

REPUBLIC OF KENYA



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REPORT

OF

THE AUDITOR-GENERAL

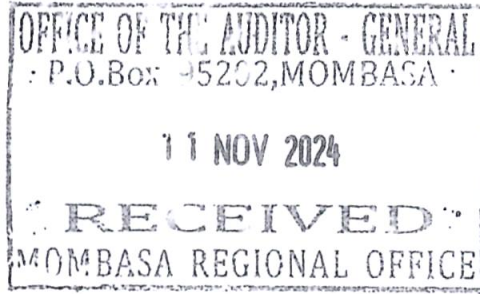
ON

COUNTY REVENUE FUND

**FOR THE YEAR ENDED
30 JUNE, 2024**

COUNTY GOVERNMENT OF TAITA TAVETA

PAPERS LAID
DATE 25/2/2025
TABLED BY Majority leader
COMMITTEE
CLERK AT THE TABLE Meadim



Revised on 30th June, 2024.



COUNTY REVENUE FUND

County Government of Taita Taveta

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2024

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

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County Government of Taita Taveta
County Revenue Fund
For the financial year ended 30th June 2024

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1. Acronyms and glossary of terms

a) Acronyms

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

b) glossary of terms

Comparative FY	Comparative Prior Financial Year
Fiduciary Management	The key management personnel who had financial responsibility

2. Key Entity Information and Management

a) Background information

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

b) Key Management Team

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

No.	Designation	Name
1.	CECM Finance and Economic planning	-CPA Dawson Katuu Mzenge
2.	C.O Finance	-CPA Nashon Chovu Nyali
3.	Director Accounting Services/Finance	-CPA Joyce Kambe Mwachia

c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	CECM Finance and Economic Planning	- CPA Dawson Katuu Mzenge
2.	Accounting Officer in charge of Finance	- CPA Nashon Chovu Nyali
3.	Director Accounting Services/Finance	- CPA Joyce Kambe Mwachia

d) Fiduciary Oversight Arrangements

The key fiduciary oversight bodies at the County for the period ended 30th June, 2024 were:

1. County Assembly of Taita Taveta;
2. Senate Committees
3. Development partner oversight bodies
4. County Audit Committee
5. County Budget and Economic Forum (CBEF)
6. Controller of Budget
7. Office of the Auditor General

e) County Headquarters

Office of the Governor
Mwatate Town, Off Voi – Taveta Highway,
P.O. Box 1066-80304
Wundanyi, Kenya

f) County Contacts

Telephone: 0788186436/0718988717
Email: info@taitataveta.go.ke
Website: www.taitataveta.go.ke

g) County Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA

2. Other Commercial Banks
Kenya Commercial Bank
Wundanyi Branch
Along Posta Road
P.O. Box 1067-80304
Wundanyi, Kenya

h) Independent Auditors

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

County Government of Taita Taveta
County Revenue Fund
For the financial year ended 30th June 2024

NAIROBI, KENYA

i) Principal Legal Adviser

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

NAIROBI, KENYA

j) County Attorney

The County Attorney General
Office of the Governor
Mwatate Town, Off Voi – Taveta Highway,
P.O. Box 1066-80304
Wundanyi, Kenya

3. Statement by the CECM Finance

It is my pleasure to present the Taita Taveta County Revenue Fund Annual Financial Statements for the year ended 30th June 2024. The financial statements have been prepared in accordance with the provisions of the Public Financial Management Act, 2012 cap 163 which requires the county treasury to prepare annual financial statements at the end of each financial year. The financial statements present the financial performance of the County Government over the past 12 months.

The promulgation of the Constitution of Kenya, 2010 under Chapter 11 ushered Kenya into a new system of governance, replacing the centralized system with a devolved system of governance. The devolved system of governance consists of the National Government and 47 County Governments, Taita Taveta included. Functions and powers exercised by County Executive of Taita Taveta are as articulated in section 5 and 6 of the County Government Act 2012 respectively.

Financing of the County Governments

The County Government gets its financing from the Equitable share from National Government, Conditional grants from Donors & Development Partners and its own Source Revenue collected from various revenue streams. Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Each County Government's equitable share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation and approved by Parliament in accordance with Article 217 of the Constitution.

