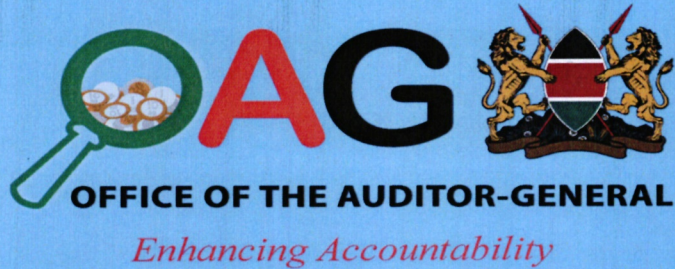


REPUBLIC OF KENYA



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REPORT

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THE AUDITOR-GENERAL

ON

**RECEIVER OF REVENUE -
COUNTY GOVERNMENT OF NYERI**

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

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RECEIVER OF REVENUE
(County Government of Nyeri)
REVENUE STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022

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

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I. Key Entity Information and Management

The County Government is constituted as per the Constitution of Kenya and is headed by the County Governor, who is responsible for the general policy and strategic direction of the County.

Vision: A wealthy county with happy, healthy and secure people

Mission: To create and sustain an environment that unlocks the potential of the people of Nyeri to achieve progressive socio-economic growth by running an open government.

(a) Background information

The *receiver of revenue* is under the Department of Finance and Economic Planning. At the County Executive Committee level, the *receiver of revenue* is represented by the County Executive Committee Member for Finance who is responsible for the general policy and strategic direction.

The PFM Act section 157 states that the County Executive Committee member for finance shall, in writing, designate persons to be responsible for collecting, receiving and accounting for such county government revenue as the County Executive Committee member for finance may specify in their letters of designation. The *receiver of revenue* was designated on 13th February, 2018 by the County Executive Committee Member for Finance, in accordance with section 157 of the PFM Act 2012.

A Receiver of County Government Revenue is responsible to the County Executive Committee Member for Finance in ensuring that the revenue for which the receiver is responsible is collected or recovered, and is accounted for.

(b) Principal activities

The Receiver of Revenue collects revenue and remits to the County Revenue Fund (CRF).

(c) Key Management

The day-to-day management of revenue in the County Government of Nyeri is under the following:

No.	Designation	Name
1.	County Executive Committee Member for Finance and Economic Planning	Mr. Robert Thuo Mwangi
2.	Chief Officer, Finance and Accounting	Mr. John Mungai Ngugi
3.	Director Revenue/ Receiver of Revenue	Ms. Rehema M. Salim
4.	Head of Revenue Reporting	Ms. Teresa N. Maina

(d) County Government of Nyeri Headquarters

P.O. BOX 1112-10100
Town Hall Building
Kenyatta Road/Highway
NYERI, KENYA

Telephone: (254) 0612030700
E-mail: infonyericounty@gmail.com
Website: www.nyeri.go.ke.

(e) Independent Auditors

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

(f) Principal Legal Adviser

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

(g) Bankers

Cooperative Bank of Kenya- Nyeri 01141666594400
Equity Bank Nyeri Branch - 0110280843674
Kenya Commercial Bank Nyeri Branch A/C 1140760319

II. Foreword by the CECM Finance and Economic Planning



A County Government shall be responsible for any function assigned to it under the Constitution or by an Act of Parliament. This is achieved through coordinating and enhancing participation in the governance of communities at the local level, especially in the wards and sub-counties. The communities will be empowered to develop the administrative capacity for the effective exercise of functions and powers of governance.

The County Executive Committee Member for Finance in Section 104 (d) of the PFM Act 2012 is responsible for mobilization of resources for funding the budget. Under section 109, the CECM for finance is mandated to establish a County Revenue Fund and shall ensure that all monies raised or received or on behalf of the county government is paid into the County Revenue Fund.

This financial statement is prepared in accordance with Section 165 of the Public Finance Management Act, 2012. The section of the PFM Act 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.

Preparation of these accounts is in accordance with the guidelines, standard, and format prescribed by the Public Sector Accounting Standard Board. The Receiver of Revenue report provide a true and fair view of the revenue accounts of the County as at 30th June 2022.

In the fiscal year 2021/2022, the County's supplementary budget is Kshs. 8,733,268,481 out of which Kshs. 6,097,464,070 is allocated for recurrent expenditure while Ksh. 2,635,804,411 is set aside for development projects. The funding of this budget is expected from Equitable Share Ksh. 6,228,728,555, Local Revenue Ksh. 1,000,000,000 including revenue from Health facilities, Conditional Grants Ksh. 1,504,539,926, Donor Funds and transfers from other government entities. Local revenue was expected to contribute 12% in financing the 2021-2022 FY budget.

The cumulative revenue disbursed to CRF for the period ended 30th June 2022 amounted to Kshs. 7,012,494,244.92 out of which Kshs. 5,730,430,268 was equitable share and Kshs. 297,314,062 Conditional allocation/grant that was received from the National Government and other agencies while Kshs 948,313,629 was collected from local revenue including revenue from health facilities.

During the financial year the County introduced a Health Fund that is fully functional and will henceforth be report separately. However, this year we have included the health facilities revenue as it was part of the approved budget.

The above analysis shows a shortfall of about 20% that was largely caused by non-remittance of the equitable share and conditional allocation/grant by the National Government and other agencies.

The County Treasury will continue encouraging departments to be vigilant in ensuring revenue enhancement to enable the county to finance the budget and bridge the gap caused by the shortfall in remittances from the National Government.

The statement of arrears and especially on poll rates has an outstanding amount of Kshs 6,226,375,631.32 out of which Kshs 5,949,534,921.22 is accumulated penalties. Due to the materiality of the figure for accrued penalties, the County Government could not take any action until the Inter-governmental Relations Technical Committee (IGRTC) concludes the process of transfer of assets and liabilities to the Counties. It's worth noting that the penalties so accrued are more than the principal amount outstanding in contravention of the Rating Act CAP. 267 Section 16 (3 – 4) that states that:

(3) The rating authority shall charge simple interest at the rate of three per centum per mensem or at such other rate as the Minister shall by notice in the Gazette prescribe on any sum remaining unpaid after the day on which the same was payable and for the purposes of this subsection a part of a month shall be counted as one month.

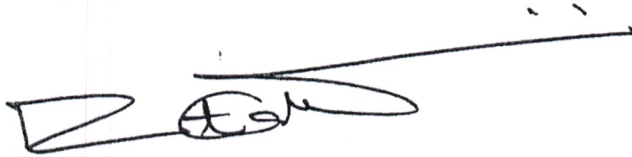
(4) Notwithstanding sub-section (3), the interest charged shall not exceed the principle amount of the rate owing.

