

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

**RECEIVER OF REVENUE - REVENUE
STATEMENTS**

**FOR THE YEAR ENDED
30 JUNE, 2023**

**COUNTY GOVERNMENT OF
SAMBURU**

PAPERS LAID	
DATE	16/04/2024
TABLED BY	Majority Leader
COMMITTEE	Finance & Budget
CLERK AT THE TABLE	C. cherop

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Revised 30th June 2023



**RECEIVER OF REVENUE
COUNTY GOVERNMENT OF SAMBURU**

REVENUE STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

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

Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023

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Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023

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

b) Glossary of terms

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

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2. Key Entity Information and Management

(a) Background information

The *receiver of revenue* is under the Department of Finance, Economic planning and ICT in the Revenue section. At the County Executive level, the *receiver of revenue* is represented by the County Executive committee member of Finance, who is responsible for the general policy and strategic direction of the *receiver of revenue*. The *receiver of revenue* was designated as a Receiver on 30th June 2023 by the County Executive member of Finance, in accordance with Section 157 of the PFM Act, 2012.

(b) Principal activities

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

(c) Key Management Team

The County Government of Samburu's' day-to-day management of revenue is under the following:

- County Executive Committee Member for Finance –Hon Silvana Kaparo
- Chief Finance Officer, Finance – Solomon Letirok
- Chief Officer, Revenue & Resource Mobilization – Daniel Leleina
- Director, Revenue Collection-Sammy Lenanyokie
- Deputy-Director, Revenue- Lucy Lesiyampe
- Head of Revenue Reporting- Susan Mwangi

Receiver of Revenue
County Government of Samburu
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Key Entity information and Management (continued)

(d) County Headquarters

Samburu County Headquarters,
P.O. Box 3-20600
Maralal- Nyahururu Road,
Maralal, KENYA

(e) Entity Contacts

County Executive Headquarters
Samburu County Headquarters,
P.O. Box 3-20600,
Maralal- Nyahururu Road,

(f) Independent Auditor

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

(g) Principal Legal Adviser

Office of the Attorney General and Department of Justice
Sheria House, Harambee Avenue
P.O. Box 40112
GPO 00100
Nairobi, Kenya

(h) Bankers (include all collection banks)

1. Central Bank of Kenya

Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA

2. Other Commercial Banks

A. Kenya Commercial Bank- Maralal Branch

Telephone: +254 711 087 000
E-mail: KCB@kcbgroup.com
Website: www.kcbgroup.com

B. SUPA SACCO SOCIETY LTD-Maralal Branch

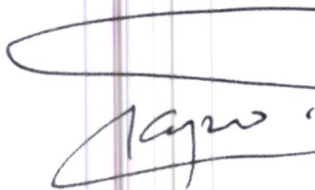
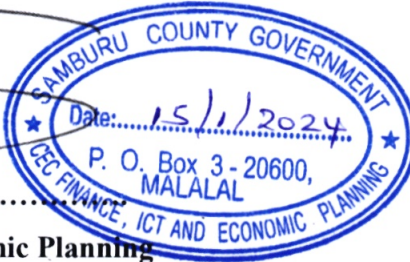
Telephone: +254 714399772
E-mail: supasacco@yahoo.com
Website: www.supasacco.co.ke

(i) County Attorney

Peinan Scola Loronyokie
+254 727414032

3. Foreword by the CECM Finance and Economic Planning

The financial year 2022/2023 was a better year as compared to the previous year in terms of OSR collection, this is as a result of improvement in major streams of revenue despite drought and election period. This improvement can also be attributed to post Covid -19 strategies put in place which led to the opening up of economic activities that allowed free movement of people locally and internationally and therefore, business opened up, livestock traders could sell their livestock freely. This led to increased numbers of tourism activities in Samburu East Sub- County, hence increase in park fee.

CECM Finance and Economic Planning
County Government of Samburu

4. Management Discussion and Analysis

REVENUE PERFORMANCE

The County government's revenue basket comprises of the following sources:

- a) Equitable share of revenue raised nationally
- b) Conditional grants and
- c) Own source revenue (OSR)

Own Source Revenue (OSR)

By the end of June 2023, the total revenue generated from County Own Source Revenue (OSR) amounted to Kshs.226,323,886.48 against a target of Kshs.240,330,500 representing a shortfall of 6% (ksh.14,006,613.52). This shortfall is attributed to the socio-economic effects of drought and post Covid recovery period which led to slow growth in economic activities, this heavily weighed on key revenue streams. Samburu County is a pastoral County and people mostly depend on livestock for their economic needs. Despite the lifting of some of these measures in the period of post Covid 19 nothing much changed as the economy is struggling to recover from the setback.

Analysis of OSR by stream shows a significant increase in a number of revenue streams majorly being; game parks and advertising which surpassed their targets.

The other revenue streams performed largely below their respective revenue targets

. In particular, the following streams netted less than 90% of their respective targets: Liquor License, Hospital charges and Parking fee

The persistent shortfalls in OSR has led to budget implementation challenges resulting from adjustments of the budget to allow for payment of pending bills and ongoing projects that take up the allocations for respective programs and projects in the financial year under review. This calls for OSR projections that are realistic and in line with the prevailing macroeconomic conditions

. The increase of own source revenue from Ksh.70,378,826, FY 2020/2021 to Ksh.120,267,708 FY 2021/22 to Ksh. 226,323,886.48 FY 2022/2023 could be explained by the post covid recovery period when the economy tried to recover hence increased number of tourism activities in Samburu East sub-county.

To increase own source revenue, the county has to undertake the following measures which will also explains the increase in revenue in the post covid era and the days thereafter.