The County has always continued to explore new and innovative ways of increasing its local revenue collections. Some of the modalities are; employment of a new Revenue Collection System which has been developed to meet the ever-changing needs. i.e. customer satisfaction and advancement in technology.

The key local revenue sources include; Single Business Permits, Market fees, Agricultural Produce Cess, Hospital cost sharing fees, Sand cess, Land rates, Development plan approvals, Advertising fees, and various other administrative charges.

Financial Performance

a.) Budget Performance Against Actual Amounts

a) Revenue

In the year ended 30th June 2024, the County had total projected revenues of KShs 7,501,388,639 consisting of; KShs 628,667,445 from own sources and KShs 6,872,721,194 from other sources, including County Allocation through Exchequer and Donor funding for various specific projects in the County Departments of Water, Agriculture, amongst others.

A graphical representation of the revenue budget is as shown below:

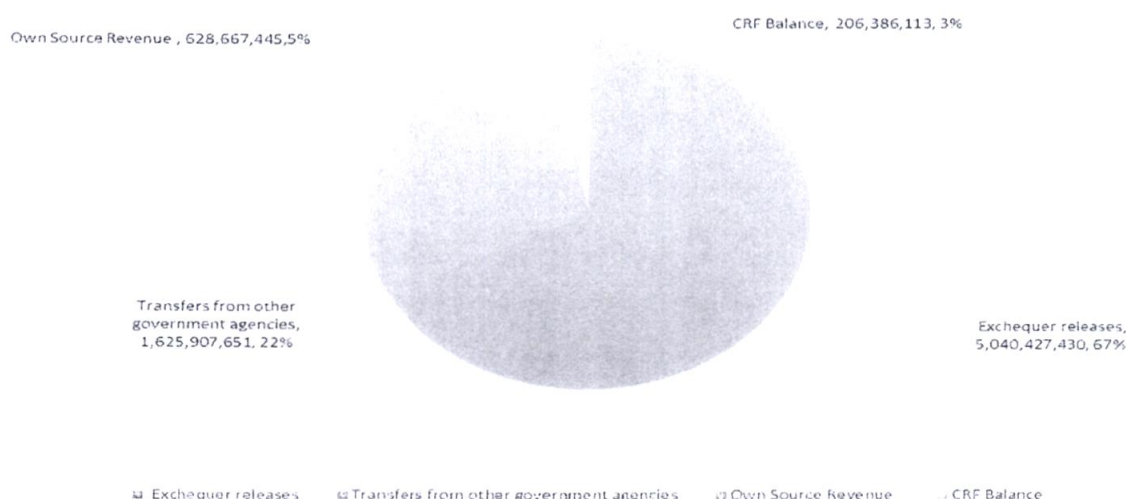


Figure 1: Taita Taveta County revenue sources in FY 2023/2024

CARA continues to form the largest part of our revenue budget, contributing 67 % of our budget. Our own generated revenues formed 5% of our budget.

Out of the projected revenue, the County was able to realize KShs 5,997,720,375 in actual revenues, representing 80% performance. This performance was as a result of 92% realization of the County Allocation through Exchequer and 74% on own generated revenues.

The table below shows an analysis of revenue performance during the year ended 30th June 2024.

Revenue Classification	Revenue Budget (KShs)	Actual (KShs)	Realisation (%)
Exchequer releases	5,040,427,430	4,637,193,236	92%
Transfers from other government agencies	1,625,907,651	690,445,996	42%
Own Source Revenue	628,667,445	463,695,051	74%
Return to CRF issues	206,386,113	206,386,092	100%
Total	7,501,388,639	5,997,720,375	80%

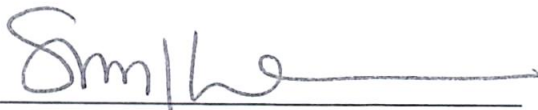
Table 1: Revenue performance in FY 2023/2024

County Government of Taita Taveta
County Revenue Fund
For the financial year ended 30th June 2024

Out of Kshs 463,695,051 realized from Own source revenues, Kshs 341,719,480 was disbursed to CRF Account while Kshs 127,073,705 was disbursed to the Facility Improvement fund (FIF) and Level 4 Hospitals. FIF was enacted by Taita Taveta County Health services Act 2021, that requires all monies (Revenues) collected from Level 4 Hospitals and Public health Facilities to be disbursed to FIF account. During the year under review, The FIF collected Revenues amounting to KShs 207,370,801.00 consisting of KShs 93,141,575.00 from Level 4 Hospitals, KShs 114,229,226.00 from NHIF Refunds.

b) Transfers

In the year under review, the County Government of Taita Taveta had projected transfer payments of KShs 7,501,388,639 and was able to utilize a total of KShs 5,875,744,804 representing an absorption rate of 78%. The transfer payments comprised of KShs 5,070,224,047 to County Executive, KShs 805,520,757 to County Assembly.



