

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

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DATE	29/07/2024
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THE AUDITOR-GENERAL

ON

**RECEIVER OF REVENUE - REVENUE
STATEMENTS**

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

COUNTY GOVERNMENT OF WAJIR

OFFICE OF THE AUDITOR GENERAL
NORTH EASTERN REGIONAL OFFICE

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**RECEIVER OF REVENUE
COUNTY GOVERNMENT OF WAJIR**

**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 Wajir
Revenue Statements for the Period Ended 30th June 2023*

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

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*Receiver Of Revenue
County Government Of Wajir
Revenue Statements for the Period Ended 30th June 2023*

1. Acronyms and glossary of terms

a) Acronyms

ROR -	Receiver of Revenue
CECM-	County Executive Committee Member
PFM-	Public Finance Management Act 2015
CRF-	County Revenue Fund
OSR-	Own Source Revenue
IPSAS-	International Public Sector Accounting Standards
IFMIS-	Integrated Financial Management Information System
ICPAK-	Institute of Certified Public Accountants of Kenya

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

Wajir County is constituted as per the constitution of Kenya and is headed by the County Governor, who is responsible for the general policy and strategic direction of the County. The governor is supported by the county executive committee in carrying out the mandate as stipulated in the constitution. The County Executive Committee Member for Finance and Economic Planning is in charge of the County Treasury. One of the functions of the CECM for Finance is financial reporting at the county level.

Vision

3. To be a regionally competitive and self- reliant county

Mission

To strategically position ourselves as a county guided by innovative competitiveness in order to achieve progressive, wealthy, healthy, cohesive and secure county.

Motto

A county with unlimited opportunities and endless possibilities

Core Values

- Integrity
- Innovativeness
- Professionalism
- Team work
- Equity
- Transparency
- Accountability
- Respect for rule of law

(a) Background information

The *receiver of revenue* is under the Department of Revenue Services. 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 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).

Key Entity information and Management (continued)

(c) Key Management Team

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

No.	Name	Designation
1.	Mohamed Hassan Hussein	Ag.CECM, Finance and Economic Planning
2.	Farah Ahmed Osman	Chief Officer, Accounting and Financial Services
3.	Abdirahman Mohamed Ahmed	Chief Officer, Revenue & Resource Mobilization
4.	Abdisalan Yarrow Adan	Director, Revenue

P.O. Box
County Headquarters Building
Wajir Road
Wajir, KENYA

(d) Entity Contacts

Telephone: +254723579980
E-mail: info@wajir.go.ke
Website: www.wajir.go.ke

(e) Independent Auditors

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

(f) Principal Legal Adviser

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

Receiver Of Revenue
County Government Of Wajir
Revenue Statements for the Period Ended 30th June 2023

(g) Bankers

1. Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

NAIROBI, KENYA

2. Kenya Commercial Bank

Wajir Branch.

3. Equity Bank of Kenya

Wajir Branch.

4. National Bank of Kenya

Wajir Branch.

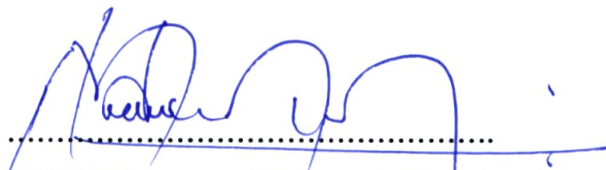
4. Foreword By the CECM Finance and Economic Planning

(It's my pleasure to present the second Wajir County Receiver of Revenue Financial Statements for the financial year ended 30th June, 2023 in compliance with the relevant Public Finance Management regulations.

During the year under review, Wajir County budgeted to raise Kshs. 100,000,000. The County's revenue sources included Cess collections, Land/Poll Rates, Single/Business Permits, Property Rent, Market Fees, Hospital Fees, Public Health Service Fees and Physical Planning and Development.

The County encountered numerous challenges such as recurring droughts that affected livestock and farm production, insecurity threats from Alshabaab militants that made some targeted revenue collection spots inaccessible, border closure between Kenya and Somalia that limited movement of goods and trading activities in the region amongst other limiting factors. These challenges hindered revenue collection efforts by weakening the county's' economic conditions and the citizen's ability to pay levies. Accordingly, the total revenue collected was Kshs. 46,563,994 against a collection of Kshs. 52,415,625 attained in the financial year 2021/2022. The County's entire collection of Kshs. 46,563,994 was disbursed to the Wajir County Revenue Fund account to be utilized in implementation of planned programmes.

