

REPUBLIC OF KENYA



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REPORT

OF

THE AUDITOR-GENERAL

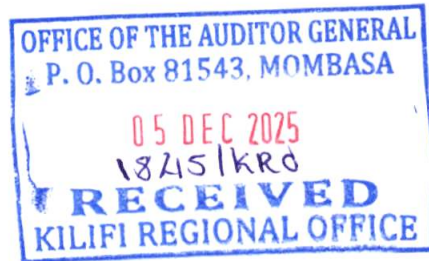
ON

COUNTY ASSEMBLY OF TANA RIVER

FOR THE YEAR ENDED  
30 JUNE, 2025

PAPERS LAID	
DATE	24/09/2026
TABLED BY	W. E. G. W. S.
COMMITTEE	
CLERK AT THE TABLE	CHEROP





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**COUNTY ASSEMBLY OF TANA RIVER**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2025**

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**Transitional Financial Statements /Prepared in accordance with the Accrual Basis of Accounting  
Method Under International Public Sector Accounting Standards (IPSAS)**

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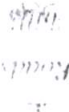
**COUNTY ASSEMBLY OF TANA RIVER**  
**Annual Report and Financial Statements for the year ended June 30, 2025.**

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**1. Acronyms, Abbreviations and Definition of Key Terms**

**A. Acronyms and Abbreviations**

<i>ADP</i>	<i>Annual Development Plan</i>
<i>AIE</i>	<i>Authority to Incur Expenditure</i>
<i>CA</i>	<i>County Assembly</i>
<i>CARA</i>	<i>County Allocation of Revenue Act</i>
<i>CBK</i>	<i>Central Bank of Kenya</i>
<i>CECM</i>	<i>County Executive Committee Member</i>
<i>CE</i>	<i>County Executive</i>
<i>CG</i>	<i>County Government</i>
<i>CIDP</i>	<i>County Integrated Development Plan</i>
<i>COG</i>	<i>Council of Governors</i>
<i>CRA</i>	<i>Commission on Revenue Allocation</i>
<i>CRF</i>	<i>County Revenue Fund</i>
<i>CT</i>	<i>County Treasury</i>
<i>IPSAS</i>	<i>International Public Sector Accounting Standards</i>
<i>MCA</i>	<i>Member of County Assembly</i>
<i>OAG</i>	<i>Office of the Auditor General</i>
<i>OCOB</i>	<i>Office of the Controller of Budget</i>
<i>OSR</i>	<i>Own Source Revenue</i>
<i>PFM</i>	<i>Public Finance Management</i>
<i>PSASB</i>	<i>Public Sector Accounting Standards Board</i>
<i>NT</i>	<i>National Treasury</i>
<i>WB</i>	<i>World Bank</i>
<i>KRB</i>	<i>Kenya Roads Board</i>
<i>Kshs</i>	<i>Kenya Shillings</i>
<i>FY</i>	<i>Financial Year</i>

**B. Definition of Key Terms**

*Example*

*Fiduciary Management*      *The key management personnel who had financial responsibility*

*(This list is an indication of acronyms, abbreviations, and key terms; the County entity should include all from the annual report and financial statements prepared)*

**COUNTY ASSEMBLY OF TANA RIVER**  
**Annual Report and Financial Statements for the year ended June 30, 2025.**

**2. Key Entity Information and Management**

**a) Background information**

The County is constituted as per the constitution of Kenya is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes 25 Members of County Assembly (MCAs) elected to represent members of the public from their respective wards. The MCAs are responsible for making laws for effective performance of the County Government, approving plans and policies and playing the oversight role over the County Executive.

**b) Key Management team**

The *County Assembly's* day-to-day management is under the following key organs:

No.	Designation	Name
1.	Speaker of the County Assembly	- Osman Noor Galole
2.	Clerk of the County Assembly	- Abdullahi Dayib Hussein
3.	Head of Finance	- Alex Kibwage Ontumi
4.	Head of Procurement	- Suleiman Jarso Golicha

**c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2025 and who had direct fiduciary responsibility were:-

No.	Designation	Name
1.	Accounting Officer- Clerk	- Abdullahi Dayib Hussein
2.	Principal Accounts Controller	- Alex Kibwage Ontumi
3.	Senior Accountant	- Wehliye Ahmed Dakat
4.	Finance Officer	- Mercy Maodo Komora

**d) Fiduciary Oversight Arrangements**

*e) The county assembly has 9 sectorial committees each with specific mandates towards smooth operation of the assembly. The committees are required by the assembly standing orders to oversight and hold to account respective county executive committee's members (CEC) for services delivery in their departments. The assembly has managed this through committees work and chamber business.*

**f) County Assembly Headquarters**

P.O. Box 113

County Assembly Building

Hospital Road

**HOLA, KENYA**

**g) County Assembly Contacts**

Telephone: (254) 0708005459

E-mail: [info@tanariverassembly.go.ke](mailto:info@tanariverassembly.go.ke)

Website: [www.tanariverassembly.go.ke](http://www.tanariverassembly.go.ke)

**h) County Assembly Bankers**

1. Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

**NAIROBI, KENYA**

2. Other Commercial Banks

***Kenya commercial bank***

***p.o box 100***

***Hola, Kenya***

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*COUNTY ASSEMBLY OF TANA RIVER*  
**Annual Report and Financial Statements for the year ended June 30, 2025.**

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**i) Independent Auditor**

Auditor-General  
Office of The Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
**NAIROBI, KENYA**

**j) Principal Legal Adviser**

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

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**3. Governance Statement**

**The County Assembly**

**a. Background and roles**

The County Assembly is constituted by the MCAs of Tana River county government. It is headed by the Speaker who is elected by the MCAs. The speaker is also the chairperson of the county assembly service board while the county assembly clerk is the secretary. Section 10 (4) of the County Governments Act 2012 provides that a county assembly shall observe the following order of precedence.

- a) The speaker of the county assembly.
- b) The leader of the majority party; and
- c) The leader of the minority party.

The Roles of the county assembly are outlined in Section 8 of the County Governments Act 2012, and they include:

- i. Vet and approve nominees for appointment to county public office as may be provided for in this Act or any other law.
- ii. Perform the roles set out under Article 185 of the Constitution.
- iii. Approve the budget and expenditure of the county government in accordance with Article 207 of the Constitution, and the legislation contemplated in Article 220(2) of the Constitution, guided by Articles 201 and 203 of the Constitution.
- iv. Approve the borrowing by the county government in accordance with Article 212 of the Constitution.
- v. Approve county development planning; and
- vi. Perform any other role as may be set out under the Constitution or legislation.

**b. Profiles**

Insert the profiles for the Speaker, Majority leader, minority leader and the Clerk (*insert their photos and qualifications in a tabular format*)

**c. Sectoral Committees**

The mandate of Sectoral Committees is in respect to the subject matter assigned by the Standing Orders and is exercised within the limits contemplated under Part 2 of the Fourth Schedule to the Constitution.

The County Assembly has the following Select and Sectoral committees:

- i. Committee of Powers and Privileges
- ii. Audit Committee
- iii. Public Accounts/Investment Committee
- iv. Budget and Appropriations Committee
- v. Finance and Economic planning committee

**d. Select Committees**

Select committees are generally responsible for overseeing the work of county departments and agencies.

**COUNTY ASSEMBLY OF TANA RIVER**  
**Annual Report and Financial Statements for the year ended June 30, 2025.**

**i. Committee of Powers and Privileges**

There is established committee known as the Committee of Powers and Privileges consisting of the Speaker, who shall be the chairperson of the Committee; and such other members of the county assembly as may be provided in the Standing Orders of the county assembly. The functions of the Committee of Powers and Privileges shall be to inquire into the conduct of a member whose conduct is alleged to constitute a breach of privileges accorded to the county assembly members by any legislation or standing orders and perform such other functions as may be specified by enabling legislation. The committee held 2 meetings in FY 2025. The committee members during FY 2025 were:

<b>Name</b>	<b>Designation</b>	<b>Ward</b>
HON OSMAN GALOLE	CHAIRMAN	SPEAKER
HON JIBRIL FARAH	VICECHAIRMAN	BANGAL WARD
HON BABUSA SALIM	MEMBER	KINAKOMBA WARD
HON MUSA WARIO	MEMBER	KIPINI EAST
HON RIZIKI RUHU	MEMBER	NOMINATED MCA
HON ISMAEL KODOBO	MEMBER	HIRIMANI WARD
HON YUSSUF BILE	MEMBER	CHEWELE WARD
HON MAHAMUD GABO	MEMBER	GARSEN WEST
HON MAKI MAIMUNA	MEMBER	NOMINATED MCA

**ii. Public Accounts/Investment Committee**

The committee was formed to provide oversight on the County's finances. The committee held quarterly mandatory meetings during the year. Additionally, it also held 3 extra sittings to deal with arising matters. The members who served in the committee during the year were:

<b>Name</b>	<b>Designation</b>	<b>Ward</b>
HON LINNAH MAYAA JARRA	CHAIR PERSON	NOMINATED
HON MOHAMUD ALI BARROW	VICE CHAIR PERSON	SALA WARD
HON. ISMAEL BODHA KODOBO	MEMBER	HIRIMANI WARD
HON. MWANAAMU HAODO OMARA	MEMBER	NOMINATED

**COUNTY ASSEMBLY OF TANA RIVER**  
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HON. FATUMA DIRAM ABADADA	MEMBER	NOMINATED
HON ZAHRA HAGEYO KORI	MEMBER	NOMINATED
HON. YUSUF ABDI BILE	MEMBER	CHEWELE WARD

**COUNTY ASSEMBLY OF TANA RIVER**  
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**iii. Budget and Appropriations Committee**

The budget and appropriations committee provides guidance in the budgetary process. It is charged with the budget making process and ensuring that there is public participation in the budget process. The members who served in the committee during the period were:

<b>Name</b>	<b>Designation</b>	<b>Ward</b>
HON MAHAMUD BARROW	CHAIRMAN	SALA WARD
HON PAUL MARO SAMWEL	VICE CHAIRMAN	MKINDUNI WARD
HON MASHA BORU DELA	MEMBER	GARSEN CENTRAL
HON SAID KURI GODANA	MEMBER	NOMINATED MCA
HON JUMA ALI DIDO	MEMBER	MADOGO WARD
HON MOHAMUD AHMED	MEMBER	GARSEN WEST
HON BABUSA HAMID	MEMBER	KINKOMBA WARD
HON ISMAEL KODOBO	MEMBER	HIRIMANI WARD

**iv. Finance and Economic Planning Committee**

The finance and economic planning committee provides guidance for all matters relating to county planning and development including statistics banking and financial services fully or partially owned by Tana river county governments and cooperative development.