Arch. Martin Tairo Maseghe, CPA(K)
Ag. CECM FINANCE AND ECONOMIC PLANNING
COUNTY GOVERNMENT OF TAITA TAVETA

4. Management Discussion and Analysis

The County Government gets its financing from the Equitable share from National Government, Conditional grants from Donors & Development Partners and its own Source Revenue collected from various revenue streams. Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Each County Government's equitable share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation and approved by Parliament in accordance with Article 217 of the Constitution.

Financial Performance

a.) CARA Performance

CARA revenues continue to form the largest part of our revenue budget, contributing 67 % of our budget. In the FY 2022-23, FY 2020-21 and FY 2018-19, the county realised 100% performance against its CARA allocation whereas, in the FY 2023-24, FY 2021/22 & FY 2019/20 realised 92%, 92% and 91% respectively. However, the balances were received in full in the subsequent financial years.

See the County Allocation of Revenue Act (CARA) performance for the last 5 years below.

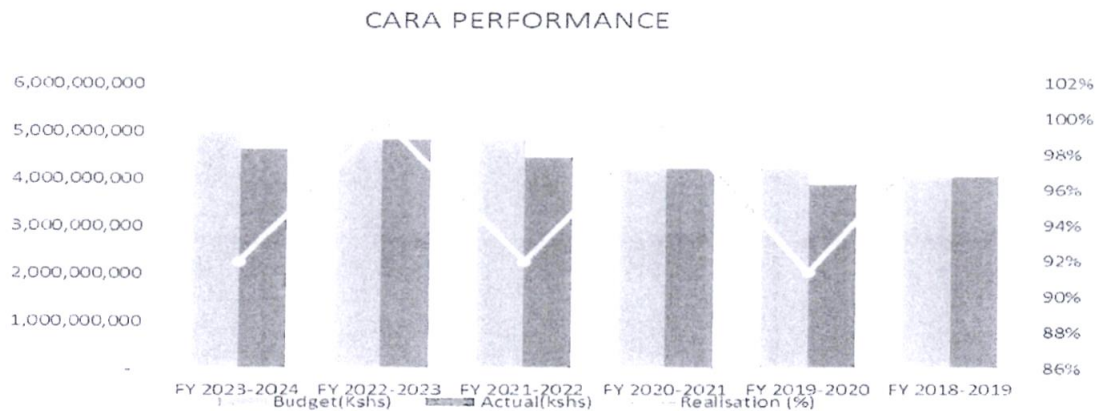


Figure 2: Taita Taveta County revenue sources in FY 2023/2024

b.) Conditional Allocation

Pursuant to Article 202 (2) of the Constitution, for additional allocations for the financial year 2022/23 provide for additional allocations from proceeds of loans and grants from development partners; and facilitate the transfer of conditional and unconditional allocations made to counties under this Act from the Consolidated Fund to the respective County Revenue Funds and special purpose accounts.

County Government of Taita Taveta
 County Revenue Fund
 For the financial year ended 30th June 2024

The table below shows an analysis of conditional Allocation performance over the last 5 years

Conditional	FY 2023-2024	FY 2022-2023	FY 2021-2022	FY 2020-2021	FY 2019-2020	FY 2018-2019
Budget (Kshs)	1,625,907,651	1,574,707,364	1,794,753,372	1,145,903,906	1,161,427,854	1,280,188,159
Actual (KShs)	690,445,996	833,372,618	654,603,902	989,522,062	646,220,475	410,450,793
Realisation (%)	42%	53%	36%	86%	56%	32%

Table 2: Taita Taveta County revenue sources in FY 2023/2024

c.) Own Source Revenue performance

The County has always continued to explore new and innovative ways of increasing its local revenue collections. Some of the modalities are employment of a new Revenue Collection System which has been developed to meet the ever-changing needs. i.e. customer satisfaction and advancement in technology.

