, the Office of County Receiver of Revenue has established structures which has enabled the allocation of duties and responsibilities to staff in the department. The County Receiver has steered the department in migration and use of one automated system in collection and management of Own Source Revenue from 2021 to date.

To optimize revenue collection, the Office of County Receiver has developed a revenue value chain which aid in the operation of the department. This remain key in managing and improving activities which is needed in enhancement of revenue collection. The key activities identified include

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

---

Legislation, Mapping and adoption of revenue system payment platform (cashless payment), dispute resolution, enforcement and staff welfare.

In view of financial performance, the County Receiver has seen the County grow its Own Source Revenue from 2.4 billion in 2019/2020 to Ksh. 3.259 billion in 2021/2022. In addition, the bank reconciliation has been streamlined and the generation of bank reconciliation is now up to date and undertaken on a monthly basis. This has resulted in accuracy of financial statements and easy detection of errors in conforming to best accounting practices.

The Office of County Receiver has been credited with compliance with PFM Act and County Revenue Act in preparation of Quarterly and Annual Financial Statements. The office is currently spearheading the mapping of revenue source that will provide the tax base for purpose of planning, legislation and increasing revenue collection.

With respect to performance management, the office of County Receiver has initiated performance appraisal that will inform staff welfare including promotion and motivation of staff. This is in addition to improving performance in revenue collection.

Proposed the renovation of the Revenue Headquarters which led to improved working environment. This is in addition to development of banking hall and acquiring of IT equipment (computers) for all 11 Sub Counties.

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

##### **Introduction**

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

##### **Strategic development objectives (*Adopted from Nakuru County*)**

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

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

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

- Revenue mapping
- Full integration with all the banks
- Legislation
- Training of staff

Below we present the progress made in attaining the objectives of the CIDP (2018-2022) for Nakuru County.

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

Ref	Objective as per CIDP	Performance/Progress made up since the start of CIDP planning period up to date		Remarks (Explain the reasons for underperformance/ Overperformance)
		Target (FY 2018/19 – 2021/22)	Actual ( FY 2018/19 – 2021/22)	
1	Own source revenue For the last 4 years	11,044,695.0	6,544,601,767.	Unforeseen challenges i.e Covid 19 emergence Relocation of matatus
2	FIF(Facility Improvement Fund)	2,728,310.0	4,760,693,762.3	Automation of payment systems
<b>3</b>	<b>Total</b>	<b>13,773,005.0</b>	<b>11,305,295,529.3</b>	

**Progress on attainment of Development Objectives from Annual Development Plan (Adopted from Nakuru County ADP) .**

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

Department	Objective	Outcome	Indicator	Performance

**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 *entity's receiver of revenue* accounts, which have been prepared on the Cash Basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Receiver of Revenue is of the opinion that the *entity's receiver of revenue* account gives a true and fair view of the state of *entity's receiver of revenue* transactions during the financial year ended June 30, 2022, and of the *entity's* statement of assets and liabilities as at that date. The Receiver of Revenue further does not confirm the completeness of the accounting records maintained, which have been relied upon in the preparation of the *receiver of revenue account* as well as the adequacy of the systems of internal financial control.

The Receiver of Revenue confirms that the *entity* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable). The Receiver of Revenue confirms that the revenue statements have been prepared in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

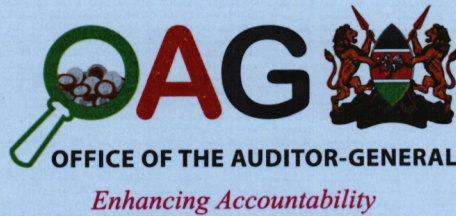
**Approval of the Revenue Statements**

The *revenue* statements were approved and signed by the Receiver of Revenue on 15<sup>th</sup> September 2022.

  
.....  
**Salome Ng'ang'a**  
**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 NAKURU**

---

### **PREAMBLE**

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

- A. Report on the Revenue Statements that considers whether the revenue statements are fairly presented in accordance with the applicable reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the revenue statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines, and manuals and whether public resources are applied in a prudent, efficient, economic, transparent, and accountable manner to ensure Government achieves value for money and that such funds are applied for 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 of Receiver of Revenue - County Government of Nakuru set out on pages 1 to 23, 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 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 revenue statements do not present fairly, the financial position of Receiver of Revenue as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the Public Finance Management Act, 2012 and the County Government Act, 2012.

### **Basis for Adverse Opinion**

#### **1. Variances Between Amounts in the Statement of Receipts and Disbursements and Supporting Schedules**

The statement of receipts and disbursements reflects cess and physical planning and development revenues of Kshs.19,906,004 and Kshs.62,899,592 against supporting schedule balances of Kshs.17,689,504 and Kshs.57,083,210 resulting to variances of Kshs.2,216,500 and Kshs.5,816,382 respectively. No explanation or reconciliation was provided for the variances.

In the circumstances, the accuracy and completeness of the reported cess revenue of Kshs.19,906,004 and physical planning and development revenue of Kshs.62,899,592 could not be confirmed.

#### **2. Accuracy of Disbursements to County Revenue Fund (CRF)**

The statement of receipts and disbursements also reflects disbursements to County Revenue Fund of Kshs.1,596,848,330. However, the County Revenue Fund (CRF) statement of receipts and payments shows that the amount received from the Receiver of Revenue for the year ended 30 June, 2022 was Kshs.3,257,108,245 resulting to a variance of Kshs.1,660,259,915. Further, review of the CRF bank statements revealed that a total Kshs.1,780,322,745 was received from the Receiver of Revenue resulting to a variance of Kshs.183,474,415 with amount disbursed. No explanation or reconciliations were provided for the variances.

