

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

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OF

THE AUDITOR-GENERAL

ON

**RECEIVER OF REVENUE – REVENUE
STATEMENTS**

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

COUNTY GOVERNMENT OF UASIN GISHU

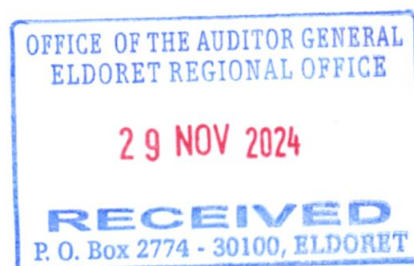


RECEIVER OF REVENUE
(County Government of Uasin Gishu)

REVENUE STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

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



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*Receiver Of Revenue
County Government Of Uasin Gishu
Revenue Statements for the Period Ended 30th June 2024*

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

2. Key Entity Information and Management

(a) Background information

The receiver of revenue is under the Department of Finance and Economic Planning. At the County Executive Committee level, the receiver of revenue is represented by the County Executive committee member for Finance and Economic planning, who is responsible for the general policy and strategic direction of the receiver of revenue. The receiver of revenue is designated as a receiver on 28th March, 2023 by the County Executive Committee member for Finance, in accordance with section 157 of the PFM Act.

(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 Uasin Gishu' day-to-day management of revenue is under the following:

- County Executive Committee Member for Finance – Mr. Micah Rogony
- Chief Officer, Finance Mr. Eliud Chemaget
- Chief Officers, in charge of Trade Mr. Geoffrey tanui
- Chief Officer, in charge of Lands Mr. Nathan Korir
- Chief Officer in Charge Urban Planning Mr. Julius Koech
- Chief Officer in Charge Health Mr. Paul Ongeti Wangwe
- Director, Revenue Management Cpa Jonah Lamai
- Head of Revenue Reporting Cpa Priscilla Koech

Key Entity information and Management (continued)

(d) County Headquarters

P.O. Box 40, 30100
County Hall Building
Uganda Road
Eldoret, Kenya

(e) Entity Contacts

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(f) Independent Auditor

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

(g) Principal Legal Adviser

The County Attorney
County Hall Office
P.O. Box 40, 30100
Eldoret, Kenya

(h) Bankers

- (i) Kenya Commercial Bank
P.O Box 560-30100
Eldoret
- (ii) Family Bank Ltd
PO Box 629- 30100
Eldoret
- (iii) National Bank of Kenya
PO Box 3111,
Eldoret
- (iv) Cooperative Bank of Kenya
PO Box 2948
Eldoret

Receiver Of Revenue
County Government Of Uasin Gishu
Revenue Statements for the Period Ended 30th June 2024

- (vi) Equity Bank
Po Box 2201
Eldoret

- (vii) Safaricom Ltd
P. O Box
Eldoret

- (j) County Attorney
The County Attorney
County Hall Office
P.O. Box 40, 30100
Eldoret, Kenya

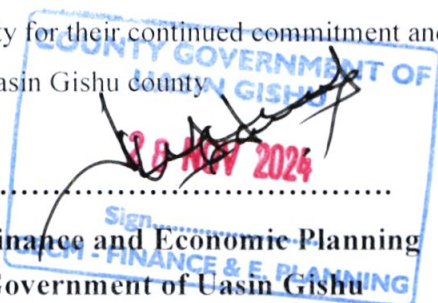
3. Foreword By the CECM Finance and Economic Planning

It is my pleasure to present the County Government of Uasin Gishu Revenue statements which presents the Receiver of revenue performance for the year ended 30th June 2024. The promulgation of the Constitution of Kenya, 2010 under Chapter 11 ushered Kenya into a new system of governance, replacing the centralised system with a devolved system of governance. The devolved system of governance consists of the National Government and 47 County Governments. Financing of the County Governments Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Each County Government's equitable share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation and approved by Parliament in accordance with Article 217 of the Constitution. The financial reports are utilized in informing policy decisions regarding operations, management and service delivery and also ensure the most effective and efficient use of resources. It further reviews the performance of county departments and agencies in regard to budget allocations and execution as outlined in their annual work plans. This report presents only Local revenue achievements in the period under review; the County also finances its operations through own generated revenues. The key local revenue sources for County Government of Uasin Gishu includes Business permits, land rates, Vehicle Parking, Signage & Advertising fees, Cesses, Markets and various other administrative charges. The County continues to explore new and innovative ways of increasing its local revenue collections.

In the period under review, the county government managed to collect own source revenue of Kshs. 1,404,777,904 and transferred Kshs. 1,404,074,819.91 to CRF account. Revenue for the year ended 30th June 2024 increased by Kshs. 424,998,139.89 compared to the last financial year 2022/2023. The increase is attributed to enhanced compliance and 100% automation in all revenue streams. Total local revenue collected in the FY 2023/2024 amounted to Kshs. 1,404,777,903.77 representing 89% of the estimated target of Kshs. 1,578,147,614 for the year. Included in Transfers to CRF account of Kshs. 1,404,074,949.66 is Kshs, 858,256.87 being closing balances for the year ended 2022/2023.

I take this opportunity to thank H.E. the Governor and the Deputy Governor for their support. I also thank my colleagues, the County Executive Committee Members in charge of other departments whom we have worked hand in hand to ensure that County Government of Uasin Gishu achieves its mission. I thank all staff in the entire County for their continued commitment and dedication through hard work in delivering services to the people of Uasin Gishu county.

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**CECM Finance and Economic Planning
County Government of Uasin Gishu**



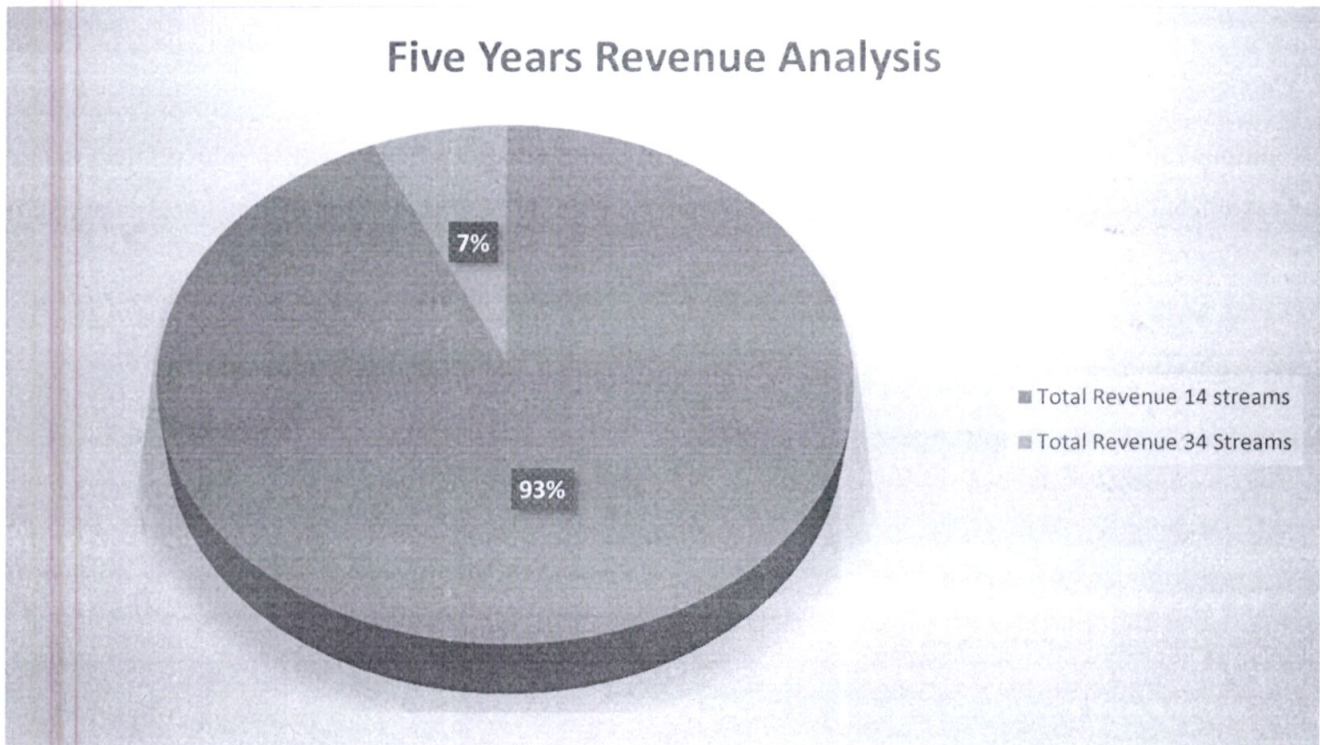
4. Management Discussion and Analysis

Article 209 (3) of the Constitution of Kenya 2010 gave power to the County Government to impose taxes and charges from; - a) Property taxes; b) Entertainment taxes; and c) any other tax that is authorized to impose by an Act of parliament and Article 209 (4) county governments may impose charges for the services they provide. The source of revenue for Uasin Gishu county government are:

- 1) National Government release (Exchequer release)
- 2) Locally generated revenue (Own source revenues)
- 3) Funds sourced externally e.g Grants (Donations), Loans etc

Uasin gishu county collects own source revenue from fourth six (46) revenue streams. The leading revenue streams are Business permit, Vehicle parking, Signages & Advertisements, Land Rates, Cesses, Health centres & Dispensary fees and Housing rent. For the last 5 years the county has cumulatively collected Kshs. 5,127,942,945 in OSR. Out of 46 revenue streams, 14 streams contribute approximately 93% of the annual revenues; the remaining 32 streams contributes only 7% of annual revenues (Chart 1.1)

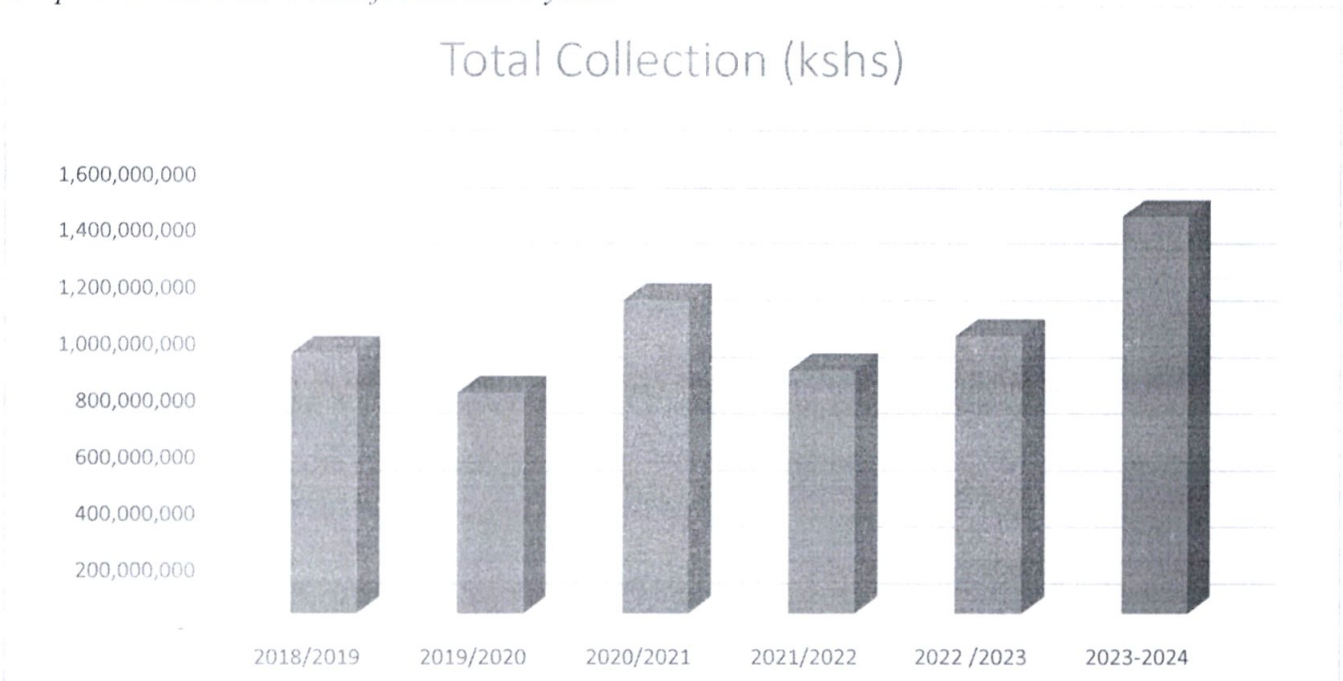
Chart 1.1 – Cumulative own source revenue per revenue stream for the five year period



Receiver Of Revenue
County Government Of Uasin Gishu
Revenue Statements for the Period Ended 30th June 2024

For the past 5 years total revenue collection has been progressively increasing from Kshs. 779,330,750 in the FY 2019/2020 to Kshs.1,105,676,540 in FY 2020/2021, dropped to Kshs.858,349,786 in FY 2021/2022 and increased to Kshs. 1,404,777,904 in FY 2023/2024. The reduction in FY 2020-2021 was due to political Uncertainties during national Elections. The county endeavours to increase its local revenue in each financial year. (Graph 1.0)

Graph 1.0 – Revenue trends for the last 5 years

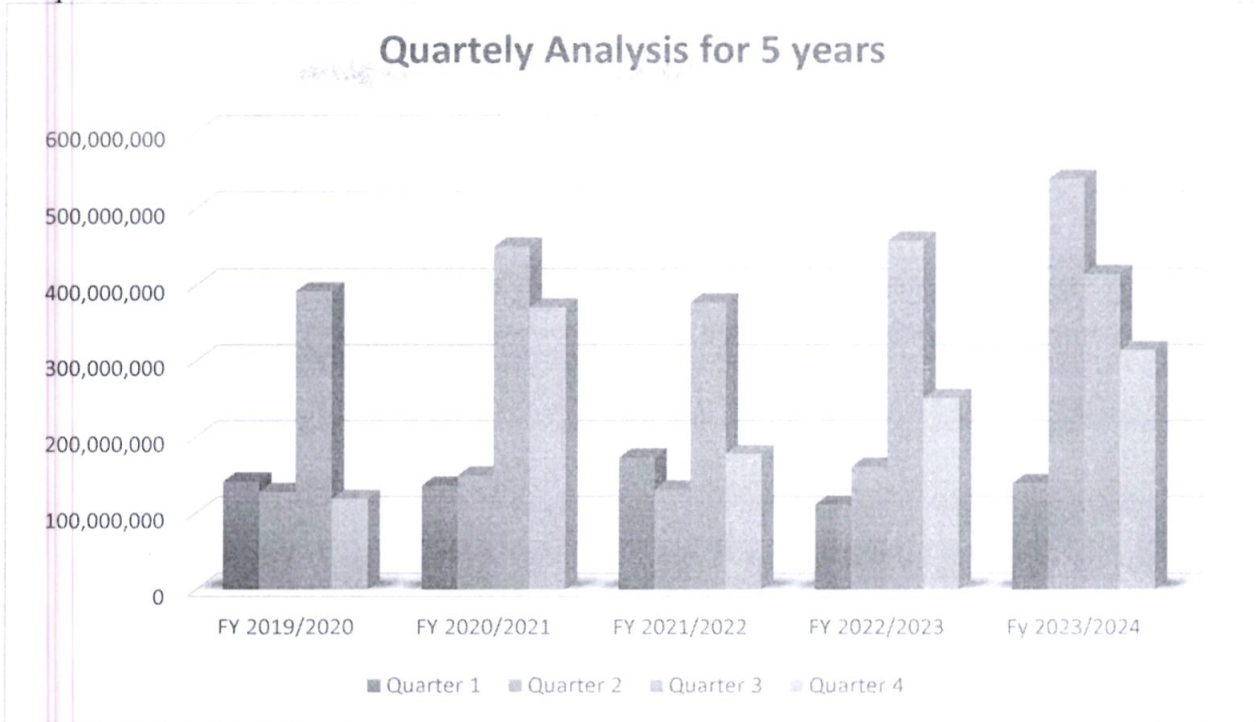


Quarterly Revenue Performance for 5 year period

Quarterly Revenue performance indicate that the highest county revenues are collected in the third and fourth Quarters of the year this is because of the Business permits and land rates which are structured revenues collected on annual basis- Graph 1.1 below:

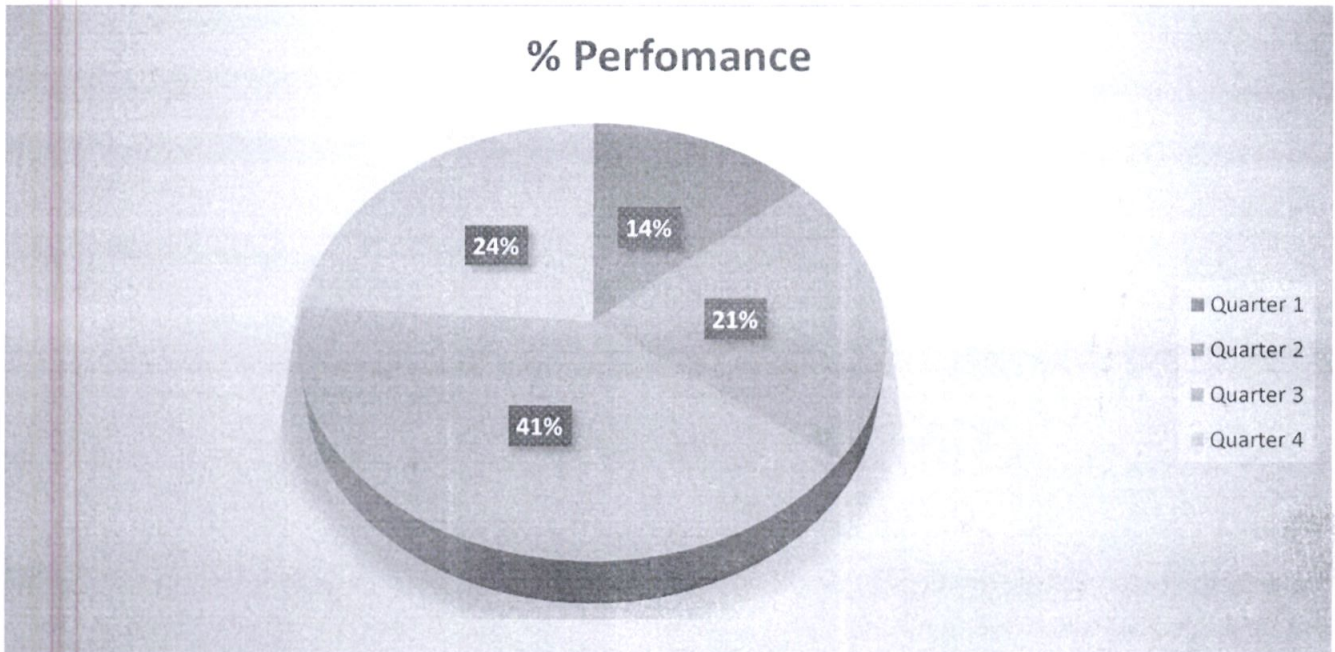
Revenue was low in the year 2019/20 and fy 2021/22 fourth quarters compared to same period in the other 3 financial years.

Graph 1.1



Further analysis of five year Quarterly Revenues, indicate that 14% of Uasin Gishu revenues are collected in the first Quarter, 21 % in the second quarter, 41% in the third Quarter and 24% in the fourth Quarter as shown in Chart 1.2 below.

(Chart 1.2)



Challenges encountered in revenue collection

During the year Challenges Encountered in revenue collection were:

- a. Introduction and implementation of new revenue system – lead to slow uptake of change of systems by the clients and staff, unfamiliar processes and slow implementation of some revenue streams.
- b. Tax Avoidance and Evasion by tax payers – Most tax payers avoid payment of county fees and charges
- c. Demolition of some county houses to pave way for National affordable housing program lead to reduction in property rent.
- d. Transfer of court fines and fees to Judiciary lead to reduction in fines and penalties fees during the year

Mitigation Factors

The revenue system has since stabilized thus the county will maximize its revenue collection in the next financial year. Compliance and enforcement has been enhanced and tax payers' sensitization is being carried out by the county to minimise tax evasion and avoidance.

2. 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, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the 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.

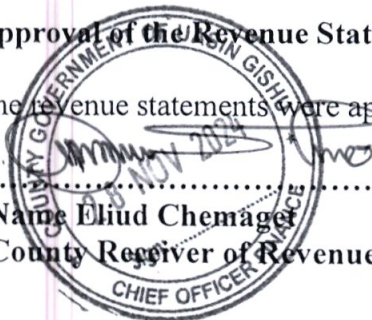
The Receiver of Revenue in charge accepts responsibility for the county's receiver of revenue accounts, which have been prepared on the Cash Basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Receiver of Revenue is of the opinion that the County's receiver of revenue account gives a true and fair view of the state of County's receiver of revenue transactions during the financial year ended June 30, 2024, and of the County'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 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

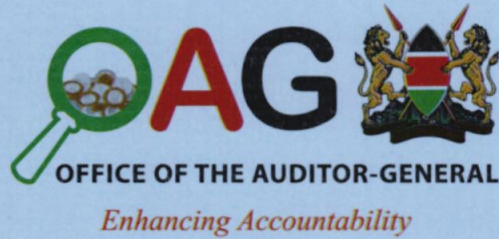
The revenue statements were approved and signed by the Receiver of Revenue on 28th August 2024

.....
Name Eliud Chemager
County Receiver of Revenue



REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON RECEIVER OF REVENUE – REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2024 - COUNTY GOVERNMENT OF UASIN GISHU

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 the 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.

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

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

REPORT ON THE REVENUE STATEMENTS

Qualified Opinion

I have audited the accompanying revenue statements of Receiver of Revenue - County Government of Uasin Gishu set out on pages 1 to 32, which comprise of the statement of financial assets and liabilities and statement of arrears of revenue as at 30 June, 2024

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the revenue statements present fairly, in all material respects, the financial position of Receiver of Revenue - County Government of Uasin Gishu as at 30 June, 2024 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.

Basis for Qualified Opinion

1. Cess Revenue

The statement of receipts and disbursements reflects cess revenue of Kshs.129,402,588 which includes farm produce cess of Kshs.57,684,190 as disclosed in Note 1 to the revenue statements. Review of records at the revenue department revealed that one trader had paid cess totalling Kshs.16,621,325 while the supporting schedules provided for audit totalled Kshs.8,637,020 resulting to an unexplained and unreconciled variance of Kshs.7,984,305.

In the circumstances, the accuracy of the cess revenue amount of Kshs.129,402,588 could not be confirmed.

2. Lands Rates

Management had projected to collect total land rates of Kshs.125,000,000 during the period under review. However, Management collected an amount of Kshs.104,014,832 resulting to a shortfall of Kshs.20,985,168 or 17% of the projected revenue. Further, the County Executive maintained records of land owners in an automated system however, the system does not show the updated record of all land owners within the County, the valuation rolls used in collection of land rates were those used by the defunct local authorities and were last updated in the year 2000.

In addition, Management did not provide a list of land rates defaulters, the ageing analysis of outstanding land rates and the measures undertaken to collect outstanding land rates.

In the circumstances, the accuracy of the land rates of Kshs.104,014,832 could not be confirmed.

3. Property Rent

The statement of receipts and disbursements reflects property rent of Kshs.17,778,237 comprising of County housing and public toilet amounts of Kshs.17,723,237 and Kshs.55,000 respectively, as disclosed in Note 4 to the revenue statements. However, the following anomalies was observed;

- (i) The statement of arrears of revenue reflects property rent balance of Kshs.595,439,307. However, no explanation was provided as to why the receiver of revenue failed to collect the outstanding rent contrary to Regulation 83(2)(f) of the Public Finance Management (County Governments) Regulations, 2015, which states that, as part of sound cash management practices, the County Treasury shall pursue debtors with appropriate sensitivity and vigour to ensure that amounts receivable by the County Government are collected and banked promptly.
- (ii) The approved tenancy policy, the lease agreements/contracts between the County Government and tenants, ageing analysis of the county housing arrears and register of the houses owned and managed by the County Government, were not provided for audit review.
- (iii) The property rent amount of Kshs.17,778,237 includes public toilet amounts of Kshs.55,000. Physical verification of the toilets revealed that the toilets were being managed by third parties who did not have contractual agreements with the County Government. Further, the Receiver of Revenue revealed that the amount of Kshs.55,000, which was paid in three installments, was the unremitted public toilet collections relating to the financial year 2022/2023 which was owed to the County by the third parties who were managing the public toilets. The Receiver of Revenue did not explain how the third parties were identified, how they were allocated the toilets and why they were not remitting collections to the County promptly.
- (iv) The property rent revenue includes stalls and lock-up fees which was not disclosed in revenue statements. The list of the stalls and the lockups owned by the County Government and the rates charged were not provided for audit verification.
- (v) Physical verification of some of the rental houses owned by the County Government at Milimani estate revealed that some of the houses were in a very dilapidated condition. The receiver of revenue did not explain why the houses were in a state of disrepair.
- (vi) The statement of comparison of budget and actual amounts reflects actual property rent revenue amount of Kshs.17,778,237 against budgeted revenue amount of Kshs.31,500,000 leading to an under collection of Kshs.13,721,763 or approximately 44% of the budget amount. Further, the property rent revenue had dropped by Kshs.12,568,718 or approximately by 41.4% compared to the previous year amount of Kshs.30,346,955. No explanation was provided for the under collection.

In the circumstances, the accuracy and negatively of property rent amount of Kshs.17,778,237 could not be confirmed.

4. Parking Fees

The statement of receipts and disbursements reflects parking fees amount of Kshs.264,006,339 as disclosed in Note 5 to the revenue statements. However, review of motor vehicle parking ledgers and physical verification of sampled parking slots within the Eldoret Municipality revealed the following anomalies:

Report of the Auditor-General on Receiver of Revenue - Revenue Statements for the year ended 30 June, 2024 - County Government of Uasin Gishu

- (i) There was no register of reserved parking slots making it impossible to verify whether street parking revenue from all reserved parking slots were reported.
- (ii) The County Government charges an annual fee of Kshs.105,000 for reserved parking slots. However, there were instances where parking clients were charged for reserved parking -offloading bay which was not provided for in the County Government Finance Act for the financial year 2023/2024. There were clients who were charged annual charges of Kshs.50,000 for the offloading bay. These constituted irregular charges.
- (iii) Physical verification identified instances where parking clients engaged in malpractices such as double parking in reserved slots and parking in non-parking zones adjacent to their official parking slots like entrances to buildings.
- (iv) The revenue collected from monthly toll/sticker fees, registration fees and reserved parking was not disclosed in Note 5 to the revenue statements.
- (v) Management did not enforce street parking fees collections in the Sub-counties including Ainabkoi, Turbo, Moiben, Kapseret, Soy and Kesses including urban areas and towns such as Moi's Bridge, Matunda, Burnt Forest, Juakali and Turbo.
- (vi) At the time of audit, the Revenue System could not categorize street parking fees for reserved parking per street or lane.
- (vii) There were instances where reserved parking fees was reported under enclosed bus park fees, and monthly toll/sticker fees was reported either under street parking or enclosed bus park fees. There were also instances where advertising revenue from tents erected in the streets for sales and advertising purposes were reported under street parking fees.
- (viii) Management collected revenue from areas not demarcated as parking zones making it difficult to report and account such parking fees.
- (ix) Management did not provide data from the Revenue System for audit analysis indicating distinct revenue sub-streams under parking revenue including street parking fees, monthly toll/sticker fees, motorbike fees, reserved parking and bus park fees. It was therefore not possible to verify the classification, accuracy and completeness of revenues reported in the revenue ledgers.

In the circumstances, the accuracy and completeness of parking fees revenue of Kshs.264,006,339 could not be confirmed.

5. Market Fees

The statement of receipts and disbursements reflects market fees of Kshs.25,125,959 which comprises of market entry fees amount of Kshs.24,237,129 and others amount of Kshs.888,830 as disclosed in Note 6 to the revenue statements. However, the following observations were made;

- (i) The Receiver of Revenue did not disclose the hawking fees collected during the year under review but revealed that they were reported under market entry fees. It was therefore not possible to determine the revenue collected under hawking fees.
- (ii) Physical verification and enquiries revealed that traders operating the locked-up shops were allocated the shops by individuals to whom they paid occupancy fees. However, the ledgers provided for audit and the revenue system did not reveal fees collected from the locked-up shops. Further, Management did not provide a register or inventory of locked-up shops for each market, or the identities of the traders allocated the shops and their payment status.
- (iii) Management did not provide data from the Revenue System for sub-revenue streams under market fees including market entry fees, hawking fees and livestock auction fees for audit analysis and verification against the revenue ledgers.
- (iv) The ledgers provided for audit did not indicate the revenues collected per livestock auction market which Management attributed to lack of capacity of the Revenue System.
- (v) During the year under review the Receiver of Revenue collected an amount of Kshs.25,125,959 against the approved budget of Kshs.40,000,000 resulting into revenue shortfall of Kshs.14,874,041 or approximately 37% of the budget. No explanation was provided for the shortfall in revenue collected and the measures being put in place to ensure that all the budgeted revenue is efficiently collected and accounted for.

In the circumstances, the accuracy and completeness of the market fees could not be confirmed.

6. Advertising Fees

The statement of receipts and disbursements reflects County own-generated source of revenue of Kshs.1,404,777,904 which includes advertising amount of Kshs.117,113,702 as disclosed in Note 7 to the revenue statements. However, the following observations were made:

- (i) The revenue collection system does not separate the receipts from advertising fees into the various advertising sub-streams but categorizes the entire amount as signages. It was therefore not possible to determine whether or not revenue was collected from billboard advertising, branding, roadshows, banners, posters, tent advertising and street pole/clock advertising, and if collected, the amounts realized.
- (ii) Review of the revenue collected under advertising revealed that Management did not have billboard and compliance registers to indicate the number of billboards within Uasin Gishu County and whether the companies have complied with the laid down and approved procedures. Further, a register of all the adverts done on the billboards and quarterly payments from the billboard companies was not provided for audit review.

In the circumstances, the accuracy and completeness of the advertising fees amount of Kshs.117,113,702 could not be confirmed.

7. Hospital Fees

The statement of receipts and disbursements reflects hospital fees amount of Kshs.42,862,000 as disclosed in Note 8 to the revenue statements. During the financial year under review, Management was using an old Revenue System from 01 July, 2023 to 15 March, 2024 and switched to a new System from 16 March, 2024 up to 30 June, 2024. The following anomalies were however observed;

- (i) The UG – Pay Revenue Management System was not able to generate the revenue collected from each hospital and therefore not possible to confirm that all billed revenues had been accounted for.
- (ii) The Receiver of Revenue generates invoices for each hospital and each invoice had a different pay bill. Patients would pay using the invoice paybill offsetting the invoiced amount. After offsetting the invoice, Receiver of Revenue would generate a new invoice, alongside another paybill number and the cycle repeats. As a result, each hospital uses different paybill numbers for each payment throughout the year. Different paybills in each hospital had no control account to ensure all payments were captured as revenue. Further, there was no unique identifier for each hospital which may lead to leakages of the County Revenue.
- (iii) The schedules provided for audit did not indicate the names of the hospitals from which payments were made by patients through the paybills.
- (iv) The statement of comparison of budget and actual amounts reflects actual hospital fees amount of Kshs.42,862,000 against budgeted revenue of Kshs.50,000,000 resulting to an under-collection of Kshs.7,138,000 or 14.3% of the budget hospital fees. No explanation was provided for the under collection.

In the circumstances, the accuracy and completeness of the hospital fee amount of Kshs.42,862,000 could not be confirmed.

8. Unsupported Other Fines, Penalties and Forfeitures

The statement of receipts and disbursements and Note 16 to the revenue statements reflects other fines, penalties and forfeiture fees amount of Kshs.9,511,304 which includes impounding fees and others (clamping fee, court fines and staff surcharge) amounts of Kshs.4,807,363 and Kshs.4,703,940 respectively. However, the amounts were not supported by registers of impounding fees and others (clamping fee, court fines and staff surcharge).

In the circumstances, the revenue from other fines, penalties and forfeitures amount of Kshs.9,511,303 could not be confirmed.

9. Statement of Arrears of Revenue

The statement of arrears of revenue reflects a balance of Kshs.2,641,371,598 comprising of land rates balance of Kshs.2,045,932,291 and property rent balance of Kshs.595,439,307 as disclosed in Note 10 to the revenue statements. During the financial

year ended 30 June, 2023, the statement reflected a balance of Kshs.2,415,830,567, comprising of land rates balance of Kshs.2,273,792,729 and property rent balance of Kshs.142,037,838. The movement from Kshs.2,415,830,567 in 2022/2023 to Kshs.2,641,371,598 in 2023/2024 was not explained. In addition, the ageing analysis of revenue in arrears in accordance with Note 23 to the revenue statements was blank and does not indicate how the balance of Kshs.2,641,371,598 was accrued.

In the circumstances, the accuracy and completeness of the statement of arrears of revenue balance of Kshs.2,641,371,598 could not be confirmed.

10. Inaccurate Transfer to County Revenue Fund

The statement of receipts and disbursements reflects disbursement to County Revenue Fund amounting to Kshs.1,404,074,949. However, the County Revenue Fund financial statements reflects an amount of Kshs.1,404,777,903 resulting to a variance of Kshs.702,954.

In the circumstances, the accuracy of transfers to County Revenue Fund could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Receiver of Revenue - County Government of Uasin Gishu in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.1,578,147,614 and Kshs.1,404,777,904 respectively resulting to an under-collection of Kshs.173,369,710 or approximately 11% of the approved budget.

The under-collection affected the planned activities and may have impacted negatively on service delivery to the Public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Revenue Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, no report or recommendations from Receiver of Revenue - County Government of Uasin Gishu Management and oversight bodies were submitted for audit verification. Further, the issues remain unresolved as at 30 June, 2024.

Other Information

The County Receiver of Revenue is responsible for the other information set out on pages (ii) to (xi) which comprise of Key Entity Information and Management, Foreword by the CECM Finance and Economic Planning, Management Discussion and Analysis and Statement of Receiver of Revenue's Responsibilities. The other information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on the 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

1. Breach of Data Protection Laws

Review of the Revenue System used by the Receiver of Revenue, which was under development and implementation by a local vendor as at the time of the audit in October, 2024, revealed the following instances of breach of the Data Protection Act, 2019;

- (i) The Management had not registered with the data commissioner as a data controller or data processor thereby breaching data confidentiality principles of the data protection Act, 2019.
- (ii) Management had not established personal data retention schedule as required by the data protection (general) Regulations, 2021.
- (iii) Management had not established appropriate time limits for the periodic review of the need for the continued storage of personal data for any of the law enforcement purposes.
- (iv) Management had not developed and published a policy reflecting their personal data handling practices.
- (v) Management and the service provider had not entered into a written contract relating to data handling obligations by the service provider on behalf of the County Government.
- (vi) Management had not implemented the elements necessary to safeguard the principle of storage limitation including having in place means of managing policies and procedures for information security, assessing the risks against the security of personal data and putting in place measures to counter identified risks and regularly reviewing and testing the revenue management system to uncover vulnerabilities.
- (vii) Management had not implemented the elements necessary to safeguard the principle of storage limitation including having in place a clear internal procedure for deletion and destruction of personal data of subjects, determining what data and length of storage of personal data that is necessary for the purpose and formulating internal retention statements of implementing them.
- (viii) Management did not conduct data protection impact assessment prior to processing of the data.

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

2. Revenue Targets and Customer Details

During the period under review, Management had not set revenue targets on the Revenue System, therefore it was not possible to make an analysis between the revenue collected and the set targets. In addition, the standard customers like business owners and landlords had not been added to the revenue system. This was contrary to Section 63(1)(a) of the Public Financial Management (County Governments) Regulations, 2015 which requires an accounting officer and receiver of revenue to ensure that adequate safeguards exist and are applied for prompt collection and proper accounting for revenue.

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

The audit was conducted in accordance with ISSAIs 3000 and 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern

them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON 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 effect of the matters described in the Basis for Conclusion on the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Revenue Collection System

Review of the revenue collection system revealed the following anomalies;

- (i) The County entered into a contract with a software developer for the supply, delivery, installation, testing and commissioning of an integrated revenue management system without setting definitive timeframes delivery of the system. Without clear contract delivery timeframes, the County cannot censure the developer for failing to deliver on the Contract.
- (ii) There were no clear, well-defined roles and responsibilities for system administration of the system. Without proper segregation of duties, administration may have unchecked access to critical functions, such as altering revenue records, by-passing system controls, or manipulating data without oversight. This creates opportunities for fraud, unauthorized transactions, and deliberate misreporting of revenue, increasing the risk of revenue leakages and financial losses.
- (iii) Additionally, the absence of role-based access controls undermine accountability, as it becomes difficult to track who is responsible for specific functions within the system leading to potential misuse of privileges without detection.
- (iv) The Service Level Agreement and Standard Operating Procedures were not provided for audit review leading to lack of formal guidelines for system performance, accountability and operational control. As a result, the receiver of revenue is potentially exposed to several risks.
- (v) In addition, the System was unable to generate audit logs, completed revenue logs and ledgers as a result of which the accuracy and completeness of the recorded revenue could not be verified in addition to the integrity of revenue data. This had significantly increased the risk of revenue leakages with revenue collected through the system potentially not being transferred to County accounts, creating the risk of mis-appropriation.
- (vi) Further, lack of a defined reconciliation process between bank accounts and system records means that discrepancies go undetected further exacerbating the risk of revenue losses. There was no evidence of reconciliation of Review System and the bank account.

- (vii) System Logs:- The system used in revenue collection had not been enabled to capture all logs. Other than transactions, there are no logs for system changes and administrators' activities. The system does not capture logs of account modification such as when an account is enabled or disabled, when access rights are modified and the person who has made the modifications.
- (viii) Any of the administrators, including the developer who have accounts in the system, can interfere with its program and it will not be possible to track audit trails of such activities. Anyone with understanding of the program and administrator rights could configure the system to perform tasks and hack it so that some of the payment transactions or a given amount for every transaction is diverted without detection.

2. Single Business Permits

Review of the single business permits of the Receiver of revenue revealed the following anomalies;

- (i) The Revenue Collection System was not able to recognize part payments.
- (ii) The System did not capture payments made directly by customers at the banks. Payments made at the bank had to be completed manually as the customer has to be receipted at the service centre.
- (iii) Printing of the licenses was done centrally and customers collected the printed certificates from the service centre.
- (iv) Mapping data was uploaded into the system. This posed a risk as it was not possible to confirm that the customers had entered true and reliable information.
- (v) The system was not able to provide accurate reports as it could only generate reports from mpesa payments only. This implied that all bank payment reports had to be generated manually resulting to reliance on manual reconciliation of the revenue.

In the circumstances, it was not possible to ascertain the accuracy and completeness of the revenue collected.

3. Control Weaknesses in Parking Fees Collection

Parking attendants were each allocated and issued with a Special Subscriber Identity Module (SIM) card with subscriptions to data bundles for accessing the Parking Verification Application (App). However, Management had not provided some of the officers with smartphones to enable them access the Parking Verification App making the officers unable to effectively perform their duties in enforcing parking fees collection.

Further, the officers who opted to use their own smartphones had not been able to use the parking verification app due to non-payment of data subscription by Management of the Receiver of Revenue. This made it impossible for the parking attendants to identify and account for vehicles whose parking fees had been paid and those which had been parked at designated parking zones without payment of requisite parking fees.

In the circumstances, there was weak control on collection of parking fees.

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 the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these revenue statements in accordance with International Public Sector Accounting Standards (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, Management is responsible for assessing the Receiver of Revenue's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1) a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

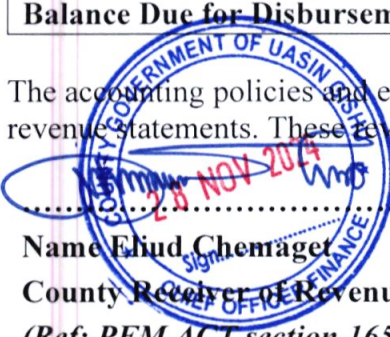
30 December, 2024


**Receiver Of Revenue
County Government Of Uasin Gishu
Revenue Statements for the Period Ended 30th June 2024**

7. Statement of Receipts and Disbursements for the year ended 30th June 2024

	Note	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
County Own Source Revenue			
Cess	1	129,402,588.10	124,171,718.53
Land Rate	2	104,014,832.29	104,760,334.40
Single/Business Permits	3	206,227,908.30	215,321,972.15
Property Rent	4	17,778,237.00	30,346,955.75
Parking Fees	5	264,006,338.93	260,577,195.63
Market Fees	6	25,125,959.00	19,251,535.00
Advertising	7	117,113,702.00	80,079,400.24
Hospital Fees	8	42,862,000.00	37,472,079.00
Public Health Service Fees	9	15,800,148.00	15,007,412.00
Physical Planning and Development	10	17,004,775.70	21,805,680.20
Hire Of County Assets	11	2,666,235.00	2,902,604.15
Conservancy Administration	12	27,208,900.00	27,871,902.36
Administration Control Fees and Charges	13	21,308,773.00	18,379,299.35
Proceeds from sale of assets	14	399,104,244.00	-
Park Fees	15		
Other Fines, Penalties, And Forfeiture Fees	16	9,511,303.55	18,161,687.35
Miscellaneous receipts	17	5,641,958.90	3,669,987.77
Total County Own Source Revenue		1,404,777,903.77	979,779,764.00
Other Receipts			
Donations/Grants Not Received Through CRF	18	0	0
Total Other Receipts			
Total Receipts		1,404,777,903.77	979,779,764.00
Balance b/f at the beginning of the year		858,256.87	2,696,241.34
Disbursements To CRF		(1,404,074,949.66)	(981,515,739.35)
Bank charges	19	74,529.43	102,009.38
Balance Due for Disbursement		1,486,681.01	858,256.87

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

.....

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

.....

Name CPA Jonah Lamai
Director Revenue Management
ICPAK M/No

*Receiver Of Revenue
County Government Of Uasin Gishu
Revenue Statements for the Period Ended 30th June 2024*

8. Statement of Financial Assets and Liabilities As at 30th June 2024

	Note	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances	20	1,486,681.01	279,746.87
Cash In Hand	21		578,510.00
Total Financial Assets		1,486,681.01	858,256.87
Total Financial Assets		00	00
Financial Liabilities			
Payables-Due to CRF	22	1,486,681.01	858,256.87
Total Financial Liabilities		1,486,681.01	858,256.87

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 28th August 2024 and signed by:



.....

Name: Elud Chemaget
County Receiver of Revenue



.....

Name: CPA Jonah Lamai
Director Revenue Management
ICPAK M/No

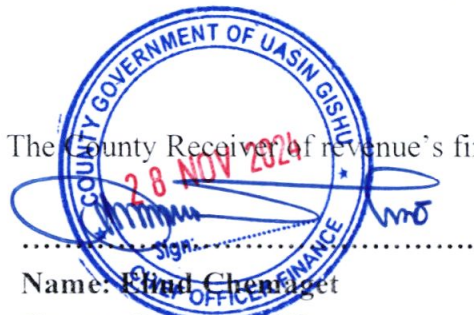
*Receiver Of Revenue
County Government Of Uasin Gishu
Revenue Statements for the Period Ended 30th June 2024*

9. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30th June 2024


	A	B	C=A+B	D	E=C-D	F=D/C %
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
County Own Source Revenue						
Receipt	Original Targets	Adjustments	Final Targets	Actual On Comparable Basis	Budget Realization Difference	% Of Realization
Cess	143,943,370.00	0	143,943,370.00	129,402,588.10	14,540,781.90	90%
Land Rate	125,000,000.00	0	125,000,000.00	104,014,832.29	20,985,167.71	83%
Single/Business Permits	250,000,000.00	0	250,000,000.00	206,227,908.30	43,772,091.70	82%
Property Rent	31,500,000.00	0	31,500,000.00	17,778,237.00	13,721,763.00	56%
Parking Fees	290,000,000.00	0	290,000,000.00	264,006,338.93	25,993,661.07	91%
Market Fees	40,000,000.00	0	40,000,000.00	25,125,959.00	14,874,041.00	63%
Advertising	100,300,000.00	0	100,300,000.00	117,113,702.00	(16,813,702.00)	117%
Hospital Fees	50,000,000.00	0	50,000,000.00	42,862,000.00	7,138,000.00	86%
Public Health Service Fees	20,000,000.00	0	20,000,000.00	15,800,148.00	4,199,852.00	79%
Physical Planning and Development	46,000,000.00	0	46,000,000.00	17,004,775.70	28,995,224.30	37%
Hire Of County Assets	2,000,000.00	0	2,000,000.00	2,666,235.00	(666,235.00)	133%
Conservancy Administration	41,000,000.00	0	41,000,000.00	27,208,900.00	13,791,100.00	66%
Administration Control Fees and Charges	20,300,000.00	0	20,300,000.00	21,308,773.00	(1,008,773.00)	105%
Proceeds from sale of assets	0	399,104,244	399,104,244.00	399,104,244.00	-	100%
Other Fines, Penalties, And Forfeiture Fees	19,000,000	0	19,000,000.00	9,511,303.55	9,488,696.45	50%
Miscellaneous Receipts		0		5,641,958.90	(5,641,958.90)	
Total County Own Source Revenue	1,179,043,370	399,104,244	1,578,147,614.00	1,404,777,903.77	173,369,710.23	89%
Other Receipts						
Donations /Grants Not Received Through CRF	0	0	0	0	0	0
Total Other Receipts	0	0	0	0	0	0
Total Receipts	1,179,043,370	399,104,244	1,578,147,614.00	1,404,777,903.77	173,369,710.23	89%

- (a) Payment of Signage and Advertising fees were attached to business permit payment thus realizing 117% on the budget
- (b) Automation of Natural Resource Cess fees realized 90% of the budget
- (c) Court fees and fines realized 50% of the budget because the county court functions were transferred to Judiciary during the year
- (d) Demolition of some property rent lead uncollectable rent.

The County Receiver of revenue's financial statements were approved on 28th August, 2024 and signed by:



.....
Name: **Eliud Cheruget**
County Receiver of Revenue


.....
Name: **CPA Jonah Lamai**
Director Revenue Management
ICPAK M/No

10. Statement of Arrears of Revenue As at 30th June 2024

Classification Of Receipts (Indicate As Applicable)	Balance as at the beginning of the current year (1 st July 2023) A	Arrears received during the year. B	Additions in arrears for the current year to June 30, 2024 C	Total arrears as at 30 June 2024 D=A+(B)+C	Measures taken to recover the arrears	Assessment to the recoverabilit y of arrears
Cess	00	00	00			
Land rate	2,273,792,729	00	00	2,045,932,291	Landowners' sensitization	
Single/Business Permits	00	00	00			
Property Rent	142,037,838	00	00	595,439,307		
Parking Fees	00	00	00			
Market Fees	00	00	00			
Advertising	00	00	00			
Hospital Fees	00	00	00			
Public Health Service Fees	00	00	00			
Physical Planning and Development	00	00	00			
Hire Of County Assets	00	00	00			
Conservancy Administration	00	00	00			
Administration Control Fees and Charges	00	00	00			
Park Fees	00	00	00			
Other Fines, Penalties, Forfeiture Fees	00	00	00			
Miscellaneous	00	00	00			
Total Arrears	2,415,830,567	(00)	00	2,641,371,598		

Receiver Of Revenue
County Government Of Uasin Gishu
Revenue Statements for the Period Ended 30th June 2024

[Handwritten signature]
.....
Name: Eliud Chemager
County Receiver of Revenue
11 NOV 2024
Sign:
CHIEF OFFICER FINANCE

[Handwritten signature]
.....
Name: CPA Jonah Lamai
Director Revenue Management
ICPAK M/No 20517

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 of Uasin Gishu. 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. 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 recognises all receipts from the various sources when the related cash has been received by the County.

3. Budget

The County Revenue budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The County budget was approved as required by law. The original budget was approved by the County Assembly on 22nd June 2023 for the period 1st July 2023 to 30 June 2024 as required by law. There was one 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.

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, 2024

12. Notes to the Financial Statements

1. Cess

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Farm produce	57,684,190.40	70,254,426.53
Quarrying	44,275,673.00	25,713,660.00
Livestock	2,031,926.00	3,027,694.00
Fish farming	136,100.00	18,080.00
Others (Log cess)	1,150,650.00	861,484.00
Sugar cess	1,766,981.70	1,589,676.00
Slaughter fee	22,357,067.00	22,706,698.00
Total	129,402,588.10	124,171,718.53

2. Land rates

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Land rates	104,014,832.29	104,760,334.40
Land penalties and interest		
Arrears		
Total	104,014,832.29	104,760,334.40

3. Single /Business Permits

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Business permit application fees		
Annual Business permit fees	206,227,908.30	215,321,972.15
Business permit penalties and interest		
Business permit fees arrears		
Total	206,227,908.30	215,321,972.15

*Receiver Of Revenue
County Government Of Uasin Gishu
Revenue Statements for the Period Ended 30th June 2024*

Notes to the Financial Statements (continued)

4. Property Rent

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
County Housing	17,723,237.00	29,358,555.75
Plot Rent		
Tenancy Agreement		
Transfer of Property		
Stalls/kiosks rent		
Others (<i>Public toilet</i>)	55,000.00	988,400.00
Total	17,778,237.00	30,346,955.75

5. Parking Fees

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Street parking fees	127,186,122.00	127,008,840.27
Monthly toll/sticker fees		
Motorbike fees	22,918,009.00	21,096,617.44
Registration fees		
Reserved parking		
Bus Park fees	113,902,207.93	112,471,737.92
Others (<i>Specify</i>)		
Total	264,006,338.93	260,577,195.63

6. Market Fees

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Market entry fees	24,237,129.00	18,716,539.00
Hawking fees		
Others (Livestock Auction)	888,830.00	534,996.00
Total	25,125,959.00	19,251,535.00

Notes to the Financial Statements (Continued)

7. Advertising

Descriptions	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Branding		
Billboard advertising		
Signage	115,944,700.00	79,902,850.24
Roadshows		
Banners		
Posters		
Tent advertising		
Street pole/clock advertising		
others (<i>Ict and e-govt</i>)	1,169,002.00	176,550.00
Total	117,113,702.00	80,079,400.24

8. Hospital Fees

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Level 5 hospitals		
Level 4 hospitals		
Others (Hospitals, health centres and dispensaries)	42,862,000.00	37,472,079.00
Total	42,862,000.00	37,472,079.00

9. Public Health Service Fees

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Inspection of buildings/premises/Institutions	93,645.00	265,520.00
Inspection for issuance of hygiene license	1,164,658.00	4,130,417.00
Vaccination: Yellow fever, Typhoid, etc	1,474,196.00	2,534,969.00
Applications for medical examination		
Sanitation inspection for schools		
Public health permit	13,067,649.00	8,076,506.00
Rodent Control/Fumigation		
Others (<i>Specify</i>)		
Total	15,800,148.00	15,007,412.00

*Receiver Of Revenue
County Government Of Uasin Gishu
Revenue Statements for the Period Ended 30th June 2024*

Notes to the Financial Statements (Continued)

10. Physical Planning and Development

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Sale of County planning documents		
Land valuation and registration fees		
Change / Renewal of user		
Building plans approval	14,928,857.00	17,184,081.50
Signboards		
Occupational Permits		
Enforcement / Demolition		
Architectural designs by county officers		
Hoarding fees		
Others (Right of way leave)	2,075,918.70	4,621,598.70
Total	17,004,775.70	21,805,680.20

11. Hire Of County Assets

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Agricultural Mechanisation Services (AMS)	2,088,010.00	2,099,384.15
Hire of Machines and Equipment		
Hire of County Stadia		
Hire of County Halls	182,201.00	803,220.00
Conference facilities/Agricultural Training Centers (ATC)		
Others (Library fee)	396,024.00	
Total	2,666,235.00	2,902,604.15

Notes to the Financial Statement (Continued)

12. Conservancy Administration

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Refuse disposal fees	26,777,770.00	27,030,691.36
Dumpsite fees		
Sewerage fees		
Sale of seedlings		
Public cemetery	384,730.00	796,750.00
Disposal of carcasses		
Noise control		
Others (Water sale kiosks)	46,400.00	44,461.00
Total	27,208,900.00	27,871,902.36

13. Administration Control Fees and Charges

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Weights and measures	1,320,100.00	2,281,440.00
Fire Services	10,549,353.00	5,548,096.13
Liquor licenses		
Betting levy	1,535,320.00	1,131,539.00
Others (Audit and supervision and Application fees)	7,904,000.00	9,418,224.22
Total	21,308,773.00	18,379,299.35

14. Proceeds from sale of assets.

	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Receipts from Sale of Buildings		
Receipts from Sale of Vehicles and Transport Equipment		
Receipts from Sale of Plant Machinery and Equipment		
Receipts from Sale of Certified Seeds and Breeding Stock		
Receipts from Sale of Strategic Reserves Stocks		
Receipts from Sale of Inventories, Stocks and Commodities		
Receipts from sale of land -Asset Recovery	399,104,244.00	-
Total	399,104,244.00	-

*Receiver Of Revenue
County Government Of Uasin Gishu
Revenue Statements for the Period Ended 30th June 2024*

15. Park Fees

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Lodge Tariffs and levies	0	0
Park entry fees	0	0
Filming and Photography fees	0	0
Camping fees	0	0
Balloon landing fees	0	0
Others (<i>Specify</i>)	0	0
Total	0	0

16. Other Fines, Penalties and Forfeitures

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Impounding Fees	4,807,363.00	4,227,318.50
Towing Fees		
Others (Clamping fee,court fines and staff surcharge)	4,703,940.55	13,934,368.85
Total	9,511,303.55	18,161,687.35

17. Miscellaneous Receipts

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Dividends		
Interest		422,726.15
Commissions	5,332,143.90	536,739.45
Others (<i>Disability insurance claim and Salary refund</i>)	309,815.00	2,710,522.17
Total	5,641,958.90	3,669,987.77

18. Donations And Grants Not Received Through CRF

Description	FY 2023-2024	FY 2022-2023
	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 2023-2024	FY 2022-2023
	Kshs	Kshs
Bank Charges & commissions	74,529.43	102,009.38
Total	74,529.43	102,009.38

20. Bank Balances

Name of Bank, Account No. & currency	Amount	Exc. rate (if in foreign currency)	FY 2023-2024	FY 2022-2023
			Kshs	Kshs
KCB BANK-1141856689			1,487,157.00	127,442.38
EQUITY BANK-1090264611251			(297.85)	151,939.85
NATIONAL BANK- 01001111955700			(345.75)	-
COOPERATIVE BANK- 01141672927900			131.87	85.82
FAMILY BANK-082000011728			35.74	278.82
Total			1,486,681.01	279,746.87

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

Ref	Amount (Kshs)	Date subsequently transferred
Disbursement 1	1,487,157.00	2 July 2024
Disbursement 2	00	15 July 2024
Total	1,487,157	

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Revenue Statements for the Period Ended 30th June 2024*

21. Cash in hand

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Cash Balance (<i>Location</i>)		
Mobile Money	0	401,516.00
Others (<i>Mpesa cash in transit</i>)	0	176,994
Total	0	578,510.00

22. Payables- Due To CRF

Payables	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Balance b/f at the beginning of the year	858,256.87	2,696,241.34
Amount collected during the year	1,404,777,903.77	979,779,763.88
Amounts disbursed to CRF during the year	1,404,074,949.66	981,515,739.35
Balance c/d at the end of the year	1,486,681.01	858,256.87

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					
Land 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					
Proceeds from sale of assets					
Park fees					
Other fines, penalties, and forfeiture fees					
Miscellaneous receipts					
Others (<i>Specify</i>)					
Total (agree to statement of arrears)					

13. Appendices

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

S/No	Name of person / organisation benefitting from waiver/ variation	Year in which waiver/ variation relates	Amount of variation/ waiver (fee or charge)	Reasons for waiver/ variation	The law in terms of which the variation/waiver was granted
27.07.23	St John Ambulance	2023-2024	21,000	Charity Outreach	
19.08.23	Hay Festival	2023-2024	25,000	County Contribution	
05.09.23	Eldoret Gospel	2023-2024	12,000	Religious Activity	
15.09.23	Nation Media Group	2023-2024	34,000	Over-Charged licence	
19.09.23	Ministry of Interior	2023-2024	6,000	Public Awareness	
25.10.23	Eldoret AIC College	2023-2024	4,000	Religious Activity	
3.11.23	Huduma Centre	2023-2024	16,000	Public Awareness	
4.11.23	Halleluiah Church	2023-2024	13,000	Religious Activity	
22.11.23	Elgeyo Marakwet County	2023-2024	5,000	Body Disposal	
1.1.24	BTL	2023-2024	6,000	Religious Activity	
12.1.24	Access Bank	2023-2024	9,000	Public Awareness	
1.2.24	Eldoret ASK Show	2023-2024	86,000	Public Awareness	
19.3.24	Deliverance Church	2023-2024	15,000	Religious Activity	
11.4.24	Eldoret City Marathon	2023-2024	66,000	County Partnership	
25.5.24	Gynocare Hospital	2023-2024	6,000	Public Awareness	
24.5.24	KNCCI	2023-2024	14,000	Public Outreach	
25.5.24	Eldoret Skating Club	2023-2024	6,000	Public Awareness	

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Sign and date 2024
 Accounting Officer
 Sign:.....
 CHIEF OFFICER FINANCE

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)
1.0 Variance in County Own Source Revenue	county own source revenue amount of Kshs.979,779,764 which is at variance with UG-Pay system generated report of Kshs.913,738,658 resulting to a variance of Kshs.66,041,106.	The Variance arose from Parking fees and Building plans approval fees which has been reconciled.	Appeared at senate PAC on 28 th October 2024	Awaiting Pac Resolution
2.0 Unsupported Cess Revenue	However, weighbridge receipts/booklets justifying the weights on which the charges were based to arrive at the revenue collected, were not provided for audit review.	The weigh bridges are operated by private entities in their own premises and only generates one copy of receipt for their clients; The County officers are stationed at the entrance and exit of millers and quarry premises which they get information from the client's documentation and record in Cess collection sheet.	Appeared at senate PAC on 28 th October 2024	Awaiting pac Resolution
3.0 Unsupported Land Rates.	However. management did not maintain an updated record of all land owners within the County and the valuation rolls used in the collection of land rates were those used by the defunct local government authorities and were last updated in the year 2000. In addition, the list of land rate defaulters, the aging analysis was not	The county has old records of landowners update in the year of valuation 2000.In 2015, the County Government commenced preparation of supplementary Valuation Roll. The same was however challenged in court and the case has just been concluded. Data cleanup exercise or	Appeared at senate PAC on 28 th October 2024	Awaiting Pac resolution

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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)
	provided and there was no evidence to show the measures the management was taking to collect land rates from the defaulters.	updating of records in the system is ongoing in financial year 2024/2025 List of Land rates defaulters as at 30 th June 2023 is hereby attached		
4.0 Unsupported Property Rent	Review of the rent arrears report revealed that the County Government was owed rent amounting to Kshs.142,037,838. However, there were no demand notices issued to the rent defaulters to clear their rent arrears. Further, the lease agreements/contracts between the County Government and tenants, an ageing analysis of county housing arrears and register of the houses owned and managed by the County Government were not provided for audit review.	The County Government issued demand notices to rent defaulters on 1 st of March 2023. An eviction exercise was conducted in April 2023 for the tenants who had not paid at least 50% of their rent arrears. When evictions were done in the month of April, new tenants signed the tenant lease agreements with the County Government. The department is compiling the list of the arrears that accrued from the old tenants who are not traceable. This will be presented to the cabinet for the arrears to be considered as bad debts, as part of the system clean up thus have the true picture of the arrears outstanding.	Appeared at senate PAC on 28 th October 2024	Awaiting Pac Resolution
5.0 Inaccuracy in Market fees	Audit revealed that the management had installed point of sale machines in the Main markets while in the other markets in the County, traders pay	The County maintains a register of accountable documents issued and returned at any particular period. Therefore, the revenue collectors	Appeared at senate PAC on 28 th October 2024	Awaiting Pac Resolutions

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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)
	<p>their market fees using pay bill number after which they are issued with receipts. However, review of the revenue collection records, and related controls revealed that miscellaneous receipt books were issued to various revenue officers in charge of different markets across the County without accounting for the earlier issued and used up receipt books. This made it difficult to account for the revenue collected using the receipt books.</p>	<p>especially in far flanked markets were issued with more than one receipt book to avoid disruption of revenue collection whenever one is filled up. The books issued were fully returned and accounted for. Currently all market fee collections are paid via Point sale (POS) devices as revenue collection tool through Sisibo pay system.</p>		
<p>6.0 Inaccuracies in Advertising Fees</p>	<p>However, review of records provided showed that invoices issued amounted to Kshs 87,508,824 resulting to unexplained variance of Kshs.7,429,424 which could not be accounted for since the statement of arrears of revenue reflects nil advertising fee arrears. In addition, review of financial records also indicated that management did not have billboard and compliance registers to show the number of billboards within the County and whether the companies had complied with the laid down and approved</p>	<p>Invoices issued amounted to Kshs.87,508,824 and cash received was Kshs.79,902,850.24 and 176,550 for ICT and E- Government, resulting in variance of Kshs. 7,429,424. This resulted from more than one Invoices generated for one company but were not paid for . for instance Safaricom were erroneously generated an invoice of kshs.5,045,200 instead of Kshs. 5,445,200. Both invoices are part of the invoices list but one was paid as per attached receipt No.1420612 of Kshs. 5,445,200</p>	<p>Appeared at senate PAC on 28th October 2024</p>	

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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)
	<p>procedures. Further, a register of all the adverts done on the billboards and quarterly payments from the billboards companies was not provided for audit review.</p> <p>Further, an updated register of signages within the County indicating the company name, type of signage, size of the signage and amount to be paid were not provided for audit review.</p>	<p>The register for all billboards has been kept since it forms part of accountable documents that bears debtors accounts and how clients pay.</p> <p>Attached is the signage stock register for the year ending 2022 which forms the basis of invoicing 2023 signages. The register is maintained annually having the previous year's stocks as a baseline for invoice unless the dimensions were changed through the process</p>		
7.0 Unsupported Public Health Service Fees	<p>listing of the businesses charged under public health service for food quality inspection fee and food hygiene license fees, were not provided for audit review. Therefore, it was not possible to confirm whether all the businesses are correctly categorized by size, location or nature.</p> <p>In addition, the public health services fees include vaccination against yellow fever and typhoid amount of Kshs 2,534,969. However, a review of the register of the monthly records of the service fees, yellow fever</p>	<p>A listing of the businesses charged under public health service for food quality inspection fee and food hygiene license fees correctly categorized by size, location or nature</p> <p>Non- Inclusion of data from other entities (only data from County Head Quarters Inoculation office/Clinic was used.</p> <p>Waivers given to clients</p>	Appeared at senate PAC on 28 th October 2024	

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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)
	vaccines, yellow fever cards indicated a total of Kshs 2,242,000 leading to a difference of Kshs 292,000 which has neither been explained nor reconciled.			
8.0 Unsupported Other Fines, Penalties and Forfeitures	The amounts were not supported by registers of impounding fees and others (clamping fee, court fines and surcharge).	The county maintains a register of all impounded vehicles and items at the county yard and soft copy of Court fines.	Appeared at senate PAC on 28 th October 2024	
9.0 Unsupported Cash in Hand Balance	The Mpesa statement supporting the closing balance of Kshs 401,516 in the Mpesa Account was not provided for audit verification.	At the time of Audit the county had a print out of M-pesa statement as at 30 th June 2023 of Kshs 401,516 because Safaricom had not given the certified copy. The certified Mpesa statement as at 30 th June 2023 is hereby attached	Appeared at senate PAC on 28 th October 2024	
Budgetary Control and Performance.	The statement of comparison of budget and actual amounts reflects final budget and actual on comparable basis amount of Kshs 1,400,471,851 and Kshs 979,779,764 respectively resulting to an under collection of Kshs 420,692,086 or 30% of the approved budget. The underperformance affected the planned activities and may have	In 2023/2024 financial year the county procured a revenue management system which has enabled cashless and real time monitoring of revenues. This led to increase in overall collection from Kshs. 979,779,764 to 1,404,777,904 Business mapping done in the same year enabled the county get accurate data of all businesses in the county	Appeared at senate PAC on 28 th October 2024	

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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)
	impacted negatively on service delivery to the public.	thus will enable the accurate budgeting and targeted enforcement of noncompliance.		
1.0 Lack of Water Resources Authority (WRA) Permit	However, the receiver of revenue did not provide for audit verification the permits issued by the water resource authority, for the sale of water.	The County Government did not have a water service provider to manage water provision in the rural areas. The County Government has however approved and gazzeted the formation of Uasin Gishu rural water and sanitation company (which will operate like ELDOWAS) and will be able to apply for all requisite licenses and ensure full compliance. Uasin Gishu County Rural Water and Sanitation Bill was recently passed by the County Assembly and assented to by the Governor.	Appeared at senate PAC on 28 th October 2024	
2.0 Lack of Enabling Law	However, finance Act 2022 which would set out the revenue raising measures for the County Government together with a policy statement expounding on those measures, was not provided for audit review. This was contrary to section 133 of the Public Finance Management Act 2012, which states that not later than	The County acknowledges the observation since at the time of this audit, the finance Act which was in use was the one for Fy 2020/2021, Finance bill Fy 2021/2022 was submitted to the county Assembly but was not passed due to transition. However, currently the County has in	Appeared at senate PAC on 28 th October 2024	

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County Government Of Uasin Gishu
Revenue Statements for the Period Ended 30th June 2024

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)
	ninety days after passing the Appropriation Bill, the County Assembly shall consider and approve the Finance Bill with or without amendments.	place the Finance Act 2023 that has been implemented.		
3.0 Property Rent Arrears	However, no explanation was provided as to why they have failed to collect the outstanding rent as stipulated in section 83(2)(f) of the Public Finance Management (County Governments) Regulations, 2015, which states that, as part of sound cash management practices, the County Treasury shall pursue debtors with appropriate sensitivity and vigor to ensure that amounts receivable by the County Government are collected and banked promptly. In addition, the County Government of did not have an approved tenancy policy.	The County Government issued demand notices to all rent defaulters on 1 st March 2023 and Eviction exercise was conducted in April 2023 for tenants who had not paid at least 50% of their rent arrears. The county is in the process of identifying bad debts for write-off approvals since most of the arrears are uncollectable. Wholesale and Hawkers markets were closed to pave way for the construction modern market, Pioneer and Macharia Estates were demolished to pave way for affordable housing project. Lock ups along sixty four street were demolished to pave way for Smart Railway city projects, thus there is need for Cleanup of the outstanding arrears. The county draft tenancy policy was suspended because of National		

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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)
		Government State department of Housing and Urban development that emerging Affordable Housing program be incorporated in all Housing policies		
4.0 Revenue Targets and Customer Details	During the period under reviews, management of the County Government had not set revenue targets on the revenue management system, therefore it was not possible to make an analysis between the revenue collected and the set targets. In addition, the standard customers like business owners and landlords had not been added to the revenue system. This was contrary to Section 63(1) (a)-(c) of the Public Financial Management (County Government) Regulations 2015 which requires an Accounting Officer and Receiver of Revenue to ensure that adequate safeguards exist and are applied for prompt collection and proper accounting for revenue.	The targets per revenue stream are set at the beginning of each financial year and analysis of budget vs Actual collections was done in the year under review. Business mapping for all businesses was carried out in Fy 2023/2024 and the register uploaded to the revenue system (Sisibo Pay)	Appeared at senate PAC on 28 th October 2024	
	FY 2021-2022			

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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)
1.1 Single/ Business Permits	The statement of receipts and disbursements reflects single/business permits amount of Kshs. 161,398,382 which includes annual business permit fees of Kshs. 155,725,851 as disclosed in Note 3 to the financial statements. Review of the permits issued from the UG-Pay system indicates that 15,675 business permits were paid for and issued with expected revenue collection of Kshs. 148,852,537 thus resulting to unexplained variance of Kshs. 6,873,314.	The variance of Kshs. 6,873,314 arose due to invoicing of unified licenses which are classified/reported as Signage in UG –Pay system. When an invoice with various revenue streams is generated and payment is made the system reports all the cash paid into one revenue stream thus under-stating one stream and over-stating another stream. An example a Kenya Pipeline Invoiced Ksh.416,300 comprising of Application fee Kshs.300, Conservancy Fee of Kshs.12,000, Signage fee of Kshs. 304,00 and Permits fee of Ksh.100,000. The whole amount of Kshs.416,300 was reported as	Appeared at senate PAC on 28 th October 2024	

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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)
		Signages instead of reporting each stream differently. During reconciliation each stream is reported or categorized differently.		
1.2 Clamping Fees	Review of store ledger register indicated that the County Government used 10,749 clamping warrants during the year under review with expected revenue collection of Kshs. 11,823,900. However, during the year, an amount of Kshs. 5,469,916 was deposited into the county revenue bank account whereas the balance of Kshs. 6,353,984 was not accounted for in form of either cash in hand or unused permits.	Under UG pay compliance app. There were instances of relaying payments made by client which warranted clamping of vehicles. These vehicles were de-clamped after proof of payment by the clients and confirmation from the M-pesa bank statements. Example: On 22 nd June 2022 a vehicle registration no. KDD 426D was clamped at 10.06 am as per warrant No. 49578 with warrant amount of Kshs.1,100. M-pesa statements shows that the client had paid	Appeared at senate PAC on 28 th October 2024	

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)
		parking fee of kshs.100 at 8.45:24 am by Peris Wanjiko Benson. This vehicle was de-clamped without paying additional Kshs.1,100 since there was delay in compliance app when the client made the initial payment.		
1.3 Disbursements to County Revenue Funds	However, according to the cash book and bank statement of County Exchequer Account - Central Bank of Kenya account number 1000171685 shows that a total amount of Kshs. 932,290,670 was received from six (6) commercial banks for revenue thus resulting to unexplained variance of Kshs. 28,417. Further, the County Treasury did not acknowledge receipts from the Receiver of Revenue	According to CRF Account statement attached the total revenue collected is Kshs 932,235,238.05 and not Kshs 932,290,670 as stated in this query. According to commercial banks, transfers were Kshs 932,262,253 giving a variance of 27,014.95 which is bank RTGS charges between Commercial banks and CRF Account. The amount is not reflected in Commercial bank statements but recognized when money hit the CRF account. Attached is the reconciliation statement.	Appeared at senate PAC on 28 th October 2024	

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Revenue Statements for the Period Ended 30th June 2024

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)
	which is contrary to Regulation 81 (3) of Public Financial Management (County Government) Regulations, 2015.	In the past the county treasury did not acknowledge receipt of cash from receiver of revenue, however the County Treasury will acknowledge receipts from receiver of revenue going forward.		
Budget Control and Performance	The management has however not explained the measures being put in place to ensure that all the budgeted revenue is collected and accounted for to enhance service delivery to the residents of Uasin Gishu County.	The county acknowledge the observation. During the year 2022/2023 The County has come up with comprehensive revenue enhancement measures to avert the low revenue collection as follows: Interdepartmental staff engagements. Decentralization of Revenue functions to the departments at ward level.	Appeared at senate PAC on 28 th October 2024	

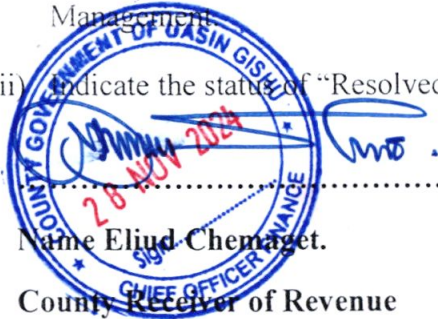
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		Target based approach. Increased Enforcement and compliance. Public participation, talk shows and awareness. Mapping of all revenue stream. SBP mapping was done in Fy 2023/24 Performance targets management		
1. Overdrawn Bank Account	The statement of financial Assets and Liabilities reflects a bank balance of Kshs. 724.575 as disclosed in Note 18 to the financial statements. However Cooperative bank account number 1141672927900 had a debit balance of Kshs.599.96 contrary to Regulation 82(7) of Public Finance Management (County Governments)	The overdrawn amount of Kshs 599.96 in the Cooperative Bank Account arose due to RTGS charges incurred on cash transfer to CRF. Going forward, the management has informed the bank to transfer cash to CRF excluding bank charges. In the preceding years the account has maintained a positive balance as per the attached bank statement for 30 June 2023 and 30 June 2024	Appeared at senate PAC on 28 th October 2024	

**Receiver Of Revenue
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Revenue Statements for the Period Ended 30th June 2024**

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)
	Regulations, 2015 which stipulates that no official County Government Bank Account shall be overdrawn.		1	


Guidance Notes:

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



Name Eliud Chemaget.
County Receiver of Revenue

Date



Name: CPA Jonah Lamai
Director Revenue Management
ICPAK M/No

Date