

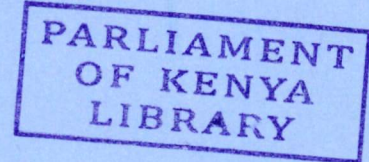
REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT



OF

THE AUDITOR-GENERAL

ON

PAPERS LAID	
DATE	25/02/2026
TABLED BY	JML
COMMITTEE	_____
CLERK AT THE TABLE	C. CHEROP

COUNTY REVENUE FUND

FOR THE YEAR ENDED
30 JUNE, 2025

COUNTY GOVERNMENT OF TAITA TAVETA



172

OFFICE OF THE AUDITOR GENERAL
P.O.Box 95202 MOMBASA

02 DEC 2025

Issued 30th June 2025.

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MOMBASA REGIONAL OFFICE



COUNTY REVENUE FUND

County Government of Taita Taveta

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

**Transitional Financial Statements under the International Public Sector Accounting Standards
(IPSAS)**

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County Government of Taita Taveta
County Revenue Fund
Annual Report and Financial Statements For the financial year ended 30th June 2025

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1. Acronyms and Definition of Key Terms

a. Acronyms

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

b. Definition of Key Terms

Fiduciary Management: The key management personnel who had financial responsibility

2. Key Entity Information and Management

a) Background information

Article 207 of the Constitution of Kenya provides for the establishment of the County Revenue Fund into which shall be paid all money raised or received by or on behalf of the County Government.

b) Key Management Team

The County Revenue Funds day-to-day management is under the following key organs:

No.	Designation	Name
1.	CECM Finance and Economic planning	CPA Elijah Mwazo
2.	Chief Officer-Financial Services	CPA Fredrick Nganga
3.	Chief Officer -Planning & Resource Mobilization	CPA Laban Mbelenga Kinyai
4.	Director Accounting Services	CPA Joyce Kambe Mwachia

c) Fiduciary Management

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

No.	Designation	Name
1.	CECM Finance and Economic Planning	CPA Elijah Mwazo
2.	Accounting Officer in charge of Finance	CPA Fredrick Nganga
3.	Accounting Officer in charge of Planning & Mobilization	CPA Laban Mbelenga Kinyai
4.	Director Accounting Services	CPA Joyce Kambe Mwachia

d) Fiduciary Oversight Arrangements

The key fiduciary oversight bodies at the County for the financial year ended 30th June ,2025 were:

1. County Assembly of Taita Taveta;
2. Senate Committees
3. Development partner oversight bodies
4. County Audit Committee
5. County Budget and Economic Forum (CBEF)
6. Controller of Budget
7. Office of the Auditor General

e) County Headquarters

Office of the Governor
Mwatate Town, Off Voi – Taveta Highway,
P.O. Box 106680304
Wundanyi, Kenya

f) County Executive Contacts

Telephone: 0788186436/0718988717
Email: info@taitataveta.go.ke
Website: www.taitataveta.go.ke

g) County Bankers

1. Central Bank of Kenya

Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA

2. Other Commercial Banks

Kenya Commercial Bank

Wundanyi Branch
Along Posta Road
P.O. Box 1067-80304
WUNDANYI, KENYA

Equity Bank

Voi Branch
Along Posta Road
P.O. Box 1067-80304
WUNDANYI, KENYA

Co-op Bank

Voi Branch
Along Posta Road
P.O. Box 1067-80304
WUNDANYI, KENYA

DTB Bank

Voi Branch
Along Posta Road
P.O. Box 1067-80304
WUNDANYI, KENYA

h) Independent Auditors

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

i) Principal Legal Adviser

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

j) County Attorney

The County Attorney General
Office of the Governor
Mwatate Town, Off Voi – Taveta Highway,
P.O. Box 106680304
Wundanyi, Kenya

3. Statement by the CECM Finance

It is my pleasure to present the Taita Taveta County Revenue Fund Annual Financial Statements for the year ending 31st June, 2025. The financial statements have been prepared in accordance with the provisions of the Public Financial Management Act, 2012 cap 166 which requires the county treasury prepare a report for each quarter of the financial year. The financial statements present the financial performance of the County Government over the past 9 months.

