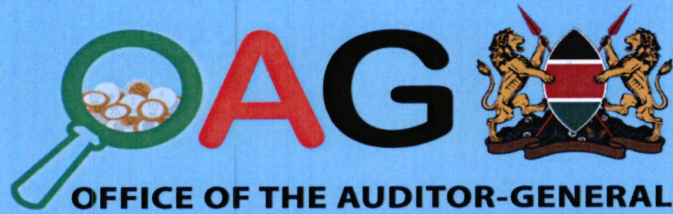


REPUBLIC OF KENYA



Enhancing Accountability

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REPORT

OF

THE AUDITOR-GENERAL

ON

**RECEIVER OF REVENUE – REVENUE
STATEMENTS**

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

COUNTY GOVERNMENT OF MERU





**MERU COUNTY
REVENUE BOARD**



RECEIVER OF REVENUE
(COUNTY GOVERNMENT OF MERU)

REVENUE STATEMENTS

FOR THE PER ENDED
30TH JUNE 2022

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

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

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

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I. Key County Government of Meru Information and Management

(a) Background information

Meru County Revenue Board is established by and derives its authority and accountability from Meru County Revenue Board Act, 2014. The Fund is wholly owned by the County Government of Meru and is domiciled in Kenya.

The Board's main objective is to collect, enhance and monitor local revenue of Meru County

(b) Principal Activities

Mission

To assess and collect revenue through enforcement of related legislations and to contribute to delivery of quality services for social economic growth in Meru County

Vision

To be a world-class revenue collection agency

Slogan

Lipa Ushuru Jenga Meru

Functions of the Board

- i. Collecting and receiving county revenue;
- ii. Administering and enforcing county laws related to revenue;
- iii. Assessing, collecting and accounting for all revenue in accordance with the county laws related to revenue;
- iv. Advising the county executive committee on all matters related to administration and collection or revenue under county laws;
- v. Carry out such other roles necessary for the implementation of the objects and purpose of the Meru County Revenue Board Act 2014 and perform such other functions as may, from time to time, be assigned by the executive member.

(c) Key Management

Ref	Name	Position
1	Titus Ntuchiu	CECM Finance and Economic Planning
2	Dr. John Ntoiti	General Manager
3	Joseph Chabari	Chief Officer Finance
4	Eric Munene	Ag. Director Revenue
5	CPA William Mwenda	Head of Revenue Reporting

(d) Registered Offices

P.O. Box 3246-60200
MKU Building
Meru Maua Highway
Meru, KENYA

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

(e) Contacts

Telephone: (254) 0709 241000
E-mail: revenueboard@meru.go.ke
Website: www.meru.go.ke

(f) Bankers

- i. Kenya Commercial Bank Meru, Kenya
- ii. Cooperative Bank Meru Branch

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

II. Foreword By the CECM Finance and Economic Planning

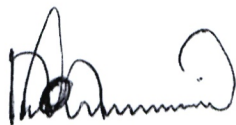
Pursuant to section 164 of the Public Finance Management Act, 2012 at the end of each Financial Year, the County Treasury shall prepare Financial Statements in respect of the County Government of Meru in formats to be prescribed by the Accounting Standards Board.

It is my pleasure to present the County Government of Meru receiver of revenue statements for the year ended 30th June 2022.

Own generated revenues play a vital role in running the day-to-day operations of the county government since it finances its operations. The key local revenue sources for County included business permits, Vehicle parking fees, land rates, plot rents, business plan approval, advertising fees, cesses and various other administrative charges.

The County Government will deepen reforms for resource mobilization towards improved local revenue collection by:

- i. Fully rolling-out automation of revenue collection system and sensitizing the public on use of the same.
- ii. Capacity building on staff to enhance accountability and efficiency in operations.
- iii. Enhance revenue enforcement.
- iv. Enhance monitoring of revenue collection in order to seal loopholes and leakages among other interventions.
- v. Preparation of valuation roll and enhancement of laws related to land rates.
- vi. Facilitating to acquire more vehicles for revenue operations.



