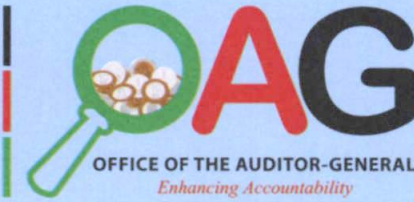


REPUBLIC OF KENYA



PARLIAMENT OF KENYA LIBRARY

REPORT

1183  
150

OF

THE AUDITOR-GENERAL

| PAPERS LAID        |                  |
|--------------------|------------------|
| DATE               | 17/2/20          |
| TABLED BY          | Sec (Dr) Leleque |
| COMMITTEE          |                  |
| CLERK AT THE TABLE | Typany           |

ON

RECEIVER OF REVENUE  
REVENUE STATEMENTS

FOR THE YEAR ENDED

30 JUNE, 2025

COUNTY GOVERNMENT OF TRANS NZOIA



100

100



---

**RECEIVER OF REVENUE**  
*County Government of Trans Nzoia*

**REVENUE STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30 JUNE 2025**

---

**Transitional IPSAS Statements/Prepared in accordance with Accrual Basis of Accounting  
Method under the International Public Sector Accounting Standards (IPSAS)**

*(Leave this page blank)*

*Receiver Of Revenue  
County Government of Trans Nzoia  
Revenue Statements for the Period Ended 30 June 2025*

---

| <b>Table of Contents</b>   | <b>Page</b> |
|--|-------------|
| 1. Acronyms and Definition of Key Terms.....   | ii          |
| 2. Key Entity Information and Management.....  | iii         |
| 3. Foreword By the CECM Finance and Economic Planning .....                                      | v           |
| 4. Management Discussion and Analysis .....  | vi          |
| 5. Statement of the Receiver of Revenue's responsibilities .....                                 | viii        |
| 6. Report of the Independent Auditor on the Receiver of Revenue for year ended 30 June 2025..... | x           |
| 7. Statement of Revenue and Disbursements for the year ended 30th June 2025.....                 | 1           |
| 8. Statement of Financial Position as at 30 <sup>th</sup> June 2025.....                         | 2           |
| 9. Statement of Cash Flows for the year ended 30 <sup>th</sup> June 2025 .....                   | 3           |
| 10. Statement of Comparison of Budget vs Actual Amounts for Year Ended 30 June 2025 .....        | 4           |
| 11. Notes to the Financial Statements .....  | 6           |
| 12. Appendices .....   | 23          |

**1. Acronyms and Definition of Key Terms**

*a) Acronyms*

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

*b) Key terms*

Comparative FY      Comparative Prior Financial Year

Fiduciary Management      The key management personnel who had financial responsibility.

## **2. Key Entity Information and Management**

### **Background information**

The Receiver of Revenue is under the Department of Finance and Economic Planning. At the County Executive Committee level, the Receiver of Revenue is represented by the County Executive committee member for Finance who is responsible for the general policy and strategic direction of the Receiver of Revenue. The Receiver of Revenue is designated as a receiver on 30<sup>th</sup> June 2025 by the County Executive Committee member for Finance, in accordance with section 157 of the PFM Act.

#### **(a) Principal activities**

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

#### **(b) Key Management Team**

The County Government of Trans-Nzoia day-to-day management of revenue is under the following:

- County Executive Committee Member for Finance and Economic Planning
- Chief Officer, Finance and Economic Planning.
- Chief Officer Agriculture and Livestock
- Chief Officer Trade, Commerce and Industry
- Chief Officer Water, Environment and Natural Resources
- Chief Officer Works, Transport and Infrastructure
- Chief Officer Health
- Chief Officer Physical planning Lands and Housing
- Chief Officer Gender, Youth, Sports, Culture and Tourism.
- Director, Revenue...
- Head of Revenue Reporting

**Receiver Of Revenue**  
**County Government of Trans Nzoia**  
**Revenue Statements for the Period Ended 30 June 2025**

---

**(b) County Headquarters**

P.O. Box 4211-30200  
County Head Quarter Building  
Moi Avenue  
**KITALE KENYA**

**(c) County Executive Bankers**

Telephone: (254) 30301/2  
E-mail: countyoftranszoia@gmail.com  
Website: wwwtranszoia.go.ke

**(d) Independent Auditor**

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

**(e) Bankers**

Kenya Commercial Bank (KCB)-Kitale Branch A/C:1284890635  
Equity Bank -Kitale Branch A/C:0330260729452  
SBM Bank -Kitale Branch  
A/C:0402380769001,0402380766001,0402380770001,0402380771001,0402380772001,  
0402380772001.

**(f) Principal Legal Adviser**

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

**(g) County Attorney**

**Trans-Nzoia County Attorney**  
**P.O Box 4211-30200**  
**County Head Quarter Building**  
**Moi Avenue**  
**KITALE KENYA.**

### **3. Foreword By the CECM Finance and Economic Planning**

The County's Own Source Revenue (OSR) is an integral part of the County's resource envelope contributing about 6% of the revenue receipts each financial year. In the financial year 2024/2025, the total OSR was Kshs 5343,894,663 against budget of Kshs 680,000,000 representing 79%. over the years revenue has performed below but continually improved.in the 2023/2024 the OSR collection was Kshs 470,522,927 compared to Kshs 543,894,663 collected in the year 2024/2025. The reason for under collection includes;

1. Lack of updated valuation roll.
2. In adequate revenue collection staff.
3. Mapping of revenue streams
4. Lack of reliable business register
5. Lack of lands owners register

It is planned and anticipated that the Own Source Revenue (OSR) collection will improve in the current financial year because all the revenue streams are now fully automated. The system will also address the issue of updating the businesses register and land owners register. At the same time, the preparation of an updated valuation roll is completed and will be rolled out before the second quarter.

Additionally, in the intend for recruitment of revenue collection staff has been submitted to the County Public Service Board. Hopefully, the recruitment process will be completed before the end of second quarter.

In effect therefore the county is poised to meet its OSR collection targets and probably surpass it. Further improvement including development of county revenue collection strategy paper and carrying out revenue mapping are planned. It is the county's deliberate effort to reduce over reliance on the exchequer.