- Diversification of revenue streams
- Monitoring and supervision of revenue collection activities,
- Integration of Samburu Electronic Data Management System with other monitoring system e.g. IFMIS
- Fully automation of revenue collection and establishing one-stop-shop payment and approval for all licenses.

Receiver of Revenue
County Government of Samburu
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Table 1: Revenue Projections by stream

ITEMS	Projection 2018/19	Projection 2019/20	Projection 2020/21	Projection 2021/22	Projection 2022/23	Projection 2023/2024
COUNTY GENERATED REVENUE						
Land Rates	15,000,000	15,750,000	16,537,500	17,364,375	18,232,594	36,800,000
Contribution in Lieu of Rates						
Single Business Permits	20,000,000	21,000,000	22,050,000	23,152,500	24,310,125	16,000,000
Total Cess Receipts	20,000,000	21,000,000	22,050,000	23,152,500	24,310,125	12,312,000
Game Parks/Nature Reserves Fees	150,000,000	157,500,000	165,375,000	173,643,750	182,325,938	125,983,800
Markets and Slaughter House Fees	8,000,000	8,400,000	8,820,000	9,261,000	9,724,050	12,854,000
Vehicle Parking Receipts/Transport	1,436,628	1,508,459	1,583,882	1,663,076	1,746,230	5,326,000
Wheat Cess	700,000	735,000	771,750	810,338	850,854	288,400
Prospecting Licenses	275,000	288,750	303,188	318,347	334,264	0
Tender Application Fees	552,145	579,752	608,740	639,177	671,136	0
Liquor License	4,000,000	4,200,000	4,410,000	4,630,500	4,862,025	6,180,000
Various Health Departments Fees	6,386,920	6,706,266	7,041,579	7,393,658	7,763,341	17,624,000
Miscellaneous revenue	0	0	0	0	0	803,400
Advertisement	0	0	0	0	0	2,400,000
Agricultural Machinery Services	1,580,536	1,659,563	1,742,541	1,829,668	1,921,151	1,693,400
Approval of plans and supervision	1,000,000	1,050,000	1,102,500	1,157,625	1,215,506	1,251,900
Insurance Recoveries	1,100,000	1,155,000	1,212,750	1,273,388	1,337,057	0
Environment and conservation	0	0	0	0	0	16,510,500
Balance brought forward	0	0	0	0	0	
SUB-TOTAL LOCAL SOURCES	230,031,228	241,532,790	253,609,429	266,289,901	279,604,396	256,027,400
SUMMARY						
Revenue from Local Sources	230,031,228	241,532,790	253,609,429	266,289,901	279,604,396	256,027,400
Revenue transfer from national government	4,427,400,000	4,517,041,000	4,758,919,973	5,127,260,379	5,127,260,379	5,594,312,489
Aggregated industrial parks programme	0	0	0	0	0	100,000,000
Mineral Royalties	0	0	0	0	0	905,744.35
Fertilizer Subsidy	0	0	0	0	0	12,431,664
De-Risking and value enhancement (DRIVE) – livestock						207,839,480
Road Maintenance Fuel Levy	116,569,586	116,569,586	116,569,586	116,569,586	116,569,586	0
User fees forgone in hospitals						0
Free maternity grant						0
Conditional allocation(loans and grants)	138,861,064	138,861,064	138,861,064	138,861,064	138,861,064	
Kenya Devolution Support Program (KDSP)	24,638,639	24,638,639	24,638,639	24,638,639	24,638,639	

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Revenue Statements for the Period Ended 30th June 2023