**CECM Finance and Economic Planning
County Government of Meru**

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

III. Management Discussion and Analysis

Own source revenue has been performing well in the recent years but the year under review did not perform as expected due to:

- i. Some businesses were recovering from the effect of Covid-19 which had immensely affected their operations hence there was no cash flow to pay the single business permit.
- ii. The potatoes regulations which were introduced have resulted in many traders not transporting their produce hence low collection in market fees and cess.
- iii. All barriers were affected after the members of the public were advised to avoid cash handling, since most of the customers were not willing to use the pay bill to pay cess fees.
- iv. Perennial challenge of mobility due the unavailability of enough vehicles affected revenue collection in all sub counties.
- v. Non-payment of market fees in some markets.
- vi. An out-dated valuation roll.
- vii. Inadequate budget allocation which has severely affected the operations of the board.
- viii. There was resistant in paying various county levies due to the incitement by some political leaders.
- ix. Inadequate POS machines and system downtimes

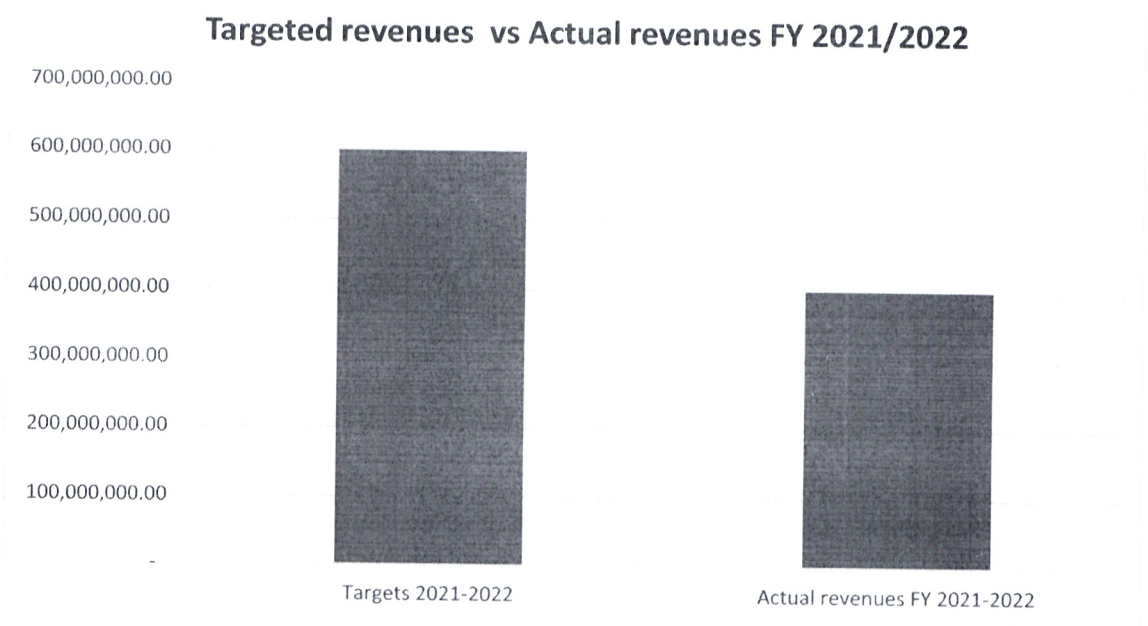
The revenue performance is analysed as below;

REVENUE COLLECTION ANALYSIS AS PER SOURCE FY 2021/2022		
	Revenue Stream	TOTALS
1	Single business permit	91,592,970.00
2	Cess	63,288,561.00
3	Parking fees	59,308,646.00
4	Market fee	44,674,733.00
5	Land Rates	18,280,412.33
6	Outdoor adverts. & Signboard	37,128,656.00
7	Building plans	26,739,398.00
8	Plot Rent	10,825,315.00
9	House rent/Stall rent	9,534,826.00

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

10	Slaughter house fees	3,603,090.00
11	Meat Inspection and Veterinary Services	2,145,180.00
12	Impounding fees & Fines	324,450.00
13	Toilets fee	680,110.00
14	Application fees	87,000.00
15	Income from county properties/Estates	208,100.00
16	Fire section fee	138,900.00
17	Refuse collection fee	188,200.00
18	Transfer & Subdivision fee	464,660.00
19	Sale of County Documents.	34,750.00
20	Audit Fees/Sacco registration	1,090,989.00
21	Weight and Measures	1,594,600.00
22	Surrender of Imprest/Salary	246,893.00
23	Burial permit (MTRH)	12,400.00
24	ATC Kaguru	21,510,300.90
	TOTALS	393,703,139.92

