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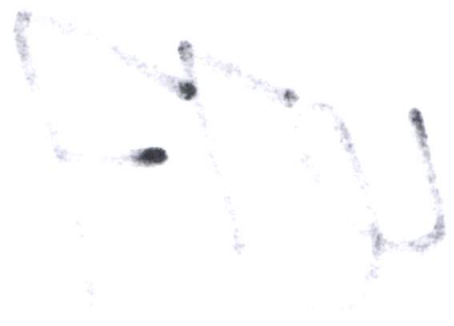
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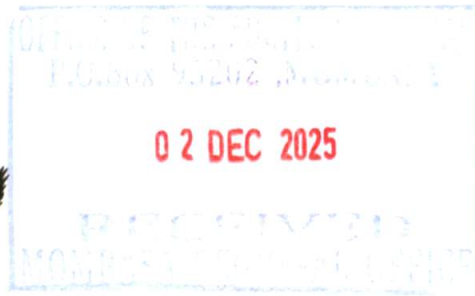
THE AUDITOR-GENERAL

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| ON TABLED BY | Majority leader |
| COMMITTEE | _____ |
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TAVETA MUNICIPALITY

FOR THE YEAR ENDED
30 JUNE, 2025





MUNICIPALITY OF TAVETA
County Government of Taita-Taveta

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025

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



County Government of Taita-Taveta
Taveta Municipality
Annual Report and Financial Statements for the year ended June 30, 2025

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1. Acronyms and Definition of Key Terms

A. Acronyms

| | |
|-------|--|
| PSASB | Public Sector Accounting Standards Board |
| FY | Financial Year |
| OSHA | Occupational Safety & Health Act |
| IDEP | Integrated Development Plan |
| CIDP | County Integrated Development Plan |

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with Taveta Municipality's financial resources.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

a) Background information

Municipality of Taveta is established by and derives its authority and accountability from Urban Areas and Cities Act No. 13 of 2011(amended 2019) and Municipal Charter on 28th July 2023. The Municipality is under the County Government of Taita-Taveta and is domiciled in Kenya.

b) Principal Activities

The principal activity/mission/ mandate of the Municipality is:

- i. Promotion, regulation, and provision of refuse collection and solid waste management services;
- ii. Promotion and provision of water and sanitation services and infrastructure (in areas within the Municipality not served by the Water and Sanitation Provider);
- iii. Construction and maintenance of urban roads and associated infrastructure;
- iv. Construction and maintenance of storm drainage and flood controls;
- v. Construction and maintenance of walkways and other non-motorized transport infrastructure;
- vi. Construction and maintenance of recreational parks and green spaces;
- vii. Construction and maintenance of street lighting;
- viii. Construction, maintenance, and regulation of traffic controls and parking facilities;
- ix. Construction and maintenance of bus stands, boda-boda stands, and taxi stands;
- x. Regulation of outdoor advertising;
- xi. Construction and regulation of municipal markets and abattoirs;
- xii. Construction and maintenance of fire stations; provision of fire-fighting services, emergency preparedness and disaster management;
- xiii. Promotion, regulation, and provision of municipal sports and cultural activities;
- xiv. Promotion, regulation, and provision of animal control and welfare;
- xv. Development and enforcement of municipal plans and development controls;
- xvi. Municipal administration services (including construction and maintenance of administrative offices)
- xvii. Promoting and undertaking infrastructural development and services within the Municipality.

c) Key Management

The Municipality of Taveta's management is under the following key organs:

- County Executive Committee
- Board of Management
- Accounting Officer/ City/Municipality Manager
- Management
- Others

| Ref | Name | Position |
|-----|--------------------------|-------------------|
| 1. | CONSTANTINE A. MALAI | CHAIRMAN |
| 2. | RITA KAVASHE NARIANGAI | VICE CHAIRPERSON |
| 3. | DR. HUSSEIN JIMMY KIHARA | MEMBER |
| 4. | MANDE MOHAMMED JUMANNE | MEMBER |
| 5. | GEORGE NGURUZI KIMBOI | MEMBER |
| 6. | ANJELINE WAWUDA MNENE | MEMBER |
| 7. | MARLEY DINGIRIA | MEMBER |
| 8. | JIMMY M MTAWA | CCO LANDS |
| 9. | CHRISTINA ZIGHE | CECM LANDS |
| 10. | EDWARD MWAKALAMU | MUNICIPAL MANAGER |

d) Fiduciary Management

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

| Ref | Position | Name |
|-----|----------------------|------------------|
| 1 | MUNICIPALITY MANAGER | EDWARD MWAKALAMU |
| 2 | ACCOUNTANT | CONSTANCE MARURA |
| 3 | PROCUREMENT OFFICER. | JOHNSON METAINE |

e) Fiduciary Oversight Arrangements

- i) Audit and Risk Management Committee
- ii) County Assembly committees
- iii) Committees of the Senate

f) Registered Offices

Municipal office Building-Taveta
Taveta Town, Off, Taveta – Holili Highway,
P.O. Box 195-80302
Taveta, Kenya

g) Contacts

Telephone: +2547 12702912 / +2547 34044718
E-mail: taveta.municipality@gmail.com
Website: www.tavetamunicipality.go.ke

h) Bankers

Equity bank
Voi Branch
P.O Box 325-80300
Njiiri Plaza,
VOI




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
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya




3. Municipality Board

| Serial No. | Name | Details of qualifications and experience |
|------------|--|--|
| 1 | <p>CONSTANTINE A. MALAI</p>  | <p>BOARD CHAIR</p> <p>Age: 75 years</p> <p>Bachelor's degree in Business Administration (Marketing) From Irish International University</p> <p>Graduate Diploma in Management from Irish International University</p> <p>28 years in Consultancy and Management in Banking and Private Sector in Kenya, Liberia, Zimbabwe and Zambia</p> |
| 2 | <p>RITA KAVASHE NARIANGAE</p>  | <p>BOARD VICE-CHAIR</p> <p>Chair of Urban planning infrastructure and transport.</p> <p>Member of Finance, administration strategy and HR</p> <p>Age: 65 years</p> <p>Bachelor's degree in Education from Moi University</p> <p>Master's Degree in Business Administration (MBA) from the University of Nairobi.</p> <p>29 years on Management in Private sector</p> |
| 3 | <p>MARLEY DINGIRIA</p>  | <p>BOARD MEMBER</p> <p>Chair of Finance, administration strategy and HR</p> <p>Member of Urban planning infrastructure and transport.</p> <p>Age: 59 years</p> <p>Master of Commerce (M.com)</p> <p>Postgraduate Diploma Financial Management</p> <p>Bachelor in Business Management</p> <p>Strategic Leadership-KSG.</p> <p>15 years in public and private sector management.</p> <p>5 years in county government (CECM- Water and Irrigation-Health Services</p> |
| 4 | <p>DR. HUSSEIN JIMMY KIHARA</p> | <p>BOARD MEMBER</p> <p>Chair of Audit, Corporate governance and risk management</p> <p>Member of Municipality services, trade and investment.</p> |

County Government of Taita-Taveta




Taveta Municipality

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

| | | |
|---|---|---|
| |  | <p>Age:69 years</p> <p>PhD in parasitology, JKUAT, MSc. In infection diagnosis, Kenyatta University, Higher Diploma in parasitology & Entomology in KMTC, Diploma in medical laboratory Technology KMTC, certificate in Medial laboratory technology & entomology MTC.</p> <p>40yrs in medical research</p> |
| 5 | <p>GEORGE NGURUZI KIMBOI</p>  | <p>BOARD MEMBER</p> <p>Chair of Municipality services, trade and investment. Member of Finance, administration strategy and HR Age: 45 years</p> <p>Bsc Environmental Science (Egerton University, Njoro) 7yrs Banking industry experience working with Barclays/Absa Bank 5yrs public service experience working with the county Government of Taita Taveta as a Ward Administrator Board member & Marketing chairman – Taita-Taveta Banana Farmers’ Cooperative Society Ltd Board Member & Academic Chairman - Bishop John Njenga Secondary School Board Vice Chairman - Kiwalwa Secondary School</p> |
| 6 | <p>MANDE MOHAMMED JUMANNE</p>  | <p>BOARD MEMBER</p> <p>Member of Audit, Corporate governance and risk management. Member of Urban planning infrastructure and transport. Age:61 years</p> <p>The University of Nairobi 1987-1990(Undergraduate level) Institute of Foreign Relations Kuala Lumpur, Malaysia 1998 The University of Nairobi 2006-2007 (Postgraduate Diploma in International Relations) Kenya Institute of Administration Kabete Nairobi for Senior Management Course (2010) 27 Years in Public and County Government</p> |
| 7 | <p>ANGELINE WAWUDA MNENE</p> | <p>BOARD MEMBER</p> <p>Member of Audit, Corporate governance and risk management Member of Municipality services, trade and investment.</p> |

