



OFFICE OF THE AUDITOR GENERAL
P.O. Box 30084 - 00100, NAIROBI
REGISTRY

19 DEC 2024

RECEIVED



**RECEIVER OF REVENUE
COUNTY GOVERNMENT OF KIAMBU**

REVENUE STATEMENTS

FOR THE PERIOD 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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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 who is responsible for the general policy and strategic direction of the receiver of revenue. The receiver of revenue was designated on 29th December 2020 by the County Executive Committee member for Finance, per section 157 (1) of the PFM Act,2012.

Section 158 (3) of the PFM Act,2012 states that a receiver of revenue for a county government shall provide quarterly statements to the County Treasury with copies to the National Treasury and the Commission on Revenue Allocation. Following that requirement, the receiver of revenue therefore avails the report every quarter and yearly based on Section 165. (1) of the PFM Act,2012. "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."

(b) Principal activities

A receiver of county government revenue is responsible to the County Executive Committee member for finance for ensuring that the revenue for which the receiver is responsible is collected or recovered, and is accounted for. The receiver may authorize a public officer to be a collector of revenue. Section 158. (1) states that a receiver of revenue for a county government may authorize any public officer employed by that county government or any of its entities to be a collector of revenue for the purpose of collecting revenue for that county government and remitting it to the receiver. (2) Any other public officer, other than a receiver of revenue or collector of revenue for a county government, who collects revenue for that Government shall, not later than three days after receiving it, deliver the revenue to a receiver or collector of revenue for that county government.

The receiver of revenue collects revenue and remits it to the County Revenue Fund (CRF). Revenue collections from health facilities are remitted to the Facility Improvement Fund (FIF).

(c) Key Management

The County Government of Kiambu day-to-day management of revenue is under the following:

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- CEC Member for Finance and Economic planning – Nancy Kirumba
- Chief Officer, Finance and Economic Planning – CPA William Kimani
- Chief Officer, Revenue, ICT, Procurement and Internal Audit – CPA Zachariah Gitau
- Director Revenue and Head of Revenue Reporting- CPA Henry Waweru

Key Entity information and Management (continued)

- (d) **Kiambu County Headquarters**
P.O. Box 2344-00900
Municipal Hall
Kiambu, Kenya.
- (e) **Kiambu County Contacts**
Telephone: (254) 067858108
E-mail: info@kiambu.go.ke
- (f) **Independent Auditors**
Office of the Auditor General
Anniversary Towers, University Way
P. O. Box 30084 GPO 00100
Nairobi, Kenya
- (g) **Principal Legal Adviser**
The County Attorney
P.O. Box 2344-00900
Municipal Hall
Kiambu, Kenya
- (h) **Bankers**
- I. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA
 - II. Co-operative bank of Kenya
Kiambu Branch
P.O. Box 1064-00900
Kiambu.
Tel.254-066-2022720
 - III. Kenya Commercial Bank
Kiambu Branch
P.O. Box 81-00900 Kiambu
 - IV. Family Bank
Kiambu Branch
P.O. Box 354-0100 Thika
- (i) **County Attorney**
Waithira Waiyaki

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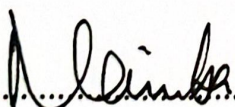
3. Foreword by the CECM Finance and Economic Planning

Revenue collected for the FY 2023/2024 up to 30th June, 2024 was Kshs 4.586 billion compared to Kshs 3.608 billion collected for the same period last financial year 2022/2023. This translates to an increase of Ksh. 978 billion or 27.1 percent.

The improvement in performance, has been attributed to strategies implemented by the management to increase revenue during the FY 2023/2024. These measures include; County Revenue Enhancement weeks where all the county senior officers led by H. E the Governor, Deputy Governor, CECMs, COs and Directors are assigned sub counties where they inspect the development approvals and business permits among others fees and charges and sensitize the public on the need to comply.

The major sources of revenue for the county as at 30th June, 2024 are Hospital Fees – 1.247 billion, (FY 2022/2023 Kshs 1.182 billion), Physical Planning - Kshs 677.2 million, (FY 2022/2023 Kshs 603.1 million), Land Rates – Kshs 650.5 million, (FY 2022/2023 Kshs 350.2 million), Parking Fees – Kshs. 424.4 million, (FY 2022/2023 Kshs 334.3 million), Single business permits - Kshs 401.7million, (FY 2022/2023 Kshs 351.9 million), Liquor Licenses - Kshs 277.2 million, (FY 2022/2023 Kshs 133.5 million) Public Health Service Fees - Kshs 262.6 million, (FY 2022/2023 Kshs 166.4 million) and Cess fees - Kshs 127.1 million, (FY 2022/2023 Kshs 113.8 million).