<b>Name</b>	<b>Designation</b>	<b>Ward</b>
HON MASHA BORU DELA	CHAIRMAN	GARSEN WEST CENTRAL
HON MWAAMU HAODO	VICECHAIR	NOMINATED MCA
HON MAKI MAIMUNA	MEMBER	NOMINATED MCA
HON FATUMA DIRAMO	MEMBER	NOMINATED MCA
HON MAHAMUD AHMED GABO	MEMBER	GARSEN WEST WARD
HON LINNAH MAYA JARA	MEMBER	NOMINATED MCA
HON JUMA ALI DIDO	MEMBER	MADOGO WARD

**COUNTY ASSEMBLY OF TANA RIVER**

**Annual Report and Financial Statements for the year ended June 30, 2025.**

HON PAUL MARO SAMMUEL	MEMBER	MKINDUNI WARD
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**e. Communication with all Stakeholders**

The County is committed to ensuring that all its stakeholders are provided with full and timely information about its programmes and performance. They are also given an opportunity to give feedback. In this regard, the County held an Annual consultative meeting in Laza leisure hotel and Tana palace hotel where the different stakeholders were invited for information sharing. This communication is important in ensuring that stakeholder expectations are aligned to the County's service delivery charter.

The County Assembly also subjected 6 bills through public participation.

S/NO	NAME OF THE BILL	DATE OF PUBLIC PARTICIPATION
1	Tana River county appropriation Act 2024	7 <sup>TH</sup> July 2024
2	Tana River County Supplementary appropriation Act 2023	14 <sup>th</sup> December 2024
3	Tana River County Health Improvement Financing Bill 2024	16 <sup>th</sup> august 2024
4	Tana River County Water Bill 2024	11 <sup>th</sup> september 2024
5	Tana River County Sustainable Charcoals production bill 2024	18 <sup>th</sup> November 2024
6	Tana River Fine and Rescue services bill 2024	22rd july 2024

**f. Risk management**

Tana River county assembly has a strong internal control systems in place to ensure identifying of fraud and errors.

**g. Compliance**

The entity should identify the relevant laws and regulations that governs it and disclose its compliance to these laws. There should also be a disclosure whether reports emanating from such compliance are prepared and discussed at the relevant levels or other government offices.

**COUNTY ASSEMBLY OF TANA RIVER**  
**Annual Report and Financial Statements for the year ended June 30, 2025.**

**4. Foreword by Clerk of the County Assembly**

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

The key mandate of the County Assembly of Tana River is legislation, oversight, and representation. To achieve this, the assembly’s program was document in terms of objective, key performance indicators, and output.

Below were the expected outputs of the assembly in FY 2024/2025

<b>Program 1</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Legislation, oversight and representation	Enhanced professional development of MCAs – Provide ongoing professional development of MCAs	Increased ability of MCA in legislation	3 bills passed in the County Assembly	In FY 2024/2025 MCA were trained on legislation, oversight and representation.

**a. Budget performance**

During the FY 2024/2025 the County Assembly had a budget of Kshs. 1,007,398,669 out of which Kshs 273,754,712 was allocated towards development and Kshs. 733,643,957 allocated towards recurrent activities. (Including the balances brought forward as a result of supplementary budget). The County Assembly during the financial year under consideration received an amount of Kshs 896,862,100.90 for both recurrent and development allocations from the County treasury. The total actual expenditure comprising of Kshs. 831,930,114.99 for recurrent and Kshs.69,155,114.71 for development activities, representing absorption rate of 100 percent and 25 percent respectively.

**Operational Performance**

*Tana river county assembly operational performance includes: -*

- a) The county assembly has passed 3 bills during the financial year 2024-2025 this has improved the smooth legislative operation of the assembly. The bills have improved the lives of the public at the county level
- b) The original budget for Tana river county assembly was passed on 25<sup>th</sup> July 2024 for the period 1<sup>st</sup> July 2024 to 30<sup>th</sup> June,2025 as required by law. There were one supplementary budgets passed during the year.
- c) (1) There shall be a select Committee to be known as the County Budget and Appropriations Committee.  
  
(2) The functions of the Committee shall be to-
  - (a) investigate, inquire into and report on all matters related to coordination, control and monitoring of the County budget;
  - (b) discuss and review the estimates and make recommendations to the Assembly;
  - (c) examine the County Fiscal Strategy Paper presented to the House;
  - (d) examine Bills related to the County budget, including Appropriations Bills; and
  - (e) evaluate tax estimates, economic and budgetary policies and programmes with direct budget outlays.
- (3)The County Budget and Appropriations Committee constituted by the House immediately following the General Election shall serve for a period of three calendar years and that constituted thereafter shall serve for the remainder of the Assembly term.
- (4) The Committee shall invite Chairpersons of all Sectoral Committees to make presentations during the consideration of the budget.

**Committee on Implementation**

19. (1) There shall be a select Committee to be known as the Committee on Implementation.
- (2) The Committee shall scrutinize the resolutions of the House (including adopted Committee reports), Petitions and the undertakings given by the County Executive Committee and examine –
  - (a) whether or not such decisions and undertakings have been implemented and where implemented, the extent to which they have been implemented; and whether such implementation has taken place within the minimum time necessary; and
  - (b) whether or not legislation passed by the Assembly has been operationalized and where operationalized, the extent to which such operationalization has taken place within the minimum time necessary.

(3) The Committee may propose to the House, sanctions against any member of the County Executive Committee who fails to report to the relevant select Committee on implementation status without justifiable reasons.

Committee on Delegated County Legislation

20. (1) There shall be a select Committee to be known as the Committee on Delegated County Legislation.

(2) Whenever a statutory instrument is submitted to the House pursuant to the Constitution, any law or these Standing Orders, the statutory instrument shall, unless a contrary intention appears in the relevant legislation, be laid before the House by the Chair of the relevant Sectoral Committee, or any other Member and shall thereafter stand referred to the Committee on Delegated County Legislation.

(3) The Committee shall consider in respect of any statutory instrument whether it-

- (a) is in accord with the provisions of the Constitution, the Act pursuant to which it is made or other relevant written laws;
- (b) infringes on fundamental rights and freedoms of the public;
- (c) contains a matter which, in the opinion of the Committee, should more properly be dealt with in an Act of the Assembly;
- (d) contains imposition of taxation;
- (e) directly or indirectly bars the jurisdiction of the Courts;
- (f) gives retrospective effect to any of the provisions in respect of which the Constitution or an Act of Parliament or Assembly does not expressly give any such power;
- (g) involves expenditure from the County Revenue Fund or other public revenues;
- (h) is defective in its drafting or for any reason the form or purport of the statutory instrument calls for any elucidation;
- (i) appears to make some unusual or unexpected use of the powers conferred by the Constitution or an Act pursuant to which it is made;
- (j) appears to have had unjustifiable delay in its publication or laying before the House;
- (k) makes rights, liberties or obligations unduly dependent upon non-reviewable decisions;
- (l) makes rights, liberties or obligations unduly dependent upon insufficiently defined administrative powers;
- (m) inappropriately delegates legislative powers;
- (n) imposes a fine, imprisonment or other penalty without express authority having been provided for in the enabling legislation;
- (o) appears, for any reason, to infringe on the rule of law;
- (p) inadequately subjects the exercise of legislative power to Assembly scrutiny; and,
- (q) accords to any other reason that the Committee considers fit to examine.

*COUNTY ASSEMBLY OF TANA RIVER*  
**Annual Report and Financial Statements for the year ended June 30, 2025.**

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**(i) Performance of key development projects**

During the reporting period the County Assembly was able to accomplish the following projects among others;

- (1) Construction of High low water tank at the county assembly
- (2) Renovation of Administration block.
- (3) Installation of solar back up panel at the county assembly of Tana river
- (4) Construction of walkway path at the county assembly
- (5) Renovation of the county assembly chamber and ward offices

Implementation of the above mentioned projects had the following impacts;

- (i) The installation of solar back up has created an alternative source of light for the county assembly.
- (ii) Renovation of administration block and ward offices has improved working conditions for honourable members.

**(ii) Comment on value-for-money achievements**

Implementation of the above mentioned projects had the following impacts;

The installation of the solar back up has improved lighting systems at the county assembly premises.

Renovation of administration block has improved working conditions for honourable members.

**(iii) Challenges and recommended way forward**

The County Assembly has faced a number of challenges that include among others;

(i) Delayed disbursement of funds that hampered the legislative process

(ii) Vastness of the County posed great challenge to members while undertaking public participation.



.....  
**Name: Abdullahi Dayib Hussein**

**Clerk of the County Assembly**

**5. Statement of Performance against Predetermined Objectives**

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

The key mandate of the County Assembly of Tana River is legislation, oversight, and representation. To achieve this, the assembly’s program was document in terms of objective, key performance indicators, and output.

**Strategic development objectives.**

The key mandate of the County Assembly of Tana River is legislation, oversight, and representation. To achieve this, the assembly’s program was document in terms of objective, key performance indicators, and output.

Below were the expected outputs of the assembly in FY 2024/2025

<b>Program 1</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Legislation, oversight and representation	Enhanced professional development of MCAs – Provide ongoing professional development of MCAs	Increased ability of MCA in legislation	3 bills passed in the County Assembly	In FY 2024/2025 MCA were trained on legislation, oversight and representation.

**6. Environmental and Sustainability Reporting**

County assembly of Tana River exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on three pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

**a) Sustainability strategy and profile**

The top management of County assembly of Tana River is committed to the entity sustainability in the foreseeable future. The top management ensures that there is proper implementation of the strategic policy of the entity and by so doing will result better sustainability of the county assembly.

**b) Environmental performance**

The top management of the county assembler of Tana River together with the members of the county assembly in legislating bills that take care of the environment

**c) Employee welfare**

County assembly of Tana River has Human Resource policy that clearly give direction on hiring process and take into account gender balancing at the work place. County assembly of Tana River also reward those employees who are top performers annually.