In the circumstances, the accuracy of disbursements to County Revenue Fund of Kshs.1,596,848,330 for the year ended 30 June, 2022 could not be confirmed.

#### **3. Inaccuracies in Financial Assets**

The statement of financial assets and liabilities reflects total financial assets of Kshs.176,781,603 in respect of payables-due to County Revenue Fund. However, the balance is at variance with the total of revenue account balances of Kshs.202,708,123 included in Note 8 on Disclosure of Balances in Revenue Collection Accounts in the financial statements of the County Executive of Nakuru resulting to an unreconciled variance of Kshs.25,926,520.

Under the circumstance, the accuracy of the total financial assets balance of Kshs.176,781,602 could not be confirmed.

#### **4. Failure to Prepare Quarterly Revenue Reports**

The statement of receipts and disbursements reflects total county own source revenue of Kshs.3,259,072,974 from the various revenue streams. However, there were no quarterly revenue reports as stipulated in section 64(1) of the Public Finance Management (County Governments) Regulations, 2015 provided for audit verification.

Under the circumstance, the accuracy and completeness of the county own source revenue of Kshs.3,259,072,974 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Receiver of Revenue - County Government of Nakuru 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 revenue statements. There were no key audit matters to report in the year under review.

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

#### **Conclusion**

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

#### **Basis for Conclusion**

##### **Arrears of Revenue**

The statement of receipts and disbursements reflects total county own source revenue of Kshs.3,259,072,974 for the year ended 30 June, 2022. However, Note 20 to the revenue statements reflects arrears of revenue of Kshs.7,917,515,120 in respect of property taxes, house rent, market stalls and parking. The Management has not explained the measures that have been put in place to recover the arrears. This is contrary to Section (157) (2) of the Public Finance Management Act, 2012 which requires the Receiver of County Government Revenue to ensure that the revenue for which the receiver is responsible is collected or recovered. Further, the valuation roll for the land was not provided for audit verification.

The Management was therefore, in breach of the law and risks losing substantial revenue due to non-collection of arrears.

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 revenue 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

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

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

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

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

In addition to the responsibility for the preparation and presentation of the revenue statements described above, Management is also responsible for ensuring that the activities, financial transactions, and information reflected in the revenue statements are

in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

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

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

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

Further, in planning and performing the audit of the revenue statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1) (a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the revenue statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


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

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

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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and 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**

---

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

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

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

	Note	2021/22	2020/21
		Kshs	Kshs
<b>County Own Source Revenue</b>			
Cess	1	19,906,004.00	22,284,895.00
Property tax (Plot rent and Land rates)	2	358,025,333.00	401,518,169.00
Single/Business Permits	3	340,914,255.00	316,448,065.00
Parking Fees	4	242,540,937.00	219,378,664.00
Market Fees	5	42,902,255.00	40,093,432.00
Advertising	6	135,641,699.00	108,618,320.00
Hospital Fees (FIF)	7	1,551,625,289.37	1,194,128,375.15
Public Health Service Fees	8	59,230,055.00	54,858,105.00
Physical Planning and Development	9	62,899,592.00	62,731,124.00
Hire Of County Assets (Housing)	10	12,825,091.00	14,351,317.00
Conservancy (Royalties)	11	226,165,890.00	223,995,891.00
Administration Control Fees and Charges (Liquor)	12	78,088,705.00	39,783,231.00
Park Fees	13	56,000.00	-
Slaughter fees	14	10,032,019.00	8,431,939.00
Miscellaneous receipts	15	118,219,850.00	116,328,385.00
<b>Total County Own Source Revenue</b>		<b>3,259,072,974.37</b>	<b>2,822,949,912.15</b>
<b>Other Receipts</b>			
Donations/Grants Not Received Through CRF	16	0	0
<b>Total Other Receipts</b>		<b>3,259,072,974.37</b>	<b>2,822,949,912.15</b>
<b>Total Receipts</b>		<b>3,259,072,974.37</b>	<b>2,822,949,912.15</b>
Balance b/f at the beginning of the year		<b>176,781,602.71</b>	<b>77,448,886.40</b>
<b>Disbursements To CRF</b>		<b>1,596,848,329.80</b>	<b>1,599,799,657.00</b>

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved 15<sup>th</sup> September 2022 and signed by:



.....  
Salome Ng'ang'a  
County Receiver of Revenue  
(Ref: PFM ACT section 165, 2(a))




.....  
Mbalwa Philip  
Head of Revenue Reporting  
ICPAK M/No 12718

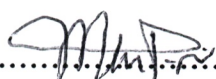
*Receiver Of Revenue  
County Government Of Nakuru  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2022*

**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	17	176,674,369.71	77,448,886.40
Cash In Hand	18	107,233.00	
<b>Total Financial Assets</b>		176,781,602.71	-
<b>Total Financial Assets</b>		-	-
<b>Financial Liabilities</b>			
Payables-Due to CRF	19	176,781,602.71	77,448,886.40
<b>Total Financial Liabilities</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 15<sup>th</sup> September, 2022 and signed by:

.....  
  
**Salome Ng'ang'a**  
 County Receiver of Revenue

.....  
  