In the year ended 30th June 2024, the County had total projected revenues of KShs **628,667,445** consisting of Own source revenue of Kshs **426,985,000** and Facility Improvement Fund of Kshs **201,682,445.00**.

Key local revenue Source such as; Single Business Permits, Market fees, Agricultural Produce Cess, Hospital cost sharing fees, Sand Cess, Land rates, Development plan approvals, Advertising fees, and various other administrative charges.

Out of the projected revenue of Kshs **628,667,445**, the County was able to realize KShs **463,695,051** in actual revenues, representing 74% performance. This performance was as a result of 69% realization of the Cess Revenue i.e. (Agricultural Cess, Sand Cess Mining Cess), 69% on Single Business Permits, 104 % from Hospital Revenues amongst other revenues.

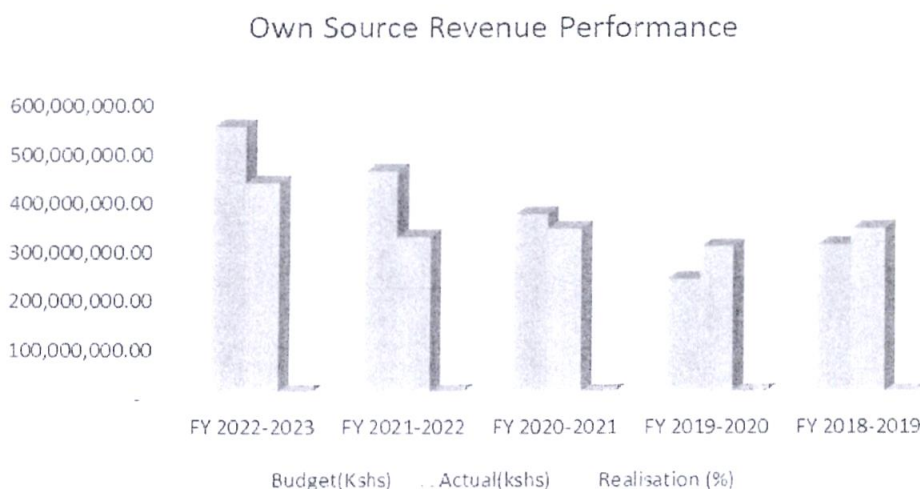


Figure 3: Taita Taveta County revenue sources in FY 2023/2024

5. Overview of the County Revenue Fund Operations

Background

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

Receipts into the County Revenue Fund

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

Transfers from the County Revenue Fund

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

Financial Reporting requirements

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

This statement therefore covers the operations of the County Exchequer Account for the financial year ended 30th June 2024.



Arch. Martin Tairo Maseghe, CPA(K)
Ag. CECM FINANCE AND ECONOMIC PLANNING
COUNTY GOVERNMENT OF TAITA TAVETA

6. Statement of Management Responsibility

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

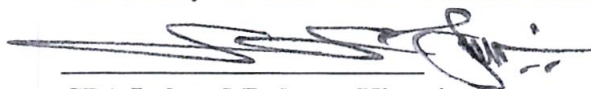
The Accounting Officer at the County Treasury is responsible for the preparation and presentation of the County Revenue Fund financial statements, which give a true and fair view of the state of affairs of the Fund as at the end of the financial year ended on *June 30, 2024*. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Revenue Fund; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the County Revenue Fund; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

The Accounting Officer accepts responsibility for the County Revenue Fund's financial statements, which have been prepared on the Cash Basis Method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the County Revenue Fund's financial statements give a true and fair view of the state of the County Revenue Fund's transactions during the financial year ended *June 30, 2024*, and of its financial position as at that date.

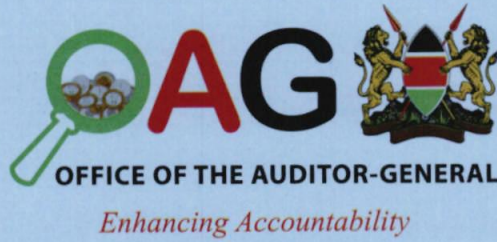
The Accounting Officer further confirms the completeness of the accounting records maintained for the County Revenue Fund which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control. The Accounting Officer confirms that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

Approval of the Financial Statements

The County Revenue Fund's financial statements were approved and signed on 04/07/2024 2024.