  
**Pepela Wanjala**

**CECM Finance and Economic Planning**

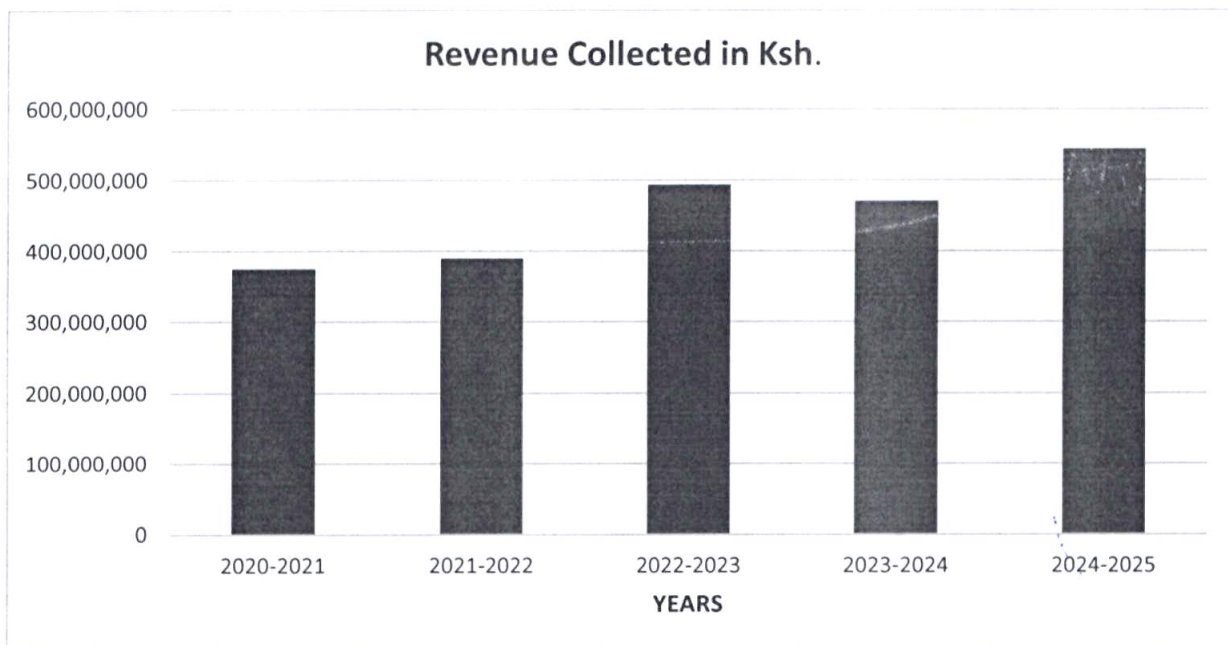
**County Government of Trans Nzoia**



#### **4. Management Discussion and Analysis**

The biggest challenge of many counties is the collection of own source revenue. Trans Nzoia county is no exception, From the graph below, the county has continually missed its budgeted revenue target due to various reasons ranging from inadequate staffing, outdated working documents like valuation roll, incomplete revenue mapping and automation. That, notwithstanding, concerted efforts have been expedited translating to an improvement in revenue collection. As indicated below, OSR collection dipped in the financial year 2020/2021 owing to the adverse effects of covid 19 pandemic. In the year 2022/2023 there was further improvement of Ksh 113,315,754 however in the previous financial year 2023-2024 there was a slight drop of Ksh 22,783,932. The current financial year 2024-2025 the Trans-Nzoia county has performed very well with increase of Kshs 73,371,736 as compared to previous years.

The county intends to improve revenue collection by setting the tone at the top i.e Involving the CECs and Chief Officers to enhance the collection of revenue more so the revenue streams in their respective departments. Further, the heads of revenue streams have moved to the parent department where the revenue streams is domiciled to supervise and coordinate revenue collection in the respective department. Some of the strategies envisioned include, carrying out comprehensive revenue mapping, completion of and implementation the updated valuation roll, recruitment of more revenue collection staff and updating the tax payers register. More still the directorate has started establishment sub-county revenue offices which will serve tax payers at the convenience of their regions.



**Challenges encountered in revenue collection and the mitigation factors**

- Lack of updated valuation roll. The last valuation roll was prepared in 2006
- Challenge in enforcing revenue defaulters/offenders. Lack of county court has resulted to increase in tax defaulters. SBP, Land rates etc. Currently county government of Trans Nzoia has already constructed county court and will be operational soon.
- Lack of infrastructure to support devolution of system to sub-county and ward level e.g. lack of operational sub-county revenue offices.
- Political interference to operations revenue collection. Due to political goodwill with the current administration, we believe this challenge will be resolved.
- Lack of an updated tax payers register
- Inadequate civic education and awareness' creation on tax obligation for tax payers.

Sign.....

**Ibrahim Chisaka  
County Receiver of Revenue**



## **5. Statement of the 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<sup>th</sup> 2025. 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 Receiver of Revenue accounts, which have been prepared on the Accrual Basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and the relevant legal framework of the Government of Kenya. The Receiver of Revenue is of the opinion that the Receiver of Revenue account gives a true and fair view of the state of the Trans Nzoia County Receiver of Revenue Receiver of Revenue transactions during the financial year ended June 30<sup>th</sup> 2025, and of the Trans Nzoia County Receiver of Revenue 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 Trans Nzoia County Receiver of Revenue has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable). The Receiver of Revenue confirms that the revenue statements have been prepared in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

### **Approval of the Revenue Statements**

The revenue statements were approved and signed by the Receiver of Revenue on 5<sup>th</sup> December 2025

*Jhne*

.....  
**Ibrahim Chisaka**  
**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 – REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025 - COUNTY GOVERNMENT OF TRANS NZOIA**

---

### **PREAMBLE**

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the revenue statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Revenue Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

### **REPORT ON THE REVENUE STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying transitional IPSAS revenue statements of Receiver of Revenue - County Government of Trans Nzoia set out on pages 1 to 25, which comprise of the statement of financial position as at 30 June, 2025, and the statement of statement of revenue and disbursements, statement of cash flows and statement of comparison of

---

*Report of the Auditor-General on Receiver of Revenue - Revenue Statements for the year ended 30 June, 2025 - County Government of Trans Nzoia*

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 transitional IPSAS revenue statements present fairly, in all material respects, the financial position of Receiver of Revenue - County Government of Trans Nzoia as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis including the transitional provisions permitted under IPSAS 33 and comply with the County Government Act, 2012 and the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

### **Basis for Qualified Opinion**

#### **1. Unsupported Revenue from Market Fees**

The statement of revenue and disbursements reflects market fees amounting to Kshs.21,094,770 as disclosed in Note 14 to the revenue statements. However, the amount indicated was not supported by a detailed ledger analysis.

In the circumstances, the accuracy and completeness of the statement of revenue and disbursements could not be confirmed.