**Mbalwa Philip**  
 Head of Revenue Reporting  
 ICPAK M/No 12718

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

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

Receipt	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Realization Difference	% Of Realization
	A	B	C=A+B	D	E=C-D	F=D/C %
<b>County Own Source Revenue</b>	Kshs	Kshs	Kshs	Kshs	Kshs	
Cess	30,000,000.0	10,000,000.0	40,000,000.0	19,906,004.0	20,093,996.0	49.8%
Property tax (Plot rent and Land rates)	340,000,000.0	50,000,000.0	390,000,000.0	358,025,333.0	31,974,667.0	91.8%
Single/Business Permits	330,200,000.0	39,800,000.0	370,000,000.0	340,914,255.0	29,085,745.0	92.1%
Parking Fees	250,400,000.0	31,800,000.0	282,200,000.0	242,540,937.0	39,659,063.0	85.9%
Market Fees	40,000,000.0	30,000,000.0	70,000,000.0	42,902,255.0	27,097,745.0	61.3%
Advertising	121,000,000.0	9,000,000.0	130,000,000.0	135,641,699.0	(5,641,699.0)	104.3%
Hospital Fees (FIF)	1,400,000,000.0	-	1,400,000,000.0	1,551,625,289.4	(151,625,289.4)	110.8%
Public Health Service Fees	70,000,000.0	20,000,000.0	90,000,000.0	59,230,055.0	30,769,945.0	65.8%
Physical Planning and Development	70,000,000.0	10,000,000.0	80,000,000.0	62,899,592.0	17,100,408.0	78.6%
Hire Of County Assets (Housing)	30,000,000.0	20,000,000.0	50,000,000.0	12,825,091.0	37,174,909.0	25.7%
Conservancy (Royalties)	230,000,000.0	-	230,000,000.0	226,165,890.0	3,834,110.0	98.3%
Administration Control Fees and Charges (Liquor)	60,000,000.0	20,000,000.0	80,000,000.0	78,088,705.0	1,911,295.0	97.6%
Park Fees	403,447.0	396,553.0	800,000.0	56,000.0	744,000.0	7.0%
Slaughter fees	20,000,000.0	7,000,000.0	27,000,000.0	10,032,019.0	16,967,981.0	37.2%
Miscellaneous receipts	120,130,000.0	19,870,000.0	140,000,000.0	118,219,850.0	21,780,150.0	84.4%
<b>Total County Own Source Revenue</b>	<b>3,112,133,447.0</b>	<b>267,866,553.0</b>	<b>3,380,000,000.0</b>	<b>3,259,072,974.4</b>	<b>120,927,025.6</b>	<b>96.4%</b>
<b>Other Receipts</b>	-	-	-	-	-	-
Donations /Grants Not Received Through CRF	-	-	-	-	-	-
<b>Total Other Receipts</b>	-	-	-	-	-	-
<b>Total Receipts</b>	<b>3,112,133,447.0</b>	<b>267,866,553.0</b>	<b>3,380,000,000.0</b>	<b>3,259,072,974.4</b>	<b>120,927,025.6</b>	<b>96.4%</b>

**Under realization**

- (a) House rent due to political interference and lack of accurate data on tenancy*
- (b) Cess due to non-legislation of flower cess Act and non-operationalization of Tea cess Act*
- (c) Physical planning and development due to manual procedure of collection from this stream*
- (d) Parking fees due to lack of mapping of parking zones, constructions of pavements within the CBD, relocation of Bus parks and non-compliance.*
- (e) Park fees due to closure of Nyayo gardens*

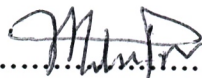
**Over realization**

- (a) Hospital fees (FIF) due to automation of procedures and processes by acquisition of a new system*
- (b) Advertising due to increased enforcement and data collection*
- (c) Single business permits due to increased enforcement, automation and mapping of businesses within Nakuru town.*
- (d) Property tax due to granting of waiver.*

The County Receiver of revenue's financial statements were approved on 15<sup>th</sup> September 2022 and signed by:




.....  
**Salome Ng'ang'a**  
**County Receiver of Revenue**

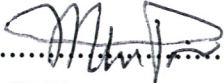


.....  
**Mbalwa Philip**  
**Head of Revenue Reporting**  
**ICPAK M/No 12718**

IX. Statement of Arrears of Revenue As At 30th June 2022

Classification Of Receipts	Balance as at 1 <sup>st</sup> July 2021	Arrears received during the year	Additions in arrears for the current year to June 30, 20xx	Total arrears as at 30 June 2022	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Taxes on property (land Rates)	6,999,290,698.00	0	0	7,290,256,117.12	Debt resolution engagement between the corporates and the debt agency	
House Rent	439,756,748.00	0	0	518,468,988.00	Debt resolution engagement between the corporates and the debt agency	
Lockups /Market Stalls	2,848,926.00	0	0	4,270,966.00		
Parking	0			104,519,049		
<b>Total Arrears</b>	<b><u>7,441,896,372.00</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>7,917,515,120.12</u></b>		

.....  
  
 Salome Ng'ang'a  
 County Receiver of Revenue

.....  
  
 Mbalwa Philip  
 Head of Revenue Reporting  
 ICPAK M/No 12718

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

**X. 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 Nakuru. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

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

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

**2. Recognition of Receipts**

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

**3. Budget**

The County Revenue budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County budget was approved as required by law. The original budget was approved by the County Assembly on xxx for the period 1st July 2021 to 30 June 2022 as required by law. There was one number of supplementary budgets passed in the year. A high-level assessment of the County's actual performance against the comparable budget for the financial year under review has been included in these financial statements.