**d) Marketplace practices-**

The organisation should outline its efforts to:

**a) Responsible Supply chain and supplier relations-**

The county assembly of Tana River ensures suppliers confidence by honouring their contractual agreement and ensure suppliers are paid as and they fall due.

**b) Responsible ethical practices-**

Tana River County Assembly is a Corruption free environment. Services are free freely given as per guidelines of the Government. Those members/ staff that go against the laid down guidelines are talked to as a way of discouraging the behaviour and if they persist with the behaviour they are reported to the relevant authorities for onward processing of their case.

**c) Stewardship of goods and services**

The county assembly of Tana River put in place policies to safeguard interest of citizen of the republic of Kenya.

e) **Community Engagements**

County Assembly of Tana River involves community in public participation in various wards in the Five sub counties that is Tana Delta, Bangale, Galole, Tana North and Galedertu sub county.

**7. Management Discussion and Analysis**

The County Assembly has always been guided by relevant legislations while carrying out its mandate.

The County Assembly spends as per its budget in operating on a yearly basis in order to meet its planned objectives. We are in compliant with statutory requirements.

The Assembly has been meeting its financial obligations in a timely manner although funds from the exchequer come late at times. The Development projects that are undertaken are geared at improving the County Assembly's infrastructure so that the Members of the County Assembly and staff are facilitated fully to meet their obligations in a timely manner.

The Speaker's residency that is under construction is about to be completed so that the current speaker can occupy it.

The County Assembly plans to Construct a modern Chamber to accommodate it Members of the county assembly and staff in the future.

The county assembly of Tana River is in good financial position to meet future financial obligations in the next 3-5 years further county assembly of tana river has delivers sevices to the public through passing of important bills in the assembly in order to protect public interest in it is legislation Roles.

There is no material arrears in statutory deduction and other financial obligation.

## **8. Statement of Management Responsibilities**

Section 164 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of a County Government Entity to prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly financial statements, which give a true and fair view of the state of affairs of the County Assembly for and as at the end of the financial year ended on June 30, 2025. 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 financial position of the county Executive/assembly; (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 Executive; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the County Assembly financial statements give a true and fair view of the state of the County Assembly's transactions during the financial year ended June 30, 2025, and of its financial position as at that date.

The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

The Clerk confirms that the County Assembly has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Assembly funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Further the Clerk confirms that the County Assembly's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

*COUNTY ASSEMBLY OF TANA RIVER*  
**Annual Report and Financial Statements for the year ended June 30, 2025.**

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**Approval of the financial statements**

The County Assembly of Tana River financial statements were approved and signed by the Clerk for finance on 2/12/ 2025.



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**Clerk of County Assembly**

# 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 COUNTY ASSEMBLY OF TANA RIVER FOR THE YEAR ENDED 30 JUNE, 2025**

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### **PREAMBLE**

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

- A. Report on 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 the 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; and,
- 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, 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 FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying transitional IPSAS financial statements of County Assembly of Tana River set out on pages 1 to 57, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance,

statement of changes in net assets, statement of cash flows 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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of County Assembly of Tana River as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the County Governments Act, 2012, the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

### **Basis for Qualified Opinion**

#### **1. Unsupported Expenditure on Sitting Allowances**

The statement of financial performance reflects expenditure totalling Kshs.338,754,209 in respect of employee costs as disclosed in Note 9 to the financial statements. Included in the expenditure on employee costs is an amount of Kshs.135,387,010 in respect of personal allowances paid as part of salary out of which an amount of Kshs.23,464,254 was in respect of sitting allowance arrears. However, the payment of sitting allowances was not supported by members attendance registers and Hansard reports.

In the circumstances, the accuracy and completeness of expenditure on sitting allowances amounting to Kshs.23,464,254 could not be confirmed.

#### **2. Use of Goods and Services**

The statement of financial performance reflects expenditure on use of goods and services totalling Kshs.539,856,293 as disclosed in Note 10 to the financial statements. Review of the records revealed the following:

##### **2.1 Unsupported Expenditure on Domestic Travel and Subsistence**

Included in the expenditure is an amount of Kshs.271,691,609 in respect of domestic travel and subsistence. Review of the supporting documents revealed that an amount of Kshs.43,134,334 was paid in respect to safari imprest to seventeen (17) officers which included expenditure totalling Kshs.26,749,834 incurred on the safari imprests that was not supported by imprest warrant, motor vehicle work ticket or bus tickets/boarding pass and attendance schedules. The payments were made in respect of discussion meetings held in a hotel in Kilifi without approval by the speaker as required. In addition, an expenditure of Kshs.11,327,434 was paid as claims without approval by the accounting officer while an amount of Kshs.15,401,000 was not supported with payment vouchers. Further, payments totalling Kshs.140,753,055 were made in respect to imprests issued to eighty-four (84) staff members of the County Assembly. However, eleven (11)

employees were issued with imprest amounting to Kshs.15,422,400 which was not supported with imprest warrants and IFMIS imprest register.

## **2.2 Unsupported Expenditure on Routine Maintenance**

Included in expenditure on use of goods and services is an amount of Kshs.129,242,490 in respect of routine maintenance- refurbishment and repairs out of which, expenditure totalling Kshs.67,226,879 was paid to contractors and which is not supported by certificate of measured works, detailed inspection and acceptance reports. In addition, the procurement for these activities is not in the annual procurement plan.

In the circumstances, the accuracy and completeness of use of goods and services expenditure of Kshs.539,856,293 could not be confirmed.

## **3. Inaccuracies in Property, Plant and Equipment Balance**

The statement of financial position reflects additions to property, plant and equipment amounting to Kshs.69,155,115 as disclosed Note 26 to the financial statements. However, the additions to property, plant and equipment balance of Kshs.69,155,115 was not supported by a comprehensive list of assets that were acquired in the year. In addition, the expenditure incurred on buildings, construction of roads and infrastructure assets was not supported by completion certificates while the depreciation charge on the assets has not been determined.

In the circumstances, the accuracy, completeness and existence of property, plant and equipment balance of Kshs.69,155,115 could not be confirmed.

## **4. Inaccuracies in Trade and Other Payables Balance**

The statement of financial position reflects trade and other payables balance of Kshs.328,682,282 as disclosed in Note 32 to the financial statements. However, the supporting schedule provided had not been updated to include the invoice number and date. In addition, the aging analysis for the trade and other payables was not disclosed in the financial statements.

In the circumstances, the accuracy, completeness and existence of trade and other payables balance of Kshs.328,682,282 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Assembly of Tana River Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of 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.

## **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 effect of the matters

described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

## **Other Matter**

### **Unresolved Prior Year Audit Matters**

In the prior year audit report, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the County Assembly in 2024/2025 revealed that the following eight (8) issues remained unresolved as at 30 June, 2025:

<b>S/No.</b>	<b>Financial Year</b>	<b>Audit Issue</b>
1	2023/2024	Inaccurate other pending payables balance
2	2023/2024	Regularity of human resource management practices
3	2023/2024	Lack of training policy/training needs assessment
4	2023/2024	Accounts payables
5	2023/2024	Failure to clear backlog in the interrogation of audit reports
6	2023/2024	Delay in the construction of speaker's residence
7	2023/2024	Grounded and unaccounted for motor vehicles and motor
8	2023/2024	Action on internal audit reports by the board

## **Other Information**

Management is responsible for the Other Information set out on page iii to xxii which comprise of Key Entity Information and Management, Governance Statement, Foreword by Clerk of the County Assembly, Statement of Performance Against Predetermined Objectives, Environmental and Sustainability Reporting, Management Discussion and Analysis and the Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the County Assembly's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial 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 THE 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

Lawfulness and Effectiveness in the 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. Non-Compliance with Law on Affirmative Action for Persons with Disability**

Review of records revealed that out of the total of one hundred and twenty-four (124) employees, none was representing persons with disability. This was contrary to Section 13 of Persons with Disabilities Act, 2003 which provides that the Council shall endeavor to secure the reservation of five (5%) percent of all casual, emergency and contractual positions in employment in the public and private sectors for persons with disability.

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

### **2. Overstaffing of the County Assembly**

Review of human resource records revealed that the County Assembly recruited fourteen (14) ward staff in the period under review. However, the County Assembly did not develop annual recruitment plans at the beginning of financial year while the staff establishment of one hundred and twenty-four (124) was in excess of the limit of sixty-nine (69) staff allowed. This was contrary to Paragraph B 2(ii) of the revised Human Resource Manual of the County Assemblies, 2015 which requires the County Assemblies Service Board to develop annual recruitment plans at the beginning of each financial year to enable it plan to fill the vacancies and Salaries and Remuneration Commission Circular Ref CRA/CSO/CMG//9 VOL V (43) dated 3 August, 2020 which capped the number of ward staff at the County Assembly of Tana River to sixty-nine (69).

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

### **3. Failure to Withhold Public Procurement Capacity Building Levy**

Review of procurement records revealed that the County Assembly made payments amounting to Kshs.47,174,338 as from 19 December, 2024. However, the payment to suppliers were made without deducting the 0.03% public procurement capacity building levy amounting to Kshs.14,153. This was contrary to the levy Order, 2023 which provides that it shall apply to signed contracts from 1 September, 2024 and apply to contract that are long term in nature (Term Contracts) where Local Service Orders (LSOs) or Local Purchase Orders (LPOs) are raised as and when orders are made.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 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 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 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. Failure to Develop a Strategic Plan**

As previously reported, the County Assembly did not have an approved strategic plan to guide its operations from 2022-2027 upon the lapse of the previous strategic plan which covered the five (5) year period from 2018-2022. Failure to develop and approve the strategic plan is contrary to Section 149(2)(g) of the Public Finance Management Act, 2012 which states that in carrying out a responsibility, an Accounting Officer shall in respect of the entity concerned prepare a strategic plan for the entity in conformity with the medium-term fiscal framework and financial objectives of the County Government.

In the circumstances, the effectiveness of operations of the County Assembly for the medium term could not be confirmed.

### **2. Failure to Establish Audit Committee and Non-Operational Audit Function**

As previously reported, the County Assembly had not constituted an audit committee. This was contrary to the provision of Regulation 42 1(e) of the Public Finance Management (County Governments) Regulations, 2015 which requires that an Accounting Officer shall ensure each County Government entity has an audit committee in place.