#### **2. Long Outstanding Land Rates Arrears**

The statement of financial position reflects receivables for non-exchange transaction of Kshs.12,464,168,394 as disclosed in Note 25 to the revenue statements. The balance is in respect of long outstanding land rates arrears which have remained outstanding for a period of more than three (3) years while Management did not demonstrate efforts being taken to recover the debts.

In the circumstances, the recoverability of the land rates arrears balance of Kshs.12,464,168,394 could not be confirmed.

#### **3. Inaccuracies in Payables - Due to County Revenue Fund**

The statement of financial position reflects payables due to County Revenue Fund (CRF) balance of Kshs.12,473,366,764 as disclosed in Note 27 to the financial statements. However, the statement of financial position in the CRF financial statements reflects receivables from non-exchange transactions balance of Kshs.25,837,658 as disclosed in Note 16 to the financial statements resulting in an unreconciled variance of Kshs.12,447,529,106.

In the circumstances, the accuracy and completeness of the payables due to CRF balance of Kshs.12,473,366,764 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 Trans Nzoia Management in accordance with ISSAI 130 on the Code of Ethics. I have

fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

## **Emphasis of Matter**

### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounting to Kshs.680,000,000 and Kshs.543,894,663 respectively resulting to under realization of Kshs.136,105,337 or 20% of the budget.

The under-realization of the budget may have affected service delivery to the residents of the County.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the transitional IPSAS revenue statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

### **Other Matter**

### **Unresolved Prior Year Matters**

In the prior years' audit reports, several issues were raised under the Report on Financial Statements and Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the County Executive in 2024/2025 revealed unresolved matters as shown in table below:

|   | <b>Financial Year</b> | <b>Audit Issue</b>                                 |
|---|-----------------------|--|
| 1 | 2023/2024             | Unsupported Facility Improvement Fund (FIF) Amount |
| 2 | 2023/2024             | Unsupported Miscellaneous Receipts                 |
| 3 | 2023/2024             | Unsupported Property Rent Revenue                  |
| 4 | 2023/2024             | Unsupported Physical Planning and Development      |
| 5 | 2023/2024             | Unsupported Hire of Machinery                      |
| 6 | 2023/2024             | Unsupported Cash and Cash Equivalents Balance      |
| 7 | 2023/2024             | Unsupported Arrears of Revenue                     |
| 8 | 2023/2024             | Ineffectiveness of Internal Audit Function         |

## **Other Information**

The Management is responsible for the Other Information set out on page iii to viii which comprise of Key Entity Information and Management, Foreword by the CECM Finance and Economic Planning, Management Discussion and Analysis, Statement of Receiver of Revenue Responsibilities, The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Receiver of Revenue transitional IPSAS revenue statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the transitional IPSAS revenue statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard

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

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

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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 Appoint Substantive Receiver of Revenue**

Review of records revealed that the County Executive Member for finance had not designated an officer to be the substantive Receiver of Revenue responsible for collecting, receiving and accounting for revenue. This was contrary to Section 157(1) of Public Finance Management Act, 2012 which 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.

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

#### **1. Late Disbursements to the County Revenue Fund**

Review of revenue records revealed that there was a delay to pay promptly the revenue into the County Revenue Fund beyond the stipulated five (5) working days. Further, a balance of Kshs.2,199,945 which was collected but held in the revenue collection account and was not remitted to County Revenue Fund as at the close of the financial year. This was contrary to Regulation 81(2) of The Public Finance Management Act (County

Governments), 2015 which states that the Receivers of Revenue shall promptly pay the revenue received into the County Revenue Fund, as soon as possible and in any case not later than five (5) working days after receipt thereof.

In the circumstances Management was in breach of the law.

## **2. Failure to Prepare Quarterly Financial Reports**

During the year under review, it was established that quarterly financial reports were not prepared by the Receiver of Revenue. This was contrary to Section 158(3) of the Public Finance Management Act, 2012 which provides that a Receiver of Revenue for a County Government shall provide quarterly statements to the County Treasury with copies to the National Treasury and the Commission on Revenue Allocation.

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

## **3. Failure to Update the Valuation Roll**

Review of documents provided for audit revealed that the Receiver of Revenue used a valuation roll prepared in the year 2006 and therefore not updated. This was contrary to the requirements of Section 8(1) of the Trans Nzoia Valuation and Rating Act, 2024 which requires the entity to prepare a valuation roll at least once every ten years.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The Standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

#### **1. Inefficiencies in Revenue Automation System**

Review of the revenue collection management system revealed significant weaknesses where unstructured modules such as agricultural cess, royalties and public health had not been configured and automated in line with the contract agreement hence possibility of loss of revenue from the modules and payment for undelivered works or services. Further, there were delays in configuration and automation of the revenue streams such as approval of building plans, building approval fees, house rent, land rates hence possibility

of non - optimization of revenue collection hence leading to under - collection of revenues during the year.

In addition, the system was not linked to the IFMIS system, instead excel manual preparation of the revenue streams collection is used in posting of data to IFMIS.

In the circumstances, the effectiveness of internal controls on the system could not be confirmed

## **2. Lack of a Revenue Management Board**

During the audit it was established that the County had not constituted a Revenue Management Board (RMB) as required by law. Instead, revenue administration is being handled by the revenue department domiciled within the County Treasury. While this department undertakes operational responsibilities, it does not carry the legal mandate, independence, or governance authority that the RMB is designated to provide. This results in a governance vacuum where critical oversight, system control, and revenue accountability functions are either informally executed or left entirely unchecked, undermining compliance with statutory requirements.

In the circumstances, the effectiveness of the Receiver of Revenue to efficiently manage collection of revenue could not be confirmed.

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 controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

Management is responsible for the preparation and fair presentation of these revenue statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls 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 controls, risk management and governance.

