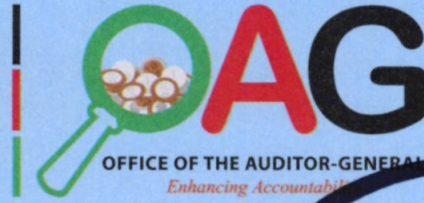


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

REPORT

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| TABLED BY | sa. ledama |
| COMMITTEE | |
| RECEIVER OF REVENUE | Mory |

REVENUE STATEMENTS

FOR THE YEAR ENDED
30 JUNE, 2025

COUNTY GOVERNMENT OF MARSABIT







RECEIVER OF REVENUE.
(County Government of Marsabit)

REVENUE STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025

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

*Receiver Of Revenue
County Government of Marsabit
Revenue Statements for the Period Ended 30th June 2025*

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1. Acronyms and Definition of Key Terms

a) Acronyms

| | |
|-------|--|
| CA | County Assembly |
| COB | Controller of Budget |
| CRF | County Revenue Fund |
| FY | Financial Year |
| IPSAS | International Public Sector Accounting Standards |
| NT | National Treasury |
| OSR | Own Source Revenue |
| PFMA | Public Finance Management Act |
| PSASB | Public Sector Accounting Standards Board |
| ROR | Receiver of Revenue |

b) Key terms

Comparative FY Comparative Prior Financial Year

Fiduciary Management The key management personnel who had financial responsibility.

2. Key Entity Information and Management

(a) Background information

The *receiver of revenue* is under the Department of finance and economic planning. At the County Executive Committee level, the *receiver of revenue* is represented by the County Executive committee member for finance and economic planning, who is responsible for the general policy and strategic direction of the *receiver of revenue*. The *receiver of revenue* was designated as a receiver on 18/05/2023 by the County Executive Committee member for Finance, in accordance with section 157 of the PFM Act.

(b) Principal activities

The receiver of revenue collects revenue and remits to the County Revenue Fund (CRF).

(c) Key Management Team

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

- County Executive Committee Member for Finance and Economic Planning
- Chief Officer, Finance and Economic Planning
- Chief Officers, in charge of departments collecting revenue
- Director, Revenue
- Head of Revenue Reporting

Key Entity information and Management (continued)

(d) County Headquarters

P.O. Box 384-60500
County Headquarters
Marsabit - Isiolo Highway
Marsabit, KENYA

(e) Entity Contacts

Telephone: (254) 721285132
E-mail: info@treasury.marsabit.go.ke
Website: www.marsabit.go.ke

(f) Independent Auditor

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

(g) Bankers

Kenya Commercial Bank- Marsabit Branch
Kenya Commercial Bank- Moyale Branch
Equity Bank - Marsabit Branch
Website: www.go.ke

(h) Principal Legal Adviser

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

(i) County Attorney

Mrs. Flevia Kwamboka Gekone
P. O. Box 384-60500
Marsabit, Kenya.

3. Foreword By the CECM Finance and Economic Planning

The following financial statements have been prepared according to Section 165(1) of the Public Finance Management Act, 2012.

The Revenue Statements are transitional IPSAS Statements prepared in accordance with Accrual Basis Accounting framework prescribed by the International Public Sector Accounting Standards Board (IPSASB) as stipulated in the PFMA, 2012 Section 165(2)(a). for the financial year ended June 30, 2025.

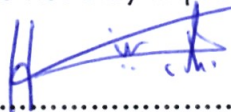
During the period, the county had an own source revenue target of Kshs. 200,000,000 and managed to raise Kshs 185,362,406.85 which is 92.7 per cent. This own source revenue performance is an improvement from the previous financial year ending June 30, 2024 when the county generated Kshs 167.57 million against a target of Kshs 190 million.

The general improvement in revenue performance is against a slowdown of economic activities that are as a ripple effect of the deteriorating environmental effect caused by global warming. The county is heavily reliant on livestock economy that is affected adversely by effects of climate change and the county is investing in value additive activities on livestock value chain to mitigate the effect of drought and massive abrupt reduction in animal pasture. The county is also promoting small and micro enterprise to diversify the sources of livelihood among the local community.

The major sources of revenue for the county include single business permit, royalties, produce cess, livestock charges, land transaction charges, property rent and for services rendered like Hospital charges and public health services fees.

There have been several challenges however on the revenue collection from the effects of climate change, Moyale porous border point, prolonged drought which affected the lives of pastoralist, business owners or individuals collude with revenue collection agents not to pay the requisite amounts and absence of reliable connectivity to deploy technology for revenue collection.

The county is in the process of implementing new revenue collection strategies and plans that seek to not only improve revenue collection but ensure prudent use of public funds.

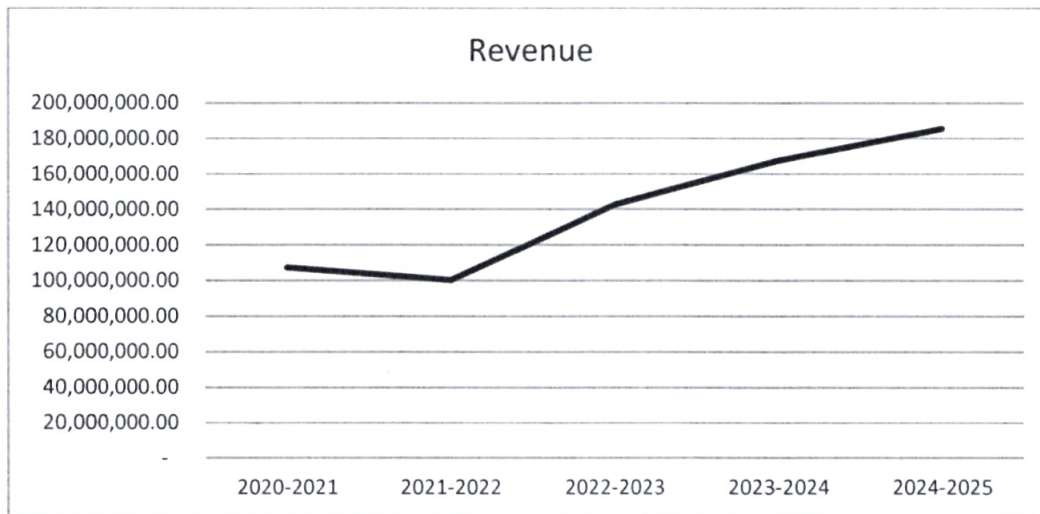


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**CECM Finance and Economic Planning
County Government of Marsabit**

4. Management Discussion and Analysis

The County has been on an upward trend in own source revenue collection over the long run five rolling years apart from of course the 2021-2022 which had been marred by the effects of insecurity in the region and the Corona pandemic the below chart depicts the movement;



As highlighted earlier in the years, challenges affecting revenue collection are mainly absence of reliable connectivity to deploy technology for revenue collection and collusion between collection agents and tax payers. Other challenges include insecurity, lack of a complete data base on existing business premises and individuals who opt to operate enterprises from homes.