Further, review of the operations of the Internal Audit department revealed that even though the County Assembly had an internal audit unit in place manned by one (1) staff member, a principal Internal Auditor, during the year under review the department did not perform any internal audit assignment(s). as previously reported, the department had not developed an annual work plan and internal audit charter.

In the circumstances, the County Assembly did not benefit from the oversight role and advisory of the audit committee and the internal audit function.

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 controls, risk management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## **Responsibilities of the Management and those Charged with Governance**

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 controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Assembly'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 financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial 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 Assembly'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

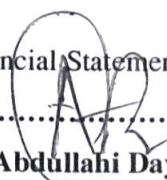
15 December, 2025

**COUNTY ASSEMBLY OF TANA RIVER**  
**Annual Report and Financial Statements for the year ended June 30, 2025.**


**10. Statement of Financial Performance for the year ended 30 June 2025**

	Notes	2024/2025
		Kshs
<b>Revenue from non-exchange transactions</b>		
Transfers from CRF	6	896,862,156.90
Miscellaneous Revenue	7	-
<b>Total</b>		896,862,156.90
<b>Revenue from exchange transactions</b>		
Other income	8	-
<b>Total revenue</b>		896,862,156.90
<b>Expenses</b>		
Employee costs	9	338,754,209.21
Use of goods and services	10	539,856,293.21
Transfers to other Government Entities	11	-
Depreciation and amortization expense	12	-
Other Grants and Subsidies	13	-
Finance costs	14	-
Social Benefits	15	-
<b>Total expenses</b>		878,610,502.42
Gain/(loss) on sale of assets	16	-
Gain/Loss on Foreign Exchange	17	-
Gain/Loss on fair value of investments	18	-
Impairment loss	19	-
<b>Surplus/Deficit for the year</b>		18,316,109.38
Taxation	20	-
<b>Net Surplus/Deficit</b>		18,251,598.48

The Financial Statements set out on pages 1 to 8 were signed by:

.....  
  
**Name: Abdullahi Dayib Hussein**  
**Clerk of The County Assembly**

.....  
  
**Alex K. Ontumi**  
**Principal Accounts controller**

.....  
  
**Name: Wehliye A. Dakat**  
**Senior Accountant**  
**ICPAK M/No 17115**

**COUNTY ASSEMBLY OF TANA RIVER**  
**Annual Report and Financial Statements for the year ended June 30, 2025.**

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*(Paragraph 79 of IPSAS 33 allows for the election by an entity to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position and an opening statement of financial position as at the time of adoption of the accrual basis of accounting. In preparing this financial reporting template, this election has been made, and therefore, there are no comparatives in the first year of transition.)*

**COUNTY ASSEMBLY OF TANA RIVER**  
**Annual Report and Financial Statements for the year ended June 30, 2025.**


**11. Statement of Financial Position as at 30 June 2025**


	Notes	FY2024/2025	Opening Statement 1 <sup>st</sup> July 2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash equivalents	21	4,004.10	3,323,322
Prepayments	22	7,000,020	903,750
Receivables from Non-Exchange Transactions	23	30,781,968	-
Inventories	24	-	-
Current portion of investments	25	-	-
<b>Total Current Assets</b>		<b>37,785,992.10</b>	<b>4,227,072</b>
<b>Non-Current Assets</b>			
Receivables from Exchange Transactions	22(b)	-	-
Non- Current portion of investments	25	-	-
Property, Plant and Equipment	26	69,155,114.71	-
Intangible Assets	27	-	-
Investment Property	28	-	-
Right-of-use assets	29	-	-
Biological Assets	30	-	-
Tangible Natural Resources	31	-	-
<b>Total Non- Current Assets</b>		<b>69,155,114.71</b>	<b>-</b>
<b>Total Assets (A)</b>		<b>106,941,106.81</b>	<b>4,227,072</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	32	328,682,281.64	(244,219,906.21)
Refundable Deposits and Prepayments	33	-	-
Current Provision	34	-	-
Lease Liabilities	35	-	-
Deferred Income	36	-	-
Employee Benefit Obligation	37	-	-
Current Portion of Borrowings	38	-	-
<b>Total Current Liabilities</b>		<b>328,682,281.64</b>	<b>(244,219,906.21)</b>
<b>Non-Current Liabilities</b>			


**COUNTY ASSEMBLY OF TANA RIVER**  
**Annual Report and Financial Statements for the year ended June 30, 2025.**

	Notes	FY2024/2025	Opening Statement 1 <sup>st</sup> July 2024
		Kshs	Kshs
Non-Current Provisions	34	-	-
Lease Liabilities	35	-	-
Deferred Income	36	-	-
Non-Current Employee Benefit Obligation	37	-	-
Borrowings – Non-Current Portion	38	-	-
Service Concession Liability	39	-	-
<b>Total Non- Current Liabilities</b>		-	-
<b>Total Liabilities (B)</b>		328,682,281.64	(244,219,906.21)
<b>Net Assets(A-B)</b>		(221,741,174.83)	(239,992,834.00)
<b>Represented By:</b>			
Reserves		-	-
Accumulated Surplus		(221,741,174.83)	(239,992,834.00)
Capital Fund		-	-
<b>Net Assets</b>		(221,741,174.83)	(239,992,834.00)

The financial statements set out on pages 1 to 8 were signed by:

  
 .....  
**Name: Abdullahi Dayib Hussein**  
**Clerk of The County Assembly**

  
 .....  
**Alex K. Ontumi**  
**Principal Accounts Controller**

  
 .....  
**Name: Wehliye A. Dakat**  
**Senior Accountant**  
**ICPAK M/No 17115**

**12. Statement of Changes in Net Assets for the year ended 30 June 2025**

	<b>Accumulated Surplus</b>	<b>Reserves</b>	<b>Capital Fund</b>	<b>Total</b>
<b>As at 30<sup>th</sup> June 2024 (cash basis)</b>	<b>4,227,072</b>			<b>4,227,072</b>
Adjustments:				
Recognition of assets	-			-
Recognition of liabilities	(244,219,906.00)			(244,219,906.00)
<b>As at July 1, 2024</b>	<b>(239,992,834.21)</b>	-	-	<b>(239,992,834.21)</b>
Return to CRF	<b>60.90</b>			<b>60.90</b>
Surplus/ deficit for the year	18,251,598.48			18,251,598.48
Other changes (specify)		-	-	
<b>As at June 30, 2025</b>	<b>(221,741,174.83)</b>	-	-	<b>(221,741,174.83)</b>

*Note:*

- 1. For items that are not common in the financial statements, the Entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.*
- 2. Prior year adjustment should have an elaborate note describing what the amounts relate to. In such instances a restatement of the opening balances needs to be done.*
- 3. Entities have liberty to add additional reserves as appropriate. For all reserves presented provide the nature and purpose.*

**COUNTY ASSEMBLY OF TANA RIVER****Annual Report and Financial Statements for the year ended June 30, 2025.****13. Statement of Cash Flows for the year ended 30 June 2025**

		<i>FY2024/2025</i>
	<b>Notes</b>	<b>Kshs</b>
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Transfers from CRF		866,080,189
Miscellaneous Revenue		-
Other income		-
<b>Total receipts</b>		866,080,189
<b>Payments</b>		
Employee costs		(263,781,606.89)
Use of goods and services		(537,366,596.20)
Transfers to other Government Entities		-
Other Grants and Subsidies		-
Finance costs		-
Social Benefits		-
<b>Total payments</b>		<b>(801,148,203.09)</b>
<b>Net cash flows from/(used in) operating activities</b>	40	<b>64,931,985.91</b>
<b>Cash flows from investing activities</b>		
Purchase of PPE		(69,155,114.71)
Purchase Intangible assets		-
Proceeds from sale of PPE		-
Proceeds from sale of Biological Assets		-
Purchase of investments		-
Sale of investments		-
<b>Net cash flows from/(used in) investing activities</b>		<b>(69,155,114.71)</b>
<b>Cash flows from financing activities</b>		
Returns to CRF		60.90
Proceeds from borrowings		-
Repayment of borrowings		-
<b>Net cash flows from financing Activities</b>		<b>60.90</b>
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>		<b>(4,223,067.50)</b>
Cash and cash equivalents at 1 July 2024-	21	4,227,072
<b>Cash and cash equivalents at 30 June 2025</b>	21	<b>4,004.10</b>

*(PSASB has prescribed the use of the direct method for cash flow preparation)*

**COUNTY ASSEMBLY OF TANA RIVER**

**Annual Report and Financial Statements for the year ended June 30, 2025.**

**14. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025**

**Recurrent and Development Budgets Combined**

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Budget carry overs (Special Purpose A/c)</b>						
<b>Receipts</b>						
Transfers from the CRF	1,007,398,669.00	-	1,007,398,669.00	866,080,189.00	141,318,480.00	85.97
Other receipts					-	
<b>Total Receipts</b>	1,007,398,669.00		1,007,398,669.00	866,080,189.00	141,318,480.00	85.27
<b>Payments</b>					-	
Compensation of employees	309,354,436.00		309,354,436.00	263,781,606.89	45,572,829.11	85.27
Use of goods and services	424,289,521.00		424,289,521.00	537,366,596.20	(113,077,075.20)	126.65
Subsidies					-	
Transfers to other government units					-	
Other grants and transfers					-	
Social security benefits					-	
Acquisition of assets	273,754,712.00		273,754,712.00	69,155,114.71	204,599,597.29	25.26
Finance costs, including loan interest					-	

**COUNTY ASSEMBLY OF TANA RIVER**

**Annual Report and Financial Statements for the year ended June 30, 2025.**

Repayment of principal on borrowings					-	
Other payments	-				-	
<b>Total</b>	1,007,398,669.00	-	1,007,398,669.00	870,303,317.80	137,095,351.20	86.39
<b>Deficit</b>				<b>(4,223,128.80)</b>		

**Reconciliation table**

	Description of Particulars	Amount in Kshs
	Actual Deficit Amounts as per the statement of Budget	<b>(4,223,128.80)</b>
1	Receivable balance	903,750
2	Refund to crf	60.90
3	Cash Balance b/f	3,323,322.34
	Closing Cash and Cash Equivalent as per the statement of Cash flows	<b>4,004.50</b>

**Budget Notes**

1. Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (IPSAS 24.14).
2. Provide an explanation of changes between original and final budget indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29).