In preparing the transitional IPSAS revenue statements, Management is responsible for assessing the Receiver of Revenue's ability to continue as a going concern, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless Management is aware of the intention 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 comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the 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**

My responsibility is to conduct an audit of the revenue statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the revenue statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

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

**Nairobi**

**18 December, 2025**

---

*Report of the Auditor-General on Receiver of Revenue - Revenue Statements for the year ended 30 June, 2025 - County Government of Trans Nzoia*

*Receiver Of Revenue  
County Government of Trans Nzoia  
Revenue Statements for the Period Ended 30 June 2025*

**7. Statement of Revenue and Disbursements for the year ended 30 June 2025**

|  | Note | FY 2024-2025<br>Kshs |
|--|------|----------------------|
| <b>Revenue from non-exchange transactions</b>                          |      |                      |
| Cess   | 6    | 55,962,288           |
| Land Rates   | 7    | 23,999,597           |
| Single/Business Permits  | 8    | 71,466,241           |
| Conservancy Administration   | 9    | 8,269,760            |
| Administration Control Fees and Charges                                | 10   | 20,556,517           |
| Public Health Service Fees   | 11   | 1,931,540            |
| Physical Planning and Development                                      | 12   | 5,536,450            |
| <b>Total Revenue from non-exchange transactions</b>                    |      | <b>187,722,393</b>   |
| <b>Revenue from exchange transactions</b>                              |      |                      |
| Parking Fees   | 13   | 59,641,650           |
| Market Fees  | 14   | 21,094,770           |
| Property Rent  | 15   | 6,250,773            |
| Advertising  | 16   | 17,584,800           |
| Hospital Fees (FIF)  | 17   | 249,520,277          |
| Hire of County Assets  | 18   | 2,080,000            |
| <b>Total Revenue from exchange transactions</b>                        |      | <b>356,172,270</b>   |
| <b>Total Revenues (a)</b>  |      | <b>543,894,663</b>   |
| <b>Disbursements</b>   |      |                      |
| Disbursements To CRF   | 19   | (284,844,330)        |
| Facility Improvement Fund (FIF)  | 20   | (249,690,277)        |
| Bank charges   | 21   | (65,816)             |
| Amount in the bank statement financial year 2023-24 billed in fy 24-25 | 22   | (2,222,950)          |
| <b>Total Disbursements and other charges (b)</b>                       |      | <b>(536,823,373)</b> |
| <b>Increase/Decrease in Dues to County Revenue Fund</b>                |      | <b>7,071,290</b>     |

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 5<sup>th</sup> December 2025 and signed by:

*Ibrahim Chisaka*

**Ibrahim Chisaka**  
County Receiver of Revenue  
(Ref: PFM ACT section 165, 2(a))



*Emmanuel Masungu*

**Emmanuel Masungu**  
Chief Officer Finance  
ICPAK M/No 19966

*Receiver Of Revenue  
County Government of Trans Nzoia  
Revenue Statements for the Period Ended 30 June 2025*

**8. Statement of Financial Position as at 30 June 2025**

|   | Note | FY 2024-2025          | Opening Statement 1 <sup>st</sup> July 2024 |
|---|------|-----------------------|---|
|   |      | Kshs                  | Kshs  |
| <b>Current Assets</b>                     |      |                       |   |
| Cash and Cash Equivalents (Bank balances) | 23   | 2,199,945             | 3,669,612                                   |
| Outstanding arrears (POS)                 | 24   | 4,871,345             | 11,990,337                                  |
| <b>Total Current Assets</b>               |      | <b>7,071,290</b>      | <b>15,659,949</b>                           |
|   |      |                       |   |
| Receivable from non -exchange transaction | 25   | 12,464,168,394        | -   |
| Receivable from exchange transaction      | 26   | 2,127,080             |   |
|   |      |                       |   |
| <b>Total Non-Current Assets</b>           |      | <b>12,466,295,474</b> | <b>15,659,949</b>                           |
|   |      |                       |   |
| <b>Total Assets</b>                       |      | <b>12,473,366,764</b> | <b>15,659,949</b>                           |
|   |      |                       |   |
| <b>Financial Liabilities</b>              |      |                       |   |
|   |      |                       |   |
| Payables-Due to CRF                       | 27   | 12,473,366,764        | 15,659,949                                  |
| Revenue Received in Advance               |      |                       |   |
|   |      |                       |   |
| <b>Total Financial Liabilities</b>        |      | <b>12,473,366,764</b> | <b>15,659,949</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 5<sup>th</sup> December 2025 and signed by:

*Ibrahim Chisaka*

.....  
**Ibrahim Chisaka**  
County Receiver of Revenue

*Emmanuel Masungu*

.....  
**Emmanuel Masungu**  
Chief Officer Finance  
ICPAK M/No 19966



*Receiver Of Revenue  
County Government of Trans Nzoia  
Revenue Statements for the Period Ended 30 June 2025*

**9. Statement of Cash Flows for the year ended 30 June 2025**

|   | Note | FY 2024-2025       |
|---|------|--------------------|
|   |      | Kshs               |
| <b>Operating Activities</b>                                     |      |                    |
| <b>Receipts</b>   |      |                    |
| Cess  | 6    | 55,962,288         |
| Land Rate   | 7    | 23,999,597         |
| Single/Business Permits   | 8    | 71,466,241         |
| Conservancy Administration                                      | 9    | 8,269,760          |
| Administration Control Fees and Charges                         | 10   | 20,556,517         |
| Public Health Service Fees                                      | 11   | 1,931,540          |
| Physical Planning and Development                               | 12   | 5,536,450          |
| Parking Fees  | 13   | 59,641,650         |
| Market Fees   | 14   | 21,094,770         |
| Property Rent   | 15   | 6,250,773          |
| Advertising   | 16   | 17,584,800         |
| Hospital Fees   | 17   | 249,520,277        |
| Hire of County Assets   | 18   | 2,080,000          |
| <b>Total Receipts</b>   |      | <b>543,894,663</b> |
|   |      |                    |
| <b>Payments</b>   |      |                    |
| Disbursements To CRF  | 19   | 284,844,330        |
| Bank charges  | 21   | 65,816             |
| Facility improvement fund (FIF)                                 | 20   | 249,690,277        |
| Money in the bank for FY 2023-24 billed in FY 2024-2025         | 22   | 2,222,950          |
| <b>Total Payments</b>   |      | <b>536,823,373</b> |
|   |      |                    |
| <b>Net Cash from operating Activities</b>                       |      | <b>7,071,290</b>   |
|   |      |                    |
| Cash and Cash Equivalent as at 1 <sup>st</sup> July 2024        | 23   | 3,669,612          |
| <b>Cash and Cash Equivalent as at 30<sup>th</sup> June 2025</b> | 23   | <b>2,199,945</b>   |