To enforce more revenue collections in the financial year 2023/2024 and subsequent financial periods appropriate mechanisms will be put in place by the receiver of revenue.

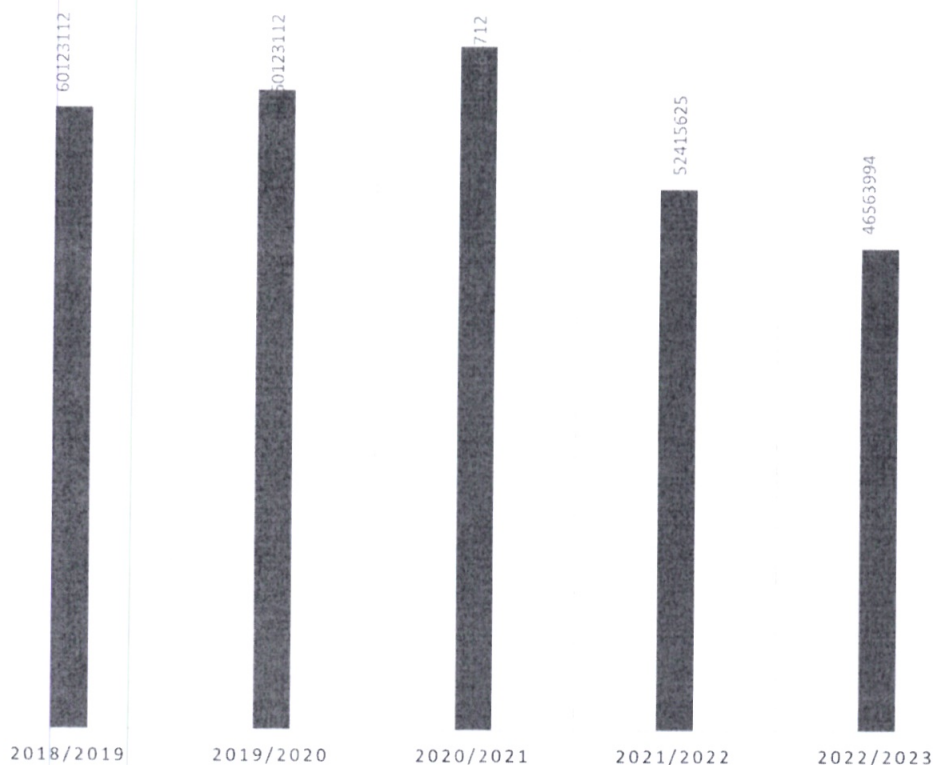

.....
CECM Finance and Economic Planning
Wajir County Government

5. Management Discussion and Analysis

Financial and Operational Performance Analysis

Wajir County Receiver of Revenue has been making upward progressive improvements in revenue collection during the successive three financial years save for the last financial year and the financial year under review which recorded a drop in collection as highlighted in the table below.

Total Collections for FY 2018-2019-FY 2022/2023



The CROR's financial performance for the year 2022/2023 remained strong despite encountering numerous challenges such as recurring droughts in the County, frequent border closures between the three countries of Kenya, Somalia and Ethiopia; insecurity threats from Al-shabaab militants, the adverse impact of harsh economic conditions leading high cost of living and related challenges that threatened to obstruct the CROR's performance.

Receiver Of Revenue
County Government Of Wajir
Revenue Statements for the Period Ended 30th June 2023

During the 2022/2023 financial year, the main local revenue sources covered Cess collections, Land/Poll Rates, Single/Business Permits, Property Rent, Market Fees, Hospital Fees, Public Health Service Fees and Physical Planning and Development. The total revenue realized was Kshs. 46,563,994 against the budgeted amount of Kshs100,000,000. The revenues were disbursed to the Wajir County Revenue Fund Account as required by the Public Finance Management laws and utilized to undertake planned government programmes.