**4. Cash and cash equivalents**

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

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

**5. Revenue in Arrears**

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

**6. Disbursements to CRF**

The Receiver of Revenue has an arrangement for transfer of funds from its bank account to the CRF account. Total disbursements to the CRF are as a result of the transfer arrangement during the year. *(Include the receiver's actual policy on disbursements)*

**7. Comparative Figures**

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

**8. Subsequent Events**

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

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

Notes To the Financial Statements (Continued)

1. Cess

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	Livestock Cess (All Fees from Livestock)	438,871.0	1,268,483.0
2	Forestry Cess	1,343,572.0	2,060,554.0
3	Agricultural Produce	15,907,058.0	14,997,393.4
4	Transporters Certificate per year	2,216,500.0	1,463,000.0
5	flower cess	-	-
6	Tea Cess	-	-
7	Wheat/Barley Cess	3.0	2,495,465.0
8	Sisal Cess	-	-
	<b>TOTAL</b>	<b>19,906,004.0</b>	<b>22,284,895.4</b>

2. Property Tax (Plots & Land Rates)

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	Land Rates	317,562,278.00	358,064,525.0
2	Clearance Certificate	8,236,175.00	7,821,000.0
3	Ground Rent	6,495,514.00	10,185,287.0
4	Plot Rent	3,680,331.00	5,584,612.0
5	Sub-division	4,444,730.00	3,213,600.0
6	Amalgamation	128,100.00	287,900.0
7	Survey Fees	5,360,705.00	7,791,245.0
8	Change of User/Extension of User	5,903,000.00	2,765,500.0
9	Land Transfer Fees	6,214,500.00	5,804,500.0
	<b>Total</b>	<b>358,025,333.0</b>	<b>401,518,169.0</b>

3. Single /Business Permits

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	Trade Licence	340,914,255.00	316,448,065.00

Notes to the Financial Statements (continued)

4. Parking Fees

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	Daily Street Parking Fee	72,156,574.0	77,947,255.0
2	Enclosed Bus Park Fees	86,602,910.0	79,195,035.0
3	Monthly Parking Fees (Taxis & Small Vehicles)	16,434,482.0	9,069,301.0
4	Motor Cycle Monthly Sticker	11,683,705.0	15,860,797.0
5	Tuk tuk Monthly Sticker	49,000.0	3,708,150.0
6	Unclamping Fees	2,696,600.0	<b>3,402,060.0</b>
7	Impound & Towing of Private Vehicles	356,200.0	1,714,058.0
8	Impound & Towing of Private TLbs	1,061,400.0	300,000.0
9	Reserved Parking	51,500,066.0	<b>28,182,008.0</b>
	<b>Total</b>	<b>242,540,937.0</b>	<b>219,378,664.0</b>

5. Market Fees

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	Markets	37,169,661.00	38,365,322.0
2	Market Stall rent	<b>5,732,594.00</b>	1,728,110.0
	<b>Total</b>	<b>42,902,255.0</b>	<b>40,093,432.0</b>

Notes to the Financial Statements (Continued)

6. Advertising

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	Advertising	135,641,699.00	108,618,320.00

7. Hospital Fees (FIF)

	Description	2021/22	2020/21
		Kshs	Kshs
1	P.G.H Nakuru	888,076,283.25	739,748,951.88
2	P.G.H Annex	71,961,179.00	62,837,224.00
3	Bahati Hospital	50,695,364.61	28,696,175.00
4	Naivasha Dist Hospital	302,413,381.50	214,549,281.27
5	Gilgil Hospital	68,518,487.00	39,685,551.00
6	Molo Dist Hospital	59,140,640.00	49,991,088.00
7	Olunguruone	15,322,350.00	10,306,210.00
8	Elburgon Dist Hospital	7,931,132.00	5,856,238.00
9	Subukia Subcounty Hospital	12,380,942.00	6,506,222.00
10	Njoro Subcounty Hospital	24,060,761.00	13,853,130.00
11	Langalanga Hospital	9,372,532.00	5,130,395.00
12	Kabazi Subcounty Hospital	3,991,975.00	2,604,693.00
13	Keringet Subcounty Hospital	7,283,870.00	2,822,920.00
14	Mirugi Kariuki Subcounty Hospital	5,078,115.00	2,338,651.00
15	Bondeni Maternity	17,991,599.01	5,875,355.00
16	Soin Subcounty	7,406,678.00	3,326,290.00
	<b>TOTAL</b>	<b>1,551,625,289.37</b>	<b>1,194,128,375.15</b>

8. Public Health Service Fees

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	All Food & Hygiene Licenses	26,373,420.0	20,639,328.0
2	Mortuary Fees	-	4,000.0
3	Fumigation/Pest Control	-	-
4	Burial Clearance Certificates/Cremation & Cemetery Fees	1,734,000.0	1,256,640.0
5	Food Water Sampling Fees	-	8,800.0
6	All Food Handlers Medical Examination Certificates	8,240,120.0	11,290,359.0
7	Private Water Boozers Health Certificates	96,000.0	9,000.0
8	Private Exhauster Certificate	10,000.0	-
9	Inspection of Medical Institutions/Institutions & Hotels	6,884,800.0	9,316,822.0

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

---

10	Incinerator Services	-	-
11	Building Plan Certificates	14,058,015.0	11,324,956.0
12	Emergence Services (Hire of Ambulance/hearses)	-	-
13	Exhumation Charges	-	-
14	Vaccination Certificates	1,833,700.0	1,008,200.0
	<b>TOTAL</b>	<b>59,230,055.0</b>	<b>54,858,105.0</b>