Mapping of businesses and plots for land rates becomes a challenge. Additionally, county revenue officers are limited to areas that have favourable security. Time to time, the county revenue officers work with administration police during their routine mapping exercises to ensure their safety. However, a lasting solution is being sought including but not limited to setting up police posts and stations in far flung areas which is the mandate of the National Government, the county is establishing partnerships with other stakeholders to make this possible.

The county is also in the process of upgrading the current system of revenue collection including integrating with mobile money, which is done through specified till numbers. Digitising revenue collection reduced the frequency revenue offices interact with money. This not only deals with possible cases of corruption through collusion to either pay less than the specified amounts or not pay at all but also ensures accountability.

Sign.....

Name..... *Kazali Abdirizak B*

County Receiver of Revenue

5. Statement of the Receiver of Revenue's responsibilities

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

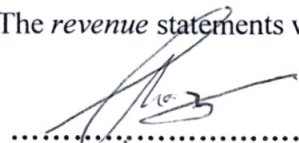
The Receiver of Revenue is responsible for the preparation and presentation of the *Receiver of Revenue account*, which gives a true and fair view of the state of affairs of the *Receiver of Revenue* for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) 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 statement of assets and liabilities of the entity, (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud, (iv) safeguarding the assets of the entity, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Receiver of Revenue in charge accepts responsibility for the Marsabit County's *receiver of revenue* accounts, 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) and the relevant legal framework of the Government of Kenya. The Receiver of Revenue is of the opinion that the Marsabit County's *Revenue statement* account gives a true and fair view of the state of the transactions during the financial year ended June 30, 2025, and of the statement of assets and liabilities as at that date. The Receiver of Revenue further confirms the completeness of the accounting records maintained, which have been relied upon in the preparation of the *Receiver of Revenue account* as well as the adequacy of the systems of internal financial control.

The Receiver of Revenue confirms that Marsabit County's *Revenue statement* has complied fully with applicable Government Regulation. The Receiver of Revenue confirms that the revenue statements have been prepared in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the Revenue Statements

The *revenue* statements were approved and signed by the Receiver of Revenue on 15th August 2025



Name.....*Karali Abdinzak Bule*
County Receiver of Revenue

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON RECEIVER OF REVENUE - REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025 - COUNTY GOVERNMENT OF MARSABIT

PREAMBLE

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

- A. Report on Revenue Statements that considers whether the revenue 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 revenue statements;
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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 revenue statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Revenue Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

REPORT ON THE REVENUE STATEMENTS

Qualified Opinion

I have audited the accompanying transitional IPSAS revenue statements of Receiver of Revenue - County Government of Marsabit set out on pages 1 to 28, which comprise of

Report of the Auditor-General on Receiver of Revenue - Revenue Statements for the year ended 30 June, 2025 - County Government of Marsabit

the statement of financial position as at 30 June, 2025 and the statement of revenue and disbursements, 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 revenue statements present fairly, in all material respects, the financial position of Receiver of Revenue - County Government of Marsabit 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. Non-Disclosure of Outstanding Land Rates

The statement of financial position and Note 32 to the revenue statements reflect nil balance in respect of receivables from non-exchange transactions. However, review of records maintained revealed that the Receiver of Revenue had accumulated outstanding land rates arrears totalling Kshs.23,258,916 but were not disclosed in the revenue statements.

In the circumstances, the accuracy and completeness of receivables from non-exchange transactions nil balance could not be confirmed.

2. Unsupported Revenue from Property Rent

The statement of revenue and disbursements and Note 17 to the revenue statements reflect property rent amount of Kshs.5,680,587. Included in the balance is an amount of Kshs.3,000,000 in respect of lease rent from communication boosters and windmills erected on public land. However, as previously reported, a comprehensive list detailing the number of boosters or wind power mills on public land and lease agreements between the Receiver of Revenue and the communication equipment and windmills' operators were not provided for audit review.

In the circumstances, the accuracy and completeness of revenue from property rent of Kshs.5,680,587 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Receiver of Revenue - County Government of Marsabit 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 revenue statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final County Own Source Revenue targets budget and actual amounts on comparable basis of Kshs.200,000,000 and Kshs.185,362,407 respectively, resulting to a shortfall of Kshs.14,637,593.

The shortfall affected the planned activities and may have negatively impacted on service delivery to the residents of Marsabit County.

My Opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the revenue statements. Except for the effect of 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's Audit Matters

Review of the Progress on follow up on prior year auditor's recommendations revealed the two issues were raised under the Report on Financial Statements, two issues under Report on Lawfulness and Effectiveness In Use of Public Resources and two issues under Report on Effectiveness of Internal Controls, Risk Management and Governance. These issues remained unresolved and are as summarized in the table below;

| S/No. | Year | Audit Issue |
|-------|-----------|---|
| 1. | 2023/2024 | Understatement of Revenue |
| 2. | 2023/2024 | Unsupported Revenue from Property Rent |
| 3. | 2023/2024 | Failure to Disburse Revenue to the County Revenue Fund |
| 4. | 2023/2024 | Failure to Update Valuation Roll and Land Rates Registers |
| 5. | 2023/2024 | Failure to Automate Revenue Collection |
| 6. | 2023/2024 | Ineffective Revenue Collection from Single Business Permits |

Other Information

Management is responsible for the Other Information set out on pages iv to viii which comprise of Key Entity Information and Management, Foreword by the CECM Finance and Economic Planning, Management Discussion and Analysis and Statement of the

Receiver of Revenue's Responsibilities. The Other Information does not include the revenue statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on the Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Failure to Disburse Revenue to the County Revenue Fund

The statement of financial position and Note 34 to the revenue statements reflect payables due to County Revenue Fund and other entities balance of Kshs.19,218,318. Included in the balance is Kshs.16,653,051 in respect of County's own generated revenues collected during the year but not transferred to the County Revenue Fund. This was contrary to Regulation 81(2) of the Public Finance Management (County Governments) Regulations, 2015 requiring the receivers of revenue to promptly pay the revenue received into the County Revenue Fund as soon as possible and not later than five (5) working days after receipt thereof.