In light of the above quoted Rating CAP, the County Government has stated the total arrears on poll rates as Kshs. 553,681,420.

It's my hope that the Transfer of assets and liabilities will be finalized soon and a policy direction given by the concerned institution since the issue affects all the Counties.

Further, the defunct local authority implemented a valuation roll that was largely disputed while the issues raised were not dispensed in accordance with the provisions of the Rating Act. This led to various court cases some of which the County has managed to handle through public participation with the stake holders.

In cognizant of the effect of Covid-19 and as an economic recovery strategy the county Government has granted waiver of various fees and charges amounting to Kshs 131,093,096 in accordance to the Nyeri County Tax Waivers Administration Act, 2015.



.....
CECM Finance and Economic Planning
County Government of Nyeri

County Government of Nyeri
Revenue Statements for the Period Ended 30th June 2022

III. Management Discussion and Analysis

The County Government of Nyeri under its operation structure has placed the Revenue directorate under the CECM Finance and the Chief Officer Finance & accounting. The Director of Revenue is the appointed Receiver of Revenue. Under the Director of Revenue we have the Sub county Revenue officers who collect and account for revenue collected in the Sub Counties. In the office of the director there is a team tasked to oversee the day to day operations of the sub counties that includes reconciliation of the reported revenue against amounts banked and also a team that undertake impromptu inspections and monitoring the field operations.

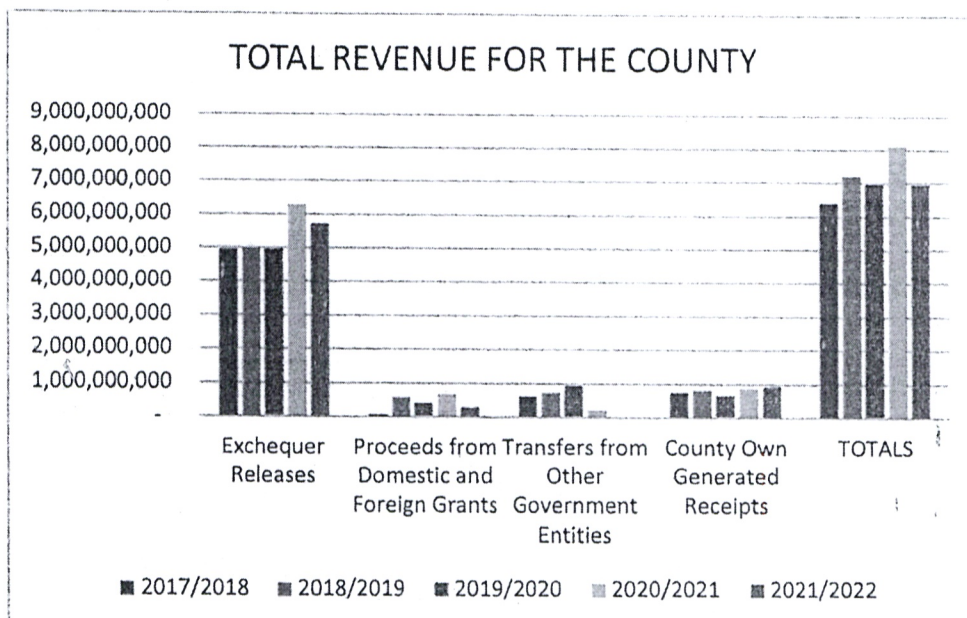
Nyeri County operates a cashless system, "NyeriPay", that facilitates real time-monitoring of revenue collected and allows timely action in case of adverse performance.

Over the past 5 years, the county has endeavoured to enhance own source revenue collection to enable financing of the budget for service delivery. However, remittances by the National Government has not been consistent hence affecting service deliver. Emphasis has been made to own source revenue collection as opposed to National Government and other agencies remittances as the County has less influence on them.

The table below illustrates financial performance for the past five (5) financial years.

TOTAL ACTUAL REVENUE COLLECTION FOR THE COUNTY IN KSHS.

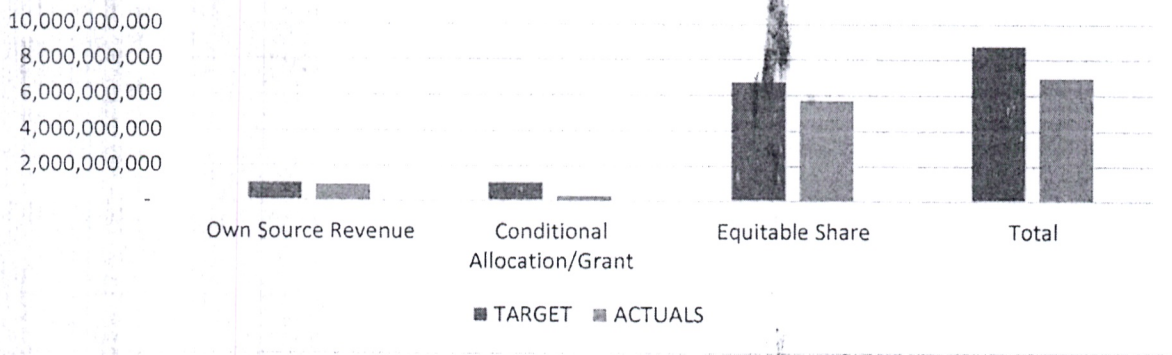
DESCRIPTION	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Exchequer Releases	4,952,800,000	5,024,000,000	4,946,705,100	6,306,344,117	5,730,430,268
Proceeds from Domestic and Foreign Grants	70,761,342	599,446,585.20	414,129,849	695,026,433	297,314,062
Transfers from Other Government Entities	620,269,098	747,453,834	939,360,942	239,232,338	0
County Own Generated Receipts	760,186,651	837,350,054	663,800,035	886,940,831	948,313,629
TOTALS	6,404,017,091	7,208,250,473	6,963,995,926	8,127,543,719	6,976,057,959
<i>SOURCE: AUDITED FINANCIAL STATEMENTS (CASH FLOW)</i>					



COMPARISON OF ACTUALS AGAINST THE TARGET FOR YEAR 2021/2022

Revenue Stream	TARGET	ACTUALS	Performance in percentage (%)
Own Source Revenue	1,000,000,000	948,313,629	94.8
Conditional Allocation/Grant	1,035,091,873	297,314,062	28.7
Equitable Share	6,716,236,308	5,730,430,268	85.3
Total	8,751,328,181	6,976,057,959	79.7