CPA Laban Mbelenga Kinyai
Chief Officer Finance
County Government of Taita Taveta

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 COUNTY REVENUE FUND FOR THE YEAR ENDED 30 JUNE, 2024 - COUNTY GOVERNMENT OF TAITA TAVETA

PREAMBLE

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

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

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on the Financial 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 FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of County Revenue Fund - County Government of Taita Taveta set out on pages 1 to 11, which comprise of the statement the statement of receipt and payments, and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and

Report of the Auditor-General on County Revenue Fund for the year ended 30 June, 2024 - County Government of Taita Taveta

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, the financial statements present fairly, in all material respects, the financial position of County Revenue Fund - County Government of Taita Taveta as at 30 June, 2024 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.

Basis for Opinion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the County Revenue Fund - County Government of Taita Taveta 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 opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects receipts budget and actual on a comparable basis of Kshs.7,501,388,639 and Kshs.5,875,744,804 respectively resulting to under receipt of Kshs.1,625,643,835, or 22% of the budget. Similarly, the Fund transferred Kshs.5,875,744,804 against an approved budget of Kshs.7,501,388,639, resulting to under-transfer of Kshs.1,625,643,835, or 22% of the budget.

The under-receipt and under-transfer affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

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

In connection with my audit on the County Revenue Fund - County Government of Taita Taveta financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the 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 and I am required to report that fact. Based on the audit procedures performed, I confirm that other Information is not materially inconsistent with the financial statements.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (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 comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, the Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management is aware of the intention 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 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 Funds 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 financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires that, in conducting the audit, I obtain reasonable assurance about whether the financial 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 IFPP 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 financial 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

17 December, 2024

County Government of Taita Taveta
 County Revenue Fund
 For the financial year ended 30th June 2024

8. Statement of Receipts and Payments for the Year Ended 30th June 2024.

	Notes	FY 2023-2024 Kshs.	FY 2022-2023 Kshs.
Receipts			
Exchequer releases	1	4,637,193,237	4,842,174,699
Transfers from other government agencies	2	690,445,996	833,372,618
Other grants	3	-	-
Proceeds from Domestic Borrowing	4	-	-
Proceeds from Foreign Borrowing	5	-	-
Own Source Revenue	6	341,719,480	263,882,456
Return to CRF issues	7	37,185	387,611,273
Total Receipts		5,669,395,898	6,327,041,046
Payments			
Transfers to County Executive	8	5,070,224,047	5,240,960,991
Transfers to County Assembly	9	805,520,757	902,223,168
Other Transfers	10	-	-
Total Payments		(5,875,744,804)	(6,143,184,159)
Net increase (decrease) in cash for the year		(206,348,906)	183,856,887
Add Opening fund balance b/f	11	217,348,938	33,492,051
Closing Fund balance for the period	11	11,000,032	217,348,938

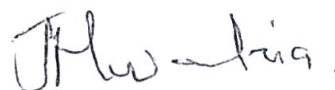


Name: CPA Laban Mbelenga Kinyai

Chief Officer - Finance

ICPAK Member No. 18867

Date. 4th Nov. 2024



Name: CPA Joyce Kambe Mwachia

Director Accounting Services

ICPAK Member No. 12587

Date. 4th Nov. 2024

9. Statement of Comparison of Budget Actual Amounts for the Year Ended 30th June, 2024.

Receipt/Payments	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Realisation Difference	% of Realisation
	a	b	c=a+b	d	e=c-d	f=d/c %
Receipts	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
Exchequer releases	5,040,427,430		5,040,427,430	4,637,193,236	403,234,194	92%
Transfers from other government agencies	1,630,854,149	(4,946,498)	1,625,907,651	690,445,996	935,461,655	42%
Other conditional grants	-	-	-	-	-	0%
Proceeds from Domestic Borrowing	-	-	-	-	-	0%
Proceeds from Foreign Borrowing	-	-	-	-	-	0%
Own Source Revenue	626,682,445	1,985,000	628,667,445	341,719,480	286,947,965	54%
Return to CRF issues	184,236,568	22,149,545	206,386,113	206,386,092	21	100%
Total Receipts	7,482,200,592	19,188,047	7,501,388,639	5,875,744,804	1,625,643,835	78%
Payments						
Transfers to County Executive	6,607,964,024	52,531,017	6,660,495,041	5,070,224,047	1,590,270,994	76%
Transfers to County Assembly	874,236,568	(33,342,970)	840,893,598	805,520,757	35,372,841	96%
Others	-	-	-	-	-	0%
Total Payments	7,482,200,592	19,188,047	7,501,388,639	5,875,744,804	1,625,643,835	78%
Balance	-	-	-	-	-	