The CROR collections were as tabulated in the table below:

County Own Source Revenue	Total Collections
Cess	20,162,480
Land/Poll Rate/ rent	1,620,184
Single/Business Permits	8,412,900
Slaughter Fees	718,400
Market Fees	56,800
Conservancy/Sanitation	1,577,100
Hospital Fees- Medical Certificates	617,840
House Rents	1,837,390
Survey Fees	137,600
Building Materials	1,722,300
Cost Sharing	9,537,100
Hire of County Assets	39,000
Veterinary Department	124,900
Total County Own Source Revenue	46,563,994

As indicted by the above diagram, the biggest portion of revenue attained were from the following streams; Cess collections, Lands/Plot rates and Single business permits while the worst performing streams were hire of county assets, market fee, and veterinary department.

During the financial year, the Fund satisfactorily met all its statutory requirements.

Risks

The major risks facing the CROR include the following:

Technology risks: Emerging possible risk of cyber-attacks and Slow connectivity to core IT system. This will greatly hamper the success of our automated systems. The system will be protected by firewalls and investment in other IT security features.

Reputational risks: Poor collection and delayed disbursement of revenue by the CROR. The CROR will reinforce its compliance efforts to be safe from this risk.

Operational risks: Highlighted internal audit/regulatory issues.

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Revenue Statements for the Period Ended 30th June 2023**

Compliance risks: Litigation by stakeholders.

Financial risks: Delay in funding

Outlook

The performance of the CROR could be negatively affected by many factors in the forthcoming financial period. These include changes in leadership/management, the country's general economic conditions, insecurity related problems, political related challenges amongst other issues. It's envisioned, however, that cordial relations and collaboration between all stakeholders will boost the performance. Further, the CROR will continue complying with the existing legal frameworks in place as required by law.

6. 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.

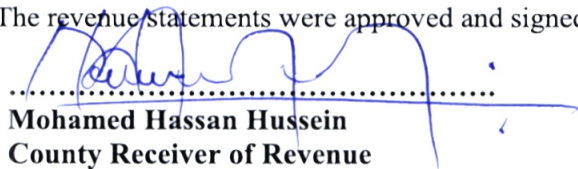
The Receiver of Revenue is responsible for the preparation and presentation of the receiver of revenue account, which gives a true and fair view of the state of affairs of the receiver of revenue for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes: (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 Wajir County Government'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 Wajir County Government's receiver of revenue account gives a true and fair view of the state of Wajir County Government's receiver of revenue transactions during the financial year ended June 30, 2023, and of the Wajir County Government'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 Wajir County Government Receiver of Revenue has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable). The Receiver of Revenue confirms that the revenue statements have been prepared in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

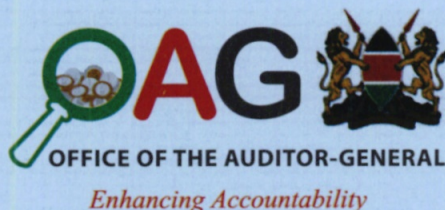
Approval of the Revenue Statements

The revenue statements were approved and signed by the Receiver of Revenue on 11th September 2023.


.....
Mohamed Hassan Hussein
County Receiver of Revenue

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying revenue statements of Receiver of Revenue - County Government of Wajir set out on pages 1 to 12, which comprise of the statement of financial assets and liabilities as at 30 June, 2023 and the statement of receipts and disbursements

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of the financial position of Receiver of Revenue - County Government of Wajir as at 30 June, 2023 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 Opinion

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

Key Audit Matters

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

Other Matter

1.0 Under-Collection of Revenue

The statement of comparison of budget and actual amounts reflects total own generated revenue budget for the year of Kshs.100,000,000. However, the actual own generated revenue was Kshs.46,563,994 resulting in a shortfall of Kshs.53,436,006, representing 53% of the budgeted amount. The under collection implies unrealistic revenue targets or failure to put in place measures to collect revenue. Further, the county own source revenue had declined to Kshs.46,563,994 from Kshs.52,415,625 collected in the financial year 2021/2022.

The continued decline in revenue collection and under-collection of budgeted amounts affected implementation of budgeted activities.

2.0 Unresolved Prior Year Audit Issues

In the audit report of the previous year, several issues were raised that remained unresolved as of 30 June, 2023. However, Management has not provided satisfactory reasons for the delay in resolving these 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 matters 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

1.0 Collection of Revenue Without a Finance Act

During the year under review, the Management of the County Executive collected revenue amounting to Kshs.46,563,994 from own sources. However, the County Assembly approved the Finance Bill on 13 March, 2023 and therefore revenue collected for nine (9) months totalling to Kshs.32,136,116 representing 69% was not supported by the approved finance bill. This is contrary to Section 133 of the Public Finance Management Act, 2012, which stipulates that, not later than ninety (90) days after passing the Appropriation Bill, the County Assembly shall consider and approve the Finance Bill with or without amendments.