COMPARISON OF ACTUALS AND THE TARGET FOR YEAR
 2021/2022

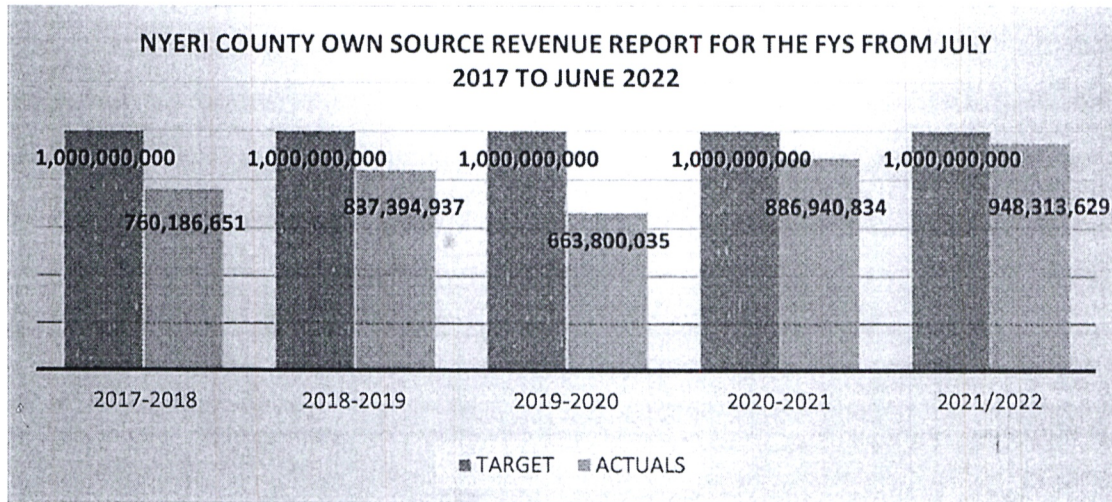


The above analysis indicates a short fall of 20% that was largely caused by non-remittance of the equitable share and conditional allocation/grant by the National Government and other agencies.

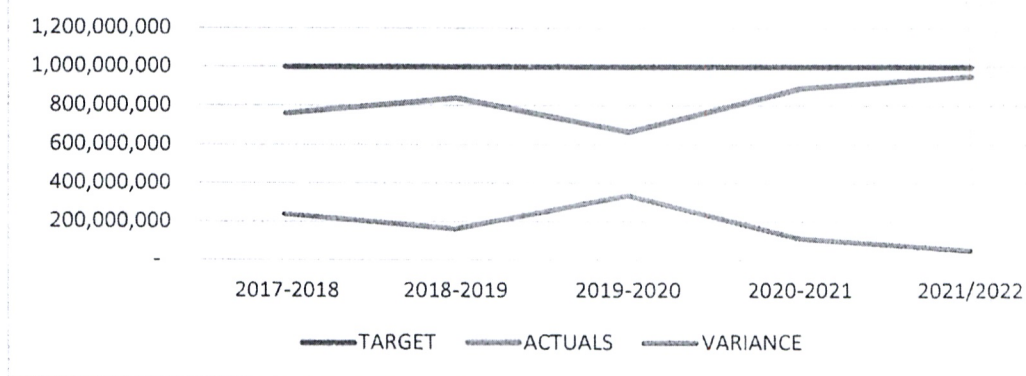
The following is an analysis of Own Source Revenue Collections for the past five (5) financial years

DESCRIPTION	TARGET	ACTUALS	VARIANCE	%PERFORMANCE
2017-2018	1,000,000,000	760,186,651	239,813,349	76.0
2018-2019	1,000,000,000	837,394,937	162,605,063	83.7
2019-2020	1,000,000,000	663,800,035	336,199,965	66.4
2020-2021	1,000,000,000	886,940,834	113,059,166	88.7
2021/2022	1,000,000,000	948,313,629	51,686,371	94.8

County Government of Nyeri
Revenue Statements for the Period Ended 30th June 2022



Comparisons of the own source revenue actuals against the target(Kshs.



- As demonstrated above Revenue has been growing progressively over the years except for 2019-2020 that was largely affected by the effects of Covid-19 pandemic and introduction of Universal health care (UHC).
- The revenue for 2021/22 includes Health services revenue collection since the approved budget included the target for health services. However the Health service collections will also be included in the Health fund report. the annual financial statements shall report the total own source revenue less collections from the health services as follows:

Description	Actual Revenue
Total own source revenue including health	948,313,629
Revenue in CRF but not recognized in the NyeriPay Revenue Management System	36,436,287
Less: Health Collections	342,378,883
Amounts disbursed to CRF	642,371,033

County Government of Nyeri
Revenue Statements for the Period Ended 30th June 2022

ACCOUNT DESCRIPTION	Actual Collections 2017-2018	Actual Collections 2018-2019	Actual Collections 2019-2020	Actual Collections 2020-2021	Actual Collections 2021-2022
OFFICE OF THE GOVERNOR					
Liquor Licence	42,955,352	46,188,654	39,050,644	55,657,054	34,645,322
DEPARTMENT OF AGRICULTURE, LIVESTOCK & FISHERIES					
Agricultural Mechanisation Station	522,600	1,207,900	812,111	523,655	1,139,735
Wambugu Agricultural Training Centre	5,681,324	6,557,579	10,602,967	2,589,105	6,415,824
Veterinary Charges	4,350,989	5,029,712	6,678,006	7,915,886	4,572,697
Slaughtering Fees	3,651,235	4,136,985	2,383,255	1,882,022	1,586,830
Nyeri Slaughter House	624,800	-	420,000	600,000	350,000
Kiganjo Slaughter House	120,000	40,000	100,000	140,000	70,000
Sale of Fertilizer/lime	223,000	2,229,100	2,543,800	1,064,900	691,300
Gura Fishing Camp/fisheries revenue	-	-	24,000	9,500	6,300
Coffee Permit	-	1,782,590	-	930,700	324,215
DEPARTMENT OF TRADE, CULTURE, TOURISM AND COOPERATIVES DEVELOPMENT					
Market Entrance/Stalls/Shop Rents	35,080,559	34,168,978	38,724,276	49,806,069	41,549,865
Weights and Measures	1,650,610	2,592,240	2,477,173	3,048,043	3,235,260
Co-operative Audit	1,591,100	1,745,400	1,918,171	1,730,120	1,573,500
DEPARTMENT OF HEALTH SERVICES					
Hospital Services	266,770,923	242,227,436	105,229,097	182,735,460	342,378,883
Public Health including Health fees banked in CRF	8,196,571	13,381,715	9,816,741	11,753,421	13,714,820
Burial Fees	119,000	25,300	106,700	130,300	120,000
DEPARTMENT OF FINANCE & ECONOMIC PLANNING					
Commision 3%/Agency Fee (Fees from KHC, Insurance Firms, e.t.c.)	52,000	2,941,598	5,176,933	5,983,579	6,321,798
Business Permits	102,677,604	93,027,580	79,622,442	116,980,221	101,496,016
Ambulant Hawkers Licences (Other than BSS Permits)	250,650	624,895	1,178,685	1,463,780	814,780
Miscellaneous	555,078	1,689,713	4,755,411	3,479,950	737,144
Document Search Fee/Duplicate receipts	420,650	196,250	319,750	683,501	69,750
Impounding Charges/Court Fines, penalties, and forfeitures	941,280	2,844,052	1,568,291	2,735,300	1,654,030
Application Fee	9,612,445	19,224,121	10,377,773	18,978,872	5,460,860
Parking Clamping/Penalties/Offences fees	2,325,825	1,782,050	4,116,270	2,924,170	2,156,786
Central Kenya show annual permit	-	-	66,500	-	-
TRANSPORT, PUBLIC WORKS, INFRASTRUCTURE & ENERGY					
Right-of-Way / Way-Leave Fee (KPLN, Telkom, e.t.c.)	687,040	5,370,940	9,245,922	7,402,060	3,323,920
Cess (Quarry, Produce, Kaolin, e.t.c.)	29,721,512	43,358,635	49,409,924	67,235,190	56,612,943
Street Parking Fees	65,414,895	30,794,681	33,768,474	37,467,525	34,704,092
Enclosed Bus Park	24,391,740	69,085,405	70,075,755	73,471,960	76,983,869