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

2. Failure to Update Valuation Roll and Land Rates Registers

The statement of revenue and disbursements and Note 7 to the revenue statements reflect land rates amount of Kshs.2,362,070. However, as previously reported, Management did not maintain an updated record of all land owners within the County and an updated valuation roll. This was contrary to Section 30(1) of the National Rating Act, 2024 which require a County Government to cause preparation of a valuation roll to be undertaken in every five years on the rateable properties within the County.

In the circumstances, the County Government was denied opportunity to raise more revenue from land rates and rent and Management was in breach of the law.

3. Non-Collection of Parking Fees

The statement of revenue and disbursements and Note 15 to the revenue statements reflect nil balance in respect of parking fees. However, physical inspection carried out in the month of June, 2025 in Marsabit Town revealed that there was significant number of different types of vehicles parked along the streets of Marsabit town without paying parking fees of Kshs.500 for trucks with trailer, Kshs.200 for buses/transport trucks, Kshs.100 for Omni buses/Omni trucks and Kshs.50 for saloon cars as outlined in the Marsabit County Finance Act, 2023. No satisfactory explanation was given why the Receiver of Revenue was not collecting parking fees revenue and why no measures had been put in place to enforce collection.

In the circumstances, the County Government was denied opportunity to raise more revenue from parking fees.

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 revenue 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 the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Failure to Automate Revenue Collection

As previously reported, review of the revenue collection system revealed that the County Receiver of Revenue had not automated all its revenue collection of own source revenue and instead operated a manual revenue collection system in the collection, banking and recording of revenue collections. No explanation was provided for the failure to put in place an automated revenue collection system that would ensure proper management of revenue and minimize the risks of pilferage and misappropriation.

In the circumstances, the effectiveness of the controls on County own generated revenues budgeting, monitoring of collection and banking of revenue could not be confirmed.

2. Ineffective Revenue Collection from Single Business Permits

The statement of revenue and disbursements and Note 8 to the revenue statements reflect single business permits balance of Kshs.9,766,293. However, as previously reported, the Receiver of Revenue lacked proper guidelines for business owners regarding the application process for business permits as records of business permit applications and application evaluation methods to determine the fee charges were not provided for audit review. Further, there were no records indicating that premises were assessed prior to the issuance of the single business permits. Additionally, Receiver of Revenue maintained manual records which were prone to errors and abuse leading to inaccurate financial reporting.

In the circumstances, the effectiveness of internal controls over single business permit fees collections could not be confirmed.

3. Inadequate Framework for Revenue Administration

The Receiver of Revenue had not established a revenue administration law to guide on the enforcement on failure to pay the prescribed fees, levies and charges as outlined in the Marsabit County Finance Act, 2023. In the absence of a legal framework, the revenue officers were unable to carry out enforcement measures. This was contrary to Regulation 63(1)(a)(b) of the Public Finance Management (County Governments) Regulations, 2015 which states that an Accounting Officer and a Receiver of Revenue are personally responsible for ensuring that adequate safeguards exist and are applied for the prompt collection and proper accounting for all County Government revenue and other public moneys relating to their county departments or agencies and adequate measures, including legal action where appropriate, are taken to obtain payment.

In the circumstances, the effectiveness of the internal controls on revenue administration could not be confirmed.

4. Lack of Risk Management Policy

Review of records and processes revealed that the Receiver of Revenue lacked a Risk Management Policy. This was contrary to the requirements of Regulation 158(1)(a) of the Public Finance Management (County Governments) Regulations, 2015 which obligates Accounting Officer to ensure that the County Government entity develops risk management strategies, which include fraud prevention mechanism and develop a system of risk management and internal control that builds robust business operations.

In the circumstances, the effectiveness of the internal controls on the financial and operational system could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 Management and those Charged with Governance

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

In preparing the revenue statements, Management is responsible for assessing the Receiver of Revenue ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using applicable basis of accounting unless Management is aware of the intention to cease operations

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

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

Those charged with governance are responsible for overseeing the Receiver of Revenue's revenue 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 revenue 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 revenue 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 revenue 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 revenue 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

11 December, 2025

*Receiver of Revenue
County Government of Marsabit
Revenue Statements for the Year Ended 30th June 2025*

7. Statement of Revenue and Disbursements for the year ended 30th June 2025

| | Note | 2024-2025 |
|---|------|--------------------|
| | | Kshs |
| Revenue from non-exchange transactions | | |
| Cess | 6 | 51,317,623 |
| Land Rates | 7 | 2,362,070 |
| Single/Business Permits | 8 | 9,766,293 |
| Conservancy Administration | 9 | - |
| Administration Control Fees and Charges | 10 | 394,000 |
| Other Fines, Penalties, And Forfeiture Fees | 11 | - |
| Public Health Service Fees | 12 | - |
| Physical Planning and Development | 13 | 67,500 |
| Donations/Grants Not Received Through CRF | 14 | - |
| Total Revenue from non-exchange transactions | | 63,907,486 |
| Revenue from exchange transactions | | |
| Parking Fees | 15 | - |
| Market Fees | 16 | 887,721 |
| Property Rent | 17 | 5,680,587 |
| Advertising | 18 | - |
| Hospital Fees | 19 | 104,433,549 |
| Hire of County Assets | 20 | 8,000 |
| Sale of assets | 21 | - |
| Park Fees | 22 | - |
| Miscellaneous receipts | 23 | 10,445,064 |
| Total Revenue from exchange transactions | | 121,454,921 |
| Total Revenues (a) | | 185,362,407 |
| Disbursements | | |
| Disbursements To CRF | 24 | 94,876,068 |
| Disbursements to another County Fund | 25 | 109,483,078 |
| Bank charges | 26 | 18,320 |
| Waivers and exemptions | 27 | (-) |