Revenue collected is disbursed to the County Revenue Fund (CRF) and Facility Improvement Fund (FIF) weekly. The total amount collected from the Sub counties and Liquor licenses in the FY 2023/2024 was Kshs 3.344 billion while Kshs 1.247 billion were collected by the Health Facilities for the Facility Improvement Fund (FIF) account and NHIF rebates as per the requirements of the Kiambu County Health Services Act 2019.

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**Nancy Kirumba
CECM Finance, ICT and Economic Planning
County Government of Kiambu**

4. Management Discussion and Analysis

a. REVENUE COLLECTION, MANANGEMENT AND OPERATIONS

SUB-COUNTIES'S REVENUES

The overall revenue management and operations at the county is headed by the chief officer in charge of revenue, director revenue and the revenue accountants at the headquarters.

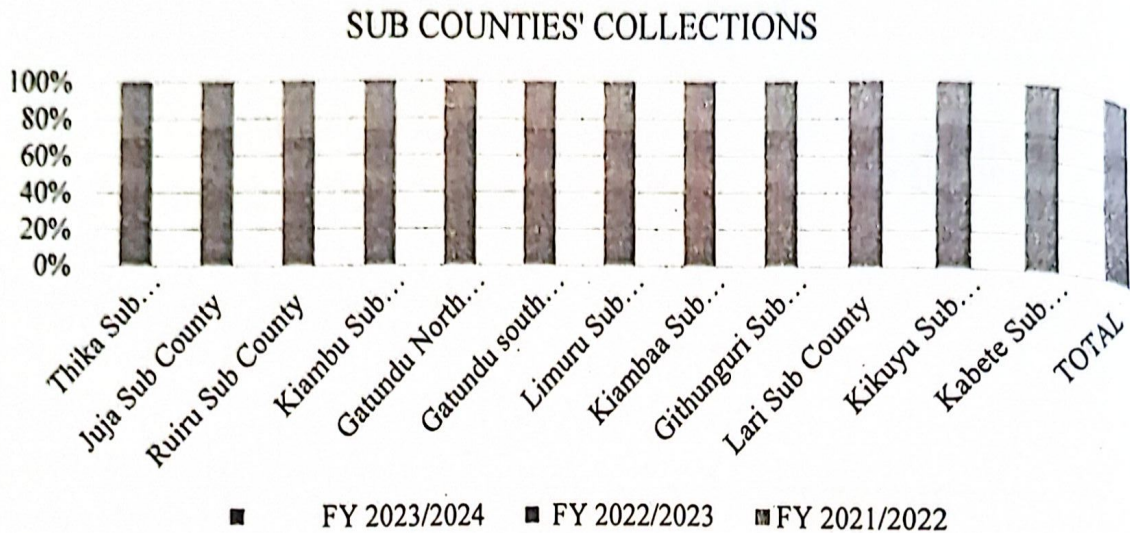
Revenue is collected at the twelve (12) sub counties, which are headed by the sub county administrators' and sub county finance officers with the purpose of collecting revenue.

The revenue performance for the last three (3) years in the sub county's is as stipulated below.

SUB COUNTY COLLECTION

SUB COUNTY	FY 2023/2024	FY 2022/2023	FY 2021/2022
Thika Sub County	602,437,666.89	469,425,840.31	455,782,797.89
Juja Sub County	492,714,566.13	369,641,735.00	270,378,478.52
Ruiru Sub County	608,451,883.83	452,987,165.00	465,016,545.15
Kiambu Sub County	365,523,999.65	301,642,020.00	244,577,161.00
Gatundu North Sub County	50,117,622.00	27,143,515.00	12,828,916.39
Gatundu south Sub County	47,704,182.00	34,914,355.00	27,592,534.67
Limuru Sub County	182,290,096.55	138,690,190.00	113,576,801.92
Kiambaa Sub County	134,786,127.75	115,405,555.00	87,250,934.87
Githunguri Sub County	67,389,049.32	59,782,050.00	45,047,810.25
Lari Sub County	42,997,611.00	31,908,150.00	23,545,880.41
Kikuyu Sub County	240,080,442.50	196,107,145.00	130,713,784.99
Kabete Sub County	132,315,571.00	95,427,740.00	78,819,766.84
TOTAL	2,966,808,818.62	2,293,075,460.31	1,955,131,412.90