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

2.0 Delay in Transfer of Receipts to the County Revenue Fund

The statement of receipts and disbursements reflects total county own source revenue of Kshs.46,563,994, out of which Kshs.46,550,977 was banked during the year, in addition to a balance brought forward from the year ended 2021/2022 of Kshs.14,245,245, resulting in a total of Kshs.60,796,103 held in the bank. However, transfers to the County Revenue Fund amounted to Kshs.55,785,107, leaving a balance of Kshs.5,010,996 unremitted to the County Revenue Fund account contrary to Regulation 81(2) of the Public Finance Management (County Government) Regulations, 2015 which requires the receiver of revenue to pay the revenue received into the County Revenue Fund as soon as possible.

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

3.0 Lack of Quarterly Revenue Statements

During the year under review, the County Executive collected revenue amounting to Kshs.46,563,994. However, quarterly statements were not provided for audit, contrary to Section 158(3) of the Public Finance Management Act, 2012 which requires a receiver of revenue to prepare and provide quarterly revenue statements to the County Treasury with copies to the National Treasury and the Commission on Revenue Allocation.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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 governance were not effective.

Basis for Conclusion

Anomalies in M-Pesa Pay Bill Collection Account

During the year under review, an amount totalling to Kshs. 5,537,500 was collected through a M-Pesa pay bill. However, details of the authorizing officer responsible for overseeing and authorizing transactions for the pay bill account were not provided for audit. Further, the Management did not provide details when the paybill was opened.

In the circumstances, the effectiveness of operations and controls in place for the Mpesa account could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, 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 cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of

the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of 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 Fund's policies and procedures may deteriorate.

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

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

I communicate with 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 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

19 December, 2023

Receiver Of Revenue
County Government Of Wajir
Revenue Statements for the Period Ended 30th June 2023

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

	Note	2022/23 Kshs	2021/22 Kshs
County Own Source Revenue			
Balance b/f			
Cess	1	20,162,480	27,732,490
Land/Poll Rate/ rent	2	1,620,184	2,214,700
Single/Business Permits	3	8,412,900	8,969,900
Slaughter Fees	4	718,400	1,398,300
Conservancy	5	1,577,100	136,750
Market Fees	6	56,800	563,100
Hospital Fees- Medical Certificates	7	617,840	365,100
Survey Fees	8	137,600	898,425
Building Materials	9	1,722,300	2,815,920
Hire Of County Assets	10	39000	0
Veterinary Department	11	124,900	262,870
House Rents	12	1,837,390	
Cost Sharing	13	9,537,100	7,058,070
Total County Own Source Revenue		46,563,994	52,415,625
Other Receipts			
Donations/Grants Not Received Through CRF		-	-
Total Other Receipts		-	-
Total Receipts		46,563,994	52,415,625
Balance b/f at the beginning of the year	14	14,245,125	-
Disbursements To CRF		55,785,107	39,000,000
Balance Due for Disbursement	15	5,010,996	14,245,125

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on 11th September 2023 and signed by:

.....
Name: Mohamed Hassan Hussein
County Receiver of Revenue
(Ref: PFM ACT section 165, 2(a))

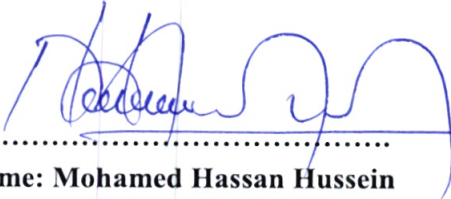
.....
Name: Abdisalan Yarow Adan
Head of Revenue Reporting
ICPAK No.10400

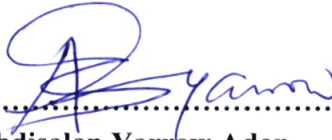
**Receiver Of Revenue
County Government Of Wajir
Revenue Statements for the Period Ended 30th June 2023**

9. Statement of Financial Assets and Liabilities As at 30th June 2023

	Note	2022/23 Kshs	2021/2022 Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances	14	5,010,996	14,245,125
Cash In Hand	16	-	-
Total Financial Assets		5,010,996	14,245,125
Total Financial Assets		5,010,996	14,245,125
Financial Liabilities			
Payables-Due to CRF	17	5,010,996	14,245,125
Total Financial Liabilities		-	-