Revenue Statements for the Period Ended 30th June 2022

ACCOUNT DESCRIPTION	Actual Collections 2017-2018	Actual Collections 2018-2019	Actual Collections 2019-2020	Actual Collections 2020-2021	Actual Collections 2021-2022
Fire-Fighting Services	3,522,552	12,919,502	10,521,935	15,777,100	13,521,550
LANDS, HOUSING, PHYSICAL PLANNING & URBAN DEVELOPMENT					
Land Rates/ Other Property Charges	61,801,651	61,824,484	47,982,935	58,421,171	50,428,240
Ground Rent - Current Year / Temporary Occupation License (TOL), New Occupation, Space Rent, Retainers fees	3,900,293	3,065,666	2,850,032	3,678,747	3,030,161
Ground Rent - Other Years	2,288,741	2,297,460	2,118,775	6,053,190	2,043,585
Plot Transfer Fee/Business Subletting / Transfer Fee	1,289,200	791,200	520,000	834,500	562,500
Housing Estates Monthly Rent	16,634,107	28,109,643	26,796,597	36,160,640	24,278,446
Approvals (Extension of users, Pegging for Kiosk, Subdivision, transfer, Amalgamation, survey, Occupation Cert, boundary dispute e.t.c.)	638,500	5,801,580	6,501,873	5,649,858	5,774,595
Sign Boards & Advertisement Fee	21,245,473	23,792,285	24,948,868	30,654,719	36,377,665
Buildings Plan Approval Inspection Fee	9,951,101	20,879,687	8,851,508	17,857,214	29,327,566
Consent to Charge Fee/Property Certification Fee (Use as Collateral)	1,346,600	1,304,200	1,582,800	1,976,400	1,841,600
Sales of Council's Minutes / Bylaws	250,500	171,000	317,500	458,500	490,100
Debts Clearance Certificate Fee	2,290,500	1,890,300	1,715,600	1,740,000	1,568,500
DEPARTMENT OF GENDER, YOUTH AND SOCIAL SERVICES					
Hire of Grounds (Kamukunji, Whispers park) / Social Hall Hire	5,000	90,500	127,000	813,041	1,188,443
DEPARTMENT OF EDUCATION AND SPORTS					
Food Ration (KRT) Nursery School	250,650	41,350	-	131,800	194,300
Food Ration (Kingongo) Nursery School	182,950	149,600	72,300	159,100	301,100
Food Ration (Nyakinyua) Nursery School	136,500	175,500	141,050	141,600	363,200
Stadium Hire(Ruringu, Karatina etc)	2,767,795	497,000	1,054,529	23,250	43,500
DEPARTMENT OF COUNTY PUBLIC SERVICE MANAGEMENT, ENVIRONMENT AND SOLID WASTE MANAGEMENT					
Public Toilets/Use of public toilets	287,965	528,130	366,942	207,150	89,580
Refuse Collection Fee/Tipping charges/Garbage Dumping Fee/waste disposal charges	22,807,791	40,812,341	36,703,639	46,880,512	34,093,460
DEPARTMENT OF WATER AND IRRIGATION					
Tree cutting permits	-	-	57,082	-	-
Noise Regulation/Pollution	-	-	-	-	85,000
TOTAL LOCAL SOURCES	760,186,651	837,394,937	663,800,036	886,940,835	948,313,630

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 identified eight (8) 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 Nyeri County's 2018-2022 CIDP are to;

- Improve productivity in agriculture and overall food and nutrition security.
- Promote shared economic growth and job creation.
- Enhance good governance and active citizenry.
- Enhance basic infrastructure for effective service delivery.
- Promote sustainable use of natural resources.
- Improve financial sustainability and resilience.
- Provide accessible and quality health care services.
- Scale up institutional development, transformation and innovation.

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

Among the strategic objectives of the County as listed in the CIDP (2018-2022) the department of finance and Economic planning is tasked with the objective to improve financial sustainability and resilience as its core mandate.

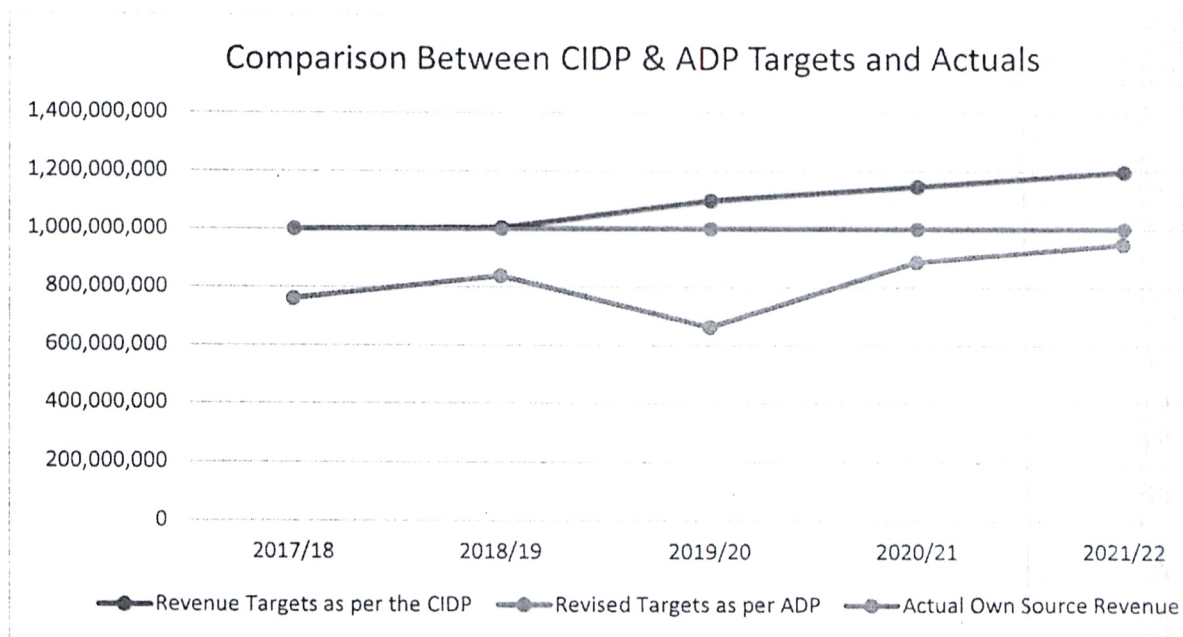
This objective is cascaded to various directorates within the department. The directorate of revenue is tasked with the following objectives:

County Government of Nyeri
Revenue Statements for the Period Ended 30th June 2022

- Mobilizing resources for funding budgetary requirements.
- Putting in place mechanisms to raise revenue.

The following is a table showing the predetermined target as contained in the CIDP and the revised targets as per the ADPs against the actual revenue:

Sub Program me	Key Outcome	Baseline	Key performance Indicators	Description	Planned Targets				
					2017/18	2018/19	2019/20	2020/21	2021/22
Broadening the revenue base	Increased revenue collection	643M (2016/17)	Actual revenue collected	Revenue Targets as per the CIDP	1,000,000,000	1,005,000,000	1,100,000,000	1,150,000,000	1,200,000,000
Revised revenue targets				Revised Targets as per ADP	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Actual Own Source Revenue				Actual Own Source Revenue	760,186,651	837,350,054	663,800,035	886,940,831	948,313,629



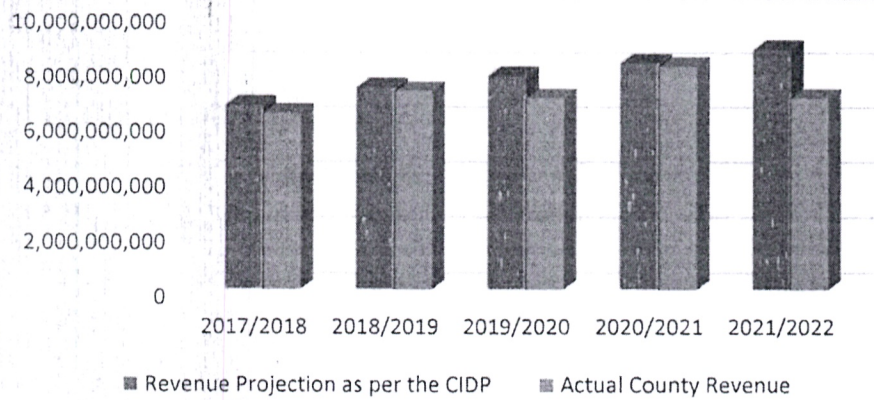
The table below shows the Revenue projections as contained in the CIDP

Type of Revenue	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
a) Local Revenue	1,000,000,000	1,050,000,000	1,100,000,000	1,150,000,000	1,200,000,000
b) Equitable share	4,952,800,000	5,200,440,000	5,460,462,000	5,733,485,100	6,020,159,355
c) Conditional grants	729,038,193	1,074,393,922	1,200,153,010	1,344,775,962	1,511,092,356
d) Equalization fund					
e) Other sources (Specify)					
Total	6,681,838,193	7,324,833,922	7,760,615,010	8,228,261,062	8,731,251,711

Comparison of Budget Projection as per the CIDP against Total actual Collection

Type of Revenue	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Revenue Projection as per the CIDP	6,681,838,193	7,324,833,922	7,760,615,010	8,228,261,062	8,731,251,711
Actual County Revenue	6,404,017,091	7,208,250,473	6,963,995,926	8,127,543,719	6,976,057,959

Comparison of Budget Projection as per CIDP against Total Actuals



County Government of Nyeri
Revenue Statements for the Period Ended 30th June 2022

<i>Ref</i>	<i>Objective as per CIDP</i>	<i>Performance/Progress made since the start of CIDP planning period up to date</i>	<i>Remarks (Explain the reasons underperformance/ Overperformance)</i>
1.	Increase own source revenue by 50% by end of the CIDP from projection of Kshs.1B in 2017/18 to 1.2B in 2021/22	Actual collection in 2016/17 of Kshs. 643M is used as the baseline to measure the increase of 50% at the end of FY 2021/22 thus $643 \times 150/100 = 964.5M$ actual collection for 2021/22 equals Kshs. 948.3M i.e. 98.3% achievement.	The calculation has used the baseline actual collection as indicated in the CIDP instead of the projection in the CIDP since the projection was not based on any scientific method. The performance of 98.3% instead of 100% is due to the effects of covid-19 pandemic where the County granted waiver of revenue fees as an Economic stimulus program to cushion the traders on the effect of the pandemic.

Progress on attainment of Development Objectives from Annual Development Plan (Adopted from Nyeri County ADPs)

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 attainment of the stated objectives:

*County Government of Nyeri
Revenue Statements for the Period Ended 30th June 2022*

Department	Objective	Outcome	Indicator	Performance
Finance and Economic Planning	To enhance revenue collection	Increase Local revenue for improved service delivery	Percentage change in revenue collected and number of revenue streams automated	-Increased local revenue from 643M to 948M thus an increase of 305.3 M that equals to 47.5% against a set target of 50%. -All revenue streams automated

County Government Of Nyeri
Revenue Statements for the Period Ended 30th 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 *financial statements* 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 this 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 the County Government of Nyeri *receiver of revenue* transactions during the financial year ended June 30, 2022, and of the County Government of Nyeri 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 County Government of Nyeri 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.

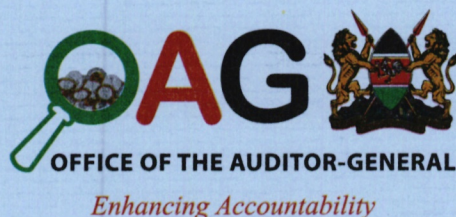
Approval of the Revenue Statements

The revenue statements were approved and signed by the Receiver of Revenue on 17/11/2022

.....
Name Rehema Salim
County Receiver of Revenue

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: 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 - COUNTY GOVERNMENT OF NYERI FOR THE YEAR ENDED 30 JUNE, 2022

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 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 FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Receiver of Revenue - County Government of Nyeri set out on pages 1 to 16, which comprise the statement of financial

assets and liabilities as at 30 June, 2022, and the statement of receipts and disbursements, statement of arrears of revenue 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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Receiver of Revenue - County Government of Nyeri 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 comply with the Public Finance Management Act, 2012 and the County Governments Act, 2012.