Receiver of Revenue
County Government of Marsabit
Revenue Statements for the Year Ended 30th June 2025

| | | |
|--|--------|---------------------|
| Bad debts written off | 28 | - |
| Provision for bad debts | 29 | - |
| Total Disbursements and other charges (b) | | 204,377,466 |
| Other gains/(losses) | | |
| Gain/Loss on foreign exchange transactions | 30 | - |
| Increase/Decrease in Dues to County Revenue Fund & Other entities | 34 (b) | (19,015,059) |

The accounting policies and explanatory notes to these revenue statements form an integral part of the revenue statements. These revenue statements were approved on __15th August__ 2025 and signed by:



Name Kazali A.B
 County Receiver of Revenue

(Ref: PFM ACT section 165, 2(a))



Name Simon Ibrattian
 Head of Revenue Reporting


ICPAK M/No 11648


*Receiver of Revenue
County Government of Marsabit
Revenue Statements for the Year Ended 30th June 2025*

8. Statement of Financial Position as at 30th June 2025

| | Note | 2024-2025 | Opening Statement 1 st July 2024 |
|--|------|-------------------|---|
| | | Kshs | Kshs |
| Current Assets | | | |
| Cash and Cash Equivalents | 31 | 19,218,318 | 38,233,377 |
| Receivables from non-Exchange transactions | 32 | - | - |
| Receivables from Exchange transactions | 33 | - | - |
| Total Current Assets | | - | - |
| Total Assets | | 19,218,318 | 38,233,377 |
| Financial Liabilities | | | |
| Payables - Due to CRF and other entities | 34 | 19,218,318 | 38,233,377 |
| Revenue Received in Advance | 35 | - | - |
| Total Financial Liabilities | | 19,218,318 | 38,233,377 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _15th August 2025 and signed by:


 Name Kazali A. B
 County Receiver of Revenue


 Name Shamsi Ibrahim
 Head of Revenue Reporting
 ICPAK M/No 11648

*Receiver of Revenue
County Government of Marsabit
Revenue Statements for the Year Ended 30th June 2025*

9. Statement of Cash Flows for the Year Ended 2025

| | Note | 2024-2025 |
|---|------|---------------------|
| | | Kshs |
| Operating Activities | | |
| Receipts | | |
| Cess | | 51,317,623 |
| Land Rate | | 2,362,070 |
| Single/Business Permits | | 9,766,293 |
| Administration Control Fees and Charges. | | 394,000 |
| Other Fines, Penalties, And Forfeiture Fees | | - |
| Public Health Service Fees | | - |
| Physical Planning and Development | | 67,500 |
| Parking Fees | | - |
| Market Fees | | 887,721 |
| Property Rent | | 5,680,587 |
| Advertising | | - |
| Hospital Fees | | 104,433,549 |
| Hire of County Assets | | 8,000 |
| Sale of assets | | - |
| Park Fees | | - |
| Miscellaneous receipts | | 10,445,064 |
| Total Receipts | | 185,362,407 |
| | | |
| Payments | | |
| Disbursements To CRF | | 94,876,068 |
| Disbursements to another County Fund | | 109,483,078 |
| Bank charges | | 18,320 |
| | | |
| Total Payments | | 204,377,466 |
| | | |
| Net Cash from operating Activities | | (19,015,059) |
| | | |
| Cash and Cash Equivalent as at 1 st July 2024 | 31 | 38,233,377 |
| Cash and Cash Equivalent as at 30th June 2025 | 31 | 19,218,318 |

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10. Statement of Comparison of Budget vs Actual Amounts for Year Ended 30th June 2025

| Receipts | Original Targets | Adjustments | Final Targets | Actual On Comparable Basis | Budget Realization Difference | % of Realization |
|---|--------------------|-------------|--------------------|----------------------------|-------------------------------|------------------|
| | A | B | C=A+B | D | E=C-D | F=D/C % |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| County Own Source Revenue | | | | | | |
| Cess | 34,700,000 | - | 34,700,000 | 51,317,623 | -16,617,623 | 148% |
| Land Rate | 10,000,000 | - | 10,000,000 | 2,362,070 | 7,637,930 | 24% |
| Single/Business Permits | 20,000,000 | - | 20,000,000 | 9,766,293 | 10,233,707 | 49% |
| Parking Fees | 500,000 | - | 500,000 | - | 500,000 | 0% |
| Market Fees | 1,500,000 | - | 1,500,000 | 887,721 | 612,279 | 59% |
| Property Rent | 10,000,000 | - | 10,000,000 | 5,680,587 | 4,319,413 | 57% |
| Advertising | 3,000,000 | - | 3,000,000 | - | 3,000,000 | 0% |
| Hospital Fees | 100,000,000 | - | 100,000,000 | 104,433,549 | -4,433,549 | 104% |
| Physical Planning and Development | 1,500,000 | - | 1,500,000 | 67,500 | 1,432,500 | 5% |
| Hire of County Assets | 1,000,000 | - | 1,000,000 | 8,000 | 992,000 | 1% |
| Administration Control Fees and Charges | 5,000,000 | - | 5,000,000 | 394,000 | 4,606,000 | 8% |
| Other Fines, Penalties, and Forfeiture Fees | 300,000 | - | 300,000 | - | 300,000 | 0% |
| Miscellaneous Receipts | 12,500,000 | - | 12,500,000 | 10,445,064 | 2,054,936 | 84% |
| Total County Own Source Revenue | 200,000,000 | - | 200,000,000 | 185,362,407 | 14,637,593 | 93% |
| Other Receipts | | | | | | |
| Donations /Grants Not Received Through CRF | - | - | - | - | - | |
| Total Other Receipts | - | - | - | - | - | |
| Total Receipts | 200,000,000 | - | 200,000,000 | 185,362,406.85 | 14,637,593 | 93% |

Commentary on significant under realisation (below 90% of realisation) and any over realisation]

- Land rates under performed by 76% mainly due to idle property whose owners have no other sources of income
- Single business permit and market fee under realization was due to closure of significant business units due to poor economic environment
- Property Rent, Advertising, Physical Planning and Development, Hire of County Assets and Administration Control Fees and Charges went significantly down due to reduction in activities during the year than earlier anticipated.