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 11th September 2023 and signed by:


 Name: Mohamed Hassan Hussein
 County Receiver of Revenue


 Name: Abdisalan Yarrow Adan
 Head of Revenue Reporting
 ICPAK No.10400

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

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

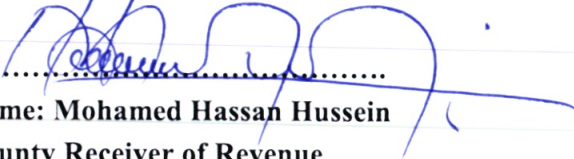
Receipt	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Realization Difference	% Of Realization
	A	B	C=A+B	D	E=C-D	F=D/C %
County Own Source Revenue	Kshs	Kshs	Kshs	Kshs	Kshs	
Cess	53,544,196	-	53,544,196	20,162,480	33,381,716	38%
Land/Poll Rate	5,000,000	-	5,000,000	1,620,184	3,379,816	32%
Single/Business Permits	19,500,000	-	19,500,000	8,412,700	11,087,300	43%
Slaughter Fees	3,000,000	-	3,000,000	718,400	2,281,600	24%
Conservancy	500,000	-	500,000	1,577,100	-1,077,100	315%
Market Fees	1,100,000	-	1,100,000	56,800	1,043,200	5%
Public health Fees- Medical Certificate	800,000	-	800,000	617,840	182,160	77%
House Rent	1,843,900	-	1,843,900	1,837,389	6,511	100%
Survey Fees	1,400,000	-	1,400,000	137,600	1,262,400	10%
Building Materials	3528393	-	3528393	1,722,500	1,805,893	49%
Hire of County Assets	282,000	-	282,000	39,000	243,000	14%
Veterinary Department	501,511	-	501,511	124,900	376,611	25%
Cost Sharing	9,000,000	-	9,000,000	9,537,100	-537,100	106%
Total County Own Source Revenue	100,000,000	-	100,000,000	46,563,994	54,531,770	47%


The low collection was as a result of the following challenges

- Insecurity related problems caused by Al-shabaab in major parts of the county.
- Persistent and recurring drought in the region.
- High cost of living in the county due to unfavourable economic condition in the Country.
- Closure of the Kenya-Somalia border as well as the Kenya-Ethiopia border due to insecurity related challenges

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

The County Receiver of revenue's financial statements were approved on 30th August 2023 and signed by:


.....
Name: Mohamed Hassan Hussein
County Receiver of Revenue


.....
Name: Abdisalan Yarow Adan
Head of Revenue Reporting
ICPAK No.10400

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 Wajir. 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 Wajir County Receiver of Revenue. 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 Revenue Department.

2. Recognition of Receipts

The Wajir County Receiver of Revenue recognises all receipts from the various sources when the related cash has been received by the entity.

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. 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, 2023

*Receiver Of Revenue
County Government of Wajir
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12. Notes to the Financial Statements

1. Cess

Description	2022/23	2021/22
	Kshs	Kshs
Stock Auction	5,374,840	7,658,190
Stock Export	1,396,500	928,100
Miraa Cess	12,527,500	17,868,900
Arabic Gum	63,340	467,900
Cereal cess	800,300	809,400
Total	20,162,480	27,732,490

2. Land/Poll rates and rent

Description	2022/2023	2021/22
	Kshs	Kshs
Land rent	1,675,384	2,214,700
Land penalties and interest		0
Arrears		0
Total	1,675,384	2,214,700

*Receiver Of Revenue
County Government of Wajir
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Notes to the Financial Statements (continued)

3. Single Business Permits

Description	2022/23	2021/22
	Kshs	Kshs
Business permit application fees	0	0
Annual Business permit fees	8,280,500	8,969,900
Business permit penalties and interest		0
Business permit fees arrears		0
Advertisement	132,400	
Total	8,412,900	8,969,900

4. Slaughter Fees

Description	2022/23	2021/22
	Kshs	Kshs
Slaughter Fees	718,400	1,397,300
Hides and Skins		1,000
Total	718,400	1,398,300

5. Conservancy

Description	2022/23	2021/22
	Kshs	Kshs
Conservancy-Refuse Disposal& Exhauster services	1,315,100	136,750
Exhauster services	262,000	
Total	1,577,100	136,750