10. Statement of Comparison of Budget vs Actual Amounts for Year Ended 30 June 2025

| Receipts                                | Original Targets   | Adjustments | Final Targets      | Actual On Comparable Basis | Budget Realization Difference | % of Realization |
|---|--------------------|-------------|--------------------|----------------------------|-------------------------------|------------------|
|   | A                  | B           | C=A+B              | D                          | E=C-D                         | F=D/C %          |
| County Own Source Revenue               | Kshs               | Kshs        | Kshs               | Kshs                       | Kshs                          | Kshs             |
| Cess                                    | 41,800,000         | -           | 41,800,000         | 55,962,288                 | (14,162,288)                  | 134%             |
| Land Rate                               | 50,000,000         | -           | 50,000,000         | 23,999,597                 | 26,000,403                    | 48%              |
| Single/Business Permits                 | 80,300,000         | -           | 80,300,000         | 71,466,241                 | 8,833,759                     | 89%              |
| Parking Fees                            | 80,000,000         | -           | 80,000,000         | 59,641,650                 | 20,358,350                    | 75%              |
| Market Fees                             | 20,000,000         | -           | 20,000,000         | 21,094,770                 | (1,094,770)                   | 105%             |
| Property Rent                           | 13,000,000         | -           | 13,000,000         | 6,250,773                  | 6,749,227                     | 48%              |
| Advertising                             | 18,000,000         | -           | 18,000,000         | 17,584,800                 | 415,200                       | 98%              |
| Hospital Fees                           | 310,000,000        | -           | 310,000,000        | 249,520,277                | 60,479,723                    | 80%              |
| Public Health Service Fees              | 1,700,000          | -           | 1,700,000          | 1,931,540                  | (231,540)                     | 114%             |
| Physical Planning and Development       | 15,600,000         | -           | 15,600,000         | 5,536,450                  | 10,063,550                    | 35%              |
| Hire of County Assets                   | 8,000,000          | -           | 8,000,000          | 2,080,000                  | 5,920,000                     | 26%              |
| Conservancy Administration              | 8,200,000          | -           | 8,200,000          | 8,269,760                  | (69,760)                      | 101%             |
| Administration Control Fees and Charges | 33,400,000         | -           | 33,400,000         | 20,556,517                 | 12,843,483                    | 62%              |
| <b>Total County Own Source Revenue</b>  | <b>680,000,000</b> | <b>-</b>    | <b>680,000,000</b> | <b>543,894,663</b>         | <b>136,105,337</b>            | <b>80%</b>       |
| <b>Total Receipts</b>                   | <b>680,000,000</b> | <b>-</b>    | <b>680,000,000</b> | <b>543,894,663</b>         | <b>136,105,337</b>            | <b>80%</b>       |

**Streams below 90% realisation**

- (a) Land rates-lack of valuation roll, amnesties and waivers, delay in automating the stream
- (b) Single Business Permit- weak enforcement, only a proportion of businesses are mapped
- (c) Parking fee- lack of strong enforcement
- (d) Property Rent – defaulting tenant in that some tenants don't pay knowing eviction is unlikely
- (e) Hospital fees – high indigent population (inability to pay), exemption and waivers eg linda mama reduce billable collections
- (f) Physical Planning and Development- lack of appropriate policies to enforce the penalties

- (g) Hire of County Assets- some machineries were grounded
- (h) Administration Control Fees and Charges- delay on approval of liquor licence

**Stream over realization**

- (i) Cess – working hours increased to 24 hours, enhanced enforcement
- (j) Market fee – strong enforcement
- (k) Advertisement– enhanced enforcement
- (l) Public health service – new public toilets built
- (m) Conservancy- collection done along SBP hence reduced defaulters

The County Receiver of Revenue’s financial statements were approved on 5<sup>th</sup> December 2025 and signed by:



.....  
**Ibrahim Chisaka**  
County Receiver of Revenue



.....  
**Emmanuel Masungu**  
Chief Officer Finance  
ICPAK M/No 19966

## **11. Notes to the Financial Statements**

### **1. General Information**

The County Receiver of Revenue was appointed by the CEC member of Finance of Trans Nzoia County Government in accordance with section 157 of the PFM Act. The Trans Nzoia County Receiver of Revenue principal activity is to receive and account all revenue as outlined in the appointment letter and section 157 of the PFM Act.

### **2. 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) Accrual Basis of Accounting and relevant legal framework of the County Government of Trans Nzoia. 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 entity. The accounting policies adopted have been consistently applied to all the years presented.

The Financial statements were authorized for issue by the Accounting Officer on 28<sup>th</sup> August 2025

**Receiver Of Revenue**  
**County Government of Trans Nzoia**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2025**

---

**3. Adoption of New and Revised Standards**

*(When an IPSAS becomes effective on 1<sup>st</sup> January 2025, it is applicable in Kenya from 1<sup>st</sup> July 2025)*

- i) *New and amended standards and interpretations in issue effective in the year ended 30 June 2025.***

There were no new and amended standards issued in the financial year.

- ii) *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025***

| <b>Standard</b>  | <b>Effective date and impact:</b>   |
|--|---|
| IPSAS 43   | <b><i>Applicable 1<sup>st</sup> January 2025</i></b><br><br>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. |
| IPSAS 44:<br>Non- Current<br>Assets Held for<br>Sale and<br>Discontinued<br>Operations | <b><i>Applicable 1<sup>st</sup> January 2025</i></b><br><br>The Standard requires,<br><br>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:<br><br>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.  |
| IPSAS 45-<br>Property Plant<br>and Equipment   | <b><i>Applicable 1<sup>st</sup> January 2025</i></b><br><br>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and  |

*Receiver Of Revenue  
County Government of Trans Nzoia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2025*

| Standard                                   | Effective date and impact:   |
|--|--|
|  | <p>measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>   |
| <p>IPSAS 46<br/>Measurement</p>            | <p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> |
| <p>IPSAS 47-<br/>Revenue</p>               | <p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transaction.</p>   |
| <p>IPSAS 48-<br/>Transfer<br/>Expenses</p> | <p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer</p>  |

**Receiver Of Revenue**  
**County Government of Trans Nzoia**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2025**

| Standard  | Effective date and impact:  |
|---|---|
|   | expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.   |
| IPSAS 49- Retirement Benefit Plans                          | <p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>  |
| IPSAS 50: Exploration For & Evaluation of Mineral Resources | <p><b><i>Applicable 1<sup>st</sup> January 2027</i></b></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</li> <li>iii. Disclosures that identify and explain the amounts in the Trans Nzoia County Receiver of Revenue financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</li> </ul> |

***iii) Early adoption of standards***

The Entity did not early-adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on the Trans Nzoia County Receiver of Revenue financial statements.)*

#### **4. Significant Accounting Policies**

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

##### **i) Revenue from non-exchange transactions**

###### **Fees, taxes, fines and charges**

The Receiver of Revenue recognizes revenues from fees, taxes, fines and charges when the event occurs and the asset recognition criteria is met. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Entity and the fair value of the asset can be measured reliably.