## 15. Notes to the Financial Statements

### 1. General Information

County Assembly of Tana River is established by and derives its authority and accountability from The Constitution of Kenya 2010. The Entity is domiciled in Kenya and its principal activities are

- Legislation of laws within the County Government of Tana River.
- Oversighting the County Government of Tana River
- Representing the residents of the County and presenting their views to the County Government of Tana River.

### 2. Statement of Compliance and Basis of Preparation

#### Statement of compliance

The financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and with the International Public Sector Accounting Standards (IPSAS).

#### Guiding note during the transition period:

*The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS), or the entity has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1<sup>st</sup>/ 2<sup>nd</sup>/ 3<sup>rd</sup>/ years financial statements are transitional financial statements and the following elements of the financial statements have not been recognised as the entity has taken advantage of the transition provisions outlined in IPSAS 33. (entity to state the transitional provisions it has applied and the steps being towards full compliance with IPSAS Accrual).*

*These financial statements were authorised for issue by the accounting officer on 30<sup>th</sup> August 2025*

#### Basis of Preparation

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period. These financial statements have been prepared on an accrual basis unless otherwise specified (for example, the Statement of Cash Flows). Under an accrual basis, revenues are recognised when rights to assets are earned or levied rather than when cash is received, and expenses are recognised when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Entity. The accounting policies adopted have been consistently applied to all the years presented.

#### Reporting period

The reporting period for these financial statements is for the period ended 30<sup>th</sup> June, 2025

Notes to the financial statements

**Critical accounting judgements**

IPSAS requires accounting judgements to be made in determining accounting policies that impact the presentation of these financial statements. The most critical of these judgements, and their impact, are:

Recognition of revenue

Revenue is an increase in the net financial position, other than increases arising from ownership contributions. Revenue is required to be measured when the event occurs and when recognition criteria (probable inflow of resources and ability to reliably measure their value) are met. Judgment is required to determine if these criteria are met, particularly where limited evidence is available at the time the revenue is earned.

Recognition of non-exchange expenses and liabilities

A liability is a present obligation of an entity for an outflow of resources that results from a past event. Expenses (and other liabilities) are recognized when there is a present obligation (legal or constructive) as a result of a past event. An outflow of resources embodying economic benefits will probably be required to settle the obligation and a reliable estimate of the obligation can be made. Judgment is required in assessing each of these conditions, and therefore reporting if an expense and a present obligation should be reported.

The *entity* pursues a number of policy targets and outcomes. However the commitment to these targets and outcomes, generally, do not of themselves constitute a present obligation unless the *entity* is clear on the cost it intends to incur, when payment will be made, and to whom and as a consequence has raised a valid expectation. As a consequence, liabilities are not reported for costs associated with the *entity* policy objectives and targets. Where a policy choice gives rise to an obligation that exists independently of the *entity*'s future actions, expenses (and other related liabilities) are recognized for that policy.

Purpose and nature of financial instruments

Judgment is required in determining whether financial assets (including investment in securities and advances) and financial liabilities are held for trading or to provide a return through interest and principal transactions. Depending on that judgment, financial instruments will be reported at fair value or on an amortized cost basis.

Climate change obligations

Kenya's current National Determined Contribution (NDC) to deliver on the goals of the Paris Agreement sets a headline target of a 32 per cent emission reduction by 2030 relative to the business-as-usual scenario of 143 MtCO<sub>2</sub>eq. Entities commitment to climate change action does not constitute a present obligation on the balance sheet but are disclosed separately.

Physical assets

An asset is a resource presently controlled by the entity as a result of a past event. The primary reason for holding property, plant and equipment and other assets is for their service potential rather than their ability to generate cash flows. Because of the types of services provided, a significant proportion of assets used by public sector entities including roads, national parks, heritage buildings etc are specialized in nature. There may be a limited market for such assets and so judgement is required on measurement. Judgment is also required whether assets are held for commercial purposes or public benefit purposes.

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

- i) *New and amended standards and interpretations in issue effective in the year ended 30 June 2025.*

Standard	Effective date and impact:
IPSAS 43	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><b><i>State the expected impact of the standard to the Entity if relevant</i></b></p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p><b><i>State the expected impact of the standard to the Entity if relevant</i></b></p>
IPSAS 45- Property Plant and Equipment	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><b><i>State the expected impact of the standard to the Entity if relevant</i></b></p>
IPSAS 46 Measurement	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> </ol>

Standard	Effective date and impact:
	<p>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>

ii) *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025*

Standard	Effective date and impact:
IPSAS 47- Revenue	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 48- Transfer Expenses	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 49- Retirement Benefit Plans	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1<sup>st</sup> January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <p>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</p>

Standard	Effective date and impact:
	<p>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</p> <p>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p> <p><b><i>State the expected impact of the standard to the Entity if relevant</i></b></p>

***iii) Early adoption of standards***

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)*

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Entity and can be measured reliably. Recurrent grants are recognized in the statement of financial performance. Development/Capital grants are recognized in the statement of financial performance after meeting revenue recognition criteria. Conditional grants are recognized as revenue upon fulfillment of the set conditions.

ii) Revenue from exchange transactions

**Interest income**

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

**Dividends**

Dividends or similar distributions must be recognized when the shareholder's or the Entity's right to receive payments is established.

**Rental income**

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for FY 2024/2025 was approved by the County Assembly on July 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Entity recorded no additional appropriations for the 2024/2025 budget following the governing body's approval. The Entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements.

**Budget information (continued)**

The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial cash flows has been presented under section xxx of these financial statements.

**c) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over 1 year period. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

**d) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value

Notes to the Financial Statements (Continued)

**e) Right of use asset**

The right-of-use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the entity incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IPSAS 21 or IPSAS 26. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the entity expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the statement of financial position.

**f) Tangible Natural Resources**

The entity recognises a tangible natural resource recognized if, and only if: It is probable that service potential associated with the natural resource will flow to the entity; the entity controls the tangible natural resource as a result of past events; and The tangible natural resource can be measured reliably. Where this criterion is not met, the entity discloses the tangible natural resource in the notes to the financial statements. Where a tangible natural resource is recognized as an asset as the result of an event that is not a transaction in an orderly market, including non-exchange transactions, the asset shall be measured initially at its deemed cost. An entity shall apply IPSAS 46, Measurement, when measuring the deemed cost of such a recognized tangible natural resource. A recognized tangible natural resource acquired through an exchange transaction shall be measured at its cost. Historical cost model is applied after initial recognition less any depreciation and impairment losses.

**Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Notes to the Financial Statements (Continued)

**g) Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite.

**h) Research and development costs**

The Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale;
- ii) Its intention to complete and its ability to use or sell the asset;
- iii) How the asset will generate future economic benefits or service potential;
- iv) The availability of resources to complete the asset;
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

**i) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate). A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**i. Financial assets**

**Classification of financial assets**

The entity classifies its financial assets as subsequently measured at amortized cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

**Subsequent measurement**

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

**Amortized cost**

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through net assets/ equity**

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Trade and other receivables**

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

**Fair value through surplus or deficit**

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

**Impairment**

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL).

**ii. Financial liabilities**

**Classification**

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through surplus or deficit

**Notes to the Financial Statements (Continued)**

**j) Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

**k) Provisions**

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

**l) Contingent liabilities**

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Notes to the Financial Statements (Continued)

**m) Contingent assets**

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**n) Nature and purpose of reserves**

The Entity creates and maintains reserves in terms of specific requirements.

**o) Changes in accounting policies and estimates**

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**p) Employee benefits**

**Retirement benefit plans**

The Entity provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

**q) Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates

different from those at which they were initially reported are recognized in surplus or deficit in the period.

**Notes to the Financial Statements (Continued)**

**r) Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**s) Related parties**

The *Entity* regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the *Entity*, or vice versa. Members of key management are regarded as related parties and comprise *the Governor, Deputy governor, County Secretary, County Executive Committee Members and Chief Officers, Speaker of the county assembly and, Clerk of the county Assembly, Directors and senior managers.*

**t) Service concession arrangements.**

The *Entity* analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the *Entity* recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the *Entity* also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**u) 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 amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

Notes to the Financial Statements (Continued)

**v) Comparative figures**

In preparing these financial statements the entity has elected to apply paragraph 79 of IPSAS 33, which allows for the election by an entity to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position and an opening statement of financial position as at the time of first time adoption of the accrual basis of accounting.

**w) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 20xx.

Notes to the Financial Statements (Continued)

**5. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the Entity's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all judgements, estimates and assumptions made:

**Estimates and assumptions.**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur.

**Useful lives and residual value**

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a) The condition of the asset based on the assessment of experts employed by the Entity.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

**Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

*(include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).*

**6. Transfers from CRF**

Nature of Transfer	Amount recognized to Statement of financial performance.  Kshs	Amount deferred under deferred income.  Kshs	Total transfers Current FY2024/2025  Kshs
Recurrent	688,587,264.90	-	688,587,264.90
Development	208,274,892.00	-	208,274,892.00
Special purpose transfers	-	-	-
<b>Total</b>	<b>896,862,156.90</b>	<b>-</b>	<b>896,862,156.90</b>

**7. Miscellaneous Revenue**

Nature of Revenue	FY2024/2025
	Kshs
In kind grants and donations	-
Refunds & Reimbursements	-
Revenues not classified anywhere else	-
<b>Total</b>	<b>-</b>

**8. Other Incomes**

Description	FY2024/2025
	Kshs
Insurance recoveries	-
Sale of tender documents	-
Services concession income	-
Other incomes not specified elsewhere	-
<b>Total other income</b>	<b>-</b>

Notes to the Financial Statements (Continued)

9. Employee Costs

Description	FY2024/2025
	Kshs
Basic salaries of permanent employees	111,514,411.69
Basic wages of temporary employees	67,784,805
Personal allowances – part of salary	135,387,010.00
Pension and other social security contributions	-
Employer contributions to compulsory national social security schemes	-
Employer contributions to compulsory national health insurance schemes	-
Employer contribution to compulsory housing scheme	-
Gratuity for staff	8,957,819.52
Other personnel costs-Mileage allowances	15,110,163.00
<b>Total Employee costs</b>	<b>338,754,209.21</b>