| | | |
|----|---|--|
| |  | <p>Age: 35 years</p> <p>Master's degree in Plant Protection and a Bachelor's degree in Seed Science and Technology - Eldoret University.</p> <p>10 Years researcher on safeguarding food systems and promoting environmental sustainability.</p> |
| 8 | <p>CHRISTINA ZIGHE</p>  | <p>BOARD MEMBER</p> <p>Age:43years</p> <p>County Executive Committee Member (CECM) Lands, Physical Planning, Mining & Urban Development Bachelor of Project Planning and Management (UoN) Diploma in Education Management (UoN) - 4 Years work experience in Education and Management</p> |
| 9 | <p>JIMMY M. MTAWA</p>  | <p>BOARD MEMBER</p> <p>Age: 40 years</p> <p>CCO Lands Taita Taveta County</p> <p>Bachelor of Laws(LLB)-Second Class Honours-University of London</p> <p>Bachelor of Science in Criminology & Security Management-Dedan Kimathi University of Technology</p> <p>Diploma in Security Management-Kenya Institute of Studies in Criminal Justice</p> <p>Over 2 years working experience in the county government</p> |
| 10 | <p>EDWARD MWAKALAMU</p>  | <p>BOARD SECRETARY</p> <p>Age: 53</p> <p>Municipal Manager</p> <p>Bachelor of Business Management (Finance & Banking) – MKU</p> <p>Certified Public Secretary Kenya – regno.4218</p> <p>Kenya Accounts Technician Certificate II (Final)</p> <p>Senior Management Course – KSG</p> <p>Over 17 years in management</p> |

4. Key Management Team

| S/ No | Name | Details of qualifications and experience |
|-------|---|---|
| 1. |  EDWARD MWAKALAMU | MUNICIPAL MANAGER Bachelor of Business Management (Finance & Banking) – MKU Certified Public Secretary Kenya – reg.no4218 Kenya Accounts Technician Certificate II (Final) Senior Management Course – KSG |
| 2. |  JOHNSON METAINE | PROCUREMENT OFFICER. Diploma in Supply Chain Management- KNEC Strategic Leadership Development Programme - KSG Procurement officer for 12 years. KISM Licence No. 74176 |
| 3. |  CPA CONSTANCE MARURA | ACCOUNTANT - BCOM -ACCOUNTING - CPA (K) - ICPAK NO. 33731 |

5. Municipality Board Chairperson's Report

It is my pleasure to present, on behalf of the Municipality of Taveta Board, the financial statements for the year ended 30th June 2025. The financial statements present the financial performance of the fund over the past year.

Review of Board performance

The Municipal Board was able to meet the minimum required sittings as per the law.

Successes

During the year under review, the Municipality successfully developed the Solid waste management plan, established a development control and grievance redress mechanism committee and was also able to carry out transfer of functions, where staff in the Environment and Revenue departments were absorbed by the Municipality which strengthened revenue collection.

Challenges

Delayed disbursements, understaffing thus affecting service delivery.

Board Municipality Changes

The board was appointed and gazetted by the Governor of the County Government of Taita-Taveta as per the urban areas and cities Act 2011 revised in 2022. During the FY 2024/25 there were no Board Municipality changes.

Future Outlook

The Municipal Board is looking forward to developing necessary plans, policies and infrastructure to ensure efficient and effective service delivery.



.....

Name: Constantine A. Malai

Chairperson of the Board

6. Report of the Municipality Manager

It is my pleasure to present, on behalf of the Municipality of Taveta Board, the financial statements for the year ended 30th June 2025. The financial statements present the financial performance of the fund over the past year.

Performance

The Municipality had an approved budget of Kshs. 5,865,000, against which total expenses amounted to Kshs. 5,386,204. In addition, accrued expenses of Kshs. 1,984,021 (including Kshs. 44,100 carried forward from the previous year) brought the absorption rate to 92%.

Part of the budget was utilized through payments made directly on behalf of the Municipality by the County Government, totalling Kshs. 1,799,518, which further strengthened overall performance.

Although the approved budget stood at Kshs. 5,865,000, the Municipality received Kshs. 4,255,164, translating to a budget performance of 73%.

Physical progress

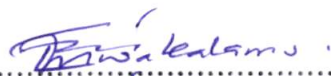
In the period under review the Municipality did not have any development budget. However, the board managed to secure a development budget in the subsequent year of Kshs. 10,000,000

Future Outlook

The Municipality is in the process of developing its IDEP, Spatial plan, development of Solid waste management policy and performance management policy. Plans are also underway to carry out the following: Marking of the Bus park parking slots, fencing of the Town Market, opening of roads in new town and renovation of Municipality offices.

Risk management strategies

The Municipality has developed a risk management strategy framework.



.....
Name: Edward Mwakalamu
Municipality Manager

7. Statement of Performance Against Predetermined Objectives for the FY

The key development objectives of Municipality of Taveta (state the period of the strategic document/plan) plan are to:

- a) New Town (Holili) Physical land use plan which will provide quality physical infrastructure.
- b) Solid waste management strategy plan which guides on efficient and effective solid waste management within the Municipality thus maintaining a clean environment.
- c) Risk management strategic plan which ensures accountability, transparency and protection of the Municipality's resources

Below we provide the progress on attaining the stated objectives:

| Program | Objective | Outcome | Indicator | Performance |
|--|---|--|--|--|
| New Town (Holili) Physical land use | To control urban development | To create orderly development in urban areas | Number of developments conforming with rules and regulations governing urban development | In the FY under review we increased Housing unit by xx%. |
| Solid waste management strategy plan | Achieve waste recovery of 50% by 2030 | Adhere to legal frameworks, pollution free cost recovery, transparent processes and inclusive stakeholder engagement | Tonnes of waste recovered | 30% waste recovery |
| Risk management Strategic plan | To identify, assess & manage all types of risks | Risk management strategy paper adopted by board | Risk Management Performance report | Strategy paper adopted by board |

8. Corporate Governance Statement

i. Appointment of Board members, Process of appointment and removal of directors, The size, diversity, and demographics of the Board, Existence of the board charter

The Municipality of Taveta Charter 2023 provides that the board of municipality shall be made up of Nine (9) Members, including the chairman, and shall consist of a chairperson and eight (8) other members identified for appointment through a competitive process. The board of municipality is responsible for the long-term strategic direction of the Municipality. The board of municipality exercises leadership, enterprise, integrity and judgment in directing the municipality

The Members are provided with full, appropriate and timely information that enables them to maintain full and effective control over the strategic, financial, operational and compliance issues. The day-to-day running of the operations of the Municipality is delegated to the Municipality Manager but the Board Members are responsible for establishing and maintaining the Municipality's system of internal controls for the realization of its mandate of providing financial support for improved access to water and sanitation in areas without adequate services.

ii. Roles and functions of the board

The Board, also known as the Taveta Municipality Board (MMB) performs all functions vested in boards of municipalities under the Urban Areas and Cities Act, the County Government Act and the Municipality Regulations.

The Board is committed to ensuring compliance with regulatory and supervisory corporate governance requirements. Essential to the establishment of a corporate governance framework in the Municipality is a formal governance structure with the board of committee at its apex. The structure is designed to ensure an informed decision-making process based on accurate reporting to the board.

iii. Induction, training, and development

Members of the board have been taken through an induction programme; however, there is need for capacity building to be adequately trained on their roles as board members. The members are professional, committed and guided by the mission, vision and core values of the Municipality in execution of their duties.

iv. Board and members performance

Members of the board have been taken through an induction programme; however, there is need for capacity building to be adequately trained on their roles as board members. The members are professional, committed and guided by the mission, vision and core values of the Municipality in execution of their duties.

v. Number of Board meetings held and the attendance to those meetings by members

The board of Municipality of Taveta held 4 meetings in order to monitor the implementation of the Municipality's strategic plan and achievement of the targets as outlined in the charter. The board also plays an oversight role over all other financial and operational issues. The Board held the required number of meetings during the FY 2024/2025.

vi. Policy to manage conflict of interest.

The Board Audit, Risk management and Governance committee and internal Auditors are tasked with ensuring that corporate governance and integrity is enhanced in between the governance of the Municipality. The committee was established to advise the board on institutional risk management and compliance.

vii. Board remuneration

Remuneration of Municipality Board in line with SRC. However, the SRC does not offer any guidance on airtime allowance.

viii. Ethics and Conduct

The Municipality has a Code of Ethics and Service Charter that is applicable to all employees. These have a number of standing instructions to employees of the Municipality designed to enhance internal control.

ix. Governance Audit

The Municipality is audited by the Auditor - General. The Municipality is also audited by the governance, audit and risk management committee sub-committee and oversight by the relevant Senate Committee.

x. Terms of Reference of Committees

During induction and Board inception meeting the terms of reference of the Municipality were cascaded to the Board members.