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- (d) The county did not realise revenue from parking since we were still developing parking infrastructure within the town however the same has been completed and is being collected.
- (e) Other Fines, Penalties, and Forfeiture Fees are normally collectable after enforcement actions due to non - adherence with the county by laws however, the harsh economic environment and slowed business activities and failure by the citizens to secure a stable livelihood has necessitated humanitarian approach in dealing with non-compliance examples more sensitization and partnerships with the local business community.
- (f) Miscellaneous receipts are other extra revenue streams which manifest challenge in determining the targets however the department will in future increase the parameters for more accuracy.
- (g) Over realization on Cess receipts was as a result of factoring the Municipality revenue over the two period of first and final quarter.
- (h) The hospital over realised due to continuous partnership and compliance with Social Health Insurance guidelines through mobilizations and SHA paid For more services than anticipated.

There were no *changes between the original and final budgets.*

The County Receiver of Revenue's financial statements were approved on __15th August__ 2025 and signed by:


.....
Name **Kazali A.B**
County Receiver of Revenue


.....
Name **Starco Ibrahim**
Head of Revenue Reporting
ICPAK M/No **11648**

11. Notes to the Financial Statements

1. General Information

County Receiver of Revenue was appointed by the CEC member of Finance of Marsabit County Government in accordance with section 157 of the PFM Act. The Marsabit County Receiver of Revenue's principal activity is collecting and remitting of revenue as outlined in the appointment letter and section 157 of the PFM Act.

2. Statement of Compliance and Basis of Preparation

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) Accrual Basis of Accounting and relevant legal framework of the County Government. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

Guiding note during the transition period:

The financial statements have been prepared in accordance with the PFM Act, and the transitional provisions under IPSAS 33 and therefore these 1st year financial statements are transitional financial statements and the following elements of the financial statements have not been recognized as the entity has taken advantage of the transition provisions outlined in IPSAS 33.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Marsabit County Receiver of Revenue. The accounting policies adopted have been consistently applied to all the years presented.

The Financial statements were authorized for issue by the Accounting Officer on 15th August 2025

3. Adoption of New and Revised Standards

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

There were no new and amended standards issued in the financial year.

- 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 43 | <p><i>Applicable 1st January 2025</i></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> |
| IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations | <p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>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:</p> <p>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> |
| IPSAS 45- Property Plant and Equipment | <p><i>Applicable 1st January 2025</i></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</p> |

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| Standard | Effective date and impact: |
|--|---|
| | <p>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>IPSAS 46 Measurement</p> | <p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> |
| <p>IPSAS 47- Revenue</p> | <p>Applicable 1st January 2026</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>IPSAS 48- Transfer Expenses</p> | <p>Applicable 1st January 2026</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,</p> |

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| Standard | Effective date and impact: |
|---|--|
| | 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. |
| IPSAS 49- Retirement Benefit Plans | <i>Applicable 1st January 2026</i> 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. |
| IPSAS 50: Exploration For & Evaluation of Mineral Resources | <i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> <li data-bbox="466 922 1422 1003">i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. <li data-bbox="466 1012 1422 1146">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. <li data-bbox="466 1155 1422 1384">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. |

iii) Early adoption of standards

The Receiver of Revenue did not early-adopt any new or amended standards in the financial year.

4. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these revenue statements are set out below:

i) Revenue from non-exchange transactions

Fees, taxes, fines and charges

The *Receiver of Revenue* recognizes revenues from fees, taxes, fines and charges when the event occurs and the asset recognition criteria is met. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Entity and the fair value of the asset can be measured reliably.

ii) Revenue from exchange transactions

Rendering of services

The *Receiver of Revenue* recognizes revenue from the rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the Entity.

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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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.

iii) Budget

The County Revenue budget is developed on cash basis. The budget has the same accounts classification basis, and for the same period as the financial statements. The County budget was approved as required by law. The original budget was approved by the County Assembly on 20 June 2024 for the period 1st July 2024 to 30 June 2025. There were no supplementary budgets passed in the year. A high-level assessment of the County's actual performance against the comparable budget for the financial year under review has been included in these financial statements.

The *County Revenue* budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. 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 performance has been presented under section 10 of these financial statements.

iv) Cash and cash equivalents.

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include revenue collection accounts held at Commercial banks.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

v) Revenue in Arrears

Revenue in arrears relate to revenue earned and is yet to be received or collected by the receiver of revenue. These arrears are presented as receivables from exchange and non- exchange transactions in the statement of financial position. These receivables are assessed for impairment on a continuous basis. The details of these arrears are presented as an appendix to the financial statements under the statement of arrears as required under the PFM Act, 2012 Section 165 (2) (b).

vi) Disbursements to CRF

The Receiver of Revenue has an arrangement for transfer of funds from its bank account to the CRF account. Total disbursements to the CRF are as a result of the transfer arrangement during the year.

vii) Payables due to CRF

These relate to amounts yet to be disbursed to the County Revenue Fund at the end of the period. The amount also includes monies that are yet to be collected by the receiver of revenue at the end of the reporting period.

viii) Comparative Figures

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

ix) Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the revenue statements for the year ended June 30, 2025

Notes to the financial statements

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *County's receiver of revenue* 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.

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.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 32 and 33. 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.