\* Other personnel costs- please provide a brief explanation for these costs

10. Use of Goods and Services

Description	Period ended 2024/2025
	Kshs
Utilities, supplies and services	1,476,456.96
Communication, supplies and services	-
Domestic travel and subsistence	271,691,609.14
Foreign travel and subsistence	831,216.00
Printing, advertising, and information supplies & services	-
Rentals of produced assets	50,000.00
Hospitality supplies and services	-
Insurance costs	11,999,980.00
Other operating expenses including bank Charges	2,631,347.50
Office and general supplies and services	121,933,193.20
Fuel Oil and Lubricants	-
Routine maintenance – vehicles and other transport equipment	-
Routine maintenance -Refurbishment and repairs	129,242,490.41
Others (specify)	
<b>Total</b>	<b>539,856,293.21</b>

Notes to the Financial Statements (Continued)

**11. Transfers to Other Government Entities**

Description	FY2024/2025
	Kshs
Transfers to other County Government entities	-
Transfers to self-reporting projects	-
Transfers to car loan and mortgage schemes	-
Others (specify)	-
<b>Total</b>	<b>-</b>

**12. Depreciation and Amortization Expense**

Description	FY2024/2025
	Kshs
Property, plant and equipment	-
Intangible assets	-
Investment property carried at cost	-
<b>Total</b>	<b>-</b>

**13. Other Grants and Subsidies**

Description	FY2024/2025
	Kshs
Membership dues and subscriptions to international organizations	-
Scholarships and other educational benefits	-
Emergency relief and refugee assistance	-
Grants to small businesses, cooperatives, and self employed	-
Subsidies to Public entities	-
Subsidies to Private entities	-
<b>Total Grants and Subsidies</b>	<b>-</b>

**14. Finance Costs**

Description	FY2024/2025
	Kshs
Interest Payments on Guaranteed Debt Taken over by Govt	-
Interest on Domestic Borrowings (Non-Govt)	-
Interest on Borrowings from Other Government Units	-
Interest on bank overdrafts	-
Interest on loans from commercial banks	-
<b>Total finance costs</b>	<b>-</b>

*Borrowing costs that relate to interest expense on acquisition of non-current assets and do not qualify for Capitalisation as per IPSAS 5: on borrowing costs should be included under this note.)*

Notes to the Financial Statements (Continued)

15. Social Benefits

Description	FY2024/2025
	Kshs
Transfers to the elderly	-
Transfers to orphans	-
Transfers to the physically challenged	-
Add any other category	-
<b>Total social benefit expenses</b>	<b>-</b>

16. Gain/Loss on Sale of Assets

Description	FY2024/2025
	Kshs
Property, plant and equipment	-
Intangible assets	-
Other assets not capitalised	-
<b>Total gain on sale of assets</b>	<b>-</b>

17. Gain/Loss on Foreign Exchange

Description	FY2024/2025
	Kshs
Gain or loss on foreign exchange transactions	-
Gain or loss on balances in foreign exchanges	-
<b>Total</b>	<b>-</b>

18. Gain/Loss on Fair Value Investments

Description	FY2024/2024
	Kshs
Investments at Fair Value	-
<b>Total Gain</b>	<b>-</b>

19. Impairment Loss

Description	FY2024/2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
<b>Total Impairment Loss</b>	<b>-</b>

Notes to the Financial Statements (Continued)

20. Taxation

Description	FY2024/2025
	Kshs
Current income tax charge	-
Tax charged on rental income	-
Tax charged on interest income	-
Original and reversal of temporary differences	-
<b>Income tax expense reported in the statement of financial performance</b>	<b>-</b>

21. Cash and Cash Equivalents

Description	FY2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Recurrent Account	3,573.60	2,673,959
Development Account	430.50	3,507
Kenya Commercial Bank-1143877578	-	159,388
Kenya Commercial Bank 1169962343	-	486,468
Other	-	-
<b>Total</b>	<b>4,004.10</b>	<b>3,323,322</b>

(The amount should agree with the closing and opening balances as included in the statement of cash flows)

21 (a) Detailed Analysis of the Cash and Cash Equivalents

Description	Period ended	Opening Statement
	2024/2025	1 <sup>st</sup> July 2024
	Kshs	Kshs
Recurrent Account- 1000247077	3,573.60	2,673,959.00
Development Account-1000282283	430.50	3,507.00
Kcb operations- 1143877578	-	159,388.00
Kcb gratuity 1169962343	-	486,468.00
<b>Total</b>	<b>4,004.10</b>	<b>3,323,322.00</b>

Notes to the Financial Statements (Continued)

22. Receivables from Exchange Transactions

Description	FY2024/2025	Opening Statement
	Kshs	1 <sup>st</sup> July 2024 Kshs
<b>Total receivables</b>	-	903,500
Other exchange debtors ( <i>Specify</i> )	-	-
Less: impairment allowance	(-)	(-)
<b>Total receivables</b>	-	-
a) Current receivables	-	-
b) Non-current receivables	-	-
<b>Total Receivables (a+b)</b>	-	<b>903,500</b>

i) Ageing analysis for Receivables

Description	FY2024/2025		Opening Statement	
	Kshs		Kshs	
	2024/2025	% of the total	Opening Balance	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total (a+b)</b>	-	%	-	%

ii) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

Impairment allowance	FY2024/2025
	Kshs
At the beginning of the year	-
Additional allowance during the year	-
Recovered during the year	(-)
Written off during the year	(-)
At the end of the year	-

Notes to the Financial Statements (Continued)

23. Receivables from Non-Exchange Transactions

Description	FY2024/2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Other debtors (non-exchange transactions)	30,781,968		-	
Less: impairment allowance	-		(-)	
<b>Total receivables from non- exchange transactions</b>	<b>30,781,968</b>		<b>-</b>	
<b>Ageing Analysis- Receivables from non-exchange transactions</b>	<b>2024/2025</b>	<b>% of the total</b>	<b>Opening Balance</b>	<b>% of the total</b>
Less than 1 year	30,781,968	%	-	%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	<b>30,781,968</b>	<b>%</b>	<b>-</b>	<b>%</b>

i. Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

Description	FY2024/2025
	Kshs
At the beginning of the year	-
Additional provisions during the year	-
Recovered during the year	(-)
Written off during the year	(-)
At the end of the year	-

COUNTY ASSEMBLY OF TANA RIVER

Annual Reports and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

24. Inventories

Description	FY2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Spare parts	-	-
Goods held for distribution	-	-
Less: allowance for impairment	(-)	(-)
<b>Total</b>	-	-

Detailed disclosure on inventories

	FY2024/2025
Opening balance	-
Additional Inventory in the year	-
Inventory expensed in the year	-
Write-downs in the year	-
Others specify	-
Closing balance	-

25. Investments

Description	FY2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
<b>a) Investment in Treasury bills and bonds</b>		
Financial institution		
CBK	-	-
CBK	-	-
Sub- total	-	-
<b>b) Investment with Financial Institutions/ Banks</b>	-	-
Bank x	-	-
Bank y	-	-
Sub- total	-	-
<b>c) Equity investments (specify)</b>	-	-
Equity/ shares in Entity xxx	-	-
Sub- total	-	-
<b>Grand total</b>	-	-
<b>Analysed as:</b>	-	-
Current portion of Investment	-	-
Non-current portion of investment	-	-

d) Movement of Equity Investments

	FY2024/2025
	Kshs
At the beginning of the year	-
Purchase of investments in the year	-
Sale of investments during the year	(-)
Increase /(decrease ) in fair value of investments	-
At the end of the year	-

Notes to the Financial Statements (Continued)

e) Shareholding in other entities

For investments in equity share listed under note 25 above, list down the equity investments under the following categories.

Name of Entity where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding			
	%	%	%			
				Kshs	Kshs	Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-
Entity C	-	-	-	-	-	-
	-	-	-	-	-	-

COUNTY ASSEMBLY OF TANA RIVER

Annual Reports and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

26. Property, Plant and Equipment

	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Work in progress	Total
Depreciation Rate	2-10%	10-16.67%	2-20%	12.5%	33.3%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 <sup>st</sup> July 2024	-	-	-	-	-	-	-
Additions	15,333,053	-	32,403,148	2,997,788	4,663,908	13,757,218	69,155,114.71
Disposals	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-
As At /Jun 20xx	-	-	-	-	-	-	-
Depreciation And Impairment							
Depreciation for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-
As At Jun 2025	15,333,053	-	32,403,148	2,997,788	4,663,908	13,757,218	69,155,114.71
Net Book Values							
Opening Bal as at 1 <sup>st</sup> July 20xx	-	-	-	-	-	-	-
As At 30 <sup>th</sup> June, 2025	15,333,053	-	32,403,148	2,997,788	4,663,908	13,757,218	69,155,114.71

Notes to the Financial Statements (Continued)

27. Intangible Assets

Description	FY2024/2025
	<b>Kshs</b>
<b>Cost/Opening balance at the beginning of the year</b>	-
Additions	-
Disposal	(-)
<b>At end of the year</b>	-
Additions—internal development	-
Disposal	(-)
<b>At end of the year</b>	-
<b>Amortization and impairment</b>	
<b>At beginning of the year</b>	-
Amortization	-
<b>At end of the year</b>	-
Impairment loss	-
<b>At end of the year</b>	-
<b>NBV</b>	-

28. Investment Property

Description	FY2024/2025
	<b>Kshs</b>
<b>Cost/Opening balance at the beginning of the year</b>	-
Additions	-
Disposal during the year	(-)
Depreciation	(-)
Impairment	(-)
<b>At end of the year</b>	-

*(This note applies to investment property held at cost. For investment property held at fair value, changes in fair value should go through the statement of financial performance).*

COUNTY ASSEMBLY OF TANA RIVER

Annual Reports and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

29. Right-of-use assets

	<i>Buildings</i>	<i>Motor vehicles</i>	<i>Plant and equipment</i>	<i>Total</i>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Cost</b>				
As at 1 July 2024	-	-	-	-
Additions	-	-	-	-
As at June 2025	-	-	-	-
<b>Accumulated Depreciation</b>				
As at 1 July 2024	-	-	-	-
Charge for the year	-	-	-	-
As at June 2025	-	-	-	-
<b>Carrying Amount</b>				
As at June 2025	-	-	-	-

30. Biological Assets

<b>Description</b>	<i>FY2024/2025</i>	<i>Opening Statement</i> <i>1<sup>st</sup> July 2024</i>
	<b>Kshs</b>	<b>Kshs</b>
Specify	-	-
Specify	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