The promulgation of the Constitution of Kenya, 2010 under Chapter 11 ushered Kenya into a new system of governance, replacing the centralized system with a devolved system of governance. The devolved system of governance consists of the National Government and 47 County Governments, Taita Taveta included. Functions and powers exercised by County Executive of Taita Taveta are as articulated in section 5 and 6 of the County Government Act 2012 respectively.

Financing of the County Governments

The County Government gets it's financing from the Equitable share from National Government; Conditional grants from Donors & Development Partners and its own Source Revenue collected from various revenue streams. Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Each County Government's equitable share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation and approved by Parliament in accordance with Article 217 of the Constitution.

The County has always continued to explore new and innovative ways of increasing its local revenue collections. Some of the modalities are; employment of a new Revenue Collection System which has been developed to meet the everchanging needs. i.e. customer satisfaction and advancement in technology.

The key local revenue sources include; Single Business Permits, Market fees, Agricultural Produce Cess, Hospital cost sharing fees, Sand cess, Land rates, Development plan approvals, Advertising fees, and various other administrative charges.

Financial Performance

a.) Budget Performance Against Actual Amounts

a) Revenue

In the financial year ended 30th June 2025, the County had total projected revenues of KShs **8,179,697,824** consisting of; KShs **850,000,000** from own sources and KShs **7,329,697,824** from other sources, including County Allocation through Exchequer and Donor funding for various specific projects in the County Departments of Water, Agriculture, lands amongst others.

A graphical representation of the revenue budget is as shown below:



Figure 1: Taita Taveta County revenue sources in FY 2024/2025

CARA forms the largest part of our revenue budget, contributing 63% of our budget. Our own generated revenues formed 8% of our budget.

Out of the projected revenue, the County was able to realize a total Revenue of KShs **7,042,433,622** consisting of Kshs **7,031,433,591** from Exchequers Issues, Donor Funds & Own source revenue and Kshs **11,000,031** budget carry forward, representing 86% performance. This performance was as a result of 97% realization of the County Allocation through Exchequer, 57% from Transfer from Donor Funded projects and 64% from own source revenues.

County Government of Taita Taveta
 County Revenue Fund
 Annual Report and Financial Statements For the financial year ended 30th June 2025

The table below shows an analysis of revenue performance during the financial year ended 30th June, 2025.

Revenue Classification	Revenue Budget (KShs)	Actual (KShs)	Realisation (%)
Exchequer releases	5,137,160,592	5,066,138,539	99%
Transfers from other government agencies	1,789,537,232	1,013,967,614	57%
Return to CRF issues	403,000,000	403,292,470	100%
Own Source Revenue	600,000,000	318,639,000	53%
Health Sector Facility Improvement Fund (FIF)	250,000,000	229,395,968	92%
Total	8,179,697,824	7,031,433,591	86%

Table 1: Revenue performance in FY 2024/2025

b) Transfers

In the period under review, the County Government of Taita Taveta had projected transfer payments of KShs 8,179,697,824 and was able to utilize a total of KShs 6,917,095,507 representing an absorption rate of 85%. The transfer payments comprised of KShs 5,878,795,379 to County Executive, KShs 808,904,160 to County Assembly and Kshs 229,395,968 to FIF and Level 4 Hospitals.



CPA Elijah Mwazighe Mwazo
 CECM Finance & Economic Planning
COUNTY GOVERNMENT OF TAITA TAVETA

4. Management Discussion and Analysis

The County Government gets its financing from the Equitable share from National Government; Conditional grants from Donors & Development Partners and its own Source Revenue collected from various revenue streams. Article 202 of the Constitution of Kenya provides that revenue raised nationally shall be shared equitably among the National Government and the County Governments. Each County Government's equitable share of revenue raised nationally, is determined yearly through the County Allocation of Revenue Act (CARA). The revenue sharing formula is developed by the Commission on Revenue Allocation and approved by Parliament in accordance with Article 217 of the Constitution.