ANNUAL TRENDS IN REVENUE FOR VARIOUS YEARS WITH DETAILED STREAMS							
TRENDS IN OWN SOURCE REVENUE FOR FY 2016/17 TO FY 2022/2023							
REVENUE SOURCE	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
LIVESTOCK EXPORT CESS	1,780,075.00	2,403,200.00	2,619,795.00	2,861,560.00	2,827,400.00	3,855,950.00	4,606,895
LIVESTOCK AUCTION CESS	3,179,392.00	2,992,535.000	3,344,520.00	2,370,850.00	1,495,725.00	2,327,970.00	3,494,005
PUBLIC WORKS CHARGES	904,538.00	788,000.00	603,000.00	8,000.00	11,000.00	0	0
SLAUGHTER FEE/ MARKET FEE	4,423,880.00	4,051,145.00	3,728,110.00	2,716,115.00	2,200,250.00	2,752,620.00	3,097,250
HIDES AND SKIN FEE	66,000.00	45,900.00	69,300.00	30,200.00	5,200.00	0	3,400
PARKING FEE	0	0	803,790.00	1,250,400.00	8095,680.00	1,949,200.00	1,826,300
A.M.S	715,750.00	393,900.00	331,500.00	54,000.00	0	0	19,100
MARALAL VOCATIONAL TRAINING	0	0	0	0	0	0	74,000
PUBLIC HEALTH	1,368,450.00	912,525.00	1,127,680.00	221,875.00	170,050.00	139,200.00	789,353
MARALAL REF HOSP	5,279,846.00	4,027,914.00	3,416,718.00	0	0	8,635,611.70	10,027,783
BARAGOI SC HOSP	369,200.00	279,570.00	374,000.00	0	0	0	0
NHIF CLAIMS	0	10,599,720.00	476,000.00	0	0	0	0
UNDERTAKING FEE	104,000.00	0	58,000.00	21,000.00	167,000.00	0	0
LAND RATES	6,435,854.00	10,599,720.00	18,017,529.40	13,682,590.30	7,438,075.00	7,084,810.00	19,306,856
SINGLE BUSINESS PERMIT	4,644,960.00	12,599,300.00	11,217,350.00	7,394,100.00	12,953,950.00	6,269,450.00	16,229,378
MARALAL SAFARI LODGE	0	0	0	141,728.00	0	0	0
KATO COLLECTION	31,750,076.00	3,163,036.00	3,776,617.00	3,072,032.00	926,192.00	981,360.00	1,885,040
SNR GATE COLLECTION	10,455,318.00	7,783,919.00	6,635,320.00	6,163,447.00	3,122,450.00	6,081,300.00	21,260,479
SNR HOTELS	15,699,028.00	28,353,255.60	31,701,064.00	15,870,932.30	2,012,482.00	21,429,174.00	9,517,060
USD CONVERTED TO KSHS	58,851,505.00	114,672,214.85	140,562,555.40	134,388,617.05	6,616,782.40	39,955,284.00	104,462,878
MARALAL STALL RENT	466,450.00	518,900.00	926,360.00	525,350.00	732,400.00	245,100.00	226,750
MIRAA CESS	943,800.00	940,650.00	844,150.00	308,050.00	414,000.00	680,000.00	848,200
HAWKERS	1,617,580.00	1,497,550.00	1,711,500.00	1,225,650.00	1,061,000.00	1,541,700.00	1,520,887
WGTS & MEASURES	121,320.00	78,200.00	23,100.00	58,800	0	0	70,000
SAND INCOME	4,168,950.00	3,749,910.00	4,046,700.00	1,880,328.00	5,229,000.00	4,082,600.00	2,893,830
DIRECT CREDIT	30,086,301.00	9,423,824.10	24,542.00	19,303,609.65	9,386,190.55	295,500.00	903,172
WHEAT CESS	129,015.00	219,845.00	-	154,054.00	54,574.50	0	0
LIQOUR LICENSE	2,059,000.00	3,657,000.00	6,285,300.00	1,109,500.00	2,574,750.00	465,000.00	3,352,001
Environment and conservation	0	0	0	0	0	0	9,172,500
GREEN GROCERS	0	0	0	0	101,500.00	64,350.000	66,000
ADVERTISEMENT	0	0	0	0	1,857,000.00	3,292,000.00	4,030,467.
SCRAP METAL	0	0	0	0	1,500.00	4,600.00	0
BALLAST/HARDCORE	0	0	0	0	275,500.00	240,500.00	131,800
MANURE	0	0	0	0	36,000.00	37,200.00	28,000
ALOE VERA	0	0	0	0	4,600.00	16,500.00	13,500
COOPERATIVE AUDIT FEE	0	0	0	0	0	0	138,888
TENDER INCOME	645,300.00	392,000.00	0	0	138,000.00	0	0
SALARIES AND IMPREST RECOVERIES	0	0	781,042.000	0	170,625.00	7,856,727.90	6,328,114
MARALAL INT.CAMEL DERBY	852,400.00	243,350.00	338,600.00	304,650.00	0	0	0
MOTOR VEHICLES INSURANCE CLAIM	0	0	0	0	2,000,000.00	0	0
PROCEEDS FROM SALE OF MOTOR VEHICLE	0	0	0	0	5,590,000.00	0	
TOTAL FROM LOCAL INCOME	187,117,988.00	224,686,264.55	243,844,142.80	215,117,438.30	70,378,826.45	120,284,708.00	226,323,886.48

- i. The County targets to implement major flagships projects as outlined in the CIDP 2023-2027. This will be achieved by enhancing efficiency and effectiveness and accountability in public spending and enhanced revenue collection to effectively finance the implementation of the budget. Containing the growth of recurrent expenditure in favour of capital investment will further be checked. To implement the County's development priorities, investment projects

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and programs will be scrutinized to ensure that they are well aligned to the CIDP 2023-2027.

- ii. The County Government resource allocation will be aligned towards achieving the development programs under the current medium-term theme ‘fostering socio-economic development for sustainable growth. The County Government continues in the implementation of the development agenda putting more emphasis on-:
 - (a) Improvement of Education;
 - (b) Agriculture and livestock development;
 - (c) Improved water access, sanitation and environment;
 - (d) Improved health care access and quality.

The County Government administration aims to implement the transformative agenda that ensures enhanced service delivery, improved standard of living among the county residents through employment creation and improved incomes. In setting departmental ceilings, attention will be given to projects and Programmes that meet the following criteria:

- (a) Linkage of the Programme with the 2023-2027 CIDP, the ‘Big Four’ agenda and the objectives of the Fourth Medium-Term Plan of Vision 2030.
- (b) The degree to which a Programme addresses job creation and poverty reduction.
- (c) The degree to which the Programme is addressing the core mandate of the County department.
- (d) Expected outputs and outcomes from a Programme; and
- (e) Cost-effectiveness and sustainability of the Programme.

The county will continue reorienting expenditure towards those priority programmes as identified in public consultative forums. The critical Programmes to be implemented are expected to accelerate economic activities and socio-economic development.

a) Key risk management strategies applied by the County

- i. The County Government departments' capacities continuously strengthened to enable them to perform their assigned functions effectively and efficiently. The key technical staff needs to be deployed and rationalized to streamline the county's activities.
- ii. Extensive work has been done in providing reporting templates and issuance of budget guidelines to ensure consistency in reporting and monitoring progress.

Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023

- iii. Strengthening the monitoring and evaluation unit in the finance and economic planning unit and linking up with the Service delivery unit will lead to a harmonized monitoring and evaluation system in the county.
- iv. In addition, the implementation pace in the spending units continues to be a source of concern especially concerning the development expenditures and uptake of external resources. These risks will be monitored closely and the County Government would take appropriate measures in the context of the supplementary budget.
- v. Adjustments to the 2023/24 budget will take into account actual performance of expenditure so far and absorption capacity in the remainder of the financial year because of the resource constraints. The Government will rationalize expenditures by cutting those that are non-priority. These may include slowing down or reprioritizing development expenditures and increased budgeting for debt resolution.
- vi. On the Revenue side, the County Treasury is expected to institute corrective measures to curb the revenue leakages by enhancing compliance. Departments are expected to prioritize their expenditure and reallocate funds guided by the priorities during the preparation of the supplementary budget guided by the resource availability. Automation of revenue processes was started in the year under review but it shall be a top priority for the department of Finance in the financial year.2023/24.

Introduction

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

Strategic development objectives (*Adopted from Samburu County- Customize as per specific county,*)

The County's 2023-2027 CIDP has identified six key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the Governor's Manifesto, the National Government's "Beta, NIUPLAN, SDGs and the MTP IV

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

The key development objectives of the Samburu County's 2023-2027 CIDP are to;

- (a) Improvement of Education;**
- (b) Agriculture and livestock development;**
- (c) Improved water access, sanitation and environment;**
- (d) Improved health care access and quality.**
- (e) Youth and women empowerment.**
- (f) Peace and cohesion**

Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023

5. 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, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the statement of assets and liabilities of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Receiver of Revenue in charge accepts responsibility for the *entity's receiver of revenue* accounts, which have been prepared on the Cash Basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Receiver of Revenue is of the opinion that the *entity's receiver of revenue* account gives a true and fair view of the state of *entity's receiver of revenue* transactions during the financial year ended June 30, 2023, and of the *entity'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 *entity* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable). The Receiver of Revenue confirms that the revenue statements have been prepared in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the Revenue Statements

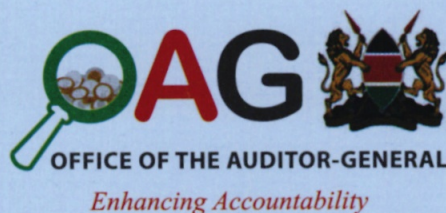
The *revenue* statements were approved and signed by the Receiver of Revenue on 15th January 2024

Abanyokie Sammy
LENANYOKIE SAMMY
.....
Name
County Receiver of Revenue



REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
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Anniversary Towers
Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON RECEIVER OF REVENUE - REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2023 - COUNTY GOVERNMENT OF SAMBURU

PREAMBLE

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

- A. Report on the Revenue Statements that considers whether the revenue statements are fairly presented in accordance with the applicable revenue reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the revenue statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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 does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal control, 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

Qualified Opinion

I have audited the accompanying revenue statements of Receiver of Revenue - Revenue Statements - County Government of Samburu set out on pages 1 to 22, which comprise

Report of the Auditor-General on Receiver of Revenue - Revenue Statements for the year ended 30 June, 2023 - County Government of Samburu

the statement of financial assets and liabilities as at 30 June, 2023 and the statement of receipts and disbursements, statement of comparison of budget and actual amounts and the statement of arrears of revenue for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the revenue statements present fairly, in all material respects, the revenue position of Receiver of Revenue - Revenue Statements - County Government of Samburu as at 30 June, 2023 and of its revenue 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.

Basis for Qualified Opinion

Unsupported Revenue Arrears

The statement of arrears of revenue reflects total arrears amounting to Kshs.119, 252,791 in relation to land rates, single/business permits, administration control fees and charges, and park fees. However, administration control fees and charges of Kshs.11,408,249, and park fees arrears of Kshs.18,140,000 were not supported by arrears registers, invoices issued to the clients and demand letters for arrears overdue.

In the circumstance, the accuracy and completeness of arrears of revenue on administration control fees of Kshs.11,408,249, and park fees arrears of Kshs.18,140,000 included under total arrears could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Receiver of Revenue - County Government of Samburu 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 revenue statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Matters

In the audit report of the previous year, several issues were raised under the Report on Revenue Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of internal Controls, Risk Management and

Governance. However, the Management did not provide reasons for the delay in resolving the prior year audit issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Failure to Remit NHIF Collections at Maralal Referral Hospital

Note 8 to the revenue statements indicate that hospital fees collected by the County Executive of Samburu totalled Kshs.10,027,783 during the year. However, the amount declared was not inclusive of NHIF collections amounting to Kshs.23,996,980 which were yet to be remitted to the County revenue collection account and eventually to the County Revenue Fund. This is contrary to Section 63(4) of the Public Finance Management (County Governments) Regulations, 2015 which requires that all public moneys collected by a receiver of revenue or collector of revenue or collected and retained by a County Government entity, shall be paid into the designated bank accounts of the County Government and shall not be used by any public officer in any manner between the time of their receipts and payment into the bank except as provided by law.

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

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, plan, and perform the audit to obtain assurance about whether the activities, revenue transactions and information reflected in the revenue 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, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Accumulation of Land Rates Arrears

The statement of receipts and disbursements and as disclosed in Note 2 to the revenue statements reflects land rates collection of Kshs.19,306,856 for the year ended 30 June, 2023. However, information available indicated that the County had a net accumulated arrears and penalties on properties totalling to Kshs.81,618,371. The Receiver of Revenue has not indicated any clear actionable plan on debt collection and hence the accumulation.