10. Significant Accounting Policies

a) Statement of compliance and basis of preparation

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

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

b) Reporting entity

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

c) Receipts

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

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

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

d) Payments

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

Significant Accounting Policies (Continued)

e) Fund Balances

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

f) Restriction on Cash

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

County Government of Taita Taveta
 County Revenue Fund
 For the financial year ended 30th June 2024

11. Notes to the Financial Statements

1. Exchequer releases

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

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Equitable Share (a)	4,637,193,237	4,842,174,699
Level 5 hospitals (b)	-	-
Total	4,637,193,237	4,842,174,699

2. Transfers from other government agencies

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
DANIDA - Universal Healthcare in Devolved Units Progm	-	-
World Bank – THUSCP	-	-
National Agricultural Value Chain development Project	199,797,856	67,192,729
Kenya Devolution Support Programme	-	-
Youth Polytechnic support grant	-	-
Abolishment of user fees in health centres and dispensaries	-	-
Kenya Urban Support Programme (UDG)	-	-
Kenya Urban Support Programme (UIG)	-	2,339,915
Agriculture Sector Development Support Project (ASDSP)	2,491,302	17,921,715
Kenya Climate Smart Agriculture Project (KCSAP)	-	124,522,005
Water and Sanitation Development Project (WSDP)	363,103,336	569,396,254
Road maintenance fuel levy fund	-	-
Locally Led Climate Action Programme-(LLoCAP)-WB grant	95,053,502	22,000,000
Kenya Informal Settlement Improvement Project-World Bank	30,000,000	30,000,000
Health Facility Improvement Fund	-	-
NHIF Funds	-	-
	690,445,996	833,372,618

3. Other grants**

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Donor 1 (<i>Specify</i>)	-	-
Donor 2 (<i>Specify</i>)	-	-
Total	-	-

County Government of Taita Taveta
 County Revenue Fund
 For the financial year ended 30th June 2024

Notes to the Financial Statements (Continued)

4. Proceeds from Domestic borrowing.

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Borrowing within General Government	-	-
Borrowing from Monetary Authorities (Central Bank)	-	-
Other Domestic Depository Corporations (Commercial Banks)	-	-
Borrowing from Other Domestic Financial Institutions	-	-
Borrowing from Other Domestic Creditors	-	-
Domestic Currency and Domestic Deposits	-	-
Others (<i>Specify</i>)	-	-
Total	-	-

5. Proceeds from Foreign Borrowing

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Foreign Borrowing – Drawdowns Through Exchequer	-	-
Foreign Borrowing - Direct Payments	-	-
Foreign Currency and Foreign Deposits	-	-
Others (<i>Specify</i>)	-	-
Total	-	-

County Government of Taita Taveta
 County Revenue Fund
 For the financial year ended 30th June 2024

Notes to the Financial Statements (Continued)

6. Own Source Revenue

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Cess	101,425,672	112,250,522
Land/Poll rate	11,744,663	18,663,257
Single/Business permits	68,902,489	54,867,487
Property rent	10,057,332	10,336,083
Parking fees	18,593,712	13,121,507
Market fees	10,858,034	12,413,253
Advertising	8,857,050	5,312,220
Hospital fees	196,522,767	152,897,744
Public health service fees	10,917,034	12,036,361
Physical planning and development	8,367,205	7,023,206
Hire of County Assets	246,050	106,500
Conservancy administration	4,700,805	4,232,320
Administration control fees and charges	6,269,990	7,335,270
Park fees	-	-
Other fines, penalties, and forfeiture fees	929,945	862,029
Miscellaneous	5,302,303	13,387,247
Others (Specify)	-	-
Total County Own Source Revenue	463,695,051	424,845,006
Bank Balance at the beginning of the year	12,344,895	12,711,750
Bank Balance at the end of the year	(7,185,803)	(12,344,895)
Disbursed to FIF & Bank charges	(127,134,663)	(161,329,405)
Disbursements To CRF	341,719,480	263,882,456