Graphical presentation of the Revenue targets and actual revenue performance for the FY 2021/2022



IV. Statement of Performance Against the County Fund’s Predetermined Objectives

Introduction

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

The key development objectives of the Meru County Revenue Board in the Meru County Government 2018-2022 plan are to:

- a) Increase in collection of county own source revenue
- b) Improve staff working conditions
- c) Capacity development and training

Progress on attainment of Strategic development objectives

Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Revenue Management	To realize optimum automation of revenue collection and monitoring	Decreased revenue collection leakages	Number of revenue streams automated	All revenue streams automated
Staff Welfare	To procure uniforms for enforcement officers	Improved staff working conditions	Number of staff uniforms procured	80 pairs of uniforms for enforcement officers procured
Capacity Building	To train all revenue officers	Enhanced/improved skills and knowledge	% No of staff trained	98% of staff trained

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

V. Statement of Receiver of Revenue's responsibilities

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

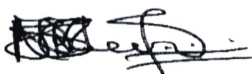
The Receiver of Revenue is responsible for the preparation and presentation of the *receiver of revenue account*, which gives a true and fair view of the state of affairs of the *receiver of revenue* for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the statement of assets and liabilities of the County Government of Meru, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the County Government of Meru, (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 *County Government of Meru's receiver of revenue* accounts, which have been prepared on the Cash Basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Receiver of Revenue is of the opinion that the *County Government of Meru's receiver of revenue* account gives a true and fair view of the state of *County Government of Meru's receiver of revenue* transactions during the financial year ended June 30, 2022, and of the *County Government of Meru's* statement of assets and liabilities as at that date. The Receiver of Revenue further confirms the completeness of the accounting records maintained, which have been relied upon in the preparation of the *receiver of revenue account* as well as the adequacy of the systems of internal financial control.

The Receiver of Revenue confirms that the *County Government of Meru* 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

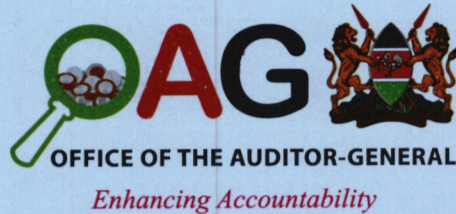
The revenue statements were approved and signed by the Receiver of Revenue on 29th September 2022.



Dr. John Ntoiti

REPUBLIC OF KENYA

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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, 2022 - COUNTY GOVERNMENT OF MERU

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE REVENUE STATEMENTS

Opinion

I have audited the accompanying revenue statements of Receiver of Revenue - County Government of Meru set out on pages 1 to 15, which comprise the statement of financial assets and liabilities as at 30 June, 2022, and the statement of receipts and

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of Receiver of Revenue - County Government of Meru as at 30 June, 2022 and of its financial performance for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the County Government Act, 2012.

Basis of Opinion

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 Meru Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audit 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.

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.600,000,000 and Kshs.393,703,139 respectively resulting to revenue shortfall of Kshs.206,296,860 (or 34%) of the budget.

The underperformance in revenue collection may have affected implementation of planned activities, resulting in a negative impact on delivery of serviced to the people of Meru County.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, 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 ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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


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

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 April, 2023

Report of the Auditor-General on Receiver of Revenue – Revenue Statements for the year ended 30 June, 2022 - County Government of Meru

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

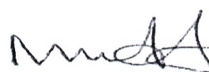
VII. Statement of Receipts and Disbursements for the year ended 30th June 2022

	Note	2021/22	2020/21
		Kshs	Kshs
County Own Source Revenue			
Cess	1	63,288,561.00	-
Land/Poll Rate	2	18,280,412.33	-
Single/Business Permits	3	91,592,970.00	-
Property Rent	4	20,824,801.00	-
Parking Fees	5	59,308,646.00	-
Market Fees	6	48,277,823.00	-
Advertising	7	37,128,656.00	-
Public Health Service Fees	8	2,825,290.00	-
Physical Planning and Development	9	26,826,397.69	-
Hire Of County Assets	10	21,718,400.90	-
Conservancy Administration	11	200,600.00	-
Administration Control Fees and Charges	12	3,106,132.00	-
Other Fines, Penalties, And Forfeiture Fees	13	324,450.00	-
Total County Own Source Revenue		393,703,139.92	-
Other Receipts			
Donations/Grants Not Received Through CRF		-	-
Total Other Receipts		-	-
Total Receipts		393,703,139.92	-
Balance b/f at the beginning of the year	14 (b)	8,937,178.42	-
Disbursements To CRF		(398,186,647.90)	-
Balance Due for Disbursement	14(a)	4,453,670.44	-