Further, the plot registers for ratable properties provided for review were incomplete as key data of the owners was missing including Identity Document (I.D) card number, rates payments records including miscellaneous receipt number, and phone number. Some plot numbers were also blank with no owners indicated at all.

In the circumstances, the effectiveness of internal control on land rates arrears management could not be confirmed.

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

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

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

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


 FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 January, 2024

Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023

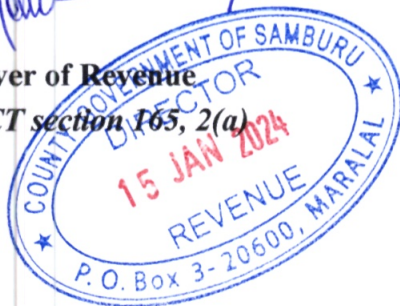
7. Statement of Receipts and Disbursements for the year ended 30th June 2023

	Note	FY 2022/2023	FY 2021/2022
		Kshs	Kshs
County Own Source Revenue			
Cess	1	15,103,380.00	10,545,220 .00
Land Rate	2	19,306,856.00	7,083,810.00
Single/Business Permits	3	16,229,379.00	6,269,450.00
Property Rent	4	226,750.00	0
Parking Fees	5	1,826,300.00	1,946,200.00
Market Fees	6	1,600,387.00	5,300,270.00
Advertising	7	4,030,467.00	3,292,000.00
Hospital Fees	8	10,027,783.00	8,635,612.00
Public Health Service Fees	9	789,353.00	139,200.00
Physical Planning and Development	10	0	0
Hire Of County Assets	11	93,100.00	0
Conservancy Administration	12	9,172,500.00	0
Administration Control Fees and Charges	13	3,422,001.00	455,000.00
Proceeds from sale of assets	14	0	0
Park Fees	15	137,125,457.00	68,447,718.00
Other Fines, Penalties, And Forfeiture Fees	16	0	0
Miscellaneous receipts	17	7,370,174 .00	8,153,228 .00
Total County Own Source Revenue		226,323,887.00	120,267,708.00
Other Receipts			
Donations/Grants Not Received Through CRF	18	0	0
Total Other Receipts		0	0
Total Receipts		226,323,887.00	120,267,708.00
Balance b/ f at the beginning of the year		350,133.00	131,436.00
Disbursement to CRF			
Disbursements To CRF		224,365,744.00	120,049,011.00
Bank charges	19	106,997.00	0
Balance Due for Disbursement		2,201,279	350,133.00

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 15th January 2024 and signed by:

LENANYOKIE SAMMY
 Name

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



SUSAN Mwangi
 Name

Head of Revenue Reporting
 ICPAK M/No

Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023

8. Statement of Financial Assets and Liabilities as at 30th June 2023

	Note	FY 2022/2023	FY 2021/2022
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances	20	1,790,539.00	150,459.00
Cash In Hand	21	410,740.00	199,674.00
Total Financial Assets		2,201,279.00	350,133.00
Total Financial Assets		2,201,279.00	350,133.00
Financial Liabilities			
Payables-Due to CRF	22	2,201,279.00	350,133.00
Total Financial Liabilities		2,201,279.00	350,133.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 15th January 2024 and signed by:

LENANYOKIE SHUMU
 Name Shumu
 County Receiver of Revenue

SUSAN MWANGI
 Name SMT
 Head of Revenue Reporting
 ICPAK M/No



*Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023*

9. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30th June 2023

Receipt	Original Targets	Adjustments	Final Targets	Actual On Comparable Basis	Budget Realization Difference	% Of Realization
	A	B	C=A+B	D	E152=C-D	F=D/C %
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
County Own Source Revenue						
Cess	12,000,000	0	12,000,000	15,103,380.00	(3,103,380)	126%
Land Rate	50,000,000	0	50,000,000	19,306,856.00	30,693,144	39%
Single/Business Permits	15,000,000	0	15,000,000	16,229,379.00	(1,229,379)	108%
Parking Fees	5,040,000	0	5,040,000	1,826,300.00	3,213,700	36%
Market Fees	11,800,000	0	11,800,000	1,600,387.00	10,199,613	14%
Property Rent				226,750.00		
Advertising	0	0	0	4,030,467.00		0
Hospital Charges	16,000,000	0	16,000,000	10,027,783.00	5,972,217.00	63%
Public Health Service Fees	600,000	0	600,000	789,353.00	(189,353)	132%
Wheat cess	280,000	0	280,000	0	0	0
Hire of county assets	1,615,000	0	1,615,000	93,100.00	1,521,900	6%
Administration Control Fees and Charges	6,000,000	0	6,000,000	3,422,001.00	2,577,999	57%
Conservancy Administration		0		9,172,500.00		-
Park fee	120,000,000	0	120,000,000	137,125,457.00	(17,125,457.00)	114. %
Approval of plans and supervision	1,215,500	0	1,215,500	0		0
Miscellaneous income	780,000	0	780,000	7,370,174.00	(6,590,174.00)	945%
Total County Own Source Revenue	240,330,500	0	240,330,500	226,323,887.00	14,006,613	94%
Other Receipts	0	0	0	0	0	0%

Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023

Receipt	Original Targets	Adjustments	Final Targets	Actual On Comparable Basis	Budget Realization Difference	% Of Realization
	A	B	C=A+B	D	E152=C-D	F=D/C %
Donations /Grants Not Received Through CRF	0	0	0	0	0	0%
Total Other Receipts		0			0	
Total Receipts	240,330,500	0	240,330,500	226,323,887.00	14,006,613(6%)	94.%

[Provide below a commentary on significant under realisation (below 90% of realisation) and any over realisation]

- Liquor License managed 55.8% during the year under review, this could be attributed to reluctance of traders to pay after the court case that was won by the County in the year.
- Parking fees realised 36.2% this was because of disruptions in parking areas due to Cabro fixing in Maralal town, although it is not complete but collections will improve in the coming years.
- Park fees realised 114.2% this is due to increased tourism activities in the park, hence an extra 17m was earned.
- Advertising realised Ksh 4,030,467 despite not having any targets.
- Land rates garnered Ksh 19m from the previous year's 7m, realising 12m more. This was due to advertisements on the local media that reached out to the public on payment despite not meeting the target.
- There were no adjustments during the year under review.