Notes to the Financial Statements (Continued)

9. Physical Planning and Development

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	Building Occupation Permits	3,427,500.0	2,916,000.0
2	Development Application Fees	4,252,375.0	2,499,710.0
3	Demolition of Buildings	73,000.0	3,000.0
4	Penalty for Unapproved Plans	-	-
5	Renovation/Alteration of Buildings	70,705.0	189,200.0
6	Building Inspection fees	2,961,795.0	3,246,770.0
7	Certificate of Compliance (Buildings)	588,000.0	379,000.0
8	Impounding of Building Materials	26,000.0	-
9	Approval for Building plans/Green House Plan	36,038,761.0	46,547,067.0
10	Construction Site Boards	6,048,212.0	2,390,500.0
11	Permit for Temporary Extension Within Pavements/Shop/Corridor/Verandah etc.	150,760.0	183,000.0
12	Structural drawings	9,262,484.0	4,376,877.0
	<b>TOTAL</b>	<b>62,899,592.0</b>	<b>62,731,124.0</b>

10. Hire Of County Assets (House Rent)

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	House rent	12,825,091.00	14,351,317.00

Notes to the Financial Statement (Continued)

11. Conservancy Administration (Royalties)

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	Conservancy (Royalties)	226,165,890.00	223,995,891.00

12. Administration Control Fees and Charges (Liquor)

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	Administration Control Fees & charges (liquor)	78,088,705.00	39,783,231.00

13. Park Fees

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	Park Fees	56,000.00	-

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

Notes to the financial statements (continued)

14. Slaughter Fees

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	Slaughter Fees	10,032,019.00	8,431,939.00

15. Miscellaneous Receipts

S/NO	Description	2021/22	2020/21
		Kshs	Kshs
1	All Bed Occupancy Fees	5,281,210.00	6,778,251.00
2	Animal Sanctuary Licenses	50,000.00	65,170.00
3	Cooperative Audit Fees	369,248.00	332,955.00
4	Calibration of Machines (All Weights and Measures Fees)	1,805,654.00	923,332.00
5	Boat Licensing (For Tourism)	152,000.00	62,000.00
6	Social Welfare/ Cultural/Group Registration	42,400.00	64,620.00
7	Hire of Social Halls /Equipment's Fees (All)	106,450.00	47,350.00
8	Application/Approval for Registration of Educational Institutions e.g., ECD, Vocational Colleges, Private Schools, Universities etc.	44,500.00	44,500.00
9	Hire Stadium/Sport grounds	-	112,500.00
10	Inspection of Education Facilities	77,500.00	73,500.00
11	Film Shooting/Making	-	1,500.00
12	Inspection & Licensing of Betting Services	5,000.00	18,820.00
13	Hoarding Fees	205,250.00	64,803.00
14	Extension of Lease	1,004,502.00	497,500.00
15	Certificate of Lease/Conveyance Fees	5,000.00	6,000.00
16	Beacon Search/Beacon Certificates	3,600,000.00	2,233,000.00
17	Eviction Fees (House Rent Defaulters)	-	-
18	Unlocking Fees	-	-
19	Damage Occasion on County Properties	-	-
20	Consent fees	30,000.00	105,500.00
21	A.I licenses/Renewal Fees	-	-

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

22	Hire of heavy earth moving machinery	-	-
23	Hire of A.T.C	2,824,515.00	469,882.00
24	Vaccination of Pets e.g., Dogs, Cats etc.	479,603.00	82,352.00
25	Holding Grounds (all animals)	72,000.00	92,400.00
26	Fish Trader licenses	1,003,001.00	1,000,115.00
27	Fishing Boat Registration Fees	1,593,400.00	869,875.00
28	Approval of Way-leaves	14,618,960.00	15,182,042.00
29	Fire Inspection Certificates	69,338,046.00	65,422,794.00
30	Mineral Water- Commercial	6,500,000.00	8,506,000.00
31	Water charges (lease of assets-NAWASCO)	110,200.00	4,000.00
32	Garbage/waste disposal fees	4,092,822.00	3,697,500.00
33	Sale county of plants/seedlings	38,295.00	15,000.00
34	sale of county trees	-	615,027.00
35	Tree cutting/pruning fees	222,100.00	477,120.00
36	Noise Control Fees	1,174,500.00	694,000.00
37	Car Wash Certificates	68,600.00	99,300.00
38	Environmental Certificates (Quarries etc.)	1,701,412.00	5,880,977.00
39	Environmental Impact assessment (NEMA)	71,104.00	36,600.00
40	Court Awards	-	-
41	All Impounding fees	367,530.00	394,323.00
42	All Search Fees	-	41,694.00
43	Refund of Salaries/Imprest Surrender	837,148.00	762,420.00
44	Insurance Refunds/Compensations	327,900.00	553,663.00
45	Sale of county laws/acts/minutes/budgets/gazettes	-	-
	<b>TOTAL</b>	<b>118,219,850.00</b>	<b>116,328,385.00</b>

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

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Donations <i>(Specify Based on Source)</i>	0	0
Grants <i>(Specify Based on Source)</i>	0	0
Others <i>(Specify)</i>	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

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

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

**17. 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
1	Equity Bank (0130261954816)	-	-	-	30.00
2	National Bank (01001065283400)	-	-	-	-
3	Cooperative Bank (01141521630800)	-	-	146,142,455.01	1,237,204.01
4	KCB (	-	-	989,122.00	783,462.69
5	Accesss Bank ( 0080130000007	-	-	3,010.00	11,940,629.00
6	Family Bank (01180000053211	-	-	29,539,782.70	63,487,560.70
	<b>Total</b>	-	-	<b>176,674,369.71</b>	<b>77,448,886.40</b>