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Notes to the Financial Statements

6. Cess

| Description | 2024-2025 |
|-------------------------------------|-------------------|
| | Kshs |
| Farm produce | 34,716,000 |
| Quarrying | 1,399,890 |
| Livestock | 10,754,324 |
| Fish farming | 549,757 |
| Others (<i>Municipal Revenue</i>) | 3,897,652 |
| Total | 51,317,623 |

7. Land rates

| Description | 2024-2025 |
|-----------------------------|------------------|
| | Kshs |
| Land rates | 2,362,070 |
| Land penalties and interest | - |
| Arrears | - |
| Total | 2,362,070 |

8. Single /Business Permits

| Description | 2024-2025 |
|--|------------------|
| | Kshs |
| Business permit application fees | - |
| Annual Business permit fees | 9,766,293 |
| Business permit penalties and interest | - |
| Business permit fees arrears | - |
| Total | 9,766,293 |

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Notes to the Financial Statements (continued)

9. Conservancy Administration

| Description | 2024-2025 |
|---------------------------|------------------|
| | Kshs |
| Refuse disposal fees | - |
| Dumpsite fees | - |
| Sewerage fees | - |
| Sale of seedlings | - |
| Public cemetery | - |
| Disposal of carcasses | - |
| Noise control | - |
| Others (<i>Specify</i>) | - |
| Total | - |

10. Administration Control Fees and Charges

| Description | 2024-2025 |
|---------------------------|------------------|
| | Kshs |
| Weights and measures | - |
| Fire Services | - |
| Liquor licenses | 394,000 |
| Betting levy | - |
| Others (<i>Specify</i>) | - |
| Total | 394,000 |

11. Other Fines, Penalties and Forfeitures

| Description | 2024-2025 |
|---------------------------|------------------|
| | Kshs |
| Impounding Fees | - |
| Towing Fees | - |
| Others (<i>Specify</i>) | - |
| Total | - |

*Receiver of Revenue
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Notes to the Financial Statements (continued)

12. Public Health Service Fees

| Description | 2024-2025 |
|---|-----------|
| | Kshs |
| Inspection of buildings/premises/Institutions | - |
| Inspection for issuance of hygiene license | - |
| Vaccination: Yellow fever, Typhoid, etc | - |
| Applications for medical examination | - |
| Sanitation inspection for schools | - |
| Public health permit | - |
| Rodent Control/Fumigation | - |
| Others (<i>Specify</i>) | - |
| Total | - |

13. Physical Planning and Development

| Description | 2024-2025 |
|--|---------------|
| | Kshs |
| Sale of County planning documents | - |
| Land valuation and registration fees | 5,000 |
| Change / Renewal of user | - |
| Building plans approval | 62,500 |
| Signboards | - |
| Occupational Permits | - |
| Enforcement / Demolition | - |
| Architectural designs by county officers | - |
| Hoarding fees | - |
| Others (<i>Specify</i>) | - |
| Total | 67,500 |

*Receiver of Revenue
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Notes to the Financial Statements (continued)

14. Donations and Grants Not Received Through CRF

| Description | 2024-2025 |
|--|-----------|
| | Kshs |
| Donations <i>(Specify Based on Source)</i> | - |
| Grants <i>(Specify Based on Source)</i> | - |
| Others <i>(Specify)</i> | - |
| Total | - |

15. Parking Fees

| Description | 2024-2025 |
|---------------------------|-----------|
| | Kshs |
| Street parking fees | - |
| Monthly toll/sticker fees | - |
| Motorbike fees | - |
| Registration fees | - |
| Reserved parking | - |
| Bus Park fees | - |
| Others <i>(Specify)</i> | - |
| Total | - |

16. Market Fees

| Description | 2024-2025 |
|-------------------------|----------------|
| | Kshs |
| Market entry fees | 803,576 |
| Hawking fees | - |
| Others <i>(Specify)</i> | 84,145 |
| Total | 887,721 |

17. Property Rent

| Description | 2024-2025 |
|----------------------|-----------|
| | Kshs |
| County Housing | - |
| Plot Rent | 3,000,000 |
| Tenancy Agreement | - |
| Transfer of Property | - |

Receiver of Revenue
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| | |
|-----------------------------------|------------------|
| Stalls/kiosks rent | 1,218,300 |
| Others (<i>Transit Charges</i>) | 1,462,287 |
| Total | 5,680,587 |

18. Advertising

| Descriptions | 2024-2025 |
|-------------------------------|------------------|
| | Kshs |
| Branding | - |
| Billboard advertising | - |
| Signage | - |
| Roadshows | - |
| Banners | - |
| Posters | - |
| Tent advertising | - |
| Street pole/clock advertising | - |
| others (<i>Specify</i>) | - |
| Total | - |

19. Hospital Fees

| Description | 2024-2025 |
|---------------------------|--------------------|
| | Kshs |
| Level 5 hospitals | - |
| Level 4 hospitals | 104,433,549 |
| Others (<i>Specify</i>) | - |
| Total | 104,433,549 |

20. Hire Of County Assets

| Description | 2024-2025 |
|---|------------------|
| | Kshs |
| Agricultural Mechanisation Services (AMS) | - |
| Hire of Machines and Equipment | - |
| Hire of County Stadia | - |
| Hire of County Halls | 8,000 |
| Conference facilities/Agricultural Training Centers (ATC) | - |
| Others (<i>Specify</i>) | - |
| Total | 8,000 |

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21. Sale of assets.

| | 2024-2025 |
|---|-----------|
| | Kshs |
| Receipts from Sale of Buildings | - |
| Receipts from Sale of Vehicles and Transport Equipment | - |
| Receipts from Sale of Plant Machinery and Equipment | - |
| Receipts from Sale of Certified Seeds and Breeding Stock | - |
| Receipts from Sale of Strategic Reserves Stocks | - |
| Receipts from Sale of Inventories, Stocks and Commodities | - |
| Disposal and Sales of Non-Produced Assets | - |
| Total | - |

22. Park Fees

| Description | 2024-2025 |
|------------------------------|-----------|
| | Kshs |
| Lodge Tariffs and levies | - |
| Park entry fees | - |
| Filming and Photography fees | - |
| Camping fees | - |
| Balloon landing fees | - |
| Others (<i>Specify</i>) | - |
| Total | - |

23. Miscellaneous Revenues

| Description | 2024-2025 |
|---|-------------------|
| | Kshs |
| Dividends | - |
| Interest | - |
| Municipality | 7,846,647 |
| Others (Miscellaneous/Veterinary Inspection) | 2,598,417 |
| Total | 10,445,063 |

24. Disbursements to CRF

| Description | Period ended 30 th June 2025 |
|------------------------|--|
| | Kshs |
| Quarter 1 | 23,490,000 |
| Quarter 1 Municipality | 8,897,545 |