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 29th September 2022 and signed by:



Dr. John Ntoiti
County Receiver of Revenue



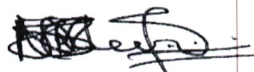
Machoki William Mwenda
Head of Revenue Reporting
M.NO 19584

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

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

	Note	2021/22	2020/21
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances	14	4,342,189.69	-
Cash In Hand	15	111,480.00	-
Total Financial Assets		4,453,670.44	-
			-
Total Financial Assets		4,453,670.44	-
Financial Liabilities			
Payables-Due to CRF	16	4,453,670.44	-
Total Financial Liabilities		4,453,670.44	-

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The County Government of Meru financial statements were approved on 29th September 2022 and signed by:



Dr. John Ntoiti
County Receiver of Revenue



Machoki William Mwenda
Head of Revenue Reporting
M.NO 19584

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

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

Receipt	Original Budget	A d j u s t m e n t s	Final Budget	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	K s h s	Kshs	Kshs	Kshs	
Cess	105,510,001.01	-	105,510,001.01	63,288,561.00	42,221,440.01	60%
Land/Poll Rate	41,239,711.40	-	41,239,711.40	18,280,412.33	22,959,299.07	44%
Single/Business Permits	149,495,235.00	-	149,495,235.00	91,592,970.00	57,902,265.00	61%
Property Rent	27,184,539.87	-	27,184,539.87	20,824,801.00	6,359,738.87	77%
Parking Fees	112,476,245.00	-	112,476,245.00	59,308,646.00	53,167,599.00	53%
Market Fees	67,609,610.00	-	67,609,610.00	48,277,823.00	19,331,787.00	71%
Advertising	39,686,048.44	-	39,686,048.44	37,128,656.00	2,557,392.44	94%
Public Health Service Fees	5,962,833.19	-	5,962,833.19	2,825,290.00	3,137,543.19	47%
Physical Planning and Development	42,667,015.64	-	42,667,015.64	26,826,397.69	15,840,617.95	63%
Hire Of County	2,893,105.00	-	2,893,105.00	21,718,400.90	-	751

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

Assets					18,825,295.90	%
Conservancy Administration	268,665.00	-	268,665.00	200,600.00	68,065.00	75%
Administration Control Fees and Charges	3,369,205.46	-	3,369,205.46	3,106,132.00	263,073.46	92%
Other Fines, Penalties, And Forfeiture Fees	1,637,785.00	-	1,637,785.00	324,450.00	1,313,335.00	20%
Total County Own Source Revenue	600,000,000.00	-	600,000,000.00	393,703,139.92	206,296,860.09	66%
Other Receipts						
Donations /Grants Not Received Through CRF	-	-	-	-	-	0%
Total Other Receipts	-	-	-	-	-	0%
Total Receipts	600,000,000.00	-	600,000,000.00	393,703,139.92	198,500,748.41	66%

The County Receiver of revenue's financial statements were approved on 29 September 2022 and signed by:



Dr. John Ntoiti
County Receiver of Revenue



Machoki William Mwenda
Head of Revenue Reporting
M.NO 19584

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

X. Statement of Arrears of Revenue as at 30th June 2022

Classification Of Receipts (Indicate As Applicable)	Balance as at 1st July 2021	Arrears received during the year	Additions in arrears for the current year to June 30, 2022	Total arrears as at 30 June 2022	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Cess	-	-	-	-		
Land/Poll Rate	-	-	-	-		
Single/Business Permits	-	-	-	-		
Property Rent	-	-	-	-		
Parking Fees	-	-	-	-		
Market Fees	-	-	-	-		
Advertising	-	-	-	-		
Hospital Fees	-	-	-	-		
Public Health Service Fees	-	-	-	-		
Physical Planning And Development	-	-	-	-		
Hire Of County Assets	-	-	-	-		
Conservancy Administration	-	-	-	-		
Administration Control Fees And Charges	-	-	-	-		
Park Fees	-	-	-	-		
Other Fines, Penalties, And Forfeiture Fees	-	-	-	-		
Miscellaneous	-	-	-	-		
Total Arrears	-	-	-	-		