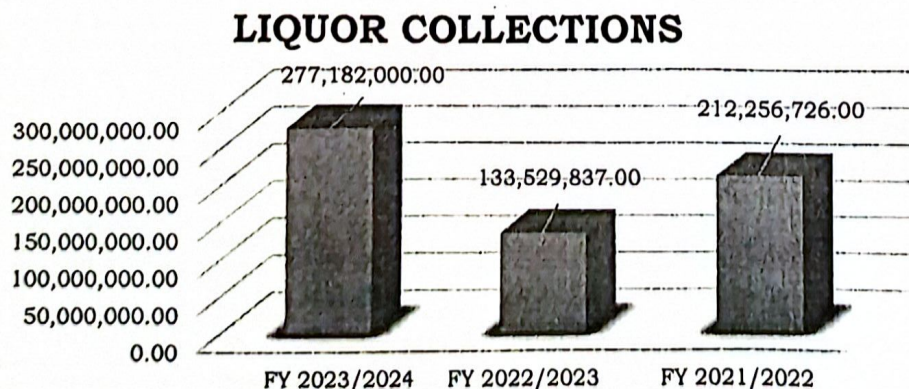
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LIQOUR COLLECTIONS

Liquor revenue is collected by the department of administration and public service through the directorate of alcoholic drinks control which is governed by Kiambu county alcoholic drinks control Act, 2018 (Revised 2022). During the period under review the county collected Kshs. 276.8 million compared to the same period in the previous two years of Kshs. 133.5 million and 212.2 Million respectively.

	FY 2023/2024	FY 2022/2023	FY 2021/2022
LIQOUR COLLECTIONS	277,182,000.00	133,529,837.00	212,256,726.00



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The health services revenue is collected from the three (3) level 5 hospitals and eleven (11) level 4 hospitals and ninety four (94) level 2 and 3 hospitals. The performance for the period under review is as follows:

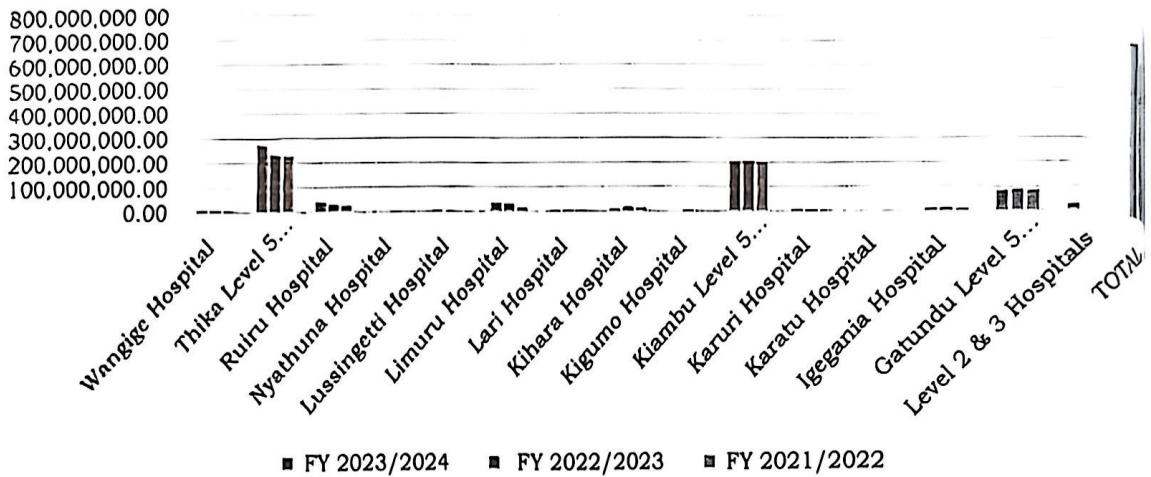
HOSPITAL COLLECTIONS

HEALTH FACILITY	FY 2023/2024	FY 2022/2023	FY 2021/2022
Wangige Hospital	11,191,549.00	10,168,819.00	8,520,369.00
Thika Level 5 Hospital	273,229,738.50	233,968,908.00	232,009,025.00
Ruiru Hospital	41,997,757.50	32,729,692.00	29,045,364.25
Nyathuna Hospital	1,751,155.50	1,506,960.00	1,660,118.00
Lussingetti Hospital	6,254,726.50	4,339,669.00	2,545,323.00
Limuru Hospital	36,765,831.50	33,933,337.00	18,139,602.00
Lari Hospital	6,278,269.00	6,069,652.00	6,965,669.00
Kihara Hospital	10,284,714.50	18,623,862.00	15,281,849.00
Kigumo Hospital	3,791,482.50	4,239,480.00	4,664,416.00
Kiambu Level 5 Hospital	204,452,857.00	206,844,444.00	200,912,316.00
Karuri Hospital	8,255,084.50	5,017,937.00	4,908,840.00
Karatu Hospital	1,416,798.50	1,226,968.00	1,649,350.00
Igegania Hospital	11,463,183.50	14,192,348.00	10,565,293.25
Gatundu Level 5 Hospital	83,382,468.50	88,002,086.00	83,948,636.25
Level 2 & 3 Hospitals	27,678,150.00	-	-
TOTAL	728,193,766.50	660,864,162.00	620,816,170.75

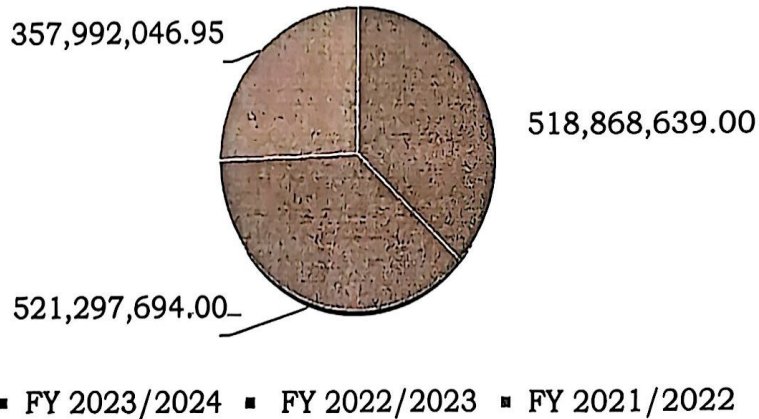
	FY 2023/2024	FY 2022/2023	FY 2021/2022
NHIF REBATES	518,868,639.00	521,297,694.00	357,992,046.95

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FIF COLLECTIONS



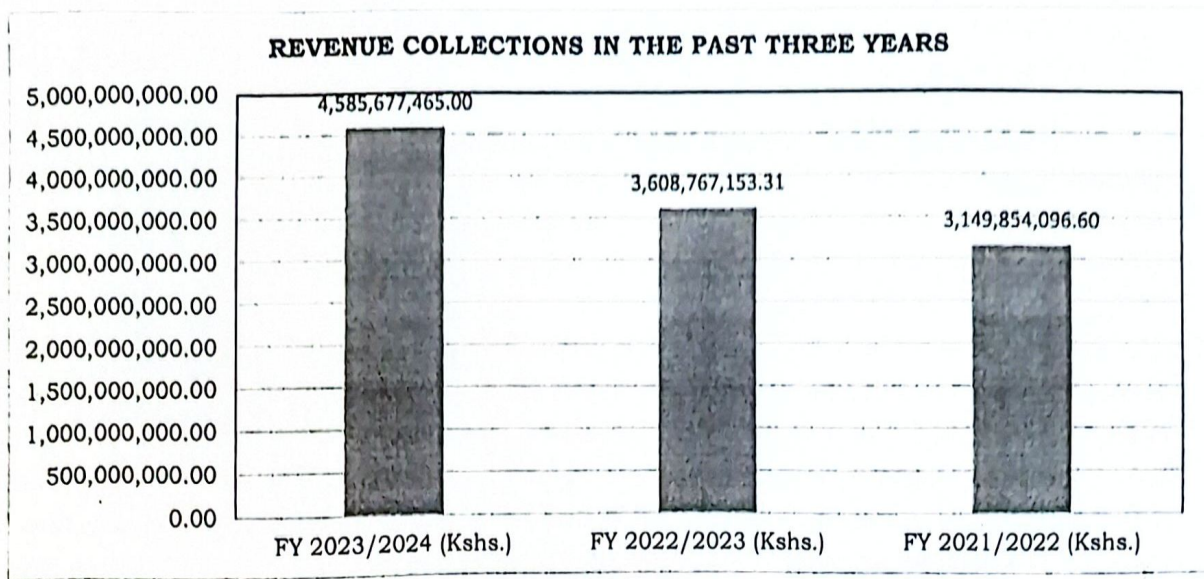
NHIF REBATES



Summary of the revenue collected in the past three years is as tabulated below;

FY 2023/2024 (Kshs.)	FY 2022/2023 (Kshs.)	FY 2021/2022 (Kshs.)
4,585,677,465.00	3,608,767,153.31	3,149,854,096.60

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The period under review recorded an improvement compared to the previous years. The improvement in performance, has been as a result of strategic measures which included acquisition of a new revenue collection system to ensure increase in revenue collection by ensuring that all loopholes leading to revenue loss are sealed and implementation of Rapid result initiatives in revenue and Huduma mashinani initiatives.