Basis for Qualified Opinion

1. Unreceipted Revenue Received after Year End

The statement of receipts and disbursements for the year ended 30 June, 2022 reflects total receipts of Kshs.644,926,742, which includes unreceipted revenue for July, 2022 of Kshs.36,436,287. However, the unreceipted revenue for July, 2022 was included in the statement of receipts and disbursements as received on or before 30 June, 2022. This is contrary to the International Public Sector Accounting Standards (Cash Basis) reporting framework and Regulation 97(1) of the Public Finance Management (County Governments) Regulations, 2015 which states that the accounts of the County Government entities shall record transactions which take place during a financial year running from the 01 July to 30 June.

In the circumstances, the accuracy and completeness of total receipts of Kshs.644,926,742 for the year ended 30 June, 2022 could not be confirmed.

2. Unconfirmed Balance Brought Forward

The statement of receipts and disbursements for the year ended 30 June, 2022 reflects balance brought forward of Kshs.2,476,312. However, the balance was not disclosed in the notes to the financial statements and its analysis was not provided for audit review.

In the circumstances, the accuracy of balance brought forward of Kshs.2,476,312 as at 30 June, 2022 could not be confirmed.

3. Inaccuracies in the Financial Statements

Review of financial statements prepared and presented for audit revealed the following inaccuracies:

- i. The statement of receipts and disbursements for the year ended 30 June, 2022 reflects balance due for disbursement to CRF of Kshs.4,999,676. However,

recalculation of the amount revealed that the amount due for disbursement is Kshs.5,081,021, resulting to an unexplained and unreconciled variance of Kshs.81,345.

- ii. The statement of arrears of revenue as at 30 June, 2022 reflects total arrears balance of Kshs.1,372,490,361. However, recalculation of the balance revealed a balance of Kshs.1,366,872,539, resulting to unexplained and unreconciled variance of Kshs.5,617,822. Further, the statement reflects land/poll rate balance of Kshs.553,681,420. However, recalculation of the balance revealed a balance of Kshs.500,491,039, resulting to unexplained and unreconciled variance of Kshs.53,190,381.

In the circumstances, the accuracy and completeness of balance due for disbursement to CRF of Kshs.4,999,676 and total arrears of revenue of Kshs.1,372,490,361 for the year ended 30 June, 2022 could not be confirmed.

4. Long Outstanding Arrears of Revenue

The statement of arrears of revenue as at 30 June, 2022 reflects total arrears balance of Kshs.1,372,490,361. However, as disclosed in Note 21 to the financial statements, the balance includes arrears of revenue totalling Kshs.1,319,530,687 relating to financial years 2020/2021 and 2019/2020 and no measures have been put in place to recover the revenue arrears. Further, the schedule of arrears of revenue was not provided for audit.

In the circumstances, the accuracy, completeness and recoverability of revenue arrears totaling to Kshs.1,372,490,361 could not be confirmed.

5. Unconfirmed Bank Balance

The statement of financial assets and liabilities and as disclosed in Note 18 to the financial statements as at 30 June, 2022 reflects bank balances of Kshs.4,999,676 which includes cash in transit of Kshs.1,892,871. However, supporting documents in support of the cash in transit were not provided for audit.

In the circumstances, the accuracy and validity of cash in transit balance of Kshs.1,892,871 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 - County Government of Nyeri Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Failure to Operationalize Valuation Roll

The Management procured the services of a firm at a contract price of Kshs.25,334,400 to develop valuation roll during financial year 2019/2020. However, the evidence of operationalization of the valuation roll during the year under review was not provided for audit review. This is contrary to Regulation 63(1)(a) of the Public Finance Management (County Governments) Regulations, 2015 which states that an Accounting Officer and a receiver of revenue are personally responsible for ensuring that adequate safeguards exist and are applied for the prompt collection and proper accounting for, all County Government revenue and other public moneys relating to their County departments or agencies.

In the circumstances, the County was denied opportunity to raise more revenue from land rates and land rent. In addition, the 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Receiver of Revenue's ability to sustain services, disclosing, as applicable, matters related to sustainability of service and using the applicable basis of accounting unless the Management is aware of 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's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect

a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 Receiver of Revenue's policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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

01 March, 2023

County Government Of Nyeri
Revenue Statements for the Period Ended 30th June 2022

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

	Note	2021/22 Kshs
County Own Source Revenue		
Cess	1	57,551,167
Land/Poll Rate	2	50,014,771
Single/Business Permits	3	104,516,416
Property Rent	4	56,425,814
Parking Fees	5	111,757,461
Market Fees	6	14,511,659
Advertising	7	36,322,165
Hospital Fees	8	342,378,883
Public Health Service Fees	9	13,113,820
Physical Planning and Development	10	38,017,361
Hire Of County Assets	11	9,145,092
Conservancy Administration	12	34,342,865
Administration Control Fees and Charges	13	68,517,134
Park Fees	14	-
Other Fines, Penalties, And Forfeiture Fees	15	4,272,751
Miscellaneous receipts	16	7,426,270
Total County Own Source Revenue		948,313,629
Other Receipts		
Donations/Grants/Health service Fund Not Received Through CRF	17	(342,378,883)
Unreceipted revenue		2,555,709
BANK CHARGES		-
un-receipted revenue due to cut off dates 1st July to 20th July 2022		36,436,287
Total Other Receipts		(303,386,887)
Total Receipts		644,926,742
Balance b/f at the beginning of the year		2,476,312
		-
Disbursements To CRF		642,322,033
Balance Due for Disbursement		4,999,676

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 11/11/2022 and signed by:

..... Name Rehema Salim County Receiver of Revenue ICPAK M/No 10653 (Ref: PFM ACT section 165, 2(a)) Name Teresa Maina Head of Revenue Reporting
--	--

It's important to note that the county operates a cashless system where the clients pay to the bank or mobile money before any receipt is issued. However, some of the clients deposit the money with insufficient information making it difficult for the County to receipt immediately hence during the period ending 30th June 2022 the County had Kshs 38,991,996 as Un-receipted revenue; Kshs. 36,436,287 being revenue transferred to C.R.F in the month of July 2022 but due to cutoff, it was backdated to the Financial Year 2021/2022.

