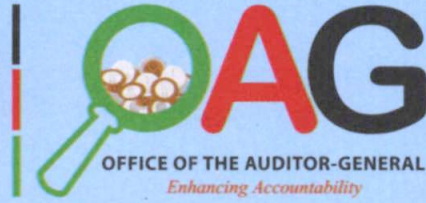


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REPORT

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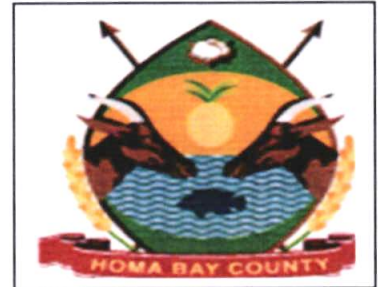
MUNICIPALITY OF MBITA

FOR THE YEAR ENDED
30 JUNE, 2025

14



24 OCT 2025



MBITA MUNICIPALITY
County Government of Homabay

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)

1. Acronyms and Definition of Key Terms.....	ii
2. Key Entity Information and Management	iii
3. Mbita Municipality Board	vii
4. Key Management Team	xii
5. Mbita Municipality Board Chairperson’s Report.....	xiv
6. Report of Mbita Municipality Manager	xv
7. Statement of Performance Against Predetermined Objectives for the FY 2024/2025	xvii
8. Corporate Governance Statement	xix
9. Management Discussion and Analysis	xxv
10. Environmental and Sustainability Reporting	xxvi
11. Report of Mbita Municipality Board Members.....	xxix
12. Statement of Management’s Responsibilities.....	xxx
13. Report of the Independent Auditor (Specify Entity)	xxxii
14. Statement of Financial Performance for The Year Ended 30 June 2025.....	1
15. Statement of Financial Position As At 30 June 2025	2
16. Statement of Changes in Net Assets For the Year Ended 30 June 2025.....	3
17. Statement of Cash Flows for The Year Ended 30 June 2025	4
18. Statement of Comparison of Budget & Actual Amounts for the Year ended 30 June 2025.....	5
19. Notes to the Financial Statements.....	7
20. Appendices	34

1. Acronyms and Definition of Key Terms

A. Acronyms

PSASB	Public Sector Accounting Standards Board
FY	Financial Year
OSHA	Occupational Safety & Health Act
CECM	County Executive Committee Member

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

a) Background information

Mbita Municipality was established on 9th January, 2023 by Homabay County Government after its charter being ratified by the county Assembly of Homabay. It derives its authority and accountability from Urban Areas and Cities Act No. 13 of 2011 (amended 2019) and Cities and Municipal Charter on 10th January 2023. Mbita Municipality is under the County Government of Homabay and is domiciled in Kenya.

b) Principal Activities

The principal activity/mission/ mandate of Mbita Municipality is to ...

- I. Build and maintain functional infrastructure for the residents of the Municipality
- II. Provide framework to facilitate security of land tenure within the Municipality
- III. Identify and analyse planning issues and challenges, harness existing opportunities and promote intervention measures for mitigating the issues and challenges identified.
- IV. Promote appropriate land uses, locations and permissible densities. Additionally, the Municipality will begin to provide a policy framework for socio-economic investments, economic use of space, infrastructure services and public facilities within the Municipality.
- V. Enhanced service delivery to the residents of the Municipality

VISION: A Municipality of choice for all to invest, work, live and prosper.

MISSION: To provide efficient, safe affordable and reliable infrastructure for sustainable *economic* growth and development through construction, modernisation, rehabilitation and effective management of all infrastructure facilities.

c) Key Management

Mbita Municipality's management is under the following key organs:

- County Government of Homa Bay Executive
- County department of Housing and Urban Development in charge of Municipalities

County Government of Homabay

Mbita Municipality

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

- Board of Management
- Accounting Officer/Municipality 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	Mbita Municipality Manager	Mark Oketch
2	Chief Officer -Housing & Urban Development	Charles Obondo
3	Accountant	Adem Henry
4	Procurement	Agnes Abade
5	Economist	Felix Okal Tsombe

e) Fiduciary Oversight Arrangements

i) Audit and Risk Management Committee

The County Government of Homa Bay has a functional audit unit that carries out internal audit on the Municipality

ii) County Assembly committees

iii) The County Assembly of Homa bay carries out its oversight responsibilities on the Municipality through its Lands, housing and urban development committee and the Public Accounts Committee both of which the Municipality reports to as and when required.

iv) Committees of the Senate

The Municipality is answerable to the Senate Public Accounts Committee before which it appears to answer to any queries or matters raised concerning its financial management

f) Registered Offices

g) P.O. Box 347-40305 MBITA

h) Mbita Sub-County Offices

i) HOMABAY, KENYA

j) Contacts

k) Telephone: (+254)734663434

l) E-mail: mbitamunicipality@gmail.com

m) Website: www.homabaycounty.go.ke

n) Bankers

Commercial Banks

1. Kenya Commercial Bank

Haile Selassie Avenue

P.O.BOX 60000

City Square 00200

Nairobi, Kenya



o) Independent Auditor

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

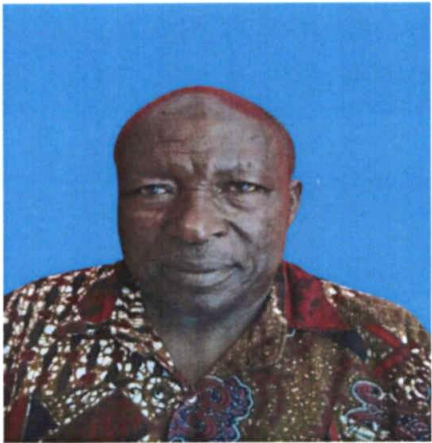

p) Principal Legal Adviser



The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

3. Mbita Municipality Board



Serial No.	Name	Details of qualifications and experience
1	<p>HON. ALPHONSE OKUKU</p> 	<p>-D.O. B 1979 -Holds a bachelor degree of arts in Sociology from Kenyatta University. -Certification in Human Resource and reproductive health services Has served in the following capacities</p> <ul style="list-style-type: none"> ➤ Chairman of Mbita Constituency Uwezo Fund. ➤ Worked with Organisation like Inte, UNDP, US Peace Corps ➤ Pioneer Chairman of Mbita Municipality
2	<p>HON. LORNA OWINO</p> 	<p>Born in 1986 -Holds a Bachelor degree in Project Planning and Management. -Has served in the following capacities</p> <ul style="list-style-type: none"> ➤ Nominated MCA (Homabay County Assembly) from the year 2017-2022 ➤ Serves as Vice Chair Mbita Municipality Board ➤ County Coordinator of Senator Moses Kajwang Parliamentary service commission Senate.


*County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025*

<p>3</p>	<p>HON.PAUL OLELA ODONDO</p> 	<p>D.O.B 1960</p> <ul style="list-style-type: none"> - Holds a Diploma in Education special Needs <ul style="list-style-type: none"> - Primary Teacher Certificate (P1 Teacher) <p>Has Served in the following Areas;</p> <ul style="list-style-type: none"> - Head Teacher -Usungu Primary - Head Teacher -Nyasumbi Primary - Board Member Mbita Municipality
<p>4</p>	<p>HON.DOREEN OWITI</p> 	<ul style="list-style-type: none"> -Aged 62 years -Holds A bachelor Degree of Education-Home Economics -Has served in the following Capacities; <ul style="list-style-type: none"> ➤ Worked for 25 years as a teacher and High school Principal. ➤ 11 Years as a Teacher Trainer and assistant Dean of Student <p>Chairs Human Resource Committee -Mbita municipal Board</p>




<p>5</p>	<p>HON.STEVEN OKUMU NYAKAN</p> 	<p>D.O.B 1978</p> <p>O-Level-Lambwe Secondary School</p> <p>Has served in the following Capacities;</p> <ul style="list-style-type: none"> ➤ Sales Representative at Amedo Centre - Mombasa ➤ Corporate Sales Representative House wife paradise-Nairobi ➤ Sales Representative GTV Kenya-Nairobi ➤ Currently a Board member at Mbita municipality and Chairs Strategy Committee
<p>6</p>	<p>HON.SAMWEL NYABWANA</p> 	<p>Aged</p> <p>-Holds a Bachelor’s Degree in Bcom (Accounting Option)</p> <p>-Holds a diploma in Finance ACCA</p> <p>Has served in the following capacities</p> <ul style="list-style-type: none"> ➤ Head of Finance & Logistics for Norvatis East African ➤ Currently Chairperson Finance Committee Mbita Municipality.
<p>7</p>	<p>CHARLES OBONDO</p>	<p>Chief Housing & Urban Development.</p> <ul style="list-style-type: none"> - Holds a bachelor’s degree in Urban Planning & Regional Planning from Maseno University. - Currently Pursuing a Master’s Degree in Urban Management and Development.

County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025



		<p>Has an extensive experience and expertise in the Urban Management and Development relevance in executing my duties of Chief Officer for Housing and Urban Development in Homabay County Government.</p>
8	<p>HON.JAMES OPERE</p> 	<p>Aged 58 Years -Holds a Diploma in County Governance -Has served in the following capacities;</p> <ul style="list-style-type: none"> ➤ Claims Officer at Blue Shield Insurance Company. ➤ Office Clerk at Otieno Kajwang and Advocate Nairobi ➤ Currently Chairs Audit risk and compliance Committee Mbita Municipality.
9	<p>SHEILA AOKO ODHIAMBO</p> 	<p>D.O.B 1997 Holds A bachelor’s Degree in Arts (political Science) -Has served in the following Capacities;</p> <ul style="list-style-type: none"> ➤ Founder and Executive director-Abasuba Eco Cultural Adventurers ➤ Mbita Municipality Board Member

10	<p>MARK ODHIAMBO OKETCH MUNICIPAL MANAGER/SECRETARY</p> 	<p>D.O.B 1968</p> <ul style="list-style-type: none">- Holds a Bachelor's in Education Arts from Kenyatta University.- Possesses a 25 years' experience in education sector.- Has served as the Municipal Manager Homabay Municipality for 2 Years- Current Municipal Manager/Secretary to the Board.
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4. Key Management Team

S/ No	Name	Details of qualifications and experience
1.	<p>MARK OKETCH</p> 	<p>Municipal Manager</p>
2.	<p>CHARLES OBONDO</p> 	<p>Chief Housing & Urban Development.</p> <ul style="list-style-type: none"> - Holds a bachelor's degree in Urban Planning & Regional Planning from Maseno University. - Currently Pursuing a Master's Degree in Urban Management and Development. <p>Has an extensive experience and expertise in the Urban Management and Development relevance in executing my duties of Chief Officer for Housing</p>
3.	<p>CPA SEPHANIA S. OKELLO</p> 	<p>Head of Finance Homabay County Governmen</p> <ul style="list-style-type: none"> - CPA K

County Government of Homabay
 Mbita Municipality
 Annual Report and Financial Statements for the year ended June 30, 2025

4	<p>AGNES ABADE</p> 	<p>Procurement</p> <ul style="list-style-type: none"> - Holds a Diploma in Supply Chain Management <p>Has served in the following Capacities:</p> <ul style="list-style-type: none"> ➤ Store Manager In the Department of water and sanitation ➤ Procurement office in charge in the Department of Lands ➤ Incharge of Procurement Secretariat in the office of County Director procurement
5	<p>FELIX TSOMBE</p> 	<p>Economist</p> <ul style="list-style-type: none"> -Holds a bachelor's Degree in Economics and statistics. - 2 years' experience as budgeting officer

5. Mbita Municipality Board Chairperson's Report

It is my pleasure to present to you my remarks of the financial performance of Mbita Municipality Board. Homabay County Government established this Board upon realization that there is need to spur economic growth of the people of Mbita by improving on infrastructure and creating a clean and viable enabling environment for its citizens.

The Board members appointed by Her Excellency the Governor manages the Municipality and during the year, one Member was nominated by CECM Lands, Physical planning, Housing & Urban Development to represent him in the board meetings.

In the year ended 30 June 2025, the Board had a printed estimate totaling to Ksh.17,870,247, of which Ksh.9,870,247 for Recurrent & Ksh. 8,000,000 for Capital expenditure.

Implementation challenges of strategic objectives for the Mbita municipal board included the following: -

- non-processing of payments by county treasury.
- Inadequate and delayed funding.
- Delay in the procurement processes among other challenges.

Mbita municipality board remains steadfast and committed to its core mandate, to deliver efficient and effective services to municipality citizenry and improve urban infrastructure despite the inhibiting dynamics of an ever-changing climate and financial environment. The secretariat remains a critical entity at the core of implementing board resolutions in pursuit of its objectives

The Board is a young entity within the structure of Homabay County Government of Homabay with a vibrant team and big mandate that can be actualized with the better funding by the County Government and support from the development partners and donors.



.....
Alphonse Okuku Nyangweso
Chairperson of the Board

6. Report of Mbita Municipality Manager

It is my pleasure to present the Mbita Municipal board financial statements for the year ended 30th June 2025. The financial statements present the true financial performance of the Municipality for the year ended.

Mbita Municipality is established under the urban areas and cities act 2011.

In the financial year 2024/2025, Mbita Municipality was majorly funded by County government of Homabay transfers.

The total expenditure budget for the financial year was Kshs.17,870,274 and total actual expenditure amounted to Ksh. 5,790,000 representing 32.4% budget absorption. Out of the total expenditure, Kshs. 5,790,000 was majorly related to administrative expenses.

The Municipality had 3 major projects to undertake namely;

- Installation of Solar lights
- Acquisition and development of Land for Dumpsite
- 10km Drainage works

Implementation of these key projects had the following setbacks/challenges;

- i. Inadequate and delayed Government funding,
- ii. Failure to relinquish some of the municipality functions to it by other county departments.
- iii. System bureaucracy slowing down procurement and other processes.
- iv. The Municipality is yet to tap full potential of all its revenue streams.

Financially there is a positive outlook as the County government of Homabay is working on increasing the Municipality's budget to cater for all the strategic objectives/plan and projects in the CIDP.

In the financial year 2025/2026, Mbita Municipality has been allocated a total of Kshs. 24,923,840 of which, recurrent is Kshs. 9,923,840 and Kshs. 15,000,000 earmarked for Development initiatives.

The budget intends to fund various project, which include:

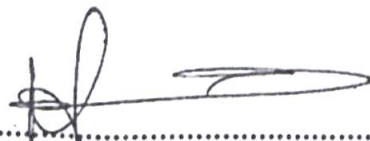
- Installation of Solar Lights.
- Acquisition and Development of Land for Dumpsite
- Construction of Animal Holding Sites
- Construction of Public Latrines
- Equipping of Public Social Halls

Risk Management Strategies

The Management employs robust risk management strategies. While Risk Management has not matured in the Municipality, the Management has developed the following structured approach in identifying and managing risks.

Risks are identified, assessed, evaluated, responded to depending on the risk ranking and monitored. Depending on the ranking of the risk, the management employs the following strategies as per the Approved Risk Management Policy Framework of the County;

- i. Risks ranked as high – The event creating the risk is immediately stopped and a comprehensive action plan immediately prepared with appropriate risk responses that include transferring the risks, avoiding the risk or reducing the risk
- ii. Risks ranked as significant – An action plan is developed and action taken within three months. The approved actions include transferring the risks, avoiding the risk or reducing the risk
- iii. Risks ranked as moderate - An action plan is developed and action taken within six months. The approved actions include transferring the risks, avoiding the risk or reducing the risk. Where such risks are accepted, a contingency plan is immediately developed
- iv. Risks ranked as low - An action plan is developed and action taken. The approved actions include reducing the risk or accepting the risks where it is deemed to be cost-effective. The risks ranked low are continuously monitored so as to assess the changed Status



.....
Mark Oketch
Municipality Manager

7. Statement of Performance Against Predetermined Objectives for the FY 2024/2025

Introduction

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer for a County Government entity shall prepare financial statements in respect of the entity in formats to be prescribed by the Accounting Standards Board including a statement of the county government entity's performance against predetermined objectives.

The key development objectives of Mbita Municipality for the FY 2024/2025 are to:

- a) To provide overall policy and strategic direction for the transformation of Mbita Municipality.
- b) To promote effective development management and maintenance of all municipal facilities and roads
- c) To provide proper planning and development of urban areas within the Municipality.

County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025

Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Policy planning and administration services	a) To provide overall policy and strategic direction for the transformation of Mbita Municipality.	Municipal administration undertaken effectively	Staff are paid salaries on time	In FY 24/25 staff were paid and operations funded
Public works & infrastructure improvement	a) To promote effective development management and maintenance of all municipal facilities and roads	Enhanced security	Installation of solar lights	Not Met due to inadequate budget
Housing and urban development services	To provide proper planning and development of urban areas within the Municipality	-Clean Municipality	Improved spacious and hygienic and safe municipality offices	No Progress encountered due to lack of allocation of funds

8. Corporate Governance Statement

APPOINTMENT OF BOARD MEMBERS

Members of the Municipal Board were vetted by the County Assembly, their appointment gazetted through Gazette Notice No 6470 dated ----- and sworn in office on 3rd May, 2023

BOARD REMUNERATION

Board Members are paid sitting allowances per the Salaries and Remuneration Commission circulars and guidelines. Detail of the board and committee allowances are included in these financial statements.

BOARD INDUCTION AND TRAINING

Mbita Municipal Board has been offered induction and capacity building training funded under by the Kenya Urban Support Program.

POLICY TO MANAGE CONFLICT OF INTEREST

The Board members have established duty to avoid situation in which they may have interest that conflict with those of the board. Board members are obligated to disclose board any real or potential conflict of interest which may come to their attention whether directly or indirectly

ETHICS AND CONDUCT

Existing Government Policies guide ethics and Conduct of Members of the Board of the Municipality.

BOARD MEMBER PERFORMANCE/GOVERNANCE AND AUDIT

The Board of Mbita Municipality works through 4 committees and has so far formulated the Mbita Municipality Integrated Development Plan, the Mbita Municipality Strategic Urban Development Plan and Mbita Municipality Solid Waste Management Policy. The Board just like every other spending entity within the County Government is oversighted by the Homa Bay County Assembly and Audited by Internal and External Government Auditors. The Board has not had any cases of conflict of interest since inception.

BOARD MEETINGS

Mbita Municipal Board has held quarterly full Board Meetings and public fora engagements as provided for in the Urban Areas and Cities Act and special Board meetings as need arose.

The table below shows the chairpersons and members of each Committee of the board.

S/No	MEMBERS	FULL BOARD	FINANCE COMMITTEE	HR COMMITTEE	STRATEGY COMMITTEE	AUDIT COMMITTEE
1	Alphonse Okuku	✓ *				
2	Lorna Owino	✓	✓		✓	
3	Steven Nyakan	✓	✓		✓ *	
4	Doreen Owiti	✓		✓ *		✓
5	Samwel Nyabwana	✓	✓ *			✓
6	Paul Olela	✓		✓	✓	
7	James Opere	✓		✓		✓ *
8	Sheila Odhiambo	✓			✓	

N/B (*) Represents the Chairperson of the board/Committee

BOARD ATTENDANCE

Below is an extract from the attendance register for the full board meetings held in the period from 1st July 2024 to 30th June 2025;

No.	MEMBERS	NO. OF MEETINGS ATTENDED
1	Alphonse Okuku	5
2	Lorna Owino	5
3	Samwel Nyabwana	5
4	Steven Nyakan	5
5	Sheila Odhiambo	2
6	Doreen Owiti	5
7	Paul Olela	5
8	James Opere	5

COMMITTEE MEETINGS ATTENDANCE

Finance Committee

MEMBER	NO. OF MEETING DURING THE YEAR	NO. OF MEETINGS ATTENDED
Samwel Nyabwana	2	2
Lorna Owino	2	2
Steven Nyakan	2	2

Human Resource Committee

MEMBER	NO. OF MEETING DURING THE YEAR	NO. OF MEETINGS ATTENDED
Doreen Owiti	2	2
Paul Olela	2	2
James Opere	2	2

Strategy Committee

MEMBER	NO. OF MEETING DURING THE YEAR	NO. OF MEETINGS ATTENDED
Steven Okumu	2	2
Lorna Owino	2	
Paul Olela	2	2
Sheila Odhiambo	2	1

Audit and Compliance Committee

MEMBER	NO. OF MEETING DURING THE YEAR	NO. OF MEETINGS ATTENDED
James Opere	1	1
Samwel Nyabwana	1	1
Doreen Owiti	1	1

A total of 4 full board meetings were conducted during the year, 1 special board Meeting, 1 public forum meeting during the year.

BOARD CHARTER

The Board was granted a Charter as an instrument of transfer of functions to the Urban Institution. The Municipal Charter was granted by the H.E the Governor, approved by the County Assembly and gazetted through Kenya Gazette Supplement No.2 on 10th January 2023.

ROLES AND FUNCTIONS OF THE BOARD

- Provide for efficient and accountable management of the affairs of the Municipality.
- Provide for a governance mechanism that will enable the inhabitants of the Municipality to—
 - (i) Participate in determining the social services and regulatory framework which will best satisfy their needs and expectations.
 - (ii) Verify whether public resources and authority are utilized or exercised, as the case may be, to their satisfaction.
 - (iii) Enjoy efficiency in service delivery.
- Develop or adopt policies, plans, strategies and programmes and set targets for service delivery
- Formulate and implement an integrated development plan
- Control land use and sub division, land development and zoning by public and private sector for any purpose
- Promote and undertake infrastructural development within the Municipality
- Administer and regulate the Municipality's internal affairs
- Promote safe and healthy environment
- Monitor the impact and effectiveness of any services, policies, programmes or
- Provide a high standard of social services in a cost-effective manner to the Inhabitants of the Municipality.
- Promote social cohesiveness and a sense of civic duty and responsibility among the inhabitants and stakeholders in the Municipality in order to
- Perform such other functions as may be delegated to it by the County Government.

POWERS, OBJECTS AND FUNCTIONS OF THE MUNICIPALITY

Powers of the Municipality

The Municipality of Mbita shall have all the powers, general and special, Governmental or proprietary, expressed or implied, which may be possessed or assumed by municipalities under the Urban Areas and Cities Act, the County Government Act and the County of Homa Bay By-laws.

No enumeration of specific powers in the Charter shall be held to be exclusive.

All such powers shall be exercised in the manner prescribed in the Charter, or, if not prescribed herein, in such manner as the Board of the Municipality may determine, or, unless a contrary intent appears in this Charter or in the By-laws and Resolutions of the Board of the Municipality, in such manner as may be provided by the County of Homa Bay Bylaws.

9. Management Discussion and Analysis

The board of Mbita Municipality was actualized as a result of the Urban areas and Cities Act 2011 which stipulates the criteria for classifying Municipalities and Cities and the constitution of the Municipal and cities board.

As a result, the governor of Homabay granted the charter to Mbita Municipality on 10th January, 2023. Consequently, she constituted the Municipal board in accordance with the Urban areas and Cities Act of 2011 and the Municipal Charter.

The board became fully operational in May 2023 doing the first board meeting where the elections were held and confide officials were appointed. Operational and financial performance of the board during the period 2023/2024 include among others;

- The board has been able to hold key board and committee's meetings according to the regulations laid down. The board has held meetings and committee meetings.
- It has been able identify projects for the Municipality in conformity with the projects identified by the public through citizen fora held.
- It has already formulated the waste management policy pending the approval of the executive and the County assembly.
- It has been able to develop the five year Municipal integrated and development plan and the strategic plan, pending assembly approval.
- It has also developed the waste management plan, pending assembly approval.

The key board projects or investments decisions were not implemented during the year 2024-2025.

10. Environmental and Sustainability Reporting

Mbita Municipality exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on the following pillars:

putting the residents of Mbita Municipality first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

1. Sustainability strategy and profile

The top management especially the Accounting Officer should make reference to sustainable efforts, broad trends in political and macroeconomic factors affecting sustainability priorities, reference to international best practices and key achievements and failure.

2. Environmental performance

3. Mbita Municipality Board relies on the County Government of Homa Bay's solid and waste management policy to guide its practices in environmental management.

4. Employee welfare

Employees of the Mbita Municipality board are hired by the County Public Service Board in line with the County Government Act except for Board members whose appointment procedure is provided for in the Urban Areas and Cities Act. The legislative frameworks take care of gender ration and stakeholder engagements in the process. The Board members and staff are taken on periodic capacity building training to improve their skills and managing careers, appraisal and reward systems. The Board is also in compliance with Occupational Safety and Health Act of 2007 (OSHA)

5. Market place practices

a) Responsible competition practice.

Mbita Municipality ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors by fostering a supportive environment for the local businesses

b) Responsible Supply chain and supplier relations

The Municipality follows the laid down procurement laws in procurement of its goods and services. All qualifying tenders are advertised and bidders evaluated competitively and in a fair manner.

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

Mbita engaged in several community clean up exercises within Mbita Town e.g. Clean Up exercise of Mbita Modern Market, Uyoga Beach and ICIPE Junction in collaboration with the county government and the local community as its contribution towards maintenance of a clean environment

d) Product stewardship or Awareness creation

Mbita Municipality plays a crucial role in product stewardship by leveraging their waste management infrastructure and community engagement to support product stewardship program. Municipality plans to implement product stewardship policies that align with local needs and priorities

6. Corporate Social Responsibility/Community Engagements

Article 1 of the Constitution provides that all the sovereign power belongs to the people.

Through Civic education and awareness, the community is well coordinate and included during program implementation.

Activities carried out like citizen fora meetings, public participation and stakeholder engagements impact positively on community engagements.

Set proper tools of engagement with community which include: -memoranda or letters participating in sector groups, petitions and municipal/County forums.

Mbita Municipality engaged in several community clean up exercises within Mbita Town e.g. Clean Up exercise of Mbita Modern Market, Uyoga Beach and ICIPE Junction in collaboration with the county government and the local community as its contribution towards maintenance of a clean environment

11. Report of Mbita 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 activities of Mbita Municipality are

- i. Build and maintain functional infrastructure for the residents of the Municipality
- ii. Provide framework to facilitate security of land tenure within the Municipality
- iii. Identify and analyse planning issues and challenges, harness existing opportunities and promote intervention measures for mitigating the issues and challenges identified.
- iv. Promote appropriate land uses, locations and permissible densities. Additionally, the Municipality will begin to provide a policy framework for socio-economic investments, economic use of space, infrastructure services and public facilities within the Municipality.
- v. Enhanced service delivery to the residents of Mbita Municipality

Performance

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

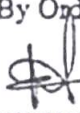
Board Members

The members of the Board who served during the year are shown on page VII-XI. During the year Sheila Odhiambo was nominated on 18th -Nov-2024 by County Executive Committee Member for Lands, Physical Planning, Housing & Urban Development to represent him in the Board Meetings.

Auditors

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

By Order of the Board


Name: *W. K. O. O.*

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 Mbita 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.

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

Mbita 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*. Mbita Municipality Manager is of the opinion that the financial statements give a true and fair view of the state of Mbita Municipality's transactions during the financial year ended June 30, 2025, and the financial position as at that date.

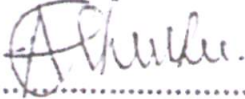
*County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025*

Mbita 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.

In preparing the financial statements, the Directors have assessed the Fund's ability to continue as a going concern and nothing has come to the attention of Mbita 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

Mbita Municipality's financial statements were approved by the Board on 10th /August/ 2025 and signed on its behalf by:



Alphonse Okuku
Chairperson of the Board



Mark Oketch
Accounting officer of the Board



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: 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 MUNICIPALITY OF MBITA 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.

An Unmodified Opinion is issued when the Auditor-General concludes that 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 aim to address the Auditor-General's statutory roles and responsibilities 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

Opinion

I have audited the accompanying financial statements of Municipality of Mbita set out on pages 1 to 34, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets,

statement of cash flows and the 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, the financial statements present fairly, in all material respects, the financial position of Municipality of Mbita 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), Cities Municipality Charter, 2013 and the Public Finance Management Act, 2012.

Basis for Opinion

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.9,870,274 and Kshs.5,790,000 respectively, resulting in under-funding of Kshs.4,080,274 or 41% of the budget.

The under-funding affected the planned activities and may have negatively impacted on service delivery to the public.

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. There were no key audit matters to report in the year under review.

Other Information

The management is responsible for the Other Information set out on page iii to xxxi which comprise of Key Entity Information and Management, Mbita Municipality Board, Key

Management Team, Board Chairperson report, Report of the Municipality Manager, Statement of Performance against the predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting statement, Report of the Board Members, Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Municipality 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 thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Failure to Implement the Transfer of Functions

The Municipality of Mbita was created on 9 January, 2023 upon the conferment of a charter by the County Governor of Homa Bay. The County through Gazette Notice No.9783 dated 3 May, 2023 transferred twelve (12) functions to the Municipality. Members of the Board were appointed on 26 July, 2023. Review of the operations of the Municipality revealed that the actual transfer of functions, accompanied by the required financial and human resources had never taken place. The functions of the Municipality as envisaged in the Urban Areas and Cities Act 2011 (Amended 2019) continued to be performed by various County Government departments. It was observed that Mbita Municipality operated with meagre financial resources and a skeleton staff.

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

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Vacancy in Key Staff Positions in the Municipality

Review of the Mbita Municipality organogram and staff requirements revealed key positions that had not been filled with the requisite qualified staff. These positions comprised Municipal Engineer, Municipal Planner, Legal Officer and Disaster Management Officer.

In the circumstances, the effectiveness of the Municipality in discharging its mandate 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 the 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's ability to continue as a going concern, disclosing, as applicable, matters

related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

04 December, 2025


Mbita Municipality
County Government of Homabay
Annual Report and Financial Statements for the year ended June 30, 2025

14. Statement of Financial Performance for The Year Ended 30 June 2025.

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs.	Kshs.
Revenue from non-exchange transactions			
Transfers from the County Government	6	5,790,000	-
Total revenue		5,790,000	-
Expenditure			
Use of goods and services	7	1,836,360	-
Staff costs	8	3,290,000	-
Board expenses	9	571,500	-
Depreciation	11	60,889	-
Total expenses		5,758,749	-
Surplus for the period		31,251	-

The notes set out on pages 8 to 33 form an integral part of these Financial Statements. The entity financial statements were approved on 11th August 2025 and signed by:


MANAGER
MBITA MUNICIPALITY
24 OCT 2025
 Mark Oketch
 P. O. Box 347-40300
 Municipality Manager MBITA


 CPA Sephaniah Okello Sita
 Head of Finance
 ICPAK M/No 30278

County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025

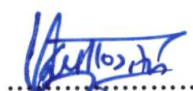
15. Statement of Financial Position As At 30 June 2025

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs.	Kshs.
Assets			
Current assets			
Cash and cash equivalents	10	282,165	
Total current assets		282,165	-
Non-current assets			
Property, plant, and equipment	11	698,906	-
Total Non-current Assets		698,906	-
Total assets (A)		981,071	-
Liabilities			
Current liabilities			
Account payables	12	949,651	-
Total current liabilities		949,651	-
Total liabilities (B)		949,651	-
Net Assets (A-B)		31,420	-
Represented by:			
Capital/Development Grants/Fund		0	-
Reserves		0	-
Accumulated surplus		31,420	-
Net Assets		31,420	-

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The equity financial statements were approved on 11th August 2025 and signed by:



Mark Oketch
Municipality Manager
Date:


CPA Sephaniah Okello Sita
Head of Finance
ICPAK M/No 30278
Date: 24/10/2025

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

Description	Capital Grants	Revaluation Reserve	Accumulated Surplus	Total
		Kshs.	Kshs.	Kshs.
Bal as at 1 July 2024	-	-	169	169
Surplus for the year		-	31,251	31,251
Funds received during the year	-	-	-	-
Revaluation gain/loss	-	-	-	-
Balance as at 30 June 2025	-	-	31,420	31,420

*Mbita Municipality
County Government of Homabay
Annual Report and Financial Statements for the year ended June 30, 2025*

17. Statement of Cash Flows for The Year Ended 30 June 2025

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs.	Kshs.
Cash flows from operating activities			
Receipts			
Transfers from the County Government		2,500,000	-
Total Receipts		2,500,000	0
Payments			
Use of goods and services		1,646,504	-
Staff costs		-	-
Board expenses		571,500	-
Total Payments		(2,218,004)	(0)
Net cash flows from operating activities	14	281,996	0
Cash flows from investing activities			
Purchase of PPE & intangible assets		0	-
Proceeds from sale of PPE		0	-
Net cash flows used in investing activities		(0)	0
Cash flows from financing activities			
Receipts from Capital grants		0	-
Proceeds from borrowings		0	-
Repayment of borrowings		(0)	-
Net cash flows used in financing activities		(0)	(0)
Net increase/(decrease) in cash & cash equivalents		281,996	0
Cash And Cash Equivalents At 1 July	19	169	0
Cash And Cash Equivalents At 30 June	19	282,165	

*Mbita Municipality
County Government of Homabay
Annual Report and Financial Statements for the year ended June 30, 2025*

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.	
	A	B	c=(a+b)	D	e=(c-d)	f=d/c
Budget carryovers from the previous year*	-	-	-	-	-	-
Receipts						
Transfers from the County Government	9,870,274	0	9,870,274	5,790,000	4,080,274	59 %
Total Receipts	9,870,274	-	9,870,274	5,790,000	4,080,274	59 %
Payments						
Use of goods and services	2,931,949	0	2,931,949	1,836,360	1,095,589	63 %
Board expenses	800,000	0	800,000	571,500	228,500	71 %
Staff Costs	3,803,640	0	3,803,640	3,290,000	513,640	86 %
Acquisition of Non-Financial Assets	2,334,685		2,334,685		2,334,685	0 %
Finance costs	-	-	-	-	-	-
Total expenditure Payments	9,870,274	0	9,870,274	5,697,860	4,172,424	58 %
Capital Expenditure Payments	8,000,000	0	8,000,000	-	8,000,000	0 %
Surplus for the period				92,140		

2

Budget notes

Reason for below 90% funds absorption;

- i) Inadequate and delayed Government funding,
- ii) Delays in procurement processes; Slow tendering, bidding or contract award processes.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	92,140
1	Opening Balance from the previous year (FY 23/24)	169
2	Office stationary supplied, used but not yet paid and included in the Use of goods as Administrative expenses	189,856
	Closing Cash and Cash Equivalent as per the statement of Cash flows	282,165

19. Notes to the Financial Statements

1. General Information

Mbita Municipality is established by and derives its authority and accountability from Urban Areas and Cities Act. The Municipality is under the Homabay County Government and is domiciled in Kenya.

The entity's principal activity is urban planning and infrastructure development.

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 *entity'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 entity.

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	Applicable 1st January 2025 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	Applicable 1st January 2025 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	Applicable 1st January 2025 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: Measurement	Applicable 1st January 2025

	<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>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, 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>Applicable 1st January 2026</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>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial 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. 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. 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.
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iii. Early adoption of standards

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

4. Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services, and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the *Entity* and can be measured reliably. 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 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.

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 Cashflows 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.

Mbita Municipality has depreciated its PPE (Furniture & Laptops) using **Pro-rata depreciation Method** since the equipment were acquired mid-year.

Depreciation is calculated as follows;

Depreciation = (Annual Depreciation/12) x No. of Months in use.

Depreciation rates were applied as follows;

Furniture -12.5 %

Laptop -30 %

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

County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025

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.

Mbita Municipality 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.

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 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) 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.

m) 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.

n) 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.

o) 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.

p) 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.

q) 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.

r) Comparative figures

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

s) 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.

t) Currency

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

5. 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.

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

6. Transfers from the County Government

Description	FY 2024/2025	FY 2023/2024
	Kshs.	Kshs.
Transfers from County Govt. – Recurrent	2,500,000	0
Payments by County on behalf of the entity-Salaries	3,290,000	0
Total	5,790,000	0

The Ksh. 2,500,000 relates the transfer from the county treasury being funds for office operations.

The Ksh. 3,290,000 relates to the total amount paid to Mbita Municipality staff on behalf of the department as salaries and remunerations.

(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	FY 23/24
			Kshs	Kshs	Kshs
County Treasury	2,500,000		0	0	0
Total	2,500,000	0	0	0	0

(Ensure that the amount recorded above as having been received from the County fully reconciles to the amount recorded by the sending County office. An acknowledgement note/receipt should be raised in favour of the sending County office.) *Amount recognised in the statement of financial performance should be the recurrent grant and the development grant to the extent that there are no conditions attached. Total of column 1 should tie to note 6 The details of the reconciliation have been included under appendix 2

7. Use of Goods and Services

Description	FY 2024/2025	FY 2023/2024
	Kshs.	Kshs.
Utilities, supplies and services	7,000	-
Communication, supplies and services	120,000	-
Domestic travel and subsistence	449,100	-
Computer accessories	173,770	-
Cleaning materials and services	332,510	-
Office and general supplies and services	421,856	-
Catering Services	315,040	-
Hire of Transport and equipment	15,950	-
Bank Charges	1,134	-
Total	1,836,360	0

8. Staff costs

Description	FY 2024/2025	FY 2023/2024
	Kshs.	Kshs.
Salaries	3,290,000	0
Total	3,290,000	0

9. Board expenses

Description	FY 24/25	FY 23/24
	Kshs.	Kshs.
Sitting allowances	467,500	0
Travel and accommodation	104,000	0
Total	571,500	0

10. Cash and cash equivalents

Description	FY 2024/2025	FY 2023/2024
	Kshs.	Kshs.
Current account	282,165	169
Total cash and cash equivalents	282,165	169

County Government of Homabay

Mbita Municipality

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

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

Financial institution	Account number	FY 2024/2025	FY 2023/2024
		Kshs.	Kshs.
a) Current account			
Kenya Commercial bank	1319484506	282,165	169
Grand total		282,165	169

County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025

11. Property, Plant and Equipment

Description	Land	Building	Motor vehicles	Furniture and fittings	Computers	Other Assets (specify)	Capital Work in progress	Total
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
Depreciation Rate	-	-	-	12.5%	30%	-	-	-
As at 1 July 2023	-	-	-	-	0	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-	-	-	-
Revaluation Adjustment	-	-	-	-	-	-	-	-
As at 30th June 2024	-	-	-	-	-	-	-	-
Additions for the year	-	-	-	402,408	357,387	-	-	759,795
Disposals for the year	-	-	-	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-	-	-	-
Revaluation Adjustment	-	-	-	-	-	-	-	-
As at 30th June 2025	-	-	-	402,408	357,387	-	-	759,795
Depreciation and impairment					-	-	-	-
At 1 July 2024 (previous year)			-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Impairment		-	-	-	-			-

County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025

Description	Land	Building	Motor vehicles	Furniture and fittings	Computers	Other Assets (specify)	Capital Work in progress	Total
	Shs	Shs	Shs	Shs	Shs	Shs	Shs	Shs
Depreciation Rate	-	-	-	12.5%	30%	-	-	-
Transfers/ Adjustments		-	-	-	-	-	-	-
As at 30 June 2025		-	-	402,408	357,387	-	-	759,795
Depreciation for the year		-	-	(25,151)	(35,738)	-	-	60,889
Disposals for the year		-	-	-	-	-	-	
Impairment for the year		-	-	-	-	-	-	
Transfer/adjustment		-	-	-	-	-	-	-
As at 30th June 2025		-	-	377,257	321,649	-	-	698,906
NBV as at 30th Jun 2024	-	-	--	-	-	-	-	-
NBV as at 30th Jun 2025	-	-	-	377,257	321,649	-	-	698,906

County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025

12. Trade and Other Payables

Description	FY 2024/2025		FY 2023/2024	
	Kshs.		Kshs.	
Trade payables;			-	
Nolds Ltd	402,408			
Bigwin printers Ltd	357,387			
Pescaline Ltd	189,856			
Retentions	0		0	
Accrued expenses	0		0	
Total trade and other payables	949,651		0	
Ageing analysis:	FY 24/25	% of the Total	FY 23/24	% of the Total
Under one year	949,651	100%	0%	0%
Total	949,651	100%	0%	0%

*County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025*

13. Cash generated from operations

Description	FY 2024/2025	FY 2023/2024
	Kshs.	Kshs.
Surplus for the year before tax	31,251	-
Adjusted for:		
Depreciation	60,889	-
Amortisation	0	-
Gains/ losses on disposal of assets	-	-
Working Capital adjustments		
Increase in inventory	(0)	
Increase in receivables	(0)	-
Increase in payables	189,856	-
Net cash flow from operating activities	281,996	-

14. Related party balances

a) Nature of related party relationships

Entities and other parties related to the 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 Municipality is related to the following entities:

- a) The County Government of Homabay
- b) The Department of Lands Physical Planning, Housing & Urban Development
- c) County Assembly.
- d) Key management.
- e) Municipality Board

b) Key management remuneration

Description	FY 24/25	FY 23/24
	Kshs.	Kshs.
Board Members	467,500	-
Total	467,500	-

15. Financial risk management

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

I. Credit risk

The 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 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 Municipality's maximum exposure to credit risk without taking account of the value of any collateral obtained.

II. Liquidity risk management

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

The table below represents cash flows payable by the 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.

III. Market risk

The Board has put in place an internal audit function to assist it in assessing the risk faced by the 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 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 Municipality's Finance Department is responsible for the development of detailed risk management policies and for the day-to-day implementation of those policies. There has been no change to the Municipality's exposure to market risks or the manner in which it manages and measures the risk.

IV. Foreign currency risk

The 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 Municipality's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period.

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

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)
N/A	N/A	N/A	N/A	N/A

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.

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County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025

Appendix 2: Inter-Entity Transfers

MBITA MUNICIPALITY				
Breakdown of Transfers from the County Executive of Homabay County				
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>
		20- sep-2024	250,000	FY 24/25
		15-Oct-2024	250,000	FY 24/25
		02-Dec-2024	250,000	FY 24/25
		24-Dec-2024	250,000	FY 24/25
		07-Feb-2025	250,000	FY 24/25
		12-Mar-2025	250,000	FY 24/25
		28-Apr-2025	250,000	FY 24/25
		21-May-2025	250,000	FY 24/25
		13-Jun-2025	250,000	FY 24/25
		4-Jul-2025	250,000	FY 24/25
		Total	2,500,000	
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>
	Salaries	25-Nov-2024	950,000	FY 2024/2025

County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025

MBITA MUNICIPALITY				
	Salaries	13-Dec-2024	800,000	FY 2024/2025
	Salaries	20-Dec-2024	800,000	FY 2024/2025
	Salaries	06-Mar-2025	250,000	FY 2024/2025
	Salaries	13-May-2025	250,000	FY 2024/2025
	Salaries	03-Jun-2025	40,000	FY 2024/2025
	Salaries	03-Jun-2025	20,000	FY 2024/2025
	Salaries	03-Jun-2025	180,000	FY 2024/2025
		Total	3,290,000	

(The above amounts have been communicated to and reconciled with the parent Department in the County.)





Signed by the Head of Accounts of the Entity and the transferring Entities

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

*County Government of Homabay
Mbita Municipality
Annual Report and Financial Statements for the year ended June 30, 2025*