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

Ref	Amount (Kshs)	Date subsequently transferred
Equity Bank (0130261954816)		
National Bank (01001065283400)		
Cooperative Bank (01141521630800)	1,237,204.01	1 <sup>st</sup> July 2021
KCB(	783,462.69	10 <sup>th</sup> August 2021
Accesss Bank ( 0080130000007	11,940,629.00	1 <sup>st</sup> July 2021
Family Bank (01180000053211	63,487,560.70	1 <sup>st</sup> July 2021
<b>Total</b>	<b>77,448,856.40</b>	

**18. Cash in hand**

Description	2021/22	2020/21
	Kshs	Kshs
Cash Balance ( <i>Location</i> )	0	0

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

Mobile Money	107,233.00	94,420
Others ( <i>Specify</i> )	<b>0</b>	<b>0</b>
<b>Total</b>	<b>107,233.00</b>	<b>94,420</b>

**19. Payables- Due To CRF**

<b>Payables</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Balance b/f at the beginning of the year	<b>92,108,768.08</b>	<b>63,086,887.68</b>
Amount collected during the year	1,707,447,685.0	1,628,821,537.4
Amounts disbursed to CRF during the year	1,596,848,329.8	1,599,799,657.0
<b>Balance c/d at the end of the year</b>	<b>202,708,123.28</b>	<b>92,108,768.08</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)

20. Ageing Analysis of Revenue in Arrears

Description (indicate as applicable)	Less than 1 year	Between 1-2 years	Between 2-3 years	Over 3 years	Total
Taxes on property (land Rates)	0	0	0	7,290,256,117.12	7,290,256,117.12
House Rent	0	0	0	518,468,988.00	518,468,988.00
Lockups /Market Stalls	0	0	0	4,270,966.00	4,270,966.00
Parking	0	0	0	104,519,049.00	104,519,049.00
<b>Total (agree to statement of arrears)</b>	0	0	0	<b>7,917,515,120.12</b>	<b>7,917,515,120.12</b>

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

**XI. Appendices**

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

S/N <sup>o</sup>	Name of person / organisation benefitting from waiver/ variation	Year in which waiver / variation relates	Amount of variation/ waiver (fee or charge)	Reasons for waiver/ variation	The law in terms of which the variation/waiver was granted
1	Department of Agriculture	2021	-	County Department/interdepartmental	Finance Act 2019
2	lake oil limited	2021	367,280.00	COVID 19	Finance Act 2019
3	Philip Koskei Kisoyan	2021	97,920.00	due to harsh economic times	Finance Act 2019
4	Agnes Waithwika Zambetakis	2021	148,800.00	due to harsh economic times	Finance Act 2019
5	Agnes Waithwika Zambetakis	2021	148,800.00	due to harsh economic times	Finance Act 2019
6	Agnes Waithwika Zambetakis	2021	148,800.00	due to harsh economic times	Finance Act 2019
7	Veronica mugure njeru	2021	155,520.00	due to harsh economic times	Finance Act 2019
8	Reg Trustee of Arya Dratinithi Sabha	2021	264,709.80	due to harsh economic times	Finance Act 2019
9	maina noah wangai	2021	46,034.00	due to harsh economic times	Finance Act 2019
10	Joel Kiprotich Langat	2021	6,589.00	due to harsh economic times	Finance Act 2019
11	Samwel Mwangi Munene	2021	78,240.00	due to harsh economic times	Finance Act 2019
12	Esther KOSKE & Partner	2021	85,680.00	due to harsh economic times	Finance Act 2019
13	James Muchiri Kagunda	2021	10,000.00	COVID 19 recovery	Finance Act 2019
14	safaricom	2021	219,800.00		Finance Act 2019
15	safaricom	2021	272,000.00		Finance Act 2019
16	mogotio services limited	2021	60,900.00	due to relocation of bus stage	Finance Act 2019
17	seventh day adventist church	2021	268,000.00	Evangelism	Finance Act 2019
18	Francis Maina	2021	69,000.00	due to harsh economic times	Finance Act 2019
19	The Director, Housing	2021		Government	Finance Act