31. Tangible Natural Resources

	<b>Sub- soil assets</b>	<b>Water</b>	<b>Wildlife</b>	<b>Total</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Cost</b>				
As at 1 July 2024	-	-	-	-
Additions	-	-	-	-
As at June 2025	-	-	-	-
<b>Accumulated Depreciation</b>				
As at 1 July 2025	-	-	-	-
Charge for the year	-	-	-	-
As at June 2025	-	-	-	-
<b>Carrying Amount</b>				
As at June 2025	-	-	-	-

Notes to the Financial Statements (Continued)

32. Trade and Other Payables

Description	FY2024/2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Trade payables	328,682,281.64		244,219,906	
Payments received in advance	-		-	
Employee payables	-		-	
Third-party payments	-		-	
Other payables	-		-	
<b>Total trade and other payables</b>	<b>328,682,281.64</b>		<b>244,219,906</b>	
<b>Ageing analysis: (Trade and other payables)</b>	2024/2025	%	<b>1<sup>st</sup> July 2024</b>	% of the Total
Under one year		%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total (tie to above total)</b>	<b>328,682,281.64</b>		<b>244,219,906</b>	

33. Refundable Deposits and Prepayments

Description	FY2024/2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Customer deposits	-		-	
Prepayments	-		-	
Other deposits	-		-	
<b>Total deposits</b>	<b>-</b>		<b>-</b>	
<b>Ageing analysis: (Refundable deposits)</b>	2024/2025	% of the Total	<b>Opening Balance</b>	% of the Total
<b>Under one year</b>	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	<b>-</b>		<b>-</b>	

COUNTY ASSEMBLY OF TANA RIVER

Annual Reports and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

34. Provisions

Description	Leave provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
Balance b/f	-	-	-	-
Additional provisions	-	-	-	-
Provision utilised	-	-	-	-
Change due to discount and time value for money	-	-	-	-
<b>Total provisions year end</b>	-	-	-	-
Current Provisions	-	-	-	-
Non-Current Provisions	-	-	-	-

35. Lease Liabilities

Description	FY2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Balance at the beginning of the year	-	-
Discount interest on lease liability	-	-
Paid during the year	-	-
<b>At end of the year</b>	-	-

Maturity Analysis

Period	Amount
Year 1	-
Year 2	-
Year 3	-
Year 4	-
Year 5 and onwards	-
Less: unearned Interest	-
	-

Analysed as:

Description	Amount
Current	-
Non- Current	-
<b>Total</b>	-

Notes to the Financial Statements (Continued)

36. Deferred Income

Description	FY2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
National Government	-	-
International Funders	-	-
Public Contributions and Donations	-	-
<b>Total Deferred Income</b>	-	-

The deferred income movement is as follows:

	National government	International funders	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance Brought Forward	-	-	-	-
Additions	-	-	-	-
Transfers To Capital Fund	-	-	-	-
Transfers To Income Statement	-	-	-	-
Other Transfers	-	-	-	-
Balance Carried Forward	-	-	-	-

Analysed as:

Description	Amount
Current	-
Non- Current	-
<b>Total</b>	-
	-

Notes to the Financial Statements (Continued)

37. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Benefits	FY2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
<b>Total Employee Benefits Obligation</b>	-	-	-	-	-

**Retirement benefit Asset/ Liability (Applicable to Pensions)**

The Entity operates a defined benefit scheme for all full-time employees from July 1, 2024. The scheme is administered by the custodians of the scheme. The scheme is based on certain percentage of salary of an employee at the time of retirement.

An actuarial valuation to fulfil the financial reporting disclosure requirements of IPSAS 39 was carried out by actuarial valuers. On this basis the present value of the defined benefit obligation and the related current service cost and past service cost were measured using the Projected Unit Credit Method. The principal assumptions used for the purposes of valuation are as follows:

	FY2024/2025	Opening Statement 1 <sup>st</sup> July 2024
Discount Rates	-	-
Future Salary Increases	-	-
Future Pension Increases	-	-
Mortality (Pre- Retirement)	-	-
Mortality (post-retirement)	-	-
Withdrawals	-	-
Ill Health	-	-
Retirement	-	-

Notes to the Financial Statements (Continued)

**Recognition of Retirement Benefit Asset/ Liability**

a) Amounts recognised under other gains/ Losses in the statement of Financial Performance:

	<i>FY2024/2025</i>	<i>Opening Statement 1<sup>st</sup> July 2024</i>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
The return on defined plan assets	-	-
Actuarial gains/ losses arising from changes in demographic assumptions	-	-
Actuarial gains/ losses arising from changes in financial assumptions	-	-
Actuarial gains and losses arising from experience adjustments	-	-
Others (specify)	-	-
Adjustments for restrictions on the defined benefit asset	-	-
<b>Remeasurement of the net defined benefit liability (asset)</b>	-	-

b) Amounts recognized in the Statement of Financial Position

	<i>FY2024/2025</i>	<i>Opening Statement 1<sup>st</sup> July 2024</i>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
Present value of defined benefit obligations(a)	-	-
Fair value of plan assets(b)	-	-
Funded status(=a-b)	-	-
Restrictions on asset recognised	-	-
Others	-	-
Net asset or liability arising from defined benefit obligation	-	-

The Entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at KShs. per employee per month. Other than NSSF the Entity also has a defined contribution scheme operated by Pension Fund. Employees contribute 12% while employers contribute 15% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

Notes to the Financial Statements (Continued)

38. Borrowings

Description	FY2024/2025
	Kshs
<b>a) External borrowings</b>	
Balance at beginning of the year	-
External borrowings during the year	-
Repayments of during the year	-
<b>Balance at end of the year</b>	-
<b>b) Domestic borrowings</b>	
Balance at beginning of the year	-
Domestic borrowings during the year	-
Repayments during the year	-
<b>Balance at end of the year</b>	-
<b>Balance at end of the period- domestic and External borrowings c = (a+b)</b>	-

The analyses of both external and domestic borrowings are as follows:

	2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
<b>External Borrowings</b>		
Dollar Denominated Loan From 'X Organisation'	-	-
Sterling Pound Denominated Loan From 'Y Organisation'	-	-
Euro Denominated Loan from Z Organisation'	-	-
<b>Domestic Borrowings</b>	-	-
Kenya Shilling Loan From KCB	-	-
Kenya Shilling Loan from Barclays Bank	-	-
Kenya Shilling Loan from Consolidated Bank	-	-
<b>Total /Balance at end of The Year</b>	-	-

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Annual Reports and Financial Statements for the year ended June 30, 2025.

Notes to the Financial Statements (Continued)

Description	FY2024/2025	Opening
	Kshs	Kshs
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-
Total	-	-

(NB: the total of this statement should tie to note 41 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed).

39. Service Concession Arrangements Liability

Description	FY2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	-	-
Accumulated depreciation to date	-	-
Net carrying amount	-	-
Service concession liability at beginning of the year	-	-
Service concession revenue recognized	-	-
Service concession liability at end of the year	-	-

40. Cash Generated from Operations

	FY2024/2025
	Kshs
<b>Surplus for the year before tax</b>	-
<b>Adjusted for:</b>	-
Depreciation	-
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
<b>Working capital adjustments</b>	-
Increase in inventory	-
Increase in receivables	-
Increase in deferred income	-
Increase in payables	-
Increase in payments received in advance	-
<b>Net cash flow from operating activities</b>	-
	-

*(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)*

**Notes to the Financial Statements (Continued)**

**41. Financial Risk Management**

The Entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Entity's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Entity does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Entity's financial risk management objectives and policies are detailed below:

**i) Credit risk**

The Entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the Entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	<b>Total amount</b>	<b>Fully performing</b>	<b>Past due</b>	<b>Impaired</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>As at 30 June 2025</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
<b>Total</b>	-	-	-	-

*(NB: The totals column should tie to the individual elements of credit risk disclosed in the Entity's statement of financial position)*

**Notes to the Financial Statements (Continued)**

**Financial Risk Management**

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from county treasury. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

**ii) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the Entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	<b>Less than 1 month</b>	<b>Between 1-3 months</b>	<b>Over 5 months</b>	<b>Total</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>As at 30 June 2025</b>				
Trade payables	-	-	328,682,281.64	328,682,281.64
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
<b>Total</b>	-	-	328,682,281.64	328,682,281.64

**Notes to the Financial Statements (Continued)**

**Financial Risk Management**

**iii) Market risk**

The Entity has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The Entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Entity's exposure to market risks or the manner in which it manages and measures the risk.

**a) Foreign currency risk**

The Entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The Entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

Notes to the Financial Statements (Continued)

Financial Risk Management

The carrying amount of the *County Assembly of Tana River* foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

2024/2025

	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
<b>As at 30 June 2025</b>			
<b>Financial Assets</b>	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
<b>Total Financial Assets</b>	-	-	-
<b>Financial Liabilities</b>	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
<b>Total Financial Liabilities</b>	-	-	-
<b>Net Foreign Currency Asset/(Liability)</b>	-	-	-

Financial Risk Management

The following table demonstrates the effect on the Entity's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
<b>2025</b>			
Euro	-	-	-
USD	-	-	-
<b>2024</b>			
Euro	-	-	-
USD	-	-	-
	-	-	-

**Notes to the Financial Statements (Continued)**

**b) Interest rate risk**

Interest rate risk is the risk that the Entity's financial condition may be adversely affected as a result of changes in interest rate levels. The Entity's interest rate risk arises from bank deposits. This exposes the Entity to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Entity's deposits.

**Management of interest rate risk**

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

**Financial Risk Management**

**Sensitivity analysis**

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase. A rate increase/decrease of 5% would result in a decrease/increase in profit before tax.

**Fair value of financial assets and liabilities**

**a) Financial instruments measured at fair value.**

**Determination of fair value and fair values hierarchy**

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Entity's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The *County Assembly of Tana River* considers relevant and observable market prices in its valuations where possible.