VIII. Statement of Financial Assets and Liabilities as at 30th June 2022

**Statement of Financial Assets and Liabilities As At
 30th June 2022**

	Note	2021/22
		Kshs
Financial Assets		
Cash And Cash Equivalents		
Bank Balances	18	4,999,676
Cash In Hand	19	-
Total Financial Assets		4,999,676
Total Financial Assets		4,999,676
Financial Liabilities		
Payables-Due to CRF	20	4,999,676
Total Financial Liabilities		4,999,676

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 17/11/2022 2022 and signed by:

.....
 Name Rehema Salim
 County Receiver of Revenue
 ICPAK M/No

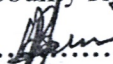
.....
 Name Teresa Maina
 Head of Revenue Reporting

*Receiver Of Revenue
County Government Of Nyeri
Revenue Statements for the Period Ended 30th June 2022*

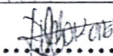
IX. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30th June 2022

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%
	Kshs	Kshs	Kshs	Kshs	Kshs	
County Own Source Revenue						
Cess	71,330,144	-	71,330,144	57,551,167	13,778,977	81
Land/Poll Rate	62,222,839	-	62,222,839	50,014,771	12,208,068	80
Single/Business Permits	128,415,000	-	128,415,000	104,516,416	23,898,584	81
Property Rent	57,300,000	-	57,300,000	56,425,814	874,186	98
Parking Fees	118,881,907	-	118,881,907	111,757,461	7,124,446	94
Market Fees	26,000,000	-	26,000,000	14,511,659	11,488,341	56
Advertising	37,182,998	-	37,182,998	36,322,165	860,833	98
Hospital Fees	300,000,000	-	300,000,000	342,378,883	(42,378,883)	114
Public Health Service Fees	14,247,807	-	14,247,807	13,113,820	1,133,987	92
Physical Planning and Development	39,966,051	-	39,966,051	38,017,361	1,948,690	95
Hire Of County Assets	10,050,000	-	10,050,000	9,145,092	904,908	91
Conservancy Administration	41,492,600	-	41,492,600	34,342,865	7,149,735	83
Administration Control Fees and Charges	77,212,064	-	77,212,064	68,517,134	8,694,930	89
Park Fees	-	-	-	-	-	-
Other Fines, Penalties, And Forfeiture Fees	8,118,590	-	8,118,590	4,272,751	3,845,839	53
Miscellaneous Receipts	7,580,000	-	7,580,000	7,426,270	153,730	98
Total County Own Source Revenue	1,000,000,000	-	1,000,000,000	948,313,629	51,686,371	95
Other Receipts	-	-	-	-	-	-
Donations /Grants Not Received Through CRF	-	-	-	-	-	-
Total Other Receipts	-	-	-	-	-	-
Total Receipts	1,000,000,000	-	1,000,000,000	948,313,629	51,686,371	95

The County Receiver of revenue's financial statements were approved on 17/11 2022 and signed by:

.....


Name Rehema Salim
County Receiver of Revenue

.....



Name Teresa Maina
Head of Revenue Reporting

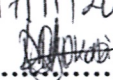
Receiver Of Revenue
County Government Of Nyeri
Revenue Statements for the Period Ended 30th June 2022

ICPAK M/No

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

Classification Of Receipts (Indicate As Applicable)	Balance as at 1 st 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
Land/Poll Rate	493,253,023	3,175,611.26	10,413,627	553,681,420	1. Land rate waivers on accumulated penalties. 2. Withholding business licenses for businesses on plots with land rate arrears. 3. Issuance of demand notices to all land rate defaulters	
Property Rent	40,124,176	2,442,214	(13,979,810)	28,586,580		
Contribution in Lieu of Rates	733,696,503	-	56,525,858	790,222,361		
Total Arrears	1,267,073,701	5,617,826	105,416,660	1,372,490,361		

17/11/2022

 Name Rehema Salim
 County Receiver of Revenue
 ICPAK M/No 10653
 (Ref: PFM ACT section 165, 2(a))

17/11/2022

 Name Teresa Maina
 Head of Revenue Reporting

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 Nyeri. 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 Nyeri. 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 by the County Government of Nyeri.

2. Recognition of Receipts

The County Government of Nyeri recognises all receipts from the various sources when the related cash has been received and receipted by the County.

3. Budget

The County Revenue budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County budget was approved as required by law. The original budget was approved by the County Assembly on 15th June 2021 for the period 1st July 2021 to 30 June 2022 as required by law. There was 3 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

Revenue Statements for the Period Ended 30th June 2022

Notes To the Financial Statements (Continued)

1. Cess

Description	2021/22
	Kshs
Quarrying	57,349,273
Livestock	201,894
Total	57,551,167

2. Land/Poll rates

Description	2021/22
	Kshs
Land rates	34,280,471
Land penalties and interest	12,558,689
Arrears	3,175,611
Total	50,014,771

3. Single /Business Permits

Description	2021/22
	Kshs
Business permit application fees	2,820,000
Annual Business permit fees	96,838,050
Business permit penalties and interest	2,438,548
Business permit fees arrears	2,419,818
Total	104,516,416

Notes to the Financial Statements (continued)

4. Property Rent

Description	2021/22
	Kshs
County Housing	21,878,370
Plot Rent	4,460,215
Tenancy Agreement	
Transfer of Property	685,500
Stalls/kiosks rent	26,959,515
Others (Specify) House and Stalls Penalties	2,442,214
Total	56,425,814

5. Parking Fees

Description	2021/22
	Kshs
Street parking fees	29,576,794
Reserved parking	5,950,000
Bus Park fees	76,230,667
Others (Specify)	111,757,461

6. Market Fees

Description	2021/22
	Kshs
Market entry fees	13,580,379
Hawking fees	931,280
Total	14,511,659

Notes to the Financial Statements (Continued)

7. Advertising

Descriptions	2021/22
	Kshs
Branding	10,340,810
Billboard advertising	9,680,499
Signage	2,822,990
Roadshows	10,648,750
Banners	152,250
Posters	165,200
Tent advertising	504,000
Business promotions	117,000
Street pole/clock advertising/ Neon	1,890,666
others (<i>Specify</i>)	
Total	36,322,165

8. Hospital Fees

Description	2021/22
	Kshs
Hospital Health Fund	342,378,883
Others (<i>Specify</i>)	-
Total	342,378,883

9. Public Health Service Fees

Description	2021/22
	Kshs
Inspection of buildings/premises/Institutions	2,242,500
Inspection for issuance of hygiene license	2,564,153
Vaccination: Yellow fever, Typhoid, etc	501,700
Applications for medical examination	
Medical certificate	5,125,850
Sanitation inspection for schools	
Public health permit	
Rodent Control/Fumigation	
Medical Charges from Hospitals	2,679,617
Total	13,113,820