9. Management Discussion and Analysis

a. On the operational and financial performance of the Municipality during the period,

During the period under review the Municipality carried its day to day operations efficiently and effectively using the scarce resources available. There was no major incident reported affecting the Municipality's operations.

b. Entity's key projects or investments decision implemented or ongoing,

During the period under review the Municipality was able to develop a Solid waste management strategy, Risk management strategy plan and the physical land use plan.

c. Municipality's compliance with statutory requirements,

The municipality was compliant with many of the statutory requirements during the period under review.

d. Major risks facing the Municipality, material arrears in statutory and other financial obligations,

During the period under review, the Municipality had accrued Board allowances due to delayed disbursement.

10. Environmental And Sustainability Reporting

1. Sustainability strategy and profile

The Municipality of Taveta has continued to structure its programs towards development projects and activities that depict high sense of value for money and goes a long way in alleviating the residents suffering and improving their ease of doing business. In the year under review the Municipality had not developed any projects since there was no budget allocation.

2. Environmental performance

To promote sustainable land use and environmental conservation, the Municipality of Taveta undertook feasibility studies as well as environmental impact assessments to all its project activities. Moreover, various capacity building activities, provision of materials geared towards environmental protection and sustainable land use management were provided.

3. Employee welfare

The Municipality of Taveta revamped its efforts in improving the welfare of its employees as a key ingredient to employee motivation and satisfactory work performance. Additionally, the Municipality has continued equipping its offices in Taveta Sub-County hence providing the necessary office space and equipment needed for effective and efficient service delivery to its residents and other stakeholders.

4. Market place practices

To entrench the spirit of competition in its activities, the Special Municipality of Taveta during the year under review embraced E-Procurement when sourcing of goods and services. The system enhances openness and transparency as tenders were advertised on the local dailies and also posted on the IFMIS portal hosted at The National Treasury. The same were opened, evaluated, awarded, inspected and received through the system hence sealing loopholes of any collusion that could have occurred.

a) Responsible competition practice.

The Municipality Management ensured that all tenders were widely advertised and open to the public for bidding.

b) Responsible Supply chain and supplier relations

The municipality management has been ensuring that its relationship with suppliers is cordial and all the communication is done both to the successful and unsuccessful bidders and ensured that suppliers were paid on time.

c) Responsible marketing and advertisement or Responsible engagement with the citizens

All tender advertisements were done in the public procurement tender portal, county government website and in the dailies.

d) Product stewardship or Awareness creation

The management ensured that all the projects complied with NEMA, Environmental and Social safeguards

5. Corporate Social Responsibility/Community Engagements

The Municipality of Taveta through its various Departments and in collaboration with other stakeholders has been engaging in various community initiatives that have helped improve people's living standards. Several public participation exercises were conducted to collect views and contributions from the Taveta residents on issues such proposed projects, progress reports, budgets, etc having a bearing on service delivery.

11. Report of the Municipality Board Members

The Board Members submit their report together with the audited financial statements for the year ended June 30, 2025 which show the state of the Municipality affairs.

Principal activities

The principal activity/mission/ mandate of the Municipality is:

- i. Promotion, regulation, and provision of refuse collection and solid waste management services;
- ii. Promotion and provision of water and sanitation services and infrastructure (in areas within the Municipality not served by the Water and Sanitation Provider);
- iii. Construction and maintenance of urban roads and associated infrastructure;
- iv. Construction and maintenance of storm drainage and flood controls;
- v. Construction and maintenance of walkways and other non-motorized transport infrastructure;
- vi. Construction and maintenance of recreational parks and green spaces;
- vii. Construction and maintenance of street lighting;
- viii. Construction, maintenance, and regulation of traffic controls and parking facilities;
- ix. Construction and maintenance of bus stands, boda-boda stands, and taxi stands;
- x. Regulation of outdoor advertising;
- xi. Construction and regulation of municipal markets and abattoirs;
- xii. Construction and maintenance of fire stations; provision of fire-fighting services, emergency preparedness and disaster management;
- xiii. Promotion, regulation, and provision of municipal sports and cultural activities;
- xiv. Promotion, regulation, and provision of animal control and welfare;
- xv. Development and enforcement of municipal plans and development controls;
- xvi. Municipal administration services (including construction and maintenance of administrative offices)
- xvii. Promoting and undertaking infrastructural development and services within the Municipality.

Performance

The performance of the Municipality for the year ended June 30, 2025 are set out on page 1

Board Members

The members of the Board who served during the year are shown on page vii to ix.

*County Government of Taita-Taveta
Taveta Municipality
Annual Report and Financial Statements for the year ended June 30, 2025*

Auditors

The Auditor General is responsible for the statutory audit of the Municipality in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board


.....

Name: Edward Mwakalamu

Secretary of the Board

12. Statement of Management's Responsibilities

Section 180 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of the Taveta Municipality established by Urban Areas and Cities Act No. 13 of 2011 shall prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Taveta Municipality manager is responsible for the preparation and presentation of the Taveta Municipality's financial statements, which give a true and fair view of the state of affairs of the Municipality 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 Municipality, (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 Municipality, (v) Selecting and applying appropriate accounting policies, and (vi) Making accounting estimates that are reasonable in the circumstances.

The Municipality Manager accepts responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and *Urban Areas and Cities Act No. 13 of 2011*. The Municipality Manager is of the opinion that the financial statements give a true and fair view of the state of Municipality's transactions during the financial year ended June 30, 2025, and the financial position as at that date.


The Municipality Manager further confirms the completeness of the accounting records which have been relied upon in the preparation of financial statements as well as the adequacy of the systems of internal financial control.

*County Government of Taita-Taveta
Taveta Municipality
Annual Report and Financial Statements for the year ended June 30, 2025*

In preparing the financial statements, the Directors have assessed the Fund's ability to continue as a going concern. Nothing has come to the attention of the Municipality Manager to indicate that the Municipality will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Taveta Municipal financial statements were approved by the Board on 01 Dec 2025 and signed on its behalf by:



Name: Constantine A. Malai
Chairperson of the Board



Name: Edward Mwakalamu
Accounting officer of the Board

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 TAVETA MUNICIPALITY FOR THE YEAR ENDED 30 JUNE, 2025

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 financial statements of Taveta Municipality set out on pages 1 to 46, which comprise of the statement of financial position as at 30 June, 2025

and the statement of financial performance, statement of changes in net asset, 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 financial statements present fairly, in all material respects, the financial position of Taveta Municipality 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) and comply with the Urban Areas and Cities Act, 2011 (amended 2019) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccurate Statements of Cashflows

The statement of cashflows reflects net cash flows from operating activities of Kshs.(1,226,859) which differ with recalculated amount of Kshs.808,881 resulting to a variance of Kshs.2,035,740. Further, payments include Kshs.1,779,518 in respect of use of goods and services made on behalf of the Municipality by the County Government and does not form part of actual payments.

In the circumstances, the accuracy of cash and cash equivalents balance of Kshs,808,881 could not be confirmed.

2. Unsupported Expenditure

The statement of financial performance reflects total expenditure of Kshs.5,386,204 which include use of goods and services and board expenses of Kshs.3,468,684 and Kshs.1,637,020 respectively. However, the expenditures were not supported by ledgers and schedules.

In the circumstances, the accuracy and completeness of the total expenditure of Kshs.5,386,204 could not be confirmed.

3. Inaccurate Statements of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts reflects budget carryovers of Kshs.95,819 which was erroneously excluded from the total budgeted receipts resulting to understatement of the totals by a similar amount.

In the circumstances, the accuracy of the statements of comparison of budget and actual amounts could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Taveta Municipality 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis of Kshs.5,865,000 and Kshs.4,255,164 respectively, resulting in income shortfall of Kshs.1,609,836 or 27% of the budget.

The underfunding and affected implementation of planned activities and impacted negatively on service delivery to the citizens.

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 financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there were no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year's Audit Matters

In the prior year's audit report, two issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources. These include failure to prepare an urban area integrated development plan and lack of strategic plan. Review of the status during audit of the Municipality in 2024/2025 revealed that the matters remained unresolved.

Other Information

Management is responsible for the Other Information set out on page iii to xxii which comprise of Key Entity Information and Management, Municipality Board, Key Management Team, Chairman's Report, Report of the Municipality Manager, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Municipality Board Members, Statement of Management Responsibilities, and Statement of Performance Against Predetermined Objectives. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Taveta Municipality'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, I confirm that nothing 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

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. Weaknesses in Internal Audit and Risk Management

Review of Municipality records revealed that no internal audits were conducted during the year and no reports were presented to the audit committee for deliberations. Further, internal audit unit has not been established as an independent function to review systems, monitor controls, and assess compliance.

