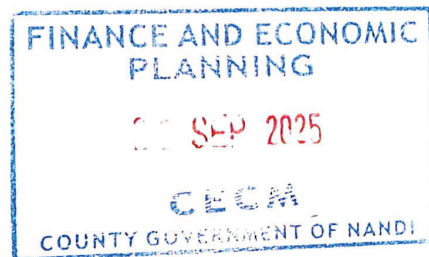


COUNTY GOVERNMENT OF NANDI

IMPLEMENTATION PLAN FOR REVENUE AUDIT REPORT
FOR THE PERIOD ENDED 30TH JUNE 2025

FINANCIAL YEAR 2024/2025



IMPLEMENTATION PLAN FOR REVENUE AUDIT REPORT

Audit Finding	Recommendation	Agreed Action	Responsible Officer	Timeline
<p>Unsupported Land rates The statement of revenue and disbursements reflects revenue from non-exchange transactions amount of Kshs. 286,242,766. Included in the amount is Kshs. 64,643,167 in respect of land rates in the revenue statements</p>	<p>Management should ensure that all land rates revenue amounting to Kshs. 64,643,167 is fully supported by adequate and verifiable documentation. This includes updated valuation rolls, billing registers, demand notices, receipts, and reconciliation statements between the revenue collection system and the financial records.</p> <p>The department should also strengthen internal controls over revenue recognition and reporting by:</p> <p>Maintaining a comprehensive and up-to-date land rates register.</p>	<p>Maintaining a comprehensive and up-to-date land rates register</p>	<p>Director Revenue</p>	<p>2Months</p>
<p>Unsupported Parking Fees The statement of revenue and disbursements</p>	<p>Management should establish and maintain a comprehensive and up-to-date register of all parking slots within the County, including designated street parking zones, capacity, applicable tariffs, and operational timelines. This register should form the</p>	<p>Maintain a comprehensive and up-to-date register of all parking slots</p>	<p>Director Revenue</p>	<p>2months</p>

<p>reflects revenue from exchange transaction amount of Kshs. 399,615,423. Included in the amount is Kshs. 30,547,900 in respect of parking fees as part of the revenue statements. However, management did not maintain a register of the parking slots available within the County which would have been used to estimate revenue from the street parking.</p>	<p>basis for estimating expected revenue and facilitating effective monitoring of collections.</p>		
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Other Receipts not Received Through CRF-Tea and Sugar Cess	Management should ensure that all revenue due to the County, including tea and sugar cess, is collected, receipted, and accounted for through the County Revenue Fund (CRF) in compliance with applicable public finance regulations	Reconcile the variance of Kshs. 36,187,816 between the statement of revenue and the supporting note, investigate the cause, and provide adequate supporting documentation and explanations	Director Revenue	Immediate/Ongoing
<p>The statement of revenue and disbursements reflects revenue from non-exchange transfers-tea and sugar amount of Kshs. 124,713,315 which differs with Note which discloses ksh. 160,901,131 resulting to a variance of ksh. 36,187,816 which has not been explained</p>	<ul style="list-style-type: none"> • Reconcile the variance of Kshs. 36,187,816 between the statement of revenue and the supporting note, investigate the cause, and provide adequate supporting documentation and explanations. • Ensure that all cess collections are supported by verifiable records, including bank statements, collection schedules, agreements with stakeholders, and remittance records. 			

<p>Non-Maintenance of Electronic Register</p> <p>The statement of revenue and disbursement reflects total own generated revenue of Kshs. 685,858,189 which differs with the actual revenue collection reflected in statement of budget and actual amounts that discloses Kshs. 771,534,969 resulting to a variance of Kshs. 85,676,780 that has not been explained.</p>	<p>Management should establish and maintain a comprehensive electronic revenue register for all own-source revenue streams, including plot rent and land parcels, to enhance accuracy, completeness, and security of revenue records. The system should incorporate reliable backup and recovery mechanisms to safeguard data against loss, destruction, or manipulation</p> <p>To address this address the identified weaknesses, management should:</p> <ul style="list-style-type: none"> • Reconcile the variance of Kshs. 85,676,780 between the statement of revenue and disbursements and the statement of budget and actual amounts, and provide adequate explanations supported by documentation. • Digitize all manual registers, including plot rent and land ownership records, and ensure regular updates to reflect current data. 	<ul style="list-style-type: none"> • Management agrees with the audit finding and commits to strengthening revenue records management through the implementation of an electronic revenue register, own-source revenue streams. • Reconcile the variance of Kshs. 85,676,780 between the statement of revenue and disbursements and the statement of budget and actual amounts, 	<p>Director revenue</p>	<p>2months</p>
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<p>In addition, included in total revenue of Kshs. 685,858,189 is Kshs. 64,643,167 relating to the statement of revenue. However, the Receiver of Revenue had not maintained a backup register of plot rent or parcel of land owners which could be used in case of loss or destruction of manual register.</p>	<p>and provide adequate explanations supported by documentation.</p> <ul style="list-style-type: none"> • 	
<p>Revenue Leakages and Weak Controls Audit review revealed instances of revenue leakages</p>	<p>Management should strengthen internal controls over revenue collection and reporting</p>	<p>Management commits to implementing the following corrective actions:</p> <ul style="list-style-type: none"> • Conduct a comprehensive review and
	<p>Chief Officer, Finance and Economic Planning</p>	<p>1 Month</p>

within the department. evidenced by variances between expected revenue and actual collections. unsupported adjustments and weakness in revenue collection, recording, and reconciliations processes. In some cases, revenue collected was either not fully accounted for or promptly remitted

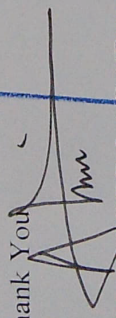
reconciliation of all revenue streams to identify and account for variances between expected revenue and actual collections.

- Investigate all unsupported adjustments and take appropriate corrective and disciplinary action where necessary.
- Strengthen internal controls in revenue collection by enforcing proper receipting, timely banking of collections, and segregation of duties.
- Implement an integrated revenue management system to

	enhance real-time tracking, reporting, and accountability of all revenue transactions		
<p>Failure to update the Revenue Streams</p> <p>It was noted that the revenue department has not comprehensively mapped and documented all its revenue streams. There was no updated register outlining all potential and existing sources of revenue within the county. This creates</p>	<p>Maintain and up-to date revenue streams register</p>	<p>The management should maintain and up-to date revenue streams register</p>	<p>Director Revenue</p> <p>6months</p>

gaps in identifying, tracking and collecting all due revenues				
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FINANCE AND ECONOMIC PLANNING
 20 SEP 2025
 CECM
 CPA ALFRED LAGATUNTY GOVERNMENT OF NANDI

Thank You


CECM, FINANCE AND ECONOMIC PLANNING