##### **ii) Revenue from exchange transactions**

###### **Rendering of services**

The Receiver of Revenue recognizes revenue from the rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

###### **Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the Entity.

###### **Interest income**

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

###### **Dividends**

Dividends or similar distributions must be recognized when the shareholder's or the Trans Nzoia County Receiver of Revenue right to receive payments is established.

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

**Summary of Significant Accounting Policies (Continued)**

**Rental income**

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

**iii) Budget**

The County Revenue budget is developed on cash basis. The budget has 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 17<sup>th</sup> July 2024 for the period 1st July 2024 to 30 June 2025. There was one supplementary budget passed on 12<sup>th</sup> March 2025 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.

The Trans-nzoia County budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section xxx of these financial statements.

**iv) 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.

**v) Revenue in Arrears**

Revenue in arrears relate to revenue earned and is yet to be received or collected by the receiver of revenue. These arrears are presented as receivables from exchange and non-exchange transactions in the statement of financial position. These receivables are assessed for impairment on a continuous basis. The details of these arrears are presented as an appendix to the financial statements under the statement of arrears as required under the PFM Act, 2012 Section 165 (2) (b).

**vi) 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.

**vii) Payables due to CRF**

These relate to amounts yet to be disbursed to the County Revenue Fund at the end of the period. The amount also includes monies that are yet to be collected by the receiver of revenue at the end of the reporting period.

**viii) Comparative Figures**

The comparative figures for the previous financial year have been maintained as per the audit certificate.

**ix) 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, 2025

## **Notes to the financial statements**

### **5. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the Trans nzoia county Receiver of Revenue financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

#### **Estimates and assumptions.**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur.

#### **Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Notes to the Financial Statements

6. Cess

| Description               | FY 2024-2025      |
|---------------------------|-------------------|
|                           | Kshs              |
| Farm produce              | 54,482,679        |
| Quarrying                 | 725,634           |
| Live stock (Auction)      | 310,100           |
| Livestock movement permit | 23,875            |
| Coffee movement permit    | 420,000           |
| <b>Total</b>              | <b>55,962,288</b> |

7. Land rates

| Description           | FY 2024-2025      |
|-----------------------|-------------------|
|                       | Kshs              |
| Land rates            | 22,982,597        |
| Clearance certificate | 507,000           |
| Ground rent           | 510,000           |
| <b>Total</b>          | <b>23,999,597</b> |

8. Single /Business Permits

| Description                 | FY 2024-2025      |
|-----------------------------|-------------------|
|                             | Kshs              |
| Annual Business permit fees | 71,202,241        |
| Amusement permit            | 264,000           |
| <b>Total</b>                | <b>71,466,241</b> |

9. Conservancy Administration

| Description            | FY 2024-2025     |
|------------------------|------------------|
|                        | Kshs             |
| Refuse disposal fees   | 7,664,000        |
| Dumpsite fees          | 20,000           |
| Noise control          | 453,000          |
| Tree harvesting permit | 132,760          |
| <b>Total</b>           | <b>8,269,760</b> |

*Receiver Of Revenue  
County Government of Trans Nzoia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2025*

**10. Administration Control Fees and Charges**

| Description                  | FY 2024-2025      |
|------------------------------|-------------------|
|                              | Kshs              |
| Weights and measures         | 678,650           |
| Fire Services                | 1,959,000         |
| Liquor licenses              | 8,651,000         |
| Slaughter house              | 1,246,270         |
| Meat inspection fee          | 1,426,080         |
| Audit of co-operative        | 235,470           |
| Museum                       | 2,073,100         |
| Licensing of meat containers | 94,400            |
| Certificate of transport     | 6,420             |
| Salary refund                | 216,837           |
| Pay roll commission          | 3,969,290         |
| <b>Total</b>                 | <b>20,556,517</b> |

**11. Health Service Fees**

| Description     | FY 2024-2025     |
|-----------------|------------------|
|                 | Kshs             |
| Public cemetery | 170,000          |
| Toilets         | 1,761,540        |
| <b>Total</b>    | <b>1,931,540</b> |

**12. Physical Planning and Development**

| Description                              | FY 24-25         |
|--|------------------|
|  | Kshs             |
| Change / Renewal of user                 | 1,468,500        |
| Building plans approval                  | 1,710,300        |
| Signboards                               | 280,000          |
| Occupational Permits                     | 16,500           |
| Architectural designs by county officers | 720,000          |
| Hoarding fees                            | 120,000          |
| Survey fee                               | 99,000           |
| Fire certificate                         | 1,000            |
| Subdivision of agricultural land         | 351,000          |
| Site visit                               | 467,000          |
| Building approval                        | 257,000          |
| Wayleave                                 | 46,150           |
| <b>Total</b>                             | <b>5,536,450</b> |

**13. Parking Fees**

| Description         | FY 2024-2025      |
|---------------------|-------------------|
|                     | Kshs              |
| Street parking fees | 13,891,400        |
| Motorbike fees      | 7,126,050         |
| Motorbike penalties | 1,500             |
| Reserved parking    | 2,745,600         |
| Clamping fee        | 116,500           |
| Bus Park fees       | 34,535,600        |
| Seasonal parking    | 1,225,000         |
| <b>Total</b>        | <b>59,641,650</b> |

**14. Market Fees**

| Description       | FY 2024-2025      |
|-------------------|-------------------|
|                   | Kshs              |
| Market entry fees | 21,094,770        |
| Hawking fees      | -                 |
| <b>Total</b>      | <b>21,094,770</b> |

Receiver Of Revenue  
 County Government of Trans Nzoia  
 Revenue Statements for the Period Ended 30<sup>th</sup> June 2025

**15. Property Rent**

| Description               | FY 2024-2025     |
|---------------------------|------------------|
|                           | Kshs             |
| County Housing            | 63,820           |
| Stalls/kiosks rent        | 6,186,953        |
| Others ( <i>Specify</i> ) | -                |
| <b>Total</b>              | <b>6,250,773</b> |

**16. Advertising**

| Descriptions          | FY 2024-2025      |
|-----------------------|-------------------|
|                       | Kshs              |
| Branding              | 4,863,500         |
| Billboard advertising | 2,530,000         |
| Signage               | 633,000           |
| Roadshows             | 5,238,500         |
| Banners               | 556,500           |
| Canopy                | 62,850            |
| Posters               | 2,128,500         |
| Tent advertising      | 168,500           |
| Screen advertising    | 10,000            |
| Advertisement forms   | 1,393,450         |
| <b>Total</b>          | <b>17,584,800</b> |