Notes to the Financial Statements (Continued)

10. Physical Planning and Development

Description	2021/22
	Kshs
Sale of County planning documents	490,100
Land valuation and registration fees	-
Change / Renewal of user/consent/search	7,431,349
Building plans approval	13,248,160
Building inspection	6,956,000
Occupational Permits	2,498,000
Enforcement / Demolition	387,130
Architectural designs by county officers	
Hoarding fees	645,122
Others (Specify) Application for plot transfer	6,361,500
Total	38,017,361

11. Hire Of County Assets

Description	2021/22
	Kshs
Agricultural Mechanisation Services (AMS)	1,129,735
Hire of Machines and Equipment	
Hire of County Stadia/social hall	657,000
lease of county assets	942,533
Hire of county land	
Conference facilities/sale of produce, Agricultural Training Centers wambugu (ATC)	6,415,824
application for hire of county premises	
Others (Specify)	
Total	9,145,092

Notes to the Financial Statement (Continued)

12. Conservancy Administration

Description	2021/22
	Kshs
Refuse disposal fees	33,843,470
Dumpsite fees	
Sewerage fees	
Sale of seedlings	
Public cemetery	107,300
Disposal of carcasses	
Noise control	218,500
burial fees/application for burial	
public toilet	173,595
Others (<i>Specify</i>) APPLICATION FOR BURIAL	
Total	34,342,865

13. Administration Control Fees and Charges

Description	2021/22
	Kshs
Weights and measures	3,235,260
Fire Services	13,544,750
Liquor licenses	32,917,322
application for liquor licence	792,000
Other Application Fees	3,520,440
Betting levy	
debt clearance certificate	1,568,500
audit fee	1,573,500
slaughtering fees	
Veterinary charges	6,159,527
Right-of-Way / Way-Leave Fee (KPLN, Telkom, e.t.c.)	3,325,420
noise regulation	
Agricultural fees	1,015,515
Fish farming	6,300
Sale of lime/fertilizer	
Others (<i>Specify</i>) Nursery school fees	858,600
Total	68,517,134

14. Park Fees

Description	2021/22 Kshs
Lodge Tariffs and levies	-
Park entry fees	-
Filming and Photography fees	-
Camping fees	-
Balloon landing fees	-
Others (<i>Specify</i>)	-
Total	-

Notes to the financial statements (continued)

15. Other Fines, Penalties and Forfeitures

Description	2021/22 Kshs
Impounding Fees	1,995,435
Towing Fees/parking clamping penalties	2,265,406
Others (<i>Specify</i>) <i>cess enforcement</i>	11,910
Total	4,272,751

16. Miscellaneous Receipts

Description	2021/22 Kshs
Dividends	
Interest	
Commissions 3%	6,321,797
Client payments	1,033,723
Others (<i>Specify</i>) <i>document search</i>	70,750
Total	7,426,270

17. Donations And Grants Not Received Through CRF

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

Revenue Statements for the Period Ended 30th June 2022

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 Kshs
EQUITY BANK 0110280843674			147,145
KCB REVENUE 1140760319			2,670,099
COOPERATIVE BANK OF KENYA 01141666594400			288,985
Bank charges			-
HEALTH			576
Cash in Transit			1,892,871
Total			4,999,676

18 (a) Balance carried forward as at 30th June 2022 and subsequently transferred

Ref	Amount (Kshs)	Date subsequently transferred
	-	1 July 2022
Total	-	

19. Cash in hand

Description	2021/22 Kshs
Cash Balance (<i>Location</i>)	-
Mobile Money	-
Others (<i>Specify</i>)	-
Total	-

20. Payables - Due To CRF

Payables	2021/22 Kshs
Balance b/f from Commercial Banks	2,476,312
Balance b/f from CRF	3,360,283
Amount collected during the year	641,566,434
Bank Charges	81,320
Amounts disbursed to CRF during the year	642,322,033
Cash in transit	-
Balance c/d at the end of the year	4,999,676

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

Notes to the Financial Statements (Continued)

21. Ageing Analysis of Revenue in Arrears

Description (indicate as applicable)	Less than 1 year	Between 1-2 years	Between 2-3 years	Over 3 years	Total
Cess	-	-	-	-	-
Land/poll rate	10,413,627	543,267,794	-	-	553,681,420
Single/business permits	-	-	-	-	-
Property rent	(13,979,810)	42,566,390	-	-	28,586,580
Parking fees	-	-	-	-	-
Contribution in Lieu of Rates	56,525,858	733,696,503	-	-	790,222,361
Total (agree to statement of arrears)	52,959,674	1,319,530,687	-	-	1,372,490,361

Revenue Statements for the Period Ended 30th June 2022

XII. Appendices

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

2021-2022 WAIVER SUMMARY - FINANCE & ECONOMIC PLANNING					
Description	Q1	Q2	Q3	Q4	TOTAL
Persons Living with Disability(SBP)	105,125	128,410	33,300	216,558	483,393
Penalties accrued after deadline(Mukurweini Business Owners)	-	-	-	6,540	6,540
Liquor	402,330	378,033	23,207,144	3,553,283	27,540,790
Others	1,399,714	92,500	931,790	15,000	2,439,004
Land rates	-	37,567,704	21713006	13,443,222	72,723,932
Shop, Stalls and Houses rents	91,641	102,225	-	151,550	345,416
Vehicle parking	65,000	99,000	275,250	636,750	1,076,000
Market	-	2,600	-	16,538	19,138
Cess	4,300,000	-	-	2,370,000	6,670,000
Private School			546,000	175,000	721,000
TOTAL	6,363,810	38,362,440	46,706,490	20,584,441	112,025,213

Waiver summary reports FY 2021-2022 – Hospitals					
Name of Hospitals	Q1	Q2	Q3	Q4	TOTAL
Mt. Kenya	187,720	87,100	108,530	190,476	573,826
Mukurweini	290,420	313,210	343,345	340,485	1,287,460
Othaya	128,300	25,100	3,750	70,640	227,790
Karatina	302,315	796,677	446,210	622,702	2,167,904
Nyeri County Referral	2,301,540	4,274,870	4,679,443	3,555,050	14,810,903
TOTAL	3,210,295	5,496,957	5,581,278	4,779,353	19,067,883

(PFM ACT section 165 subsection 4, 5)

Sign and date
Accounting Officer

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

The following is the summary of issues raised by the external auditor, and management 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 Rehema Salim
 County Receiver of Revenue
 Date 17/11/2022



.....
 Name Teresa Maina
 Head of Revenue Reporting
 Date 17/11/2022