Dr. John Ntoiti
County Receiver of Revenue



CPA Machoki William Mwenda
Head of Revenue Reporting
M.NO 19584

XI. Notes to the Financial Statements

Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and relevant legal framework of the Meru County Revenue Board. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

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

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

2. Recognition of Receipts

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

3. Budget

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

4. Cash and cash equivalents

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

Notes to the Financial Statements (Continued)

5. Revenue in Arrears

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

6. Disbursements to CRF

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

7. Comparative Figures

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

8. Subsequent Events

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

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

Notes To the Financial Statements (Continued)

1. Cess

Description	2021/22	2020/21
	Kshs	Kshs
Farm produce	63,288,561.00	-
Quarrying	-	-
Livestock	-	-
Fish farming	-	-
Others (<i>specify</i>)	-	-
Total	63,288,561.00	-

2. Land/Poll rates

Description	2021/22	2020/21
	Kshs	Kshs
Land rates	17,498,116.61	-
Land penalties and interest	782,295.72	-
Arrears	-	-
Total	18,280,412.33	-

3. Single /Business Permits

Description	2021/22	2020/21
	Kshs	Kshs
Business permit application fees	4,579,648.50	-
Annual Business permit fees	87,013,321.50	-
Business permit penalties and interest	-	-
Business permit fees arrears	-	-
Total	91,592,970.00	-

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

Notes to the Financial Statements (continued)

4. Property Rent

Description	2021/22	2020/21
	Kshs	Kshs
County Housing	-	-
Plot Rent	10,825,315.00	-
Tenancy Agreement	-	-
Transfer of Property	464,660.00	-
Stalls/kiosks rent	9,534,826.00	-
Others (<i>Specify</i>)	-	-
Total	20,824,801.00	-

5. Parking Fees

Description	2021/22	2020/21
	Kshs	Kshs
Street parking fees	17,792,593.80	-
Monthly toll/sticker fees	6,523,951.06	-
Motorbike fees	-	-
Registration fees	2,372,345.84	-
Reserved parking	315,203.68	-
Bus Park fees	32,304,551.62	-
Others (<i>Specify</i>)	-	-
Total	59,308,646.00	-

6. Market Fees

Description	2021/22	2020/21
	Kshs	Kshs
Market entry fees	44,674,733.00	-
Hawking fees	-	-
Others (<i>Slaughter fees</i>)	3,603,090.00	-
Total	48,277,823.00	-

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

Notes to the Financial Statements (Continued)

7. Advertising

Descriptions	2021/22	2020/21
	Kshs	Kshs
Branding	7,425,731.20	-
Billboard advertising	11,138,596.80	-
Signage	1,856,432.80	-
Roadshows	3,712,865.60	-
Banners	2,227,719.36	-
Posters	1,485,146.24	-
Tent advertising	4,455,438.72	-
Street pole/clock advertising	4,826,725.28	-
others (<i>Specify</i>)	-	-
Total	37,128,656.00	-

8. Public Health Service Fees

Description	2021/22	2020/21
	Kshs	Kshs
Inspection of buildings/premises/Institutions	-	-
Inspection for issuance of hygiene license	-	-
Vaccination: Yellow fever, Typhoid, etc	-	-
Applications for medical examination	-	-
Sanitation inspection for schools	-	-
Public health permit	-	-
Toilet fees	680,110.00	-
Others (<i>Meat inspection and veterinary services</i>)	2,145,180.00	-
Total	2,825,290.00	-

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

Notes to the Financial Statements (Continued)

9. Physical Planning and Development

Description	2021/22	2020/21
	Kshs	Kshs
Sale of County planning documents	-	-
Land valuation and registration fees	-	-
Change / Renewal of user	-	-
Building plans approval	26,739,397.69	-
Signboards	-	-
Occupational Permits	-	-
Enforcement / Demolition	-	-
Architectural designs by county officers	-	-
Hoarding fees	-	-
Others (Application fees)	87,000.00	-
Total	26,826,397.69	-

10. Hire Of County Assets

Description	2021/22	2020/21
	Kshs	Kshs
Agricultural Mechanisation Services (AMS)	-	-
Hire of Machines and Equipment	20,310,300.90	-
Hire of County Stadia	-	-
Hire of County Halls	-	-
Conference facilities/Agricultural Training Centers (ATC)	1,200,000.00	-
Others (<i>County Estates</i>)	208,100.00	-
Total	21,718,400.90	-