Receiver Of Revenue
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5. Statement of Receiver of Revenue's responsibilities

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


The Receiver of Revenue is responsible for the preparation and presentation of the receiver of revenue account, which gives a true and fair view of the state of affairs of the receiver of revenue for the period ended 30th June 2024. These responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period, (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the statement of assets and liabilities of the county, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the county, (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 period ending 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 **20th September, 2024.**


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Name: CPA Zachariah Gitau
County Receiver of Revenue

6. Report of the Office of the Auditor-General on the Kiambu county Receiver of Revenue for the period ended 30th June, 2024.

**Receiver of Revenue
County Government of Kiambu
Revenue Statements for the Period Ended 30th June 2024**


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


Receipt	Note	2023/24 Kshs	2022/23 Kshs
County Own Source Revenue			
Cess	1	127,138,419.99	113,838,661.10
Land/Poll Rate	2	650,488,939.67	350,185,734.65
Single/Business Permits	3	401,710,876.00	351,943,207.00
Property Rent	4	24,686,269.00	22,431,374.20
Parking Fees	5	424,360,478.00	334,347,143.00
Market Fees	6	3,091,172.00	8,789,222.00
Advertising	7	146,829,167.48	111,442,045.00
Hospital Fees	8	1,247,062,405.50	1,182,161,856.00
Public Health Service Fees	9	262,588,230.00	166,425,549.25
Physical Planning and Development	10	677,211,929.36	603,139,463.00
Hire Of County Assets	11	1,248,000.00	836,060.00
Conservancy Administration	12	101,783,330.00	88,041,830.00
Administration Control Fees and Charges	13	417,537,017.12	222,619,222.15
Proceeds from sale of assets	14	-	-
Park Fees	15	244,000.00	969,668.00
Other Fines, Penalties, And Forfeiture Fees	16	5,072,990.00	3,170,400.00
Miscellaneous receipts	17	94,698,076.78	48,425,717.96
Total County Own Source Revenue		4,585,751,300.90	3,608,767,153.31
Other Receipts			
Donations/Grants Not Received Through CRF	18	-	-

Revenue Statements for the period ended on June 2024

Total Other Receipts			-		-
Total Receipts			4,585,751,300.90		3,608,767,153.31
Balance b/f at the beginning of the year			1,824,075.76		155,611.30
Disbursements To CRF			-3,349,812,645.76		-2,424,936,832.85
Bank Charges		19	-73,835.90		
Disbursements To Hospital Fund Account			-1,237,688,895.00		-1,182,161,856.00
Balance Due for Disbursement			0		1,824,075.76

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on **20th September 2024** and signed by:
-3,349,812,645.76


Name: CPA Zachariah Gitau
County Receiver of Revenue |
(Ref: PFM ACT section 165, 2(a))

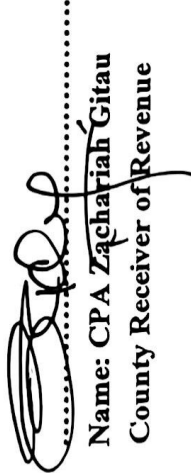

Name: CPA Henry Waweru
Head of Revenue Reporting
ICPAK M/No; 5921


**Receiver of Revenue
County Government of Kiambu
Revenue Statements for the Period Ended 30th June 2024**

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

	Note	2023/24 Kshs	2022/23 Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances	20	0	1,824,075.76
Cash In Hand	21	-	-
Total Financial Assets		0	1,824,075.76
Financial Liabilities			
Payables-Due to CRF	22	0	1,824,075.76
Total Financial Liabilities		0	1,824,075.76

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The county financial statements were approved on **20th September, 2024** and signed by:


Name: CPA Zachariah Gitau
County Receiver of Revenue


Name: CPA Henry Waweru
Head of Revenue Reporting
ICPAK M/No; 5921

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

Receipt	Original Budget		Adjustments		Final Budget		Actual On Comparable Basis		Budget Realization Difference		% Of Realization
	A	Kshs	B	Kshs	C=A+B	Kshs	D	Kshs	E=C-D	Kshs	
County Own Source Revenue											
Cess (Cess, Slaughter House & Agri. Livestock & Fisheries)	240,317,224.00		0		240,317,224.00		127,138,419.99		113,178,804.01		53%
Land/Poll Rate	1,951,633,742.00		-223,424,407.00		1,728,209,335.00		650,488,939.67		1,077,720,395.33		38%
Single/Business Permits	450,650,500.00		0		450,650,500.00		401,710,876.00		48,939,624.00		89%
Property Rent	35,450,000.00		0		35,450,000.00		24,686,269.00		10,763,731.00		70%
Parking Fees	602,132,055.00		0		602,132,055.00		424,360,478.00		177,771,577.00		70%
Market Fees	15,525,226.00		0		15,525,226.00		3,091,172.00		12,434,054.00		20%
Advertising	296,940,007.25		0		296,940,007.25		146,829,167.48		150,110,839.77		49%
Hospital Fees	2,300,000,000.00		-763,700,000.00		1,536,300,000.00		1,247,062,405.50		289,237,594.50		81%
Public Health Service Fees	100,000,000.00				100,000,000.00		262,588,230.00		-162,588,230.00		263%
Physical Planning and Development	1,342,079,594.75				1,342,079,594.75		677,211,929.36		664,867,665.39		50%
Hire Of County Assets	1,000,000.00		0		1,000,000.00		1,248,000.00		-248,000.00		125%
Conservancy Administration	102,805,757.00		0		102,805,757.00		101,783,330.00		1,022,427.00		99%
Administration Control Fees	541,606,611.00		2,350,000.00		543,956,611.00		417,537,017.12		126,419,593.88		77%

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and Charges (Education, Roads, Trade & Liquor)								
Proceeds from sale of assets	0	0	0.00	0	0.00	0	0.00	0%
Park Fees	0	0	0.00	244,000.00	0.00	244,000.00	-244,000.00	0%
Other Fines, Penalties, And Forfeiture Fees	0	0	0.00	5,072,990.00	0.00	5,072,990.00	-5,072,990.00	0%
Miscellaneous Receipts				94,698,076.78		94,698,076.78	-94,698,076.78	0%
Total County Own Source Revenue	7,980,140,717.00	-984,774,407.00	6,995,366,310.00	4,585,751,300.90		2,409,615,009.10		66%
Other Receipts								
Donations /Grants Not Received Through CRF								
Total Other Receipts			0.00					
Total Receipts	7,980,140,717.00	-984,774,407.00	6,995,366,310.00	4,585,751,300.90		2,409,615,009.10		66%

Reasons for under realisation (below 90% of realisation)

- (a) prolonged doctors' strike that halted service delivery in hospitals and led to a subsequent loss of revenue.
- (b) Flooding adversely affected revenue collection from physical planning, cess, and vehicle parking. These conditions disrupted normal business activities, limiting revenue generation opportunities in these sectors.
- (c) The transition to a new revenue collection system took longer than anticipated, leading to delays in implementation and inadequate time for staff training.' This impacted revenue collection efficiency across various units, particularly in the initial stages of the transition.

The County Receiver of revenue's financial statements were approved on 20th September, 2024 and signed by:



Name: CPA Zachariah Gitau
County Receiver of Revenue

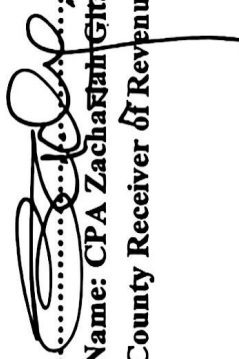



Name: CPA Henry Waweru
Head of Revenue Reporting
ICPAK M/No 5921

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

Classification Of Receipts	Balance as at 1 st July 2023	Revenue received as at 30 th June 2024	Arrears Received as at 30 th June 2024	Additions in arrears for the current year to 30 th June 2024	Total arrears as at 30 th June 2024	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Land/Poll Rate	4,582,461,143.96	398,498,543.66	251,990,396.01	1,213,635,580.04	5,145,607,784.33	Sensitize the public to pay	
Property Rent	162,221,404.00	23,399,279.00	1,286,990.00	46,237,789.00	183,772,924.00	Operationalize the Kiambu Housing Act	
Total Arrears	4,744,682,547.96	421,897,822.66	253,277,386.01	1,259,873,369.04	5,329,380,708.33		

.....

Name: CPA Zacharia Gitau
County Receiver of Revenue

.....

Name: CPA Henry Waweru
Head of Revenue Reporting
ICPAK M/No; 5921