(Explain whether the changes between the original and final are as a result of reallocations within the budget or other causes as per IPSAS 1.7.23 The total of actual on comparable basis should tie with the totals under receipts and payments where this is not the case, a reconciliation between the two statements should be prepared and disclosed.)

The County Receiver of revenue's financial statements were approved on 15th January 2024 and signed by:

LENANYOKIC SAMMY

Name

County Receiver of Revenue



SUSAN MWANGI

Name

Head of Revenue Reporting

ICPAK M/No

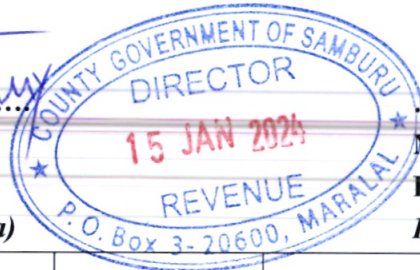
Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023

10. Statement of Arrears of Revenue as at 30th June 2023

Classification Of Receipts (Indicate As Applicable)	Balance as at The beginning of the current year (1st July 2022) A	Arrears received during the year. B	Additions in arrears for the current year to June 30, 2023 C	Total arrears as at 30 June 2023 D=A+(B)+C	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Cess	0	(0)	0	0	-	-
Land rate	76,965,227	4,046,856	8,700,000	81,618,371	GIS system deployed awaiting ICRMS(before date clean-up)	Recoverability is possible
Single/Business Permits	9,315,550	1,229,379	0	8,086,171.00		
Property Rent	0	(0)	0	0		
Parking Fees	0	(0)	0	0		
Market Fees	0	(0)	0	0		
Advertising	0	(0)	0	0		
Hospital Fees	0	(0)	0	0		
Public Health Service Fees	0	(0)	0	0		
Physical Planning and Development	0	(0)	0	0		
Hire Of County Assets	0	(0)	0	0		
Conservancy Administration	0	(0)	0	0		
Administration Control Fees and Charges	8,760,250	0	2,647,999	11,408,249		Kshs 2,647,999 is Recoverable, bars and wines & spirit court case date of

Receiver of Revenue
 County Government of Samburu
 Revenue Statements for the Period Ended 30th June 2023

Samuel
 LENANOKIA SAMUY



Susan Mwangi

Name

Name *S.P.*

County Receiver of Revenue

Head of Revenue Reporting

(Ref: PFM ACT section 165, 2(a))

ICPAK M/No

						implementation makes it hard to recover kshs 8,760,250 for the FY 2021/2022
Park Fees	18,473,155	5,733,155	5,400,000	18,140,000		Recoverability is possible.
Other Fines, Penalties, And Forfeiture Fees	0	(0)	0	0		
Miscellaneous	0	(0)	0	0		
Total Arrears	<u>113,514,182</u>	<u>(11,009,390)</u>	<u>16,747,999</u>	<u>119,252,791</u>		

An ageing analysis of revenue in arrears has been shown on note 23 of these financial statements.

11. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and relevant legal framework of the County Government *Samburu*. 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 Samburu*. 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*.

2. Recognition of Receipts

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

3. Budget

The County Revenue budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County budget was approved as required by law. The original budget was approved by the County Assembly on 13th June 2022. for the period 1st July 2022 to 30 June 2023 as required by law. There were 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.

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. The County Government of Samburu disburses funds to CRF on quarterly basis.

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, 2023.

*Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023*

12. Notes to the Financial Statements

1. Cess

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Scrap metal cess	0	0
Slaughter fee	3,097,250.00	0
Miraa cess	848,200.00	0
Sand income cess	2,893,830.00	4,082,600.00
Ballast	131,800.00	240,500.00
Manure cess	28,000.00	37,200.00
Livestock Export cess	4,606,895.00	3,855,950.00
Livestock Auction cess	3,494,005.00	2,327,970.00
Others (Hides and skins)	3,400.00	1,000.00
Totals	15,103,380.00	10,545,220.00

2. Land rates

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Land rates	19,306,856.00	7,083,810.00
Land penalties and interest	0	0
Arrears	0	0
Other property taxes		
Total	19,306,856.00	7,083,810.00

3. Single /Business Permits

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Business permit application fees	0	0
Annual Business permit fees	16,229,379.00	6,269,450.00
Business permit penalties and interest	0	0
Business permit fees arrears	0	0
Total Revenue from Taxes on goods and services	16,229,379.00	6,269,450.00

*Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023*

Notes to the Financial Statements (continued)

4. Property Rent

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
County Housing	0	0
Market stall rent	226,750.00	0
Transfer of Property	0	0
Stalls/kiosks rent	0	0
Total	226,750.00	0

5. Parking Fees

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Street parking fees	1,826,300.00	1,946,200.00
Monthly toll/sticker fees	0	0
Motorbike fees	0	0
Registration fees	0	0
Reserved parking	0	0
Bus Park fees	0	0
Total	1,826,300.00	1,946,200.00