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

Notes to the Financial Statement (Continued)

11. Conservancy Administration

Description	2021/22	2020/21
	Kshs	Kshs
Refuse disposal fees	188,200.00	-
Dumpsite fees	-	-
Sewerage fees	-	-
Sale of seedlings	-	-
Public cemetery	12,400.00	-
Disposal of carcasses	-	-
Noise control	-	-
Others (<i>Specify</i>)	-	-
Total	200,600.00	-

12. Administration Control Fees and Charges

Description	2021/22	2020/21
	Kshs	Kshs
Weights and measures	1,594,600.00	-
Fire Services	138,900.00	-
Liquor licenses	-	-
Surrender of Imprest	246,893.00	-
Audit fees	1,090,989.00	-
Others (Sale of tender documents)	34,750.00	-
Total	3,106,132.00	-

13. Other Fines, Penalties and Forfeitures

Description	2021/22	2020/21
	Kshs	Kshs
Impounding Fees	324,450.00	-
Towing Fees	-	-
Others (<i>Specify</i>)	-	-
Total	324,450.00	-

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

Notes to the financial statements (continued)

14. Bank Balances

Name of Bank, Account No. & currency	Amount in bank account currency	Exc. rate (if in foreign currency)	2021/22	2020/21
			Kshs	Kshs
Co-operative Bank,01141418507201, Ksh	-	-	3,629,139.00	-
KCB Bank,1140746316	-	-	299,783.69	-
KCB Bank,1293077178	-	-	413,267.75	-
Total	-	-	4,342,190.44	-

14 (a) Balance carried forward as at 30th June 2022 and due for disbursement

Ref	Amount (Kshs)	Date subsequently transferred
Co-operative Bank,01141418507201, Ksh	3,629,139.00	
KCB Bank,1140746316	299,783.69	
KCB Bank,1293077178	413,267.75	
Total	4,342,190.44	

14 (b) Distribution of Fund Balances in f/y 2021-2022 due to change of reporting template

	2020/2021 Closing Balance	2021-2022 Opening Balances
Meru County Executive Financial Statement F/Y 2021-2022	1,969,050,307.00	529,523,134.58
Meru County Revenue Fund Financial Statement F/Y 2021-2022	0	1,430,589,994.00
Meru County Receiver of Revenue Financial Statement F/Y 2021-2022	0	8,937,178.42
Totals	1,969,050,307.00	1,969,050,307.00

15. Cash in hand

Description	2021/22	2020/21
	Kshs	Kshs
Cash Balance (<i>Location</i>)	111,480.00	
Mobile Money	-	-
Others (<i>Specify</i>)	-	-
Total	111,480.00	-

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

16. Payables- Due To CRF

Payables	2021/22	2020/21
	Kshs	Kshs
Balance b/f at the beginning of the year	8,937,178.42	-
Amount collected during the year	393,703,139.92	-
Amounts disbursed to CRF during the year	398,186,647.90	-
Balance c/d at the end of the year	4,453,670.44	-

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

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

Reference No. on the external audit Report	Issue Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
This is the first year that financial statements for receiver of revenue are been prepared. Thus there exists no prior year audit recommendations.				

Guidance Notes:

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



Dr. John Ntoiti
County Receiver of Revenue



CPA Machoki William Mwenda
Head of Revenue Reporting
M.NO 19584

Appendix 3 - Reports Generated From IFMIS

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

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

① DOLPS (L.A)
This is submitted
for processing.
I. Mbaya
22.05.2023

③ DC (CMA)
Submitted for further
processing
23/5/23

④ Hon. Speaker
You may approve
23/5/23

DLP S
Submitted for further
processing
23/05/2023



REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT – SECOND SESSION

Approved
23/5/23

THE SENATE

REQUEST FOR STATEMENT

ON PLANS TO INSTAL DEVICE MANAGEMENT SYSTEMS (DMS), A SPYWARE,
ON PHONES

Mr. Speaker Sir,

I rise, pursuant to Standing Order 53 (1), to seek a Statement from the Standing Committee on Information, Communication and Technology on plans by the Communication Authority to install Device Management Systems (DMS), a spyware, on phones.