7. Return to CRF Issues

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Recurrent Account (<i>County Executive</i>)	84	8,401
Development Account (<i>County Executive</i>)	3,960	57,169
Recurrent Account (<i>County Assembly</i>)	-	-
Development Account (<i>County Assembly</i>)	33,141	171,727
CRF Account	-	387,373,977
Total	37,185	387,611,273

County Government of Taita Taveta
 County Revenue Fund
 For the financial year ended 30th June 2024

Notes to the Financial Statements (Continued)

8. Transfers to County Executive

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Recurrent Account	3,851,125,483	4,019,185,795
Development Account	337,256,496	344,387,691
Roads Maintenance Levy Fund	-	-
Result Based Financing	-	13,102,548
Village Polytechnic	-	-
Kenya Climate Smart Agriculture Project	-	147,862,767
Kenya Urban Support Project (KUSP)	-	10,571,577
Kenya Urban Support Project (KUSP) UIG	-	2,339,915
Agriculture Sector Development Support Project	2,491,302	20,921,715
Water and Sanitation Development Project (WSDP)	373,103,336	569,396,254
Locally Led Climate Action Programme-(LLoCAP)-WB grant	115,249,574	16,000,000
National Agricultural Value Chain development Project	205,997,856	67,192,729
Kenya Informal Settlement Improvement Project-World Bank	30,000,000	30,000,000
Taita Taveta Education Fund Board	140,000,000	
Taita Taveta Executive Car Loan and Mortgage Revolving	15,000,000	
Total	5,070,224,047	5,240,960,991

County Government of Taita Taveta
 County Revenue Fund
 For the financial year ended 30th June 2024

Notes to the Financial Statements (Continued)

9. Transfers to County Assembly

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Recurrent Account	777,213,526	856,002,779
Development Account	28,307,231	46,220,389
Special purpose accounts	-	-
Total	805,520,757	902,223,168

10. Other Transfers

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Agency Notices	-	-
Others (FIF & NHIF)	-	-
Total	-	-

11. Fund balance

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
TAITA TAVETA COUNTY REVENUE FUND ACCOUNT 1000171855	11,000,032	217,348,938
Total	11,000,032	217,348,938

Notes to the Financial Statements (Continued)

12. Disclosure of Balances in Revenue Collection Accounts

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


Name of Bank, Account No. & currency	Amount in bank account currency	Exc. rate (if in foreign currency)	FY 2023/24	FY 2022/23
			Kshs	Kshs
TTC Revenue Collection Account No:	1140754017	Kshs	4,217,440	6,104,127
Moi Hospital Revenue Collection	1197838384	Kshs	2,333	2,333
Taveta Hospital Revenue Collection	1197838996	Kshs	1,170	1,170
Taita Taveta County Hospitals Revenue	1261095480	Kshs	39,658	40,723
TTC Revenue Collection -Equity	7.90E+11	Kshs	358,880	358,880
Voi Sub County Rev Collection	1305926846	Kshs	161,957	275,091
Mwatate Sub County Rev Collection	1305926870	Kshs	5,078	5,000
Taveta Sub County Rev Collection	1305926897	Kshs	586,089	5,000
Wundanyi Sub County Rev Collection	1305926935	Kshs	61,796	5,000
Mwatate Municipality Rev Collection	1305926943	Kshs	86,353	1,075,562
Taveta Sub- County Hospital Maternity	1145668097	Kshs	186,090	2,389,403
Moi Voi Subcounty Maternity	1145667961	Kshs	26,835	5,615
Wesu Hospital NHIF	1174149914	Kshs	172,897	99,995
Mwatate Sub County Hosp Maternity	1145668054	Kshs	103,109	1,422,178
Total			6,010,751	11,790,077

12. Annexes

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
01	Budgetary Control and Performance		Resolved	30 th June 2024
02	Unresolved Prior Year Audit Issues		Resolved	30 th June 2024