In the circumstances, effectiveness of internal controls and risk management could not be confirmed.

2. Failure to Operationalize the Mandate of the Municipality

Review of records provided for audit revealed that since attaining Municipality status, the entity has not undertaken any of the eighteen (18) functions assigned under the Charter.

Gazette Notice No. 9928, Vol. CXXV, No. 170 of 28 July 2023, establishing the Taveta Municipality Charter, Paragraph 2.3.1 which specifies these functions as the core mandate of the Municipality. The non-implementation of these functions indicates that the Municipality is not performing its intended roles, which could undermine service delivery and accountability to the public.

In the circumstances, the effectiveness of service delivery to the citizens 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 Municipality Board

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 Municipality 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.

The municipality Board is responsible for overseeing the Municipality'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

05 December, 2025

*Taveta Municipality
County Government of Taita-Taveta
Annual Report and Financial Statements for the year ended June 30, 2025*

14. Statement of Financial Performance for The Year Ended 30 June 225.

| Description | Note | 24/25 | 23/24 |
|---|------|--------------------|----------------|
| | | Kshs. | Kshs. |
| Revenue from non-exchange transactions | | | |
| Transfers from the County Government | 5 | 4,159,345 | 790,499 |
| Public contributions and donations | 6 | - | - |
| Levies Fines and Penalties | 7 | - | - |
| Other revenues (<i>Specify</i>) | 8 | - | - |
| | | 4,159,345 | 790,499 |
| Revenue from exchange transactions | | | |
| Interest income | 9 | - | - |
| Miscellaneous Income | 10 | - | - |
| | | - | - |
| Total revenue | | 4,159,345 | 790,499 |
| Expenditure | | | |
| Use of goods and services | 11 | 3,468,684 | 738,780 |
| Staff costs | 12 | - | - |
| Board expenses | 13 | 1,637,020 | - |
| Finance costs | 14 | - | - |
| Depreciation and amortization | 15 | - | - |
| Repairs and maintenance | 16 | 280,500 | - |
| Total expenses | | 5,386,204 | 738,780 |
| Other gains/losses | | | |
| Gain/loss on disposal of assets | 17 | - | - |
| Surplus/(deficit) for the period | | (1,226,859) | 51,719 |

The notes set out on pages 8 to 45 form an integral part of these Financial Statements. The entity financial statements were approved on 01 Dec 1 2025 and signed by:


.....

Name: Edward Mwakalamu
Municipality Manager


.....

Name: Constance Mwachinga
Head of Finance
ICPAK M/No: 33731

15. Statement of Financial Position As At 30 June 2025

| Description | Note | 24/25 | 23/24 |
|--|------|------------------|---------------|
| | | Kshs. | Kshs. |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 18 | 808,881 | 95,819 |
| Receivables from exchange transactions | 19 | - | - |
| Receivables from non-exchange transactions | 20 | - | - |
| Prepayments | 21 | - | - |
| Inventories | 22 | - | - |
| Total current assets | | 808,881 | 95,819 |
| Non-current assets | | | |
| Property, plant, and equipment | 23 | - | - |
| Intangible assets | 24 | - | - |
| Biological Assets | 25 | - | - |
| Total Non-current Assets | | - | - |
| Total assets (A) | | 808,881 | 95,819 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 26 | 1,984,021 | 44,100 |
| Refundable deposits from customers | 27 | - | - |
| Provisions | 28 | - | - |
| Borrowings | 29 | - | - |
| Employee benefit obligations | 30 | - | - |
| Deferred Income | 31 | - | - |
| Social Benefits | 32 | - | - |
| Total current liabilities | | 1,984,021 | 44,100 |
| Non-current liabilities | | | |
| Provisions | 28 | - | - |
| Borrowings | 29 | - | - |
| Non-current employee benefit obligation | 30 | - | - |
| Deferred Income | 31 | - | - |
| Social Benefits | 32 | - | - |
| Total liabilities (B) | | 1,984,021 | 44,100 |

**County Government of Taita-Taveta
Taveta Municipality**

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

| Description | Note | 24/25 | 23/24 |
|---------------------------------|------|--------------------|---------------|
| | | Kshs. | Kshs. |
| Net Assets (A-B) | | (1,175,140) | 51,719 |
| Represented by: | | | - |
| Capital/Development Grants/Fund | | - | - |
| Reserves | | - | - |
| Accumulated surplus | | (1,175,140) | - |
| Net Assets/Equity | | (1,175,140) | 51,719 |

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 01/Dec 2025 and signed by:



Name: Edward Mwakalamu

Municipality Manager

Date:



Name: Constance Mwachinga

Head of Finance

ICPAK M/No: 33731

Date:

*Taveta Municipality
County Government of Taita-Taveta
Annual Report and Financial Statements for the year ended June 30, 2025*

1. Statement of Changes in Net Assets For the Year Ended 30 June 2025

| Description | Capital/ Development Grants/Fund | Revaluation Reserve | Accumulated surplus | Total |
|---------------------------------------|--|------------------------|------------------------|-------------|
| | | Kshs. | Kshs. | Kshs. |
| Bal as at 1 July 2024 (previous year) | - | - | 51,719 | 51,719 |
| Surplus/(deficit) for the year | - | - | - | - |
| Funds received during the year | - | - | - | - |
| Revaluation gain/loss | - | - | - | - |
| Bal as at 30 Jun 2023 | - | - | 51,719 | 51,719 |
| Bal as at 1 July 2025 (current year) | - | - | 51,719 | 51,719 |
| Surplus/(deficit) for the year | - | - | (1,226,859) | (1,226,859) |
| Funds received during the year | - | - | - | - |
| Revaluation gain/loss | - | - | - | - |
| Balance as at 30 June 2024 | - | - | (1,175,140) | (1,175,140) |

2. Statement Of Cash Flows for The Year Ended 30 June 2025

| Description | Note | 24/25 | 23/24 |
|---|------|--------------------|----------------|
| | | Kshs. | Kshs. |
| Cash flows from operating activities | | | |
| Receipts | | | |
| Transfers from the County Government | | 4,255,164 | 790,499 |
| Public contributions and donations | | - | - |
| Interest received | | - | - |
| Miscellaneous receipts (<i>Specify</i>) | | - | - |
| Total Receipts | | 4,255,164 | 790,499 |
| Payments | | | |
| Use of goods and services | | 719,765 | 694,680 |
| Use of goods and services-paid on behalf | | 1,779,518 | - |
| Board expenses | | 947,000 | - |
| Finance costs | | - | - |
| Total Payments | | 3,446,283 | 694,680 |
| Net cash flows from operating activities | 33 | (1,226,859) | 95,819 |
| Cash flows from investing activities | | | |
| Purchase of PPE & intangible assets | | - | - |
| Proceeds from sale of PPE | | - | - |
| Net cash flows used in investing activities | | - | - |
| Cash flows from financing activities | | | |
| Receipts from Capital grants | | - | - |
| Proceeds from borrowings | | - | - |
| Repayment of borrowings | | - | - |
| Net cash flows used in financing activities | | - | - |
| Net increase/(decrease) in cash & cash equivalents | | (1,226,859) | 95,819 |
| Cash And Cash Equivalents At 1 July | 18 | 95,819 | 95,819 |
| Cash And Cash Equivalents At 30 June | 18 | 808,881 | 95,819 |

Taveta Municipality
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1. Statement of Changes in Net Assets For the Year Ended 30 June 2025

| Description | Capital/ Development Grants/Fund | Revaluation Reserve | Accumulated surplus | Total |
|---------------------------------------|--|------------------------|------------------------|-------------|
| | | Kshs. | Kshs. | Kshs. |
| Bal as at 1 July 2024 (previous year) | - | - | 51,719 | 51,719 |
| Surplus/(deficit) for the year | - | - | - | - |
| Funds received during the year | - | - | - | - |
| Revaluation gain/loss | - | - | - | - |
| Bal as at 30 Jun 2023 | - | - | 51,719 | 51,719 |
| Bal as at 1 July 2025 (current year) | - | - | 51,719 | 51,719 |
| Surplus/(deficit) for the year | - | - | (1,226,859) | (1,226,859) |
| Funds received during the year | - | - | - | - |
| Revaluation gain/loss | - | - | - | - |
| Balance as at 30 June 2024 | - | - | (1,175,140) | (1,175,140) |