**Notes to the Financial Statements (Continued)**

**Financial Risk Management**

The following table shows an analysis of financial and non- financial instruments recorded at fair value by level of the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
<b>As at 30 June 2025</b>				
<b>Financial Assets</b>				
Quoted Equity Investments	-	-	-	-
<b>Non- Financial Assets</b>				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
	-	-	-	-
	-	-	-	-

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

**iv) Capital Risk Management**

The objective of the Entity's capital risk management is to safeguard the Entity's ability to continue as a going concern. The Entity capital structure comprises of the following funds:

	<i>FY2024/2025</i>	<i>Opening Statement 1<sup>st</sup> July 2024</i>
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	(221,741,174.82)	(239,992,834.00)
Capital Reserve	-	-
<b>Total Funds</b>	-	-
Total Borrowings	-	-
Less: Cash And Bank Balances	4,004.10	3,323,322
Net Debt/(Excess Cash And Cash Equivalents)	-	-
<b>Gearing</b>	-	-

Notes to the Financial Statements (Continued)

42. Related Party Disclosures

**Nature of related party relationships**

Entities and other parties related to the *County Assembly of Tana River* include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

**Government of Kenya**

The Government of Kenya is the principal shareholder of the *County Assembly of Tana River*, holding 100% of the *County Assembly of Tana River* equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Entity, both domestic and external.

**Other related parties include:**

- i) County Government Entities
- ii) National Government Entities
- iii) Key management.

	<i>FY2024/2025</i>
	<b>Kshs</b>
<b>Transactions with related parties</b>	
<b>a) Sales to related parties</b>	
Others (specify) e.g. interest and bank charges	-
<b>Total</b>	-
<b>B) purchases from related parties</b>	
Purchases of electricity from KPLC	-
Purchase of water from govt service providers	-
Rent expenses paid to govt agencies	-
Training and conference fees paid to govt. Agencies	-
Others (specify)	-
<b>Total</b>	-
<b>b) Grants /transfers from the government</b>	
Grants from national govt	-
Grants from county government	-
Donations in kind	-
<b>Total</b>	-
<b>c) Expenses incurred on behalf of related party</b>	-
Payments of salaries and wages for xxx employees	-
Payments for goods and services for xxx	-
<b>Total</b>	-
<b>d) Key management compensation</b>	-
Compensation to key management	-
<b>Total</b>	-
	-

**43. Segment Information**

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an Entity to present segmental information of each geographic region or department to enable users understand the Entity's performance and allocation of resources to different segments)

**44. Contingent Assets and Contingent Liabilities**

**Contingent Assets**

	<i>FY2024/2025</i>
	<b>Kshs</b>
<b>Contingent Assets</b>	
Insurance Reimbursements	-
Assets Arising from Determination Of Court Cases	-
Reimbursable Indemnities and Guarantees	-
Receivables From Other Government Entities	-
Others (Specify)	-
<b>Total</b>	-

(Give details)

**Contingent Liabilities**

	<i>FY2024/2025</i>
	<b>Kshs</b>
<b>Contingent Liabilities</b>	-
Court Case xx against the Entity	-
Bank Guarantees in Favour of Subsidiary	-
Contingent Liabilities arising from Contracts Including PPPs	-
Others (Specify)	-
<b>Total</b>	-

(Give details)

**45. Capital Commitments**

<b>Capital Commitments</b>	<i>FY2024/2025</i>
	<b>Kshs</b>
Authorised for	-
Authorised and contracted for	-
<b>Total</b>	-

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the board but at the end of the year had not been contracted or those already contracted for and ongoing)

Notes to the Financial Statements (Continued)

**46. Program for Results (PforR) Disclosure**

*This disclosure note is for entities implementing Programs for Results (PforR). Implementing entities are required to make disclosures in accordance with their respective financing agreements. The disclosure should capture the program's goal and expenditures designated in the expenditure framework.*

Name of PforR:		Name of Financing Partners:				
Expenditure Details*	Opening Cumulative for Previous FYs		Current FY		Total Cumulative	
	Budget	Actual	Budget	Actual	Budget	Actual
Program code						
Sub-program						
Sub-program						
<b>Sub-total</b>						
Program code						
Sub-program						
Sub-program						
<b>Sub-total</b>						
<b>Total</b>	-	-	-	-	-	-

*Expenditure Details\* - Provide the details per your expenditure framework requirements. (Program, sub-program, and or economic Item)*

**47. Events after the Reporting Period**

There were no material adjusting and non- adjusting events after the reporting period.

**48. Ultimate And Holding Entity**

The Entity ultimate parent is the Government of Kenya.

**49. Currency**

The financial statements are presented in Kenya Shillings (Kshs).

16. Appendix

**Appendix 1: Implementation Status of Auditor-General's 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	Failure to establish Audit committee	The management is the process of advertising for the audit committee	Not resolved	30 <sup>th</sup> June 2026
2	Lack of internal audit department	Internal Audit department is functional and has two staff	Not resolved	30 <sup>th</sup> June 2026
3	Unsupported payment of insurance costs	The insurance costs is well supported	Resolved	30 <sup>th</sup> June 2026
4	Inaccurate other pending payable balance	The omission payable has been included in the current financial year	Not resolved	30 <sup>th</sup> June 2026
5	Irregular payment of sitting allowances	The excess sitting allowances relates to mcas who double as board members.	Not Resolved	30 <sup>th</sup> June 2026
6	Payment of salaries outside intergrated personel anad payroll data base	All salaries are processed in computerized system of ippd.The said amount relates to ward staff who are yet get personal numbers hence processing of outside payroll.	Not resolved.	30 <sup>th</sup> June 2026
7	Irregular recruitment of deputy clerks	The recruitment of deputy clerks was advertised as per the requirement of law.interviews conducted and promoted the clerks based on merit as per their performance on the score sheets.	Not resolved	30 <sup>th</sup> June 2026
8	Lack of training policy/training needs Assessment	County assembly train staff based on the training need assessment prepared after		30 <sup>th</sup> June 2026

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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)
		every two years in order to improve on their skills.		
9.	Failure to Impliment court order	The amount did not form first charge as the petitioner moved to court claiming for lawsuit of ksh 764,318.33.the former speaker rejected what was offered by the court and instituted a suit to claim more cash.	Not resolved	30 <sup>th</sup> June 2026
10.	Unpaid National social security fund arrears	The county assembly plans to settle the national social security fund arrears in full before the end of the financial year.	Not resolved	30 <sup>th</sup> june 2026
11.	Failure to clear backlog in the interrogation of audit reports	Tana River county assembly Pac committee has debated and considered reports up to financial year ended 30 <sup>th</sup> june 2022.	Not resolved	30 <sup>th</sup> june 2026
12.	Non compliance with the law on supplementary budget process	The amount of 35,000,000 has been requested from the county executive to help county assembly settle it is tax arrears with the kenya revenue Authority.	Not Resolved	30 <sup>th</sup> June 2026
13.	Delay in the construction of speakers residence	The contractor faced logistical challenges including material supply shortages and work force constraints further contributing to delays. The construction is on going,roofing works has been completed.plumbing	Not Resolved	30 <sup>th</sup> June 2026

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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)
		and electrical installation has been carried.		
14.	Failure to prepare monthly progress report on implementation of procurement contracts.	Assembly prepares Monthly process report on implementation of projects.	Not resolved	30 <sup>th</sup> June 2026
15.	Grounded and un accounted for motor vehicle and motor cycles	Inspection report on the conditions of the vehicles are available and the 3 missing vehicles are at agarage in Malindi.	Not resolved	30 <sup>th</sup> June 2026
16.	Failure to establish an audit committee	County assembly is in the process to establishing an audit committee	Not resolved	30 <sup>th</sup> june 2026
17.	Lack of ICT Policy	County assembly has developed and approved an ICT policy to provide guidance on information technology governance and security management.	Not resolved	30 <sup>th</sup> june 2026

**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;

COUNTY ASSEMBLY OF TANA RIVER

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- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Entity responsible for implementation of each issue;
- (iv) Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to County Treasury.

*AR*

.....  
Accounting Officer

Date *2/12/25*

COUNTY ASSEMBLY OF TANA RIVER

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Appendix II: Projects implemented by County assembly

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor	Consolidated in these financial
Speakers Residence	TRCA/DEV/02/2024/2025					
High low Tank at speakers residence	TRCA/DEV/01/2024-2025					
Renovation of assembly ward office-kipini	TRCA/PROC/RFQ/2024-2025					
Proposed underground water tank at assembly	TRCA/PROC/02/2024-2025					
Proposed street lighting and garden light	TRCA/PROC/03/RFQ/2024-2025					
Proposed landscaping works at assembly	TRCA/PROC/01/2024-2025					
High low tank at assembly compound	TRCA/DEV/09/2024-2025					
Proposed finance store construction at county assembly	TRCA/DEV/12/2024-2025					

Status of Projects completion

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

Project	Total project	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
Speakers Residence			90%	28,454,360	13,757,218.00	Exchequer
High low Tank at speakers residence			100%	13,496,000	13,472,800.00	Exchequer
Renovation of assembly ward office- kipini			100%	1,989,400	1,905,148.54	Exchequer
Proposed underground water tank at assembly			100%	3,968,047.55	3,968,047.55	Exchequer
Proposed street lighting and garden			100%			Exchequer

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Proposed landscaping works at assembly			100%	4,385,736.81	4,228,661.00	Exchequer
High low tank at assembly compound			100%	14,996,300	14,962,300.00	Exchequer
Proposed finance store construction at county assembly			100%	7,454,426	7,454,426.00	Exchequer

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**Appendix IV: Transfers from Other Government Entities**

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/ Development/Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized					Total Transfers during the Year
						Deferred Income	Receivables	Others must be specific	- be	

**Appendix VI: Reporting of Climate Relevant Expenditures**

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

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**Appendix VII: Disaster Expenditure Reporting Template**

Column I Programme	Column II Sub-programme	Column III Disaster Type	Column IV Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Column V Expenditure item	Column VI Amount (Kshs.)	Column VII Comments

Appendix VIII: Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2023/2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) 2024/2025
Land	92,463.00	-			92,463.00
Buildings and structures	503,550,181.00	15,333,053.00			518,883,234.00
Transport equipment	77,083,925.00	-			77,083,925.00
Office equipment, furniture and fittings	77,394,588.00	2,997,788.00			80,392,376.00
ICT Equipment	27,481,012.00	4,663,908.00			32,144,920.00
Work-in-progress	-	13,757,218.00			13,757,218.00
Biological assets	-	-			-
Infrastructure Assets- Roads, Rails	-	32,403,147.55			32,403,147.55
Heritage and cultural assets	-	-			-

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Intangible assets	-	-			-
Work in Progress					-
<b>Total</b>	685,602,169.00	69,155,114.71			754,757,283.55