*Receiver of Revenue
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| | |
|--------------|-------------------|
| Quarter 2 | - |
| Quarter 3 | 34,493,000 |
| Quarter 4 | 27,995,523 |
| Total | 94,876,068 |

25. Disbursement to another County Fund

| Description | Period ended 30 th June 2025 |
|--------------|--|
| | Kshs |
| Quarter 1 | - |
| Quarter 2 | 70,617,206 |
| Quarter 3 | - |
| Quarter 4 | 38,865,873 |
| Total | 109,483,079 |

26. Bank Charges

| Description | 2024-2025 |
|----------------------------|---------------|
| | Kshs |
| Bank Charges & commissions | 18,320 |
| Total | 18,320 |

27. Waivers and Exemptions

| Description | 2024-2025 |
|---------------------------|-----------|
| | Kshs |
| Penalties | - |
| Interest | - |
| Others (<i>Specify</i>) | - |
| Total | - |

28. Bad debts written off.

| Description | 2024-2025 |
|---|-----------|
| | Kshs |
| Bad debts written off (<i>Specify revenue stream</i>) | - |
| Total | - |

*Receiver of Revenue
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29. Provision for bad debts

| Description | 2024-2025 |
|---|-----------|
| | Kshs |
| Provision for bad debts (<i>Specify revenue stream</i>) | - |
| Total | - |

30. Gain/Loss on Foreign Exchange Transactions

| Description | 2024-2025 |
|---|-----------|
| | Kshs |
| Gain or loss on foreign exchange transactions | - |
| Gain or loss on balances in foreign exchanges | - |
| Total | - |

31. Cash and Cash Equivalents

| Name of Bank, Account No. & currency | Amount | Exc. rate (if in foreign currency) | 2024-2025 | Opening Statement 1 st July 2024 |
|--|--------|------------------------------------|-------------------|---|
| | | | Kshs | Kshs |
| Kenya Commercial Bank-Local Revenue, Marsabit Branch Account no.1140751484 | | | 6,277,109 | 21,702,715 |
| Free Maternity Health Care Services (FIF)- Saku A/c- 1145056148 Kshs. | | | 79,801 | 143.25 |
| Marsabit County referral hospital -1102656240 Kshs. | | | 1,162,979 | 6,798,278 |
| KCB Moyale Sub-County Health A/c-1153997037 | | | 263,111 | 634,251 |
| KCB Moyale Sub-County Referral Hospital A/c- 1154715086 Kshs. | | | 862,527 | 146,142 |
| Laisamis Hospital- 1153939940 Kshs. | | | 173,850 | - |
| Equity Bank Marsabit Municipal Revenue A/c-1010280501019 | | | 10,375,942 | 8,897,545 |
| North – Horr Health Facility – 1153926040 | | | 22,999 | 54,303 |
| Cash at Hand | | | | |
| Total | | | 19,218,318 | 38,233,377 |

32. Receivables for non-exchange transactions

| Description | 2024-2025 | Opening Statement 1 st July 2024 |
|---------------------------------------|-----------|---|
| | Kshs | Kshs |
| Receivables | | |
| <i>Specify the various categories</i> | - | - |
| | - | - |
| Sub total | | |
| Less impairment Allowance | - | - |
| | | |
| Total Current Receivables | - | - |

(Provide brief explanation on current receivables)

Ageing analysis for Receivables from Non-exchange transactions

| Description | 2024-2025 | | Opening Statement 1 st July 2024 | |
|--------------------|------------|----------------|---|----------------|
| | Current FY | % of the total | Opening Balance | % of the total |
| | Kshs | | Kshs | |
| Less than 1 year | - | % | - | % |
| Between 1- 2 years | - | % | - | % |
| Between 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total (a+b) | - | % | - | % |

Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

| Impairment allowance/ provision | 2024-2025 |
|---------------------------------------|-----------|
| | 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 | - |

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33. Receivables from exchange transactions

| Description | 2024-2025 | Opening Statement 1 st July 2024 |
|---|-----------|--|
| | Kshs | Kshs |
| Total receivables | | |
| <i>Specify items the various category</i> | - | - |
| | | |
| Less: impairment allowance | (-) | (-) |
| Total receivables | - | - |

Ageing analysis for total receivables in exchange transactions

| Description | 2024-2025 | | 2023-2024 | |
|--------------------|-----------|----------------|-----------|----------------|
| | 2024-2025 | % Of the total | 2023-2024 | % Of the total |
| | Kshs | | Kshs | |
| Less than 1 year | - | % | - | % |
| Between 1- 2 years | - | % | - | % |
| Between 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total (a+b) | - | | - | |

Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

| Impairment allowance/ provision | 2024-2025 |
|---------------------------------------|-----------|
| | 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 | - |

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34. Payables- Due To CRF and other Entities

| Payables | 2024-2025 | Opening Statement 1 st July 2024 |
|---|-------------------|--|
| | Kshs | Kshs |
| Amount collected yet to be disbursed to CRF | 16,653,051 | 30,600,260 |
| Amount collected yet to be disbursed to Other Entities | 2,565,267 | 7,633,117 |
| Amount billed and yet to be collected for disbursement to CRF | - | - |
| Total Due to CRF | 19,218,318 | 38,233,377 |

34 (b) Movement Disclosure on Dues to CRF

| Description | | Amount |
|---|------------|-------------------|
| | | Kshs |
| Opening Dues to CRF | 30,600,260 | - |
| Opening Dues to Other Entities | 7,633,117 | 38,233,377 |
| Increase/Decrease in Dues to CRF | 13,947,209 | - |
| Increase/Decrease in Dues to Other entities | 5,067,849 | (19,015,059) |
| Closing Dues to CRF | 16,653,051 | - |
| Closing Dues to Other entities | 2,565,267 | 19,218,318 |

35. Revenue received in advance

| Description | Period ended June 2025 | Opening Statement 1st July 2024 |
|----------------|---------------------------|------------------------------------|
| | Kshs | Kshs |
| <i>Specify</i> | - | - |
| Total | - | - |