6. Market Fees

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Green Grocers	66,000.00	64,350.00
Hawking fees	1,520,887.00	1,541,700.00
Slaughter fees	0	2,752,620
Miraa	0	680,00.00
Ballast	0	245,100
Aloevera	13,500.00	16,500.00
Total	1,600,387.00	5,300,270.00

*Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023*

Notes to the Financial Statements (Continued)

7. Advertising

Descriptions	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Branding	0	0
Billboard advertising	4,030,467.00	3,292,000.00
Signage	0	0
Roadshows	0	0
Banners	0	0
Posters	0	0
Tent advertising	0	0
Street pole/clock advertising	0	0
Total	4,030,467.45	3,292,000.00

8. Hospital Fees

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Level 5 hospitals	10,027,783.00	8,635,612.00
Level 4 hospitals	0	0
Total	10,027,783.00	8,635,612.00

9. Public Health Service Fees

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Public health permit	789,353.00	139,200.00
Inspection of premises	0	0
Total	789,353.00	139,200.00

Notes to the Financial Statements (Continued)

10. Physical Planning and Development

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Sale of County planning documents	0	0
Land valuation and registration fees	0	0
Change / Renewal of user	0	0
Building plans approval	0	0
Signboards	0	0
Occupational Permits	0	0

Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023

Enforcement / Demolition	0	0
Architectural designs by county officers	0	0
Hoarding fees	0	0
Others (Specify)	0	0
Total	0	0

11. Hire Of County Assets

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Agricultural Mechanisation Services (AMS)	19,100.00	0
Hire of Machines and Equipment	0	0
Hire of County Stadia	0	0
Hire of County Halls (MVT)	74,000.00	0
Conference facilities/Agricultural Training Centers (ATC)	0	0
Others (<i>Specify</i>)	0	0
Total	93,100	0

*Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023*

Notes to the Financial Statement (Continued)

12. Conservancy Administration

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Refuse disposal fees	0	0
Dumpsite fees	0	0
Sewerage fees	0	0
Sale of seedlings	0	0
Public cemetery	0	0
Disposal of carcasses	0	0
Noise control	0	0
Others (Environment and conservancy)	9,172,500.00	0
Total	9,172,500.00	0

13. Administration Control Fees and Charges

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Weights and measures	70,000.00	0
Fire Services	0	0
Liquor licenses	3,352,001.00	455,000.00
Betting levy	0	0
Others (<i>Specify</i>)	0	0
Total	3,422,001.00	455,000.00

14. Proceeds from sale of assets.

	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Receipts from Sale of Buildings	0	0
Receipts from Sale of Vehicles and Transport Equipment	0	0
Receipts from Sale of Plant Machinery and Equipment	0	0
Receipts from Sale of Certified Seeds and Breeding Stock	0	0
Receipts from Sale of Strategic Reserves Stocks	0	0
Receipts from Sale of Inventories, Stocks and Commodities	0	0
Disposal and Sales of Non-Produced Assets	0	0
Total	0	0

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Notes to the Financial Statement (Continued)

15. Park Fees

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Lodge Tariffs and levies	0	0
Park entry fees	137,125,457.00	68,447,718.00
Filming and Photography fees	0	0
Camping fees	0	0
Balloon landing fees	0	0
Others (<i>Specify</i>)	0	0
Total	137,125,457.00	68,447,718.00

16. Other Fines, Penalties and Forfeitures

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Impounding Fees	0	0
Towing Fees	0	0
Others (<i>Specify</i>)	0	0
Total	0	0

17. Miscellaneous Receipts

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Dividends	0	0
Interest	0	0
Commissions	0	0
Others (<i>Audit fee</i>)	138,888.00	0
Direct credit	903,172.00	296,500.00
Recoveries	6,328,114.00	7,856,728.00
Total	7,370,174.00	8,153,228.00

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Notes to the Financial Statement (Continued)

18. Donations And Grants Not Received Through CRF

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Donations <i>(Specify Based on Source)</i>	0	0
Grants <i>(Specify Based on Source)</i>	0	0
Others <i>(Specify)</i>	0	0
Total	0	0

19. Bank Charges

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
KCB-SAMBURU COUNTY REV.COLLECTION ACC.	73,619.00	0
SUPA SACCO-REVENUE COLLECTION ACC.	19,204.00	0
KCB-DOLLAR ACC.SAMBURU COUNTY GOV	14,174.00	0
Total	106,997.00	0

20. Bank Balances

Name of Bank, Account No. & currency	Amount	Exc. rate (if in foreign currency)	FY 2022/2023	FY 2021/2022
			Kshs	Kshs
KCB-SAMBURU COUNTY REV.COLLECTION ACC.	0	0	1,312,160.00	600.70
SUPA SACCO-REVENUE COLLECTION ACC.	0	0	343,830	149,203.00
KCB-DOLLAR ACC.SAMBURU COUNTY GOV	960.72	140.05	134,549.00	655.20
Total	960.72	140.05	1,790,539.00	150,458.90

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20 (a) Balance carried forward as at 30th June 2023 and subsequently transferred

Ref	Amount (Kshs)	Date subsequently transferred
Disbursement 1	2,151,216	10 th July 2023
Disbursement 2	0	15 July 20xx
Total	2,151,216	

(This is a disclosure note indicating how the cash balance as at the end of the year has been subsequently disbursed to the CRF)

Notes to the Financial Statement (Continued)

21. Cash in hand

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Cash Balance (<i>Location</i>)	0	0
Mobile Money	410,740	0
Others (<i>cash in Transit</i>)	0	199,674.00
Total	410,740	199,674.00

22. Payables- Due To CRF

Fayables	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Balance b/f at the beginning of the year	350,133.00	131,436
Amount collected during the year	226,323,887.00	120,267,708.00
Bank Charges	(106,997.00)	0
Amounts disbursed to CRF during the year	(224,365,744.00)	(120,049,011.00)
Balance c/d at the end of the year	2,201,279.00	350,133.00

This relates to amounts yet to be disbursed to the exchequer at the end of the financial year. The amount should be supported by the bank balances as per note 19 above.