Name: CPA Laban Mbelenga Kinyai

Chief Officer - Finance

ICPAK Member No. 18867

Date..... 02/10/2024

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

Period (2023/2024)	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
Transfers from the National Exchequer					
Equitable Share	1,260,106,858	831,670,526	831,670,526	1,713,745,327	4,637,193,237
Level 5 Hospitals					-
DANIDA - Universal Healthcare in Devolved Units Program	-	-	-	-	-
World Bank – THUSCP	-	-	-	-	-
National Agricultural Value Chain development Project	-	-	195,454,337.60	4,343,518.00	199,797,855.60
Kenya Devolution Support Programme	-	-	-	-	-
Youth Polytechnic support grant	-	-	-	-	-
Abolishment of user fees in health centres and dispensaries	-	-	-	-	-
Kenya Urban Support Programme (UDG)	-	-	-	-	-
Kenya Urban Support Programme (UIG)	-	-	-	-	-
Agriculture Sector Development Support Project (ASDSP)	-	500,000	1,991,302	-	2,491,302
Kenya Climate Smart Agriculture Project (KCSAP)	-	-	-	-	-
Water and Sanitation Development Project (WSDP)	-	-	159,212,336	203,891,000	363,103,336
Road maintenance fuel levy fund	-	-	-	-	-
Locally Led Climate Action Programme-(LLoCAP)-WB grant	11,000,000.00	-	-	84,053,502	95,053,502
Kenya Informal Settlement Improvement Project-World Bank	-	-	30,000,000	-	30,000,000
Grand Total	1,271,106,858	832,170,526	1,218,328,502	2,006,033,347	5,327,639,233

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

Period 2023/2024	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
Cess	29,216,052	20,458,461	22,228,819	29,522,340	101,425,672
Land rate	1,446,830	3,240,860	3,915,219	3,141,754	11,744,663
Single/Business permits	8,448,732	5,050,272	29,955,300	25,448,185	68,902,489
Property rent	781,969	1,598,180	3,754,911	3,922,272	10,057,332
Parking fees	4,216,298	3,487,168	5,839,490	5,050,756	18,593,712
Market fees	1,827,869	2,635,382	2,903,824	3,490,959	10,858,034
Advertising	455,700	401,240	3,395,340	4,604,770	8,857,050
Hospital fees	54,475,201	28,710,185	54,339,935	62,380,730	199,906,051
Public health service fees	744,800	1,641,044	4,409,600	3,492,855	10,288,299
Physical planning and development	1,395,570	3,063,761	2,454,896	1,452,979	8,367,206
Hire of County Assets	-	85,000	97,000	64,050	246,050
Conservancy administration	1,177,545	1,523,646	960,244	1,039,370	4,700,805
Administration control fees and charges	680,529	147,671	3,641,400	1,800,390	6,269,990
Park fees	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-
Other fines, penalties, and forfeiture fees	231,948	140,588	137,190	419,719	929,445
Miscellaneous	-	-	18,500	5,283,803	5,302,303
Others (Specify)	-	-	-	-	-
Total	105,099,043	72,183,458	138,051,668	151,114,932	466,449,101

County Government of Taita Taveta
 County Revenue Fund
 For the financial year ended 30th June 2024

Annex 4: Analysis of Transfers from the County Revenue Fund

Period (2023/24)	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
County Executive -Rec	838,891,681	799,656,981	972,401,417	1,240,175,404	3,851,125,483
County Executive -Dev	75,050,807	-	51,450,293	210,755,396	337,256,496
County Assembly -Rec	193,275,996	122,539,463	212,812,662	248,585,405	777,213,526
County Assembly -Dev	-	15,499,965	-	12,807,266	28,307,231
County Executive – KCSAP	-	-	-	-	-
County Executive - KUSP-UDG	-	-	-	-	-
County Executive - KUSP-UIG	-	-	-	-	-
County Executive- AGRI DSP	-	-	-	2,491,302	2,491,302
County Executive -WSDP	-	-	-	373,103,336	373,103,336
County Executive -RBF	-	-	-	-	-
County Executive -LLOCAP	11,000,000	-	10,000,000	94,249,574	115,249,574
County Executive -NAVCDP	-	-	-	205,997,856	205,997,856
County Executive -KISIP	-	-	-	30,000,000	30,000,000
County Executive -Education Fund	-	-	70,000,000	70,000,000	140,000,000
County Executive -Car Loan & Mortgage Fund	-	-	-	15,000,000	15,000,000
Total	1,118,218,484	937,696,409	1,316,664,372	2,503,165,539	5,875,744,804