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12. Appendices

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

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|---|--|--|--|---|
| Basis for Qualified Opinion | | | | |
| 1 | Understatement of Revenue | Management confirms remitting the revenue later on 19th July 2024 as shown in the attached bank statements. | Resolved matter discussed in senate | Awaiting senate report on recommendations. |
| 2 | Unsupported Revenue from Property Rent | Management has provided register of telecommunication booster and wind power mills erected on public land and lease agreements between the County Government of Marsabit and telecommunication companies | Resolved matter discussed in senate | Awaiting senate report on recommendations. |
| Emphasis of Matter | | | | |
| 1 | Budgetary Control and Performance | The management has noted the auditor's observation and commits to put in place measure to enable Receiver of Revenue to meet revenue targets. | Resolved matter discussed in senate | Awaiting senate report on recommendations. |
| Other Matters | | | | |
| 1 | Failure to Implement Audit Recommendations on Prior Years Audit Report | The management is in agreement with the findings of the auditor and is committed to submission of documents before the relevant committees of the Senate and | Resolved | Awaiting senate report on recommendations. |

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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) |
|---|---|---|--|---|
| | | County Assembly as and when scheduled for appearance. | | |
| Report on Lawfulness and Effectiveness in Use of Public Resources | | | | |
| 1 | Failure to Disburse Revenue to the County Revenue Fund | Management confirms remitting the revenue later on 19th July 2024 as shown in the attached bank statements. | Resolved | Awaiting senate report on recommendations. |
| 2 | Failure to Update Valuation Roll and Land Rates Registers | The management is in agreement with auditor's observation and will put in place measure to ensure compliance. | Not Resolved | Awaiting senate report on recommendations. |
| Report On the Effectiveness Of Internal Controls, Risk Management And Governance | | | | |
| 1 | Failure to Automate Revenue Collection | The management is in agreement with auditor's observation and has put in place measure to ensure compliance. | Not Resolved | Awaiting senate report on recommendations. |
| 2 | Ineffective Revenue Collection from Single Business Permits | The Management has submitted dully filled application forms for some business owners. | Not Resolved | Awaiting senate report on recommendations. |

Guidance Notes:

- Use the same reference numbers as contained in the external audit report.

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- Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management.
- Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.

.....
Name **Kazali A.B**
County Receiver of Revenue

Date **15/08/2025**

.....
Name **SHARU IBRAHIM**
Head of Revenue Reporting

ICPAK M/No **11648**
Date **15/8/2025**


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Appendix 2: Statement of Arrears of Revenue As at 30th June 2025

| Classification Of Receipts (Indicate As Applicable) | Balance as at the beginning of the current year (1st July 2024) A | Arrears received during the year. B | Additions in arrears for the current year to June 30, 2025 C | Total arrears as at 30 June 2025 D=A+(B)+C | Measures taken to recover the arrears | Assessment to the recoverability of arrears |
|--|---|--|---|---|--|--|
| Cess | - | (-) | - | - | There were no reported arrears | |
| Land rate | - | (-) | - | - | | |
| Single/Business Permits | - | (-) | - | - | | |
| Property Rent | - | (-) | - | - | | |
| Parking Fees | - | (-) | - | - | | |
| Market Fees | - | (-) | - | - | | |
| Advertising | - | (-) | - | - | | |
| Hospital Fees | - | (-) | - | - | | |
| Public Health Service Fees | - | (-) | - | - | | |
| Physical Planning and Development | - | (-) | - | - | | |
| Hire Of County Assets | - | (-) | - | - | | |
| Conservancy Administration | - | (-) | - | - | | |
| Administration Control Fees and Charges | - | (-) | - | - | | |
| Park Fees | - | (-) | - | - | | |
| Other Fines, Penalties, And Forfeiture Fees | - | (-) | - | - | | |
| Miscellaneous | - | (-) | - | - | | |

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| | | | | | | |
|---------------|---|-----|---|---|--|--|
| Total Arrears | = | (-) | = | = | | |
|---------------|---|-----|---|---|--|--|


 Name Kazali A.B
 County Receiver of Revenue
 (Ref: PFM ACT section 165, 2(a))


 Name Sitare Ibrahim
 Head of Revenue Reporting
 ICPAK M/No 11648

(Total arrears as at the end of the year should be the total of receivables from exchange and non- exchange transactions)

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Appendix 3: Ageing Analysis of Revenue in Arrears

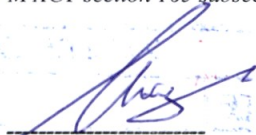
| Description (indicate as applicable) | Less than 1 year | Between 1-2 years | Between 2-3 years | Over 3 years | Total |
|---|------------------|-------------------|-------------------|--------------|-------|
| Cess | - | - | - | - | - |
| Land rate | - | - | - | - | - |
| Single/business permits | - | - | - | - | - |
| Property rent | - | - | - | - | - |
| Parking fees | - | - | - | - | - |
| Market fees | - | - | - | - | - |
| Advertising | - | - | - | - | - |
| Hospital fees | - | - | - | - | - |
| Public health service fees | - | - | - | - | - |
| Physical planning and development | - | - | - | - | - |
| Hire of County Assets | - | - | - | - | - |
| Conservancy administration | - | - | - | - | - |
| Administration control fees and charges | - | - | - | - | - |
| Proceeds from sale of assets | - | - | - | - | - |
| Park fees | - | - | - | - | - |
| Other fines, penalties, and forfeiture fees | - | - | - | - | - |
| Miscellaneous receipts | - | - | - | - | - |
| Others (<i>Specify</i>) | - | - | - | - | - |
| Total (<i>agree to statement of arrears above</i>) | - | - | - | - | - |

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Appendix 4: A Report of Waivers and Variations of Fees or charges granted by the Receiver of Revenue during the year.

| S/No | Name of person / organisation benefitting from waiver/ variation | Year in which waiver/ variation relates | Amount of variation/ waiver (fee or charge) | Reasons for waiver/ variation | The law in terms of which the variation/waiver was granted |
|------|--|---|---|-------------------------------|--|
| | None | N/A | N/A | N/A | N/A |
| | | | | | |
| | | | | | |
| | | | | | |

(PFMACT section 165 subsection 4, 5)


 15/08/2025
 Sign and date
 Accounting Officer.....