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

	Department		8,000.00		2019
20	Lions Club of Nakuru	2021	2,500.0	Medical Camp	Finance Act 2019
21	Chief Officer, Public Health	2021	12,000.0	County Department	Finance Act 2019
22	Director Daraja 360	2021	6,500.0	youth mentorship	Finance Act 2019
23	Regional Blood Transfusion	2021	17,000.0	blood transfusion	Finance Act 2019
24	IPOA	2021	14,540.0	state agency	Finance Act 2019
25	CECM Youth, Gender & SS	2021	10,000.0	County Department	Finance Act 2019
26	Chief Officer Youth, Gender & SS	2021	11,000.0	County Department	Finance Act 2019
27	Pink City Reaction Entertainment	2021	30,000.0	tourism event	Finance Act 2019
28	Multichoice Kenya	2021	843,500.0	Tough Economic Conditions	Finance Act 2019
29	Kings Outreach Church	2021	68,500.0	Church	Finance Act 2019
30	Nakuru City Board	2021	66,000.0	county Department	Finance Act 2019
31	Big Love More Warmth Initiative	2021	6,500.0	charitable event	Finance Act 2019
32	Simon Njenga Wainaina	2021	44,400.0	COVID 19 recovery	Finance Act 2019
33	Christine Nehat	2021	8,717.0	COVID 19 recovery	Finance Act 2019
34	Agnes Nyaboke Nyakundi	2021	12,977.0	waiver period	Finance Act 2019
35	Rev. Grace Jane W. Kigotho	2021	71,204.0	Church	Finance Act 2019
36	Peter Kimani Mwangi	2021	56,320.0	medical Health	Finance Act 2019
37	Mwana Mwireri Rironi & Farmers Co.	2021	300,000.0	Titling Programme	Finance Act 2019
38	Merica Hotel	2021	204,000.0		Finance Act 2019
39	KANU	2021	39,000.0	COVID 19 recovery	Finance Act 2019
40	Muiruri Njoroge	2021	66,028.0	COVID 19 recovery	Finance Act 2019
41	<b>County waiver to all tax payers</b>	<b>2021</b>	<b>147,321,549.0</b>	<b>County Government waiver grant</b>	Finance Act 2019
42	Echariria savings Cooperative Society	2021	110,250.0	relocation caused by violence	Finance Act 2019
43	Lydia wairimu Muchoma	2022	63,648.0		Finance Act 2019
44	Jane Onyango	2022	58,646.0	payment slips not presented for receipting	Finance Act 2019
45	Rhodah Langat	2022		payment slips not presented for	Finance Act

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

			18,815.0	receipting	2019
46	Kenya Post Office Savings Bank	2022	16,911.0	payment slips not presented for receipting	Finance Act 2019
47	APDK	2022	1,941,498.0	charitable non governmental organization	Finance Act 2019
48	Janet Lizzy Otieno	2022	97,976.0	payment slips not presented for receipting	Finance Act 2019
49	Lensol Limited	2022	190,699.0	payment slips not presented for receipting	Finance Act 2019
50	nakuru west church of God	2022	37,908.0	religeous activity	Finance Act 2019
51	nakuru elite education centre	2022	33,659.0	payment slips not presented for receipting	Finance Act 2019
52	Stkah Enterprises	2022	80,000.0	to do access roads at kiambogo and munyu areas	Finance Act 2019
53	Kentegra pyrethrum company ltd	2022	131,470.0	department of Agriculture	Finance Act 2019
54	John Miringu Kamau	2022	2,000.0	due to harsh economic times	Finance Act 2019
55	nakuru county union of bodaboda operators	2022	7,500.0	County involved in the meeting	Finance Act 2019
56	Ministry of transport infrastructure housing urban dev and public works	2022		Government	Finance Act 2019
57	Gragab agencies co ltd	2022		CONSTRUCTION OF KIPCHOGE KEINO ROAD, MATUNDU ROAD AND CRATER CLIMB	Finance Act 2019
58	Francis Waweru & Barnice Njambi	2022	45,358.0	Paylip not presented for receipting	Finance Act 2019
59	James Nyira Karanja	2022	178,680.0	Financial Contraints	Finance Act 2019
60	Marigu Farmers Company Ltd	2022	178,000.0	Financial Contraints	Finance Act 2019
61	John Kimani Karanja	2022	12,300.0	Covid 19 Pandemic recovery	Finance Act 2019
62	Church of Christ in Africa	2022	209,424.0	Church	Finance Act 2019
63	Charles Nyori Kagwe	2022	17,260.0	Paylip not presented for receipting	Finance Act 2019
64	Catholic diocese of Nakuru	2022	265,500.0	Church	Finance Act 2019
65	khadija mohammed adam	2022	91,754.0	Cheque Received to Penalties	Finance Act 2019
66	Fatma Ali	2022	55,459.0	Cheque Received to Penalties	Finance Act 2019
67	Paul Gatete Kiratu	2022	64,978.0	Cheque Received to Penalties	Finance Act 2019
68	Mr & Mrs P.G Kiratu	2022	56,222.0	Cheque Received to Penalties	Finance Act 2019
69	Ruth Wanjiku Gatete	2022		Cheque Received to Penalties	Finance Act

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

			62,434.0		2019
70	Daivd Kinyanjui Njenga	2022	143,715.0	Cheque Received to Penalties	Finance Act 2019
71	Njemoni Limited	2022	221,847.0	Cheque Received to Penalties	Finance Act 2019
72	Triple Five Security Services Ltd	2022	29,000.0	Financial Constraints	Finance Act 2019
73	Agriculture, Livestock & Fisheries	2022	16,000.0	Department Of Agriculture	Finance Act 2019
74	Mater Misericordie Hospital	2022	8,000.0	Mater Heart Run Run 2022	Finance Act 2019
75	Provision General hospital	2022	3,000.0	Blood Banks	Finance Act 2019
	<b>TOTAL</b>		<b>156,118,218.8</b>		

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

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

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

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

**Guidance Notes:**

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

.....  
**Name** *Salome Njau's*  
**County Receiver of Revenue**  
**Date**

.....  
**Name**  
**Head of Revenue Reporting**  
**Date**

**Appendix 3 - Reports Generated From IFMIS**

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

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

1. Access Bank

**FINANCIAL YEAR 2021-2022 REPORT  
COUNTY GOVERNMENT OF NAKURU  
REV ACC. 008013000007 NAKURU ACCESS BANK BRANCH  
BANK RECONCILIATION SUMMARY AS AT 30TH JUNE 2022**