In the Statement, the Committee should: -

1. Explain the rationale for the installation of DMS on phones, noting that it is likely to compromise security of phone users' data and to infringe on people's privacy;
2. State why the Communication Authority could not engage telecommunication companies to create an Equipment Identification Register (EIR) on mobile gadgets, instead of installing the DMS, since all the required phone users' data is available;
3. Indicate the measures to be put in place to curb the misuse of DMS owing to its ability to access private data including call records, messages, location, and mobile financial transactions; and
4. State the role of the Anti-Counterfeit Authority in complementing Communication Authority's fight against cloning of International Mobile Equipment Identification (IMEI).

**SEN. CHERARKEY SAMSON KIPROTICH, MP,
SENATOR FOR NANDI COUNTY**

Date: 22nd May, 2023

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SENATOR FOR NANDI COUNTY**

Date: 22nd May, 2023

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23-05-2023

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23/5/23

④ Hon. Speaker

You may approve.
23/5/23

Submitted for further
process of
23/05/2023



REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT - (SECOND SESSION)

THE SENATE

REQUEST FOR STATEMENT

ON THE PLANNED RELAUNCH OF STRATEGIC FOOD RESERVE (SFR)

Mr. Speaker, Sir,

I rise, pursuant to Standing Order 53 (1), to seek a Statement from the Standing Committee on Agriculture, Livestock and Fisheries on the planned relaunch of Strategic Food Reserve (SFR) three years after it closed its operations.

In the Statement, the Committee should: -

1. Provide the timeline for operationalization of the Strategic Food Reserve (SFR), stating when the National Treasury will release the KES. 15 billion needed to revive the programme and further, state the types of food commodities to be included in the programme;
2. Provide a list of all Strategic Food Reserve stores to be reopened, indicating plans in place, if any, to have the stores close to farmers for easy accessibility and address congestion in the said stores as was the case in the past; and
3. Clarify whether the Strategic Food Reserve (SFR) will import food commodities for their reserves or if there are measures in place, to help Kenyan farmers produce sufficient food locally to stock the stores.

SEN. SAMSON CHERARKEY, MP
SENATOR FOR NANDI COUNTY

DATE: 23RD MAY, 2023

① DDLPS (L.A)
This is submitted
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I. Mbatia
23-05-2023

② DC CMA)

Submitted for further
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[Signature]
23/5/23

④ Hon. Speaker

You may approve.
[Signature]
23/5/23

DDLPS
Submitted for further
processing
23/05/2023



REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT - (SECOND SESSION)

THE SENATE

REQUEST FOR STATEMENT

ON THE PLANNED RELAUNCH OF STRATEGIC FOOD RESERVE (SFR)

Approved
[Signature]
23/5/23

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23.05.2023

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23/5/23



④ Hon. Speaker
You may approve
23/5/23

② DLP
Submitted for further
processing 23/5/23

REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT - (SECOND SESSION)

THE SENATE

REQUEST FOR STATEMENT

ON PRIVATE EMPLOYMENT AGENCIES IN KENYA

Approved
23/5/23

Mr. Speaker, Sir,

I rise, pursuant to Standing Order 53(1), to seek a Statement from the Standing Committee on Labour and Social Welfare regarding private employment agencies in Kenya.

In the Statement, the Committee should –

- 1) Outline the requirements that a private employment agency must fulfill before it is officially registered and granted approval to operate in Kenya;
- 2) Provide a list of private employment agencies currently operating in the country, stating the registration status of each company;
- 3) Shed light on claims by the National Employment Authority Integrated Management System (NEAIMS), that a number of private employment agencies are operating with expired licenses;
- 4) Disclose the total number of Kenyans who have secured employment abroad through private employment agencies, indicating the agencies involved in these placements; and
- 5) Articulate any measures that the National Employment Authority has undertaken to combat the rising cases of Kenyans being exploited by private employment agencies in securing jobs overseas.

SEN. SAMSON CHERARKEY, MP
SENATOR FOR NANDI COUNTY

DATE: 22nd May, 2023

① DDLRS (L.A)

This is submitted for processing.
I. Mbayi
23.05.2023

③ DC (MA)

Submitted for further processing.
23/5/23



④ Hon. Speaker
You may approve
23/5/23

② DLP
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REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT - (SECOND SESSION)

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23/5/23

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REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT - (SECOND SESSION)

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DATE: 22nd May, 2023