2. Statement Of Cash Flows for The Year Ended 30 June 2025

| Description | Note | 24/25 | 23/24 |
|---|------|--------------------|----------------|
| | | Kshs. | Kshs. |
| Cash flows from operating activities | | | |
| Receipts | | | |
| Transfers from the County Government | | 4,255,164 | 790,499 |
| Public contributions and donations | | - | - |
| Interest received | | - | - |
| Miscellaneous receipts (<i>Specify</i>) | | - | - |
| Total Receipts | | 4,255,164 | 790,499 |
| Payments | | | |
| Use of goods and services | | 719,765 | 694,680 |
| Use of goods and services-paid on behalf | | 1,779,518 | - |
| Board expenses | | 947,000 | - |
| Finance costs | | - | - |
| Total Payments | | 3,446,283 | 694,680 |
| Net cash flows from operating activities | 33 | (1,226,859) | 95,819 |
| Cash flows from investing activities | | | |
| Purchase of PPE & intangible assets | | - | - |
| Proceeds from sale of PPE | | - | - |
| Net cash flows used in investing activities | | - | - |
| Cash flows from financing activities | | | |
| Receipts from Capital grants | | - | - |
| Proceeds from borrowings | | - | - |
| Repayment of borrowings | | - | - |
| Net cash flows used in financing activities | | - | - |
| Net increase/(decrease) in cash & cash equivalents | | (1,226,859) | 95,819 |
| Cash And Cash Equivalents At 1 July | 18 | 95,819 | 95,819 |
| Cash And Cash Equivalents At 30 June | 18 | 808,881 | 95,819 |

*Taveta Municipality
County Government of Taita-Taveta
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18. Statement of Comparison of Budget & Actual Amounts for the Year ended 30 June 2025

| Description | Original budget | Adjustments | Final budget | Actual on comparable basis | Performance difference | % of utilisation |
|--|------------------|------------------|------------------|----------------------------|------------------------|------------------|
| | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. |
| | a | b | c=(a+b) | d | e=(c-d) | f=d/c |
| Budget carryovers from the previous year* | 95,819 | - | 95,819 | 95,819 | - | 100% |
| Receipts | | | | | | |
| Transfers from the County Government | 3,695,000 | 2,170,000 | 5,865,000 | 2,379,827 | 3,485,173 | 41% |
| | | | | 1,779,518 | | |
| Public contributions and donations | - | - | - | - | - | - |
| Interest income | - | - | - | - | - | - |
| Miscellaneous income (<i>specify</i>) | - | - | - | - | - | - |
| Total Receipts | 3,695,000 | 2,170,000 | 5,865,000 | 4,255,164 | 1,609,836 | 73% |
| Payments | | | | | | |
| Use of goods and services | 2,790,819 | 1,674,181 | 4,465,000 | 719,765 | 3,745,235 | 16% |
| Board expenses | 1,000,000 | 400,000 | 1,400,000 | 947,000 | 453,000 | 68% |
| Paid on behalf of the entity -use of goods | | | | 1,779,518 | | |
| Finance costs | - | - | - | - | - | - |
| Total expenditure Payments | 3,790,819 | 2,074,181 | 5,865,000 | 3,446,283 | 2,418,717 | 59% |
| Capital Expenditure Payments | - | - | - | - | - | - |
| Surplus for the period | - | - | - | 808,881 | - | |

County Government of Taita-Taveta
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Annual Report and Financial Statements for the year ended June 30, 2025

Budget Reconciliation

| | Description of Particulars | Amount in Kshs |
|---|---|----------------|
| | Actual Surplus Amounts as per the statement of Budget | 808,881 |
| 1 | Reason for differences – | - |
| 2 | Reason for differences – | - |
| 3 | Reason for differences | - |
| 4 | Reason for differences | - |
| | Closing Cash and Cash Equivalent as per the statement of Cash flows | 808,881 |

19. Notes to the Financial Statements

1. General Information

Taveta Municipality is established by and derives its authority and accountability from the Urban Areas and Cities Act No. 13 of 2011(amended 2019) and Cities and Municipal Charter on 28th July 2023 Act. Municipality is under the Taita-Taveta County Government and is domiciled in Kenya. The entity's principal activity are:

- a) Promotion, regulation and provision of refuse collection and solid waste management services;
- b) Construction and Maintenance of municipality roads and associated infrastructure; Construction and Maintenance of storm drainage and flood controls;
- c) Construction and maintenance of walkways and other non-motorized transport infrastructure;
- d) Development and Maintenance of recreational parks and green spaces;
- e) Installation and Maintenance of street lighting;
- f) Maintenance and regulation of traffic controls and parking facilities;
- g) Construction and maintenance of bus stands and taxi stands;
- h) Regulation and control of outdoor advertising;
- i) Construction, maintenance and regulation of municipal markets and abattoirs;
- j) Construction and maintenance of fire stations;
- k) provision of fire-fighting services, emergency preparedness and disaster management;
- l) Promotion, regulation and provision of municipal sports and cultural activities;
- m) Promotion, regulation and provision of animal control and welfare;
- n) Development and enforcement of municipal plans and development control;
- o) Provision of Municipal administration services (including construction and maintenance of administrative offices);
- p) Promoting and undertaking infrastructural development and services within the municipality;
- q) Any other functions as may be delegated by the County Executive Committee and approved by the County Assembly.
- r) Promotion and provision of water and sanitation services and infrastructure in areas within the municipality not served by the water and sanitation provider.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts, and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the Municipal's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Municipal.

The financial statements have been prepared in accordance with the PFM Act, the State Corporations Act and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Application of New and revised standards (IPSAS)

- 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: Leases | <i>Applicable 1st January 2025</i> 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. |
| IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations | <i>Applicable 1st January 2025</i> 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. |
| IPSAS 45: Property Plant and Equipment | <i>Applicable 1st January 2025</i> 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. |
| IPSAS 46: | <i>Applicable 1st January 2025</i> |

| | |
|---|--|
| Measurement | <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol 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> |
| IPSAS 47: Revenue | <p><i>Applicable 1st 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> |
| IPSAS 48: Transfer Expenses | <p><i>Applicable 1st 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> |
| IPSAS 49: Retirement Benefit Plans | <p><i>Applicable 1st 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> |
| IPSAS 50: Exploration For & Evaluation of Mineral Resources | <p><i>Applicable 1st 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> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. |

| | |
|--|---|
| | <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> |
|--|---|

iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or

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 Municipality and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that have been acquired using such funds.

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 for each period.

b) Budget information

The original budget for FY 2024/25 was approved by the County Assembly on 25th June 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 Municipality upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Municipality recorded additional appropriations of Kshs. 2,170,000 on 30th December 2024 following the governing body's approval.

The Municipality's 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. 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 cash flows has been presented under section xxx of these financial statements.

c) 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 Municipality 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.

d) 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.

e) Biological Assets

The entity recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the entity, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

f) 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.

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.

Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised 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.

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 a surplus or deficit model.

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.

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) are set out in *Note xx*.

Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

g) 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:

Raw materials: purchase cost using the weighted average cost method

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 Municipality.

h) Provisions

Provisions are recognized when the Municipality 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 Municipality 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.

i) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and/or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the needs of society as a whole. The entity recognises a social benefit as an expense for the social benefits scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

j) Contingent liabilities

The Municipality 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.

k) Contingent assets

The City/Municipality 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 Municipality 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

l) Nature and purpose of reserves

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

Municipality to state the reserves maintained and appropriate policies adopted

m) Changes in accounting policies and estimates

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

n) Employee benefits – Retirement benefit plans

The Municipality provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which the Municipality pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further contributions if the Municipality does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to scheme 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 benefits 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.

o) 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.

p) 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.

q) Related parties

The Municipality 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 Municipality, or vice versa. Members of key management are regarded as related parties and comprise the Board members, the Municipality Managers and Municipality Accountant.

r) 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 various commercial banks at the end of the financial year.

s) Comparative figures

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

t) Events after the reporting period

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorized for issue. Two types of events can be identified:

(a) Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and

(b) Those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The Municipality should indicate whether there are material adjusting and non-adjusting events after the reporting period.

u) Currency

The financial statements are presented in Kenya Shillings (Kshs.) and the values rounded off to the nearest shilling.

4. Significant judgments and sources of estimation uncertainty

The preparation of the Municipality'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 City/Municipality based its assumptions and estimates on parameters available when the consolidated 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 Municipality. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

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

- i) The condition of the asset based on the assessment of experts employed by the Municipality.
- ii) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- iii) The nature of the processes in which the asset is deployed.
- iv) Availability of funds to replace the asset.
- v) Changes in the market in relation to the asset.

Notes to the Financial Statements

5. Transfers from the County Government

| Description | 24/25 | 23/24 |
|--|------------------|----------------|
| | Kshs. | Kshs. |
| Transfers from County Govt Recurrent | | 790,499 |
| Transfers from County Govt. – Dec 2024 | 257,917 | |
| Transfers from County Govt. – Mar 2025 | 439,150 | |
| Transfers from County Govt. – Jun 2025 | 1,682,760 | |
| Payments by County on behalf of the entity | 1,779,518 | - |
| Unconditional development grants | - | - |
| Total | 4,159,345 | 790,499 |

(a) Transfers from County Government entities (Categorized)

| Name Of The Entity Sending The Grant | Amount recognized to Statement of financial performance* Kshs | Amount deferred under deferred income Kshs | Amount recognised in capital fund. | Total grant income during the year | Insert Comparative FY |
|--------------------------------------|--|---|------------------------------------|------------------------------------|-----------------------|
| | | | | 24/25 | 23/24 |
| | | | Kshs | Kshs | Kshs |
| Department | - | - | - | - | - |
| Ministry | - | - | - | - | - |
| | | | | | |
| Total | - | - | - | - | - |

6. Public Contributions and Donations

| Description | 24/25 | 23/24 |
|------------------------------------|----------|----------|
| | Kshs. | Kshs. |
| Donation from development partners | - | - |
| Contributions from the public | - | - |
| Total | - | - |

7. Levies, Fines and penalties

| Description | 24/25 | 23/24 |
|--|-------|-------|
| | Kshs. | Kshs. |
| Levies | - | - |
| Fines | - | - |
| Penalties | - | - |
| Others (<i>indicate and specify</i>) | - | - |
| Total | - | - |

8. Other Revenues

| Description | 24/25 | 23/24 |
|--|-------|-------|
| | Kshs. | Kshs. |
| Transfers from other government entities | - | - |
| Others (<i>indicate and specify</i>) | - | - |
| Total | - | - |

9. Interest income

| Description | 24/25 | 23/24 |
|----------------------------------|-------|-------|
| | Kshs. | Kshs. |
| Interest income from investments | - | - |
| Interest income on bank deposits | - | - |
| Others (<i>Specify</i>) | - | - |
| Total interest income | - | - |

10. Miscellaneous income

| Description | 24/25 | 23/24 |
|--------------------------------------|-------|-------|
| | Kshs. | Kshs. |
| Income from sale of tender documents | - | - |
| Others (<i>specify</i>) | - | - |
| Total other income | - | - |

11. Use of Goods and Services

| Description | 24/25 | 23/24 |
|--|------------------|----------------|
| | Kshs. | Kshs. |
| Utilities, supplies and services | 58,244 | 15,000 |
| Communication, supplies and services | 175,810 | - |
| Domestic travel and subsistence | 1,417,870 | 717,320 |
| Foreign travel and subsistence | | - |
| Printing, advertising, supplies & services | 99,800 | - |
| Rent and rates | | - |
| Training expenses | | 6,000 |
| Hospitality supplies and services | 221,822 | - |
| Insurance costs | | - |
| Specialized materials and services | | - |
| Office and general supplies and services | 251,518 | - |
| Fuel, oil and lubricants | 1,200,000 | - |
| Other operating expenses - Sundry | 11,978 | - |
| Routine maintenance | 29,700 | - |
| – vehicles and other equipment | | |
| Routine maintenance – other assets | - | - |
| Contracted Professional Services | - | - |
| Audit fees | - | - |
| Hire of Transport, equipment etc | - | - |
| Bank Charges | 1942 | 460 |
| Social Benefit expenses* | - | - |
| Total | 3,468,684 | 738,780 |

12. Staff costs

| Description | 24/25 | 23/24 |
|--------------------------------------|----------|----------|
| | Kshs. | Kshs. |
| Salaries and wages | - | - |
| Staff gratuity | - | - |
| Social security contribution | - | - |
| Other staff costs (<i>Specify</i>) | - | - |
| Total | - | - |

13. Board expenses

| Description | 24/25 | 23/24 |
|-------------------------------------|------------------|----------|
| | Kshs. | Kshs. |
| Chairman/Members' Honoraria | - | - |
| Sitting allowances | 947,500 | - |
| Medical Insurance | - | - |
| Induction and Training | 196,000 | - |
| Travel and accommodation | 494,020 | - |
| Conference Costs | - | - |
| Other allowances (<i>Specify</i>) | - | - |
| Total | 1,637,020 | - |

14. Finance costs

| Description | 24/25 | 23/24 |
|------------------------------|----------|----------|
| | Kshs. | Kshs. |
| Interest on Bank overdrafts | - | - |
| Interest on loans from banks | - | - |
| Total | - | - |

15. Depreciation and amortization

| Description | 24/25 | 23/24 |
|--|----------|----------|
| | Kshs. | Kshs. |
| Property, plant and equipment | - | - |
| Intangible assets | - | - |
| Investment property carried at cost | - | - |
| Total depreciation and amortization | - | - |

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16. Repairs and Maintenance

| Description | 24/25 | 23/24 |
|--------------------------------------|----------------|----------|
| | Kshs. | Kshs. |
| Property- Buildings | - | - |
| Office equipment | - | - |
| Furniture and fittings | - | - |
| Motor vehicle expenses | 280,500 | - |
| Maintenance of civil works | - | - |
| Total repairs and maintenance | 280,500 | - |

17. Gain/(loss) on disposal of assets

| Description | 24/25 | 23/24 |
|-------------------------------|----------|----------|
| | Kshs. | Kshs. |
| Property, plant and equipment | - | - |
| Intangible assets | - | - |
| Total | - | - |

18. Cash and cash equivalents

| Description | 24/25 | 23/24 |
|--|----------------|---------------|
| | Kshs. | Kshs. |
| Fixed deposits account | - | - |
| On – call deposits | - | - |
| Current account | 808,881 | 95,819 |
| Others(<i>specify</i>) | - | - |
| Total cash and cash equivalents | 808,881 | 95,819 |

Detailed analysis of the cash and cash equivalents are as follows:

| Financial institution | Account number | 24/25 | 23/24 |
|----------------------------------|----------------|---------|--------|
| | | Kshs. | Kshs. |
| a) Fixed deposits account | | | |
| Kenya Commercial bank | | - | - |
| Equity Bank, etc | | - | - |
| Sub- total | | - | - |
| b) On - call deposits | | | |
| Kenya Commercial bank | | - | - |
| Equity Bank - etc | | - | - |
| Sub- total | | - | - |
| c) Current account | | | |
| Kenya Commercial bank | | - | - |
| Equity Bank - etc | 0790284839642 | 808,881 | 95,819 |
| Sub- total | | - | - |
| d) Others(specify) | | | |
| Cash in transit | | - | - |
| Cash in hand | | - | - |
| Mobile Money | | - | - |
| Sub- total | | 808,881 | 95,819 |
| Grand total | | 808,881 | 95,819 |

19. Receivables from exchange transactions

| Description | 24/25 | 23/24 |
|---|-------|-------|
| | Kshs. | Kshs. |
| Current Receivables | | |
| Service, water and electricity debtors | - | - |
| Other exchange debtors | - | - |
| Less: impairment allowance | (-) | (-) |
| Total Current receivables (a) | - | - |
| Non-Current receivables | | |
| Service, water and electricity debtors | - | - |
| Other exchange debtors | - | - |
| Less: impairment allowance | (-) | (-) |
| Total Non- current receivables (b) | - | - |
| Total | - | - |

Ageing analysis for Receivables from exchange transactions

| Description | 24/25 | | 23/24 | |
|--------------------|------------|----------------|----------------|----------------|
| | Kshs. | | Kshs. | |
| | Current FY | % of the total | Comparative FY | % of the total |
| Less than 1 year | - | % | - | % |
| Between 1- 2 years | - | % | - | % |
| Between 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total (a+b) | - | % | - | % |

20. Receivables from Non-Exchange transaction

| Description | 24/25 | 23/24 |
|--------------------------------|-------|-------|
| | Kshs. | Kshs. |
| Transfer from County Executive | - | - |
| Transfer from XXXX Fund | - | - |
| Total | - | - |

Ageing analysis for Receivables from non-exchange transactions

| Description | 24/25 | | 23/24 | |
|--------------------|------------|----------------|----------------|----------------|
| | Kshs. | | Kshs. | |
| | Current FY | % of the total | Comparative FY | % of the total |
| Less than 1 year | - | % | - | % |
| Between 1- 2 years | - | % | - | % |
| Between 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total | - | % | - | % |

21. Prepayments

| Description | 24/25 | 23/24 |
|-----------------|-------|-------|
| | Kshs. | Kshs. |
| Insurance | - | - |
| Rent | - | - |
| Water | - | - |
| Internet | - | - |
| Other (specify) | - | - |
| Total | - | - |

22. Inventories

| Description | 24/25 | 23/24 |
|--|-------|-------|
| | Kshs. | Kshs. |
| Consumable stores | - | - |
| Medical supplies | - | - |
| Spare parts and meters | - | - |
| Water for distribution | - | - |
| Other goods held for resale | - | - |
| Catering | - | - |
| Less: allowance for impairment | (-) | (-) |
| Total inventories at the lower of cost and net realizable value | - | - |

Detailed Disclosure on Inventories

| | 24/25 | 23/24 |
|----------------------------------|-------|-------|
| Opening balance | - | - |
| Additional Inventory in the year | - | - |
| Inventory expensed in the year | - | - |
| Write-downs in the year | - | - |
| Others specify | - | - |
| Closing balance | - | - |

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23. Property, Plant and Equipment

| Description | Land | Building | Motor vehicles | Furniture and fittings | Computers | Other Assets (specify) | Capital Work in progress | Total |
|--|-------|----------|----------------|------------------------|-----------|------------------------|--------------------------|-------|
| | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. |
| Depreciation Rate | | % | % | % | % | % | | |
| As at 1 July 2023 | - | - | - | - | - | - | - | - |
| Additions | - | - | - | - | - | - | - | - |
| Disposals | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| Transfers/adjustments | - | - | (-) | - | (-) | (-) | - | (-) |
| Revaluation Adjustment | - | - | - | - | - | - | | |
| As at 30th June 2024 | - | - | - | - | - | - | - | - |
| Additions for the year | - | - | - | - | - | - | - | - |
| Disposals for the year | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| Transfer/adjustments | (-) | - | - | - | (-) | (-) | - | (-) |
| Revaluation Adjustment | - | - | - | - | - | - | | |
| As at 30th June 2025 | - | - | - | - | - | - | - | - |
| Depreciation and impairment | | | | | | | | |
| At 1 July 2024 | | - | - | - | - | - | - | - |
| Depreciation | | - | - | - | - | - | - | - |
| Impairment | | - | - | - | - | (-) | - | (-) |

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| Description | Land | Building | Motor vehicles | Furniture and fittings | Computers | Other Assets (specify) | Capital Work in progress | Total |
|-------------------------------------|-------|----------|----------------|------------------------|-----------|------------------------|--------------------------|-------|
| | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. |
| Depreciation Rate | | % | % | % | % | % | | |
| Transfers/ Adjustments | - | - | - | - | (-) | (-) | - | (-) |
| As at 30 June 2024 | | - | - | - | - | - | - | - |
| Depreciation for the year | - | - | - | - | - | - | - | - |
| Disposals for the year | (-) | (-) | (-) | (-) | - | (-) | (-) | (-) |
| Impairment for the year | - | (-) | (-) | - | - | (-) | - | (-) |
| Transfer/adjustment | - | (-) | (-) | (-) | - | (-) | (-) | - |
| As at 30 th June 2025 | | - | - | - | - | - | - | - |
| | | | | | | | | |
| NBV as at 30 th Jun 2024 | - | - | - | - | - | - | - | - |
| NBV as at 30 th Jun 2025 | - | - | - | - | 99,500 | - | - | - |

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24. Intangible assets

| Description | 24/25 | 23/24 |
|------------------------------------|-------|-------|
| | Kshs. | Kshs. |
| Cost | | |
| At beginning of the year | - | - |
| Additions | - | - |
| At end of the year | - | - |
| Amortization and impairment | | |
| At beginning of the year | - | - |
| Amortization | - | - |
| At end of the year | - | - |
| Impairment loss | - | - |
| At end of the year | - | - |
| NBV | - | - |

25. Biological Assets

| Description | 24/25 | 23/24 |
|------------------------------------|-------|-------|
| | Kshs. | Kshs. |
| Trees in a plantation forest | - | - |
| Animals: Dairy Cattle, Pigs, Sheep | - | - |
| Others specify | - | - |
| Total | - | - |

26. Trade and Other Payables

| Description | 24/25 | | 23/24 | |
|---------------------------------------|------------------|-----------------------|---------------|-----------------------|
| | | Kshs. | | Kshs. |
| Trade payables | | - | | - |
| Retentions | | - | | - |
| Accrued expenses | | 1,984,021 | | 44,100 |
| Other payables (Specify) | | - | | - |
| Total trade and other payables | | 1,984,021 | | 44,100 |
| Ageing analysis: | 24/25 | % of the Total | 23/24 | % of the Total |
| Under one year | 1,939,921 | 98% | 44,100 | 100% |
| 1-2 years | 44,100 | 2% | | % |
| 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total | 1,984,021 | 100% | 44,100 | 100% |

27. Refundable deposits and prepayments from customers

| Description | 24/25 | | 23/24 | |
|---------------------------|--------------|-----------------------|--------------|-----------------------|
| | Kshs. | | Kshs. | |
| Rent deposits | - | | - | |
| Prepayments | - | | - | |
| Others (<i>specify</i>) | - | | - | |
| Total | - | | - | |
| | | | | |
| Ageing analysis: | 24/25 | % of the Total | 23/24 | % of the Total |
| Under one year | - | % | - | % |
| 1-2 years | - | % | - | % |
| 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total | - | % | - | % |

28. Provisions

| Description | 24/25 | | 23/24 | |
|--|-------|--|-------|--|
| | Kshs. | | Kshs. | |
| Balance at the beginning of the year | - | | - | |
| Additional Provisions (<i>Specify</i>) | - | | - | |
| Provision utilised | (-) | | (-) | |
| Balance at the end of the year | - | | - | |
| | - | | - | |
| Current Portion of provision | - | | - | |
| Long term portion of provision | - | | - | |
| Total Provisions | - | | - | |

29. Borrowings

The table below shows the classification of borrowings long-term and current borrowings:

| Description | 24/25 | | 23/24 | |
|---|-------|--|-------|--|
| | Kshs. | | Kshs. | |
| Short term borrowings (current portion) | - | | - | |
| Long term borrowings | - | | - | |
| Total | - | | - | |

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| Description | 24/25 | 23/24 |
|--|-------|-------|
| | Kshs. | Kshs. |
| Balance at beginning of the period | - | - |
| Borrowings during the year | - | - |
| Repayments of borrowings during the period | (-) | (-) |
| Balance at end of the period | - | - |

The table below shows the Distribution of borrowings:

| Description | 24/25 | 23/24 |
|---|-------|-------|
| | Kshs. | Kshs. |
| Borrowings | | |
| Kenya Shilling loan from KCB | - | - |
| Kenya Shilling loan from Barclays Bank | - | - |
| Kenya Shilling loan from Consolidated Bank | - | - |
| Borrowings from other government institutions | - | - |
| Total balance at end of the year | - | - |

30. Employee Benefit Obligations

| Description | Defined benefit plan | Post-employment medical benefits | Other Provisions | Total |
|--------------------------------|----------------------|----------------------------------|------------------|-------|
| | Kshs. | Kshs. | Kshs. | Kshs. |
| Current benefit obligation | - | - | - | - |
| Non-current benefit obligation | - | - | - | - |
| Total | - | - | - | - |

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31. Deferred Income

| Description | 24/25 | 23/24 |
|------------------------------------|-------|-------|
| | Kshs. | Kshs. |
| National/County Government | - | - |
| International Funding Bodies | - | - |
| Public Contributions and Donations | - | - |
| Total Deferred Income | - | - |

The deferred income movement is as follows:

| Description | County government | International funders/donors | Public contributions and donations | Total |
|-------------------------------|-------------------|------------------------------|------------------------------------|-------|
| | Kshs | Kshs | Kshs | Kshs |
| Balance brought forward | - | - | - | - |
| Additions during the year | - | - | - | - |
| Transfers to capital fund | (-) | (-) | (-) | (-) |
| Transfers to income statement | (-) | (-) | (-) | (-) |
| Other transfers | (-) | (-) | (-) | (-) |
| Balance carried forward | - | - | - | - |

Include columns as needed for the various sources of income deferred

Analysed as:

| Description | Amount |
|--------------|--------|
| | Kshs |
| Current | - |
| Non- Current | - |
| Total | - |

32. Social Benefit Liabilities

| Description | 24/25 | 23/24 |
|--|-------|-------|
| | Kshs. | Kshs. |
| Health social benefit scheme | - | - |
| Unemployment social benefit scheme | - | - |
| Orphaned and vulnerable benefit scheme | - | - |
| PWD benefit scheme | - | - |
| Elderly social benefit scheme | - | - |
| Total | - | - |
| Current social benefits | - | - |
| Non- current social benefits | - | - |
| Total (tie to totals above) | - | - |

Social benefit schemes include benefits such as cash transfers for the unemployed or elderly in line with IPSAS 42. They are incurred to mitigate against a certain social risk e.g. poverty, age, unemployment among others.

33. Cash generated from operations

| Description | 24/25 | 23/24 |
|---|--------------------|---------------|
| | Kshs. | Kshs. |
| Surplus/ (deficit) for the year before tax | (1,226,859) | 51,719 |
| Adjusted for: | | |
| Depreciation | - | - |
| Amortisation | - | - |
| Gains/ losses on disposal of assets | (-) | (-) |
| Working Capital adjustments | | |
| Increase in inventory | (-) | (-) |
| Increase in receivables | (-) | (-) |
| Increase in payables | - | - |
| Net cash flow from operating activities | (1,226,859) | 51,719 |

(The total of this statement should tie to the cash flow section on net cash flows from operating activities)

34. Related party balances

a) Nature of related party relationships

Entities and other parties related to the City/Municipality 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. The City/Municipality/scheme is related to the following entities:

- a) The County Government.
- b) The Parent County Government Ministry.
- c) County Assembly.
- d) Key management.
- e) City/Municipality Board; etc.

b) Related party transactions

| Description | 24/25 | 23/24 |
|---------------------------------|-------|-------|
| | Kshs. | Kshs. |
| Transfers from related parties' | - | - |
| Transfers to related parties | - | - |

c) Key management remuneration

| Description | 24/25 | 23/24 |
|-----------------------------|-------|-------|
| | Kshs. | Kshs. |
| Board Members | - | - |
| Key Management Compensation | - | - |
| Total | - | - |

d) Due from related parties

| Description | 24/25 | 23/24 |
|----------------------------|-------|-------|
| | Kshs. | Kshs. |
| Due from parent Ministry | - | - |
| Due from County Government | - | - |
| Due from County Assembly | - | - |
| Total | - | - |

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e) Due to related parties

| Description | 24/25 | 23/24 |
|---------------------------------|-------|-------|
| | Kshs. | Kshs. |
| Due to parent Ministry | - | - |
| Due to County Government | - | - |
| Due to Key management personnel | - | - |
| Due to County Assembly | - | - |
| Total | - | - |

35. Contingent liabilities

| Contingent liabilities | 24/25 | 23/24 |
|-----------------------------------|-------|-------|
| | Kshs. | Kshs. |
| Court case xxx against the entity | - | - |
| Bank guarantees | - | - |
| Total | - | - |

(Give details)

36. Contingent Assets

| Contingent liabilities | 24/25 | 23/24 |
|-----------------------------------|-------|-------|
| | Kshs. | Kshs. |
| Court case xxx against the entity | - | - |
| Others Specify | - | - |
| Total | - | - |

37. Financial risk management

The City/Municipality's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The City/Municipality's overall risk management programme focuses on the 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 City/Municipality 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 City/Municipality's financial risk management objectives and policies are detailed below:

I. Credit risk

The City/Municipality 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 assessments 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 City/Municipality'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 City/Municipality's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

| Description | Total amount Kshs. | Fully performing Kshs. | Past due Kshs. | Impaired Kshs. |
|--|-----------------------|---------------------------|-------------------|-------------------|
| At 30 June 2025 (current year) | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | - | - | - | - |
| Bank balances | - | - | - | - |
| Total | - | - | - | - |
| | - | - | - | - |
| At 30 June 2024 (previous year) | - | - | - | - |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | - | - | - | - |
| Bank balances | - | - | - | - |
| Total | - | - | - | - |

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

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 City/Municipality has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The City/Municipality has significant concentration of credit risk on amounts due from xxx.

The City/Municipality Board sets 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 City/Municipality Manager, who has built an appropriate liquidity risk management framework for the management of the City/Municipality's short, medium and long-term liquidity management requirements. The City/Municipality manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the City/Municipality 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.

| Description | Less than 1 month | Between 1-3 months | Over 5 months | Total |
|---------------------------------------|-------------------|--------------------|---------------|-------|
| | Kshs. | Kshs. | Kshs. | Kshs. |
| At 30 Jun 2025 (current year) | | | | |
| Trade payables | - | - | - | - |
| Current portion of borrowings | - | - | - | - |
| Provisions | - | - | - | - |
| Employee benefit obligation | - | - | - | - |
| Total | - | - | - | - |
| At 30 Jun 2024 (previous year) | | | | |
| Trade payables | - | - | - | - |
| Current portion of borrowings | - | - | - | - |
| Provisions | - | - | - | - |
| Employee benefit obligation | - | - | - | - |
| Total | - | - | - | - |

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III. Market risk

The Board has put in place an internal audit function to assist it in assessing the risk faced by the City/Municipality 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 City/Municipality'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 City/Municipality'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 City/Municipality's exposure to market risks or the manner in which it manages and measures the risk.

IV. Foreign currency risk

The City/Municipality 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 carrying amount of the City/Municipality's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

| Description | | Other currencies | Total |
|--|-------|------------------|-------|
| | Kshs. | Kshs. | Kshs. |
| At 30 June 2025 (current year) | | | |
| Financial assets | - | - | - |
| Investments | - | - | - |
| Cash | - | - | - |
| Debtors/ receivables | - | - | - |
| Liabilities | - | - | - |
| Trade and other payables | - | - | - |
| Borrowings | - | - | - |
| Net foreign currency asset/(liability) | - | - | - |

(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.)

Foreign currency sensitivity analysis

The following table demonstrates the effect on the Fund's statement of financial performance 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.

| Description | Change in currency rate | Effect on surplus/ deficit | Effect on equity |
|-----------------------------|-------------------------|----------------------------|------------------|
| | Kshs. | Kshs. | Kshs. |
| 2025 (current year) | | | |
| Euro | 10% | - | - |
| USD | 10% | - | - |
| 2024 (previous year) | | - | - |
| Euro | 10% | - | - |
| USD | 10% | - | - |

V. 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 Fund to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Fund'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.

VI. Capital risk management.

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

| Description | | |
|--|----------|----------|
| Revaluation reserve | - | - |
| Capital/Development Grants/City/Municipality | - | - |
| Accumulated surplus | - | - |
| Total Funds | - | - |
| | - | - |
| Total borrowings | - | - |
| Less: cash and bank balances | (-) | (-) |
| Net debt/(excess cash and cash equivalents) | - | - |
| Gearing | % | % |

38. Program for Results (PforR) Disclosure

This disclosure note is for entities that are 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 the PforR: - | |
|---|-----------------------|
| Financing Partners: - | |
| Purpose of the PforR: - | |
| Expenditure Details | Amount in Kshs |
| Cumulative actual expenditures for the previous years | - |
| Actual expenditure in the current financial year. | |
| 1. Employee Cost | - |
| 2. Use of goods and Services | - |
| 3. Grants and Subsidies | - |
| 4. Building of ECDE facilities | - |
| 5. Others (specify) | - |
| Sub-total | - |
| Cumulative Actual Expenditures to date | - |

20. Appendices

Appendix 1. Progress on Follow up of Auditors 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) |
|--|-----------------------------------|---------------------|--------------------------------------|---|
| | | | | |
| | | | | |

Guidance Notes:

- a) Use the same reference numbers as contained in the external audit report.
- b) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management.
- c) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue.
- d) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to County Treasury.



Edward Mwakalamu


To be Signed by the Accounting officer of the Entity

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Appendix 2: Inter-Entity Transfers

| SMUNICIPALITY NAME :TAVETA MUNICIPALITY | | | | |
|---|----------------------|----------------------------|-----------------------|--|
| Breakdown of Transfers from the County Executive of County Government of Taita Taveta | | | | |
| FY 2024/2025 | | | | |
| a. | Recurrent Grants | <u>Bank Statement Date</u> | <u>Amount (Kshs.)</u> | <u>Indicate the FY to which the amounts relate</u> |
| | | Dec 2024 | 257,917 | 24/25 |
| | | March 2025 | 439,150 | 24/25 |
| | | June 2025 | 1,682,760 | 24/25 |
| | | Subtotal Total | 2,379,827 | |
| b. | Development Grants | <u>Bank Statement Date</u> | <u>Amount (Kshs.)</u> | <u>Indicate the FY to which the amounts relate</u> |
| | | Total | - | |
| c. | Direct Payments | <u>Bank Statement Date</u> | <u>Amount (Kshs.)</u> | <u>Indicate the FY to which the amounts relate</u> |
| | Fuel | | 1,200,000.00 | 24/25 |
| | GoS | | 199,518.00 | 24/25 |
| | M/V Maintenance | | 280,500.00 | 24/25 |
| | Purchase of Computer | | 99,500.00 | 24/25 |
| | | Subtotal Total | 1,779,518 | |
| | | Total | 4,159,345 | |


Head of Accounts of the Entity
 CPA Constance Mwachinga
 Senior Accountant


Head the transferring Entities
 CPA Mwazo Elijah
 County Executive Committee Member
 Finance and Economic Planning

Appendix 3: Reporting of Climate Relevant Expenditures

Name of the Organization
Telephone Number
Email Address
Name of CEO/MD/Head

Name and contact details of contact person (in case of any clarifications)

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

Appendix 4: Disaster Expenditure Reporting Template

Date:

Entity

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