	SHS.	SHS.	
Balance as per Bank Certificate			3,010.00
LESS:			
1. Payments in Cash book not yet recorded in Bank Statement (unpresented cheques)	-		
2. Receipts in Bank Statement not yet recorded in Cash book (Unreceipted)	350779		(350,779.00)
ADD:			
3. Payments in Bank statement not yet recorded in Cash book	4,680.00		
4. Receipts in Cash book not recorded in Bank Statement.	852652		857,332.00
Bank Balance as per Cash Book			509,563.00
Actual Cash Book			512,738.00

I Certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct

..... for: *M. George*

Signature  
Date: 19/01/2023

This reconciliation is based on availed data

.....  
**ACCOUNTANT 1**  
Designation

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

2. FAMILY BANK

**FAMILY BANK OF KENYA  
REV ACC. 0180000053211  
BANK RECONCILIATION SUMMARY AS AT 30TH JUNE 2022**

	SHS.	SHS.
Balance as per Bank Certificate		29,539,782.70
LESS:		
1. Payments in Cash book not yet recorded in Bank Statement (unpresented cheques)	-	
2. Receipts in Bank Statement not yet recorded in Cash book (Unreceipted)	2,025,039.00	(2,025,039.00)
ADD:		
3. Payments in Bank statement not yet recorded in Cash book	4,440.00	
4. Receipts in Cash book not recorded in Bank Statement.	492,330.00	496,770.00
Bank Balance as per Cash Book		28,011,513.70

I Certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct

.....  
Signature

Date..... 19/01/2023

.....  
ACCOUNTANT 1

Designation

This reconciliation is based on availed data

3. EQUITY BANK

BANK RECONCILIATION: REVENUE ACCOUNT 0130261954816  
 EQUITY  
 AS AT 30TH JUNE 2022

	SHS.	SHS.
<b>Bank Balance as per Bank Certificate</b>		-
Less Payments in Cashbook not recorded in bank statement (unpresented cheques)	-	
Receipts in bank not yet recorded in the Equity cashbook	3,050,881.00	<b>(3,050,881.00)</b>
Add Payment in Bank not recorded in cashbook	28,000.00	
Receipts in Cashbook not recorded in bank statement for FY 2020/2021	7,645,559.00	
Receipts in Cashbook not recorded in bank statement for FY 2021/2022	3,031,601.00	10,705,160.00
<b>Closing cash book Balance as per bank statement</b>		<b>7,654,279.00</b>
Actual Cashbook Balance		<b>7,654,434.50</b>

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct

For: ~~EM~~ ACCOUNTANT 1 19/01/2023

Signature

Designation

Date

**NOTE**

Cashbook balance

*This report is based on current available information.*

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

4. COOPERATIVE BANK

**REV ACC. NO 01141521630800  
AS AT 30TH JUNE 2022**

	SHS.	SHS.	SHS.
Balance as per Bank Certificate			146,142,455.01
<b>Less-</b>			
1. Payments in Cash Book not yet recorded in Bank Statement (Unpresented Cheques) ..	-		
2. Receipts in Bank Statement not yet recorded in Cash Book ..	21,895,826.00	21,895,826.00	(21,895,826.00)
<b>add-</b>			
3. Payments in Bank Statement not yet recorded in Cash Book ..	12,743,523.00		
4. Receipts in Cash Book not yet recorded in Bank Statement ..	21,168,595.00	33,912,118.00	33,912,118.00
Bank Balance as per Cash Book .. ..			158,536,318.76

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct



Signature

*SMR ACCOUNTANT*

Designation

*19/06/2022*

Date

***This report is based on current available information.***

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

5. NATIONAL BANK

NATIONAL BANK OF KENYA.  
 REVENUE ACCOUNT NO-01001065283400  
 AS AT 30TH JUNE 2022.

	SHS.	SHS.
Balance as per Bank Certificate	-	0
LESS:		
1. Payments in Cash book not yet recorded in Bank Statement (unpresented cheques)	-	
2. Receipts in Bank Statement not yet recorded in Cash book (Unreceipted)	484,562.00	(484,562.00)
ADD:		
3. Payments in Bank statement not yet recorded in Cash book	5,580.00	
4. Receipts in Cash book not recorded in Bank Statement.	499,186.00	504,766.00
Bank Balance as per Cash Book		20,204.00
Actual Cash Book		20,204.00

I Certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above Reconciliation is correct

.....  


Signature  
 Date..... 19/01/2023 .....

ACCOUNTANT 1  
 .....  
 Designation

THIS RECONCILLIATION IS BASED ON AVAILABLE INFORMATION.

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

6. KCB BANK

BANK RECONCILIATION  
 NAKURU COUNTY GOVERNMENT  
 KENYA COMMERCIAL BANK NAKURU BRANCH  
 REVENUE ACCOUNT NO: 1140746057  
 AS AT 30TH JUNE 2022

	SHS	SHS
Balance as per Bank Certificate	0	989,122.05
LESS:		
1 Payments in Cash book not yet recorded in the Bank Statement (Unpresented Cheques)	-	
2 Receipts in Bank Statement not yet recorded in Cashbook (Unreceipted)	592,773.00	592,773.00
ADD:		
3 Payment in Bank Statement not yet recorded in Cash Book	1,755,367.00	
4 Receipts in Cashbook not recorded in Bank Statement	4,429,740.83	6,185,107.83
Bank Balance as per Cash Book		6,581,456.88
Actual Cash Book		6,581,456.88

I certify that I have verified the Bank Balance in the Cashbook with the Bank Statement and that the above Reconciliation is correct.

DESIGNATION ACCOUNTANT

SIGNATURE 

DATE 19/01/2023