Notes to the Financial Statement (Continued)

23. Ageing Analysis of Revenue in Arrears

Description (indicate as applicable)	Less than 1 year	Between 1-2 years	Between 2-3 years	Over 3 years	Total
Cess	0	0	0	0	0
Land rate	8,700,000	10,688,446	8,521,800	53,708,125	81,618,371
Single/business permits	0	5,439,450	2,646,721.00	0	8,086,171.00
Property rent	0	0	0	0	0
Parking fees	0	0	0	0	0
Market fees	0	0	0	0	0
Advertising	0	0	0	0	0
Hospital fees	0	0	0	0	0
Public health service fees	0	0	0	0	0
Physical planning and development	0	0	0	0	0
Hire of County Assets	0	0	0	0	0
Conservancy administration	0	0	0	0	0
Administration control fees and charges	2,647,999	3,425,250	5,335,000	0	11,408,249
Proceeds from sale of assets	0	0	0	0	0
Park fees	5,400,000	12,740,000	0	0	18,140,000
Other fines, penalties, and forfeiture fees	0	0	0	0	0
Miscellaneous receipts	0	0	0	0	0
Others (Specify)	0	0	0	0	0
Total (agree to statement of arrears)	16,747,999	32,293,146	16,503,521.00	53,708,125	119,252,791.00

Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023

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)
4.22	Lack of a revenue collection system. It was observed that Samburu county Government has not developed a reliable revenue management system and instead use outdated LAIFOM revenue system which is unable to provide relevant information to aid management in decision making. This is contrary to Regulation 63(1)(a) of the Public Finance management regulations, County Government act 2015, which require the receiver of revenue to ensure adequate safeguards exist for prompt collection and proper accounting for all County Government revenue.	It's good to develop an integrated revenue collection and management system in order to enhance revenue collection, administration, enforcement and provision of timely information to aid management in decision. The County therefore, procured a revenue system in the year under review and revenue staff are already trained and its roll out is in progress. Samburu National Reserve Module has been rolled out in the beginning of the FY2023/2024 and hopefully by the end of the FY, the system shall be fully automated.	Resolved.	June 2024.

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	<p>Excessive accumulation of Land rates totalling to Kshs 76,965,227. The receiver of revenue has no actionable plan on debt collection and hence the accumulation.</p>	<p>Included is the Financial Statement is a net accumulated land rates of Kshs. 76,965,227 at the beginning of the financial year, however in the year under review, the County managed to collect Kshs. 19,306,856 for land rates which is an increase from kshs 7,083,810 which is equivalent to 172.5% , out of these collections, Ksh 4,046,856 was for arrears as disclosed in the statement of arrears of revenue. The County department of lands is updating all plot owner's registers ensuring all details including ID numbers, plot numbers and identifying missing owners. By automating Revenue collection, it will go a long way to help the county in collection of arrears and correct all the anomalies in the registers</p>	<p>Not Resolved</p>	<p>December 2024.</p>
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Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023

	<p>The County Executive of Samburu collected Kshs. 10,027,000 from Maralal Referral Hospital for 12 months from July 2022 to 30th June 2023, However the amount declared was not inclusive of the National Hospital Insurance Fund(NHIF) collections amounting to Kshs.17,753,950. The money was held in the hospital bank account and was not remitted to the County Revenue Fund contrary to Sec 63(4) of the Public Finance Management Regulations, 2015, which requires all public monies collected by receiver of Revenue to be paid into the designated bank accounts of the County Government and shall not be used by any public officer in any manner between the time of receipts and payment into the bank except as provided by law.</p>	<p>Ksh.17,753,950 was collected from NHIF, but not remitted into County Government revenue account, but in separate account in Kenya Commercial Bank, Account number 1162918217 ran by MOH. The County Treasury had issued an advisory on the Same On 6th July, 2022 as per the attached letter to Health by CECM Finance and has not been rectified to date. See annexure.no.1</p>	<p>Not Resolved</p>	<p>June 2024.</p>

Receiver of Revenue
County Government of Samburu
Revenue Statements for the Period Ended 30th June 2023

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.


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LENANYOKIE SAMMY

Name

County Receiver of Revenue

Date 15/1/2024

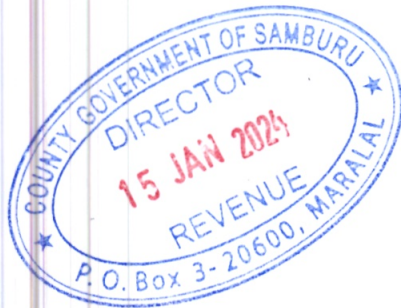
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SUSAN MWANGI

Name 

Head of Revenue Reporting

ICPAK M/No

Date 15/1/2024



1. The first part of the document
describes the general situation
of the company and its
activities. It also mentions
the main objectives of the
project and the role of the
participants. The second part
of the document deals with
the technical aspects of the
project, including the design
and the implementation of the
system. The third part of the
document discusses the results
of the project and the conclusions
drawn from the experience.
The fourth part of the document
contains the references and the
appendices.

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