**17. Hospital Fees**

| Description       | FY 2024-2025       |
|-------------------|--------------------|
|                   | Kshs               |
| Level 4 hospitals | 63,771,671         |
| NHIF/SHA/SHIF     | 185,748,606        |
| <b>Total</b>      | <b>249,520,277</b> |

*Receiver Of Revenue  
County Government of Trans Nzoia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2025*

**18.Hire Of County Assets**

| Description                               | FY 2024-2025     |
|---|------------------|
|   | Kshs             |
| Agricultural Mechanisation Services (AMS) | 850,000          |
| Hire of Machines and Equipment            | -                |
| Hire of County Stadia                     | -                |
| Hire of County Halls                      | 15,000           |
| Hire /lease of land                       | 1,215,000        |
| Lease of agricultural land                | -                |
| Hire of county brick-making machines      | -                |
| <b>Total</b>                              | <b>2,080,000</b> |

**19.Disbursements to CRF**

| Description  | Period ended<br>30 June 2025 |
|--------------|------------------------------|
|              | Kshs                         |
| Quarter 1    | 35,492,000                   |
| Quarter 2    | 39,112,729                   |
| Quarter 3    | 131,256,528                  |
| Quarter 4    | 78,983,073                   |
| <b>Total</b> | <b>284,844,330</b>           |

**20.Facility Improvement Fund ( FIF)**

| Description  | Period ended<br>30 June 2025 |
|--------------|------------------------------|
|              | Kshs                         |
| Quarter 1    | 57,995,938                   |
| Quarter 2    | 34,253,071                   |
| Quarter 3    | 85,092,806                   |
| Quarter 4    | 72,348,462                   |
| <b>Total</b> | <b>249,690,277</b>           |

*Receiver Of Revenue  
County Government of Trans Nzoia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2025*

**21. Bank Charges**

| Description                | FY 2024-2025  |
|----------------------------|---------------|
|                            | Kshs          |
| Bank Charges & commissions | 65,816        |
| <b>Total</b>               | <b>65,816</b> |

**22. Billed Amount**

| Description                    | FY 2024-2025     |
|--------------------------------|------------------|
|                                | Kshs             |
| Amount billed for FY 2023-2024 | 2,222,950        |
| <b>Total</b>                   | <b>2,222,950</b> |

**23. Cash and Cash Equivalents**

| Name of Bank, Account No. & currency | Amount | Exc. rate (if in foreign currency) | FY 2024-2025        | Opening Statement 1 <sup>st</sup> July 2024 |
|--------------------------------------|--------|------------------------------------|---------------------|---|
|                                      |        |                                    | Kshs                | Kshs  |
| KCB Bank A/C 1284890635              | -      | -                                  | 1,885,463.08        | 123,181                                     |
| Equity Bank 0330260729452            | -      | -                                  | 108,706.16          | 449,732                                     |
| <b>SBM</b>                           |        |                                    |                     |   |
| A/C 0402380769001-Chera              | -      | -                                  | 165,130.50          | 257,641                                     |
| A/C 0402380766001-Saboti             | -      | -                                  | 92.65               | 1,799,865                                   |
| A/C 0402380770001-Kwanza             | -      | -                                  | 392.5               | 240   |
| A/C 0402380771001-Matunda            | -      | -                                  | 11,449              | 1,011,188                                   |
| A/C 0402380772001-Kapsara            | -      | -                                  | 425                 | 425   |
| A/C 0402380774001-Endebess           | -      | -                                  | 28,286.15           | 27,340                                      |
| <b>Total</b>                         | -      | -                                  | <b>2,199,945.04</b> | <b>3,669,612</b>                            |

24. Outstanding arrears (POS)

| Description    | FY 2024-2025 |                  |
|----------------|--------------|------------------|
|                | Kshs         |                  |
| Cess           |              | 3,191,641        |
| Market         |              | 1,638,204        |
| Auction        |              | 19,100           |
| Street parking |              | 22,400           |
| <b>Total</b>   |              | <b>4,871,345</b> |

25. Receivables for non-exchange transactions

| Description                      | FY 2024-2025 |                       | Opening Statement 1 <sup>st</sup> July 2024 |                       |
|----------------------------------|--------------|-----------------------|---|-----------------------|
|                                  | Kshs         |                       | Kshs  |                       |
| <b>Receivables</b>               |              |                       |   |                       |
| Land rates                       |              | 12,464,168,394        |   | 20,020,187,187        |
|                                  |              |                       |   |                       |
| <b>Total Current Receivables</b> |              | <b>12,464,168,394</b> |   | <b>20,020,187,187</b> |

Ageing analysis for Receivables from Non-exchange transactions

| Description               | FY 2024-2025          |                | Opening Statement 1 <sup>st</sup> July 2024 |                |
|---------------------------|-----------------------|----------------|---|----------------|
|                           | FY 2024-2025          | % of the total | Opening Balance                             | % of the total |
|                           | Kshs                  |                | Kshs  |                |
| Less than 1 year          | -                     | -              | -   | -              |
| Between 2-3 years         | -                     | -              | -   | -              |
| Over 3 years (Land rates) | 12,464,168,394        | 62%            | 20,020,187,187                              | 100%           |
| <b>Total (a+b)</b>        | <b>12,464,168,394</b> | <b>62%</b>     | <b>20,020,187,187</b>                       | <b>100%</b>    |

*Receiver Of Revenue  
County Government of Trans Nzoia  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2025*

**Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions**

| Impairment allowance/ provision                            | FY 2024-2025          |
|--|-----------------------|
|  | Kshs                  |
| At the beginning of the year                               | 20,020,187,187        |
| Additional provisions during the year                      | -                     |
| Recovered during the year (recovered arrears FY 2023-2024) | (28,814,530)          |
| Recovered arrears FY 2024-2025                             | (3,845,860)           |
| Written off during the year (Duplicate plots and waived)   | (805,347,292)         |
| Written off (Subdivision and exemptions)                   | (446,879,527)         |
| Written off (Repossessed plots)                            | (23,780,429)          |
| Written off (Government land)                              | (5,978,975,592)       |
| Written off (Parastatal)                                   | (85,236,093)          |
| Amount collected for FY 2022-2023, 2023-2024,2024-2025     | (183,139,470)         |
| At the end of the year                                     | <b>12,464,168,394</b> |

**26.Receivables from exchange transactions**

| Description              | FY 2024-2025     | Opening Statement<br>1 <sup>st</sup> July 2024 |
|--------------------------|------------------|--|
|                          | Kshs             | Kshs   |
| <b>Total receivables</b> |                  |  |
| Stalls                   | 2,127,080        | -  |
| <b>Total receivables</b> | <b>2,127,080</b> | <b>-</b>                                       |

**Ageing analysis for total receivables in exchange transactions**

| Description        | FY 2024-2025     |                | FY 2023-2024   |                |
|--------------------|------------------|----------------|----------------|----------------|
|                    | FY 2024-2025     | % of the total | Comparative FY | % of the total |
|                    | Kshs             |                | Kshs           |                |
| Less than 1 year   | 2,127,080        | 0%             | -              | -              |
| Between 1- 2 years | -                | -              | -              | -              |
| Over 3 years       | -                | -              | -              | -              |
| <b>Total (a+b)</b> | <b>2,127,080</b> | <b>0%</b>      | <b>-</b>       | <b>-</b>       |

**Reconciliation for Impairment Allowance on Receivables from Exchange Transactions**

| Impairment allowance/ provision       | FY 2024-2025     |
|---------------------------------------|------------------|
|                                       | Kshs             |
| At the beginning of the year          | -                |
| Additional provisions during the year | -                |
| Recovered during the year             | -                |
| Written off during the year           | -                |
| At the end of the year                | <b>2,127,080</b> |

**27. Payables- Due To CRF**

| Payables                                    | FY 2024-2025          | Opening Statement<br>1 <sup>st</sup> July 2024 |
|---|-----------------------|--|
|   | Kshs                  | Kshs   |
| Amount collected yet to be disbursed to CRF | 2,199,945             | 15,659,949                                     |
| Out standing arrears                        | 4,871,345             | -  |
| Land rates arrears                          | 12,464,168,394        |  |
| Property rent arrears (stalls)              | 2,127,080             |  |
| <b>Total Due to CRF</b>                     | <b>12,473,366,764</b> | <b>15,659,949</b>                              |

12. Appendices

**Appendix 1: 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:<br>(Resolved / Not Resolved) | Timeframe:<br>(Put a date when you expect the issue to be resolved) |
|--|---------------------------------------|---|--------------------------------------|---|
| 1  | Unsupported Facility Improvement fund | The Kshs 48,518,771 is the bank balances of FIF for the year 2022/2023 that had not been remitted/swept to the CRF by the end of the financial year 2022/2023 as detailed in the table 1 below;<br>Appendix (a) Certificate of Bank balances<br>(b) Analysis schedule for the FIF | Resolved                             |   |
| 2.   | Unsupported Miscellaneous Receipts    | The miscellaneous receipts of Kshs 51,921,225 was in respect of direct bank deposits by our   | Resolved                             |   |

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments  | Status:<br>(Resolved / Not Resolved) | Timeframe:<br>(Put a date when you expect the issue to be resolved) |
|--|-----------------------------------|--|--------------------------------------|---|
|  |                                   | clients made during system transition from the ZIZI to the current E-REV revenue collection system. The delay was due to the late automation of certain revenue stream modules in the new system. I confirm that all revenue streams have now been fully automated and all collection are accurately classified and reported under their respective budgeted revenue streams.<br>Table 3: A detailed analysis of the reported Miscellaneous receipts.<br>Annex1 Detailed Analysis per stream |                                      |   |
| 3.   | Unsupported Property Rent Revenue |  |                                      |   |

**Receiver Of Revenue**  
**County Government of Trans Nzoia**  
**Revenue Statements for the Period Ended 30<sup>th</sup> June 2025**

| Reference No. on the external audit Report | Issue / Observations from Auditor             | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|---------------------|-----------------------------------|--|
| 4.   | Unsupported Physical Planning and Development |                     |                                   |  |
| 5.   | Unsupported Hire of Machinery                 |                     |                                   |  |
| 6.   | Unsupported cash and cash Equivalents Balance |                     |                                   |  |
| 7.   | Unsupported Arrears of Revenue                |                     |                                   |  |
|  |   |                     |                                   |  |
|  |   |                     |                                   |  |

**Guidance Notes:**

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

*Jhne*



**Ibrahim Chisaka**  
**County Receiver of Revenue**

**Date 5<sup>th</sup> December 2025**

*[Signature]*

**Emmanuel Masungu**  
**Chief Officer Finance**  
**ICPAK M/No 19966**

**Date 5<sup>th</sup> December 2025**

Appendix 2: Statement of Arrears of Revenue As at 30 June 2025

| Classification Of Receipts<br>(Indicate As Applicable) | Balance as at<br>The beginning<br>of the current<br>year (1 <sup>st</sup> July<br>2025)<br>A | Arrears<br>received<br>during the<br>year.<br>B | Additions in<br>arrears for<br>the current<br>year to June<br>30, 2025<br>C | Total arrears<br>as at 30 June<br>2025<br>D=A+(B)+C | Measures taken<br>to recover the<br>arrears                             | Assessment<br>to the<br>recoverability<br>of arrears |
|--|--|---|---|---|---|--|
|  |  |   |   |   | <i>e.g., the<br/>Governor has<br/>waived interest<br/>and penalties</i> |  |
| Land rate  |  |   |   | 12,464,168,394                                      |   |  |
| Property Rent  |  |   |   | 2,127,080   |   |  |
| <b>Total Arrears</b>                                   |  |   |   | <b>12,466,295,474</b>                               |   |  |

*(Total arrears as at the end of the year should be the total of receivables from exchange and non- exchange transactions)*

**Appendix 3: 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                 |
|--|------------------|-------------------|-------------------|-----------------------|-----------------------|
| Land rate  |                  |                   |                   | 12,464,168,394        | 12,464,168,394        |
| Property rent                                      | -                | 2,127,080         | -                 |                       | 2,127,080             |
| <b>Total (agree to statement of arrears above)</b> | -                | <b>2,127,080</b>  | -                 | <b>12,464,168,394</b> | <b>12,466,295,474</b> |

**Appendix 4: A Report of Waivers and Variations of Fees or charges granted by the Receiver of Revenue during the year.**

| <b>S/No</b> | <b>Name of person / organisation benefitting from waiver/ variation</b> | <b>Year in which waiver/ variation relates</b> | <b>Amount of variation/ waiver (fee or charge)</b> | <b>Reasons for waiver/ variation</b> | <b>The law in terms of which the variation/waiver was granted</b> |
|-------------|---|--|--|--------------------------------------|---|
| 1           | PLWD  | 2024-2025                                      | 1,515,700  | PLWD                                 | Disability Act 2003   |
|             |   |  |  |                                      |   |
|             |   |  |  |                                      |   |
|             |   |  |  |                                      |   |
|             |   |  |  |                                      |   |

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



-----  
*Date 5<sup>th</sup> December 2025  
Chief Officer Finance.*