Financial Performance

a.) CARA Performance

CARA revenues continue to form the largest part of our revenue budget, contributing 67 % of our budget. In the FY 2022-23, FY 2020-21 and FY 2018-19, the county realised 100% performance against its CARA allocation whereas, in the FY 2023-24, FY 2021-22 & FY 2019-20 realised 92%, 92% and 91% respectively. However, the balances were received in full in the subsequent financial years.

See the County Allocation of Revenue Act (CARA) performance for the last 5 years below.

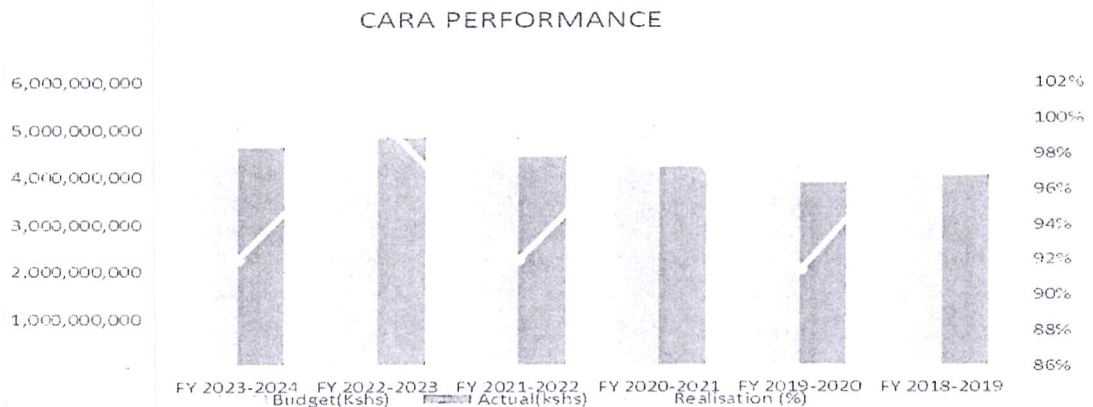


Figure 2: Taita Taveta County revenue sources in FY 2024/2025

b.) Conditional Allocation

Pursuant to Article 202 (2) of the Constitution, for additional allocations for the financial year 2024/25 provide for additional allocations from proceeds of loans and grants from development partners; and facilitate the transfer of conditional and unconditional allocations made to counties under this Act from the Consolidated Fund to the respective County Revenue Funds and special purpose accounts.

The table below shows an analysis of conditional Allocation performance over the last 5 years

Conditional Grant	FY 2024-2025	FY 2023-2024	FY 2022-2023	FY 2021-2022	FY 2020-2021	FY 2019-2020
Budget (Kshs)	1,789,537,232	1,625,907,651	1,574,707,364	1,794,753,372	1,145,903,906	1,161,427,854
Actual (KShs)	1,013,967,614	690,445,996	833,372,618	654,603,902	989,522,062	646,220,475
Realisation (%)	57%	42%	53%	36%	86%	56%

Table 2: Taita Taveta County revenue sources in FY 2024/2025

c.) Own Source Revenue performance

The County has always continued to explore new and innovative ways of increasing its local revenue collections. Some of the modalities are employment of a new Revenue Collection System which has been developed to meet the everchanging needs. i.e. customer satisfaction and advancement in technology.

In the financial year under view, the County had total projected revenues of KShs **850,000,000** consisting of Own source revenue of Kshs **600,000,000** and Facility Improvement Fund of Kshs **250,000,000**.

Key local revenue Source such as; Single Business Permits, Market fees, Agricultural Produce Cess, Hospital cost sharing fees, Sand Cess, Land rates, Development plan approvals, Advertising fees, and various other administrative charges.

Out of the projected revenue of Kshs **850,000,000**, the County was able to realize actual revenues of **KShs 318,639,000** and **Kshs 229,395,968** from Own Source Revenue and Health Sector Facility Improvement Fund (FIF) representing 64% performance. This performance was as a result of 69% realization of the Cess Revenue i.e. (Agricultural Cess, Sand Cess Mining Cess), 69% on Single Business Permits, 104 % from Hospital Revenues amongst other revenues.