Notes to the Financial Statements (Continued)

6. Market Fees

Description	2022/23	2021/22
	Kshs	Kshs
Market entry fees	56,800	563,100
Hawking fees		-
Total	56,800	563,100

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

Notes to the Financial Statements (continued)

7. Hospital Fees

Descriptions	2022/23	2021/22
	Kshs	Kshs
Medical Certificate	617,840	365,100
Total	617,840	365,100

8. Survey Fees

Description	2022/23	2021/22
	Kshs	Kshs
Survey Fees	137,600	898,425
Total	137,600	898,425

9. Building Materials

Description	2022/23	2021/22
	Kshs	Kshs
Building Materials	1,694,200	2,815,920.00
Scrap metal	28,100	
Total	1,722,300	2,815,920

10. Hire of County Assets

Description	2022/23	2021/22
	Kshs	Kshs
Agricultural Mechanisation Services (AMS)	39,000	0
Hire of Machines and Equipment		
Conference facilities/Agricultural Training Centers (ATC)		-
Total	39,000	0

11. Veterinary Department

Description	2022/23	2021/22
	Kshs	Kshs
Veterinary- Meat Inspection fees	124,900	262,870
Total	124,900	262,870

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

Notes to the Financial Statements (Continued)

12. House Rent

Description	2022/23	2021/22
	Kshs	Kshs
House rent	1,837,390	
Total	1,837,390	

13. Cost Sharing

Description	2022/23	2021/22
	Kshs	Kshs
Cost Sharing	9,537,100	7,058,070
Total	9,537,100	7,058,070

14. Bank Balances

Name of Bank, Account No. & currency	Amount in bank account currency	Exc. rate (if in foreign currency)	2022/23	2021/22
			Kshs	Kshs
KCB, 1140752820 –Kshs		0	5,010,996	14,245,125
Name of Bank, Account No. & currency	0	0	0	0
Name of Bank, Account No. & currency	0	0	0	0
Total	0	0	0	0

15. Balance carried forward as at 30th June 2023 and subsequently transferred

Ref	Amount (Kshs)	Date subsequently transferred
Balance b/f	5,010,996	6 th July 2023
Total	5,010,996	

*Receiver Of Revenue
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Revenue Statements for the Period Ended 30th June 2023*

16. Cash in hand

Description	2022/23	2021/22
	Kshs	Kshs
Cash Balance (<i>Location</i>)	0	0
Mobile Money	0	0
Others	0	0
Total	0	0

17. Payables- Due To CRF

Payables	2022/23	2021/22
	Kshs	Kshs
Balance b/f at the beginning of the year	14,245,125	0
Amount collected during the year	46,563,994	52,415,625
Amounts disbursed to CRF during the year	55,785,107	39,000,000
Balance c/d at the end of the year	5,010,996	14,245,125

This relates to amounts yet to be disbursed to the exchequer at the end of the financial year.

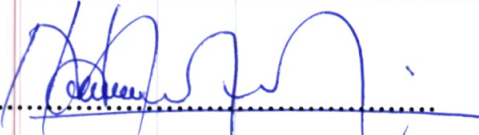
**Receiver Of Revenue
County Government of Wajir
Revenue Statements for the Period Ended 30th June 2023**

15. Appendices

Appendix 1: Progress on follow up of prior Year Auditor Recommendations.

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:(Resolved / Not Resolved)	Timeframe:(Put a date when you expect the issue to be resolved)
1	Presentation of the Revenue Statements	The County has presented copies of the Revenue statements	Not resolved	30 th November 2023
2	Unreconciled Variances between Revenue Statements and the Ledger	The variances between the revenue statements and the ledger have been reconciled	Not resolved	30 th November 2023
	Under-Collection of Revenue		Not resolved	
1	Collection of Revenue Without a Finance Act	Finance act in place	Resolved	
2	Delay in Transfer of Receipts to County Revenue Fund	The County will comply with the requirement of the regulation	Not resolved	30 th November 2023
	Weakness in Internal Controls	The county has since put in place stringent controls	partly resolved	30 th November 2023


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Name: Mohamed Hassan Hussein

County Receiver of Revenue

Date: 11/09/2023


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**Name: Abdisalan Yarow Adan
Head of Revenue Reporting
ICPAK No.10400**

Date: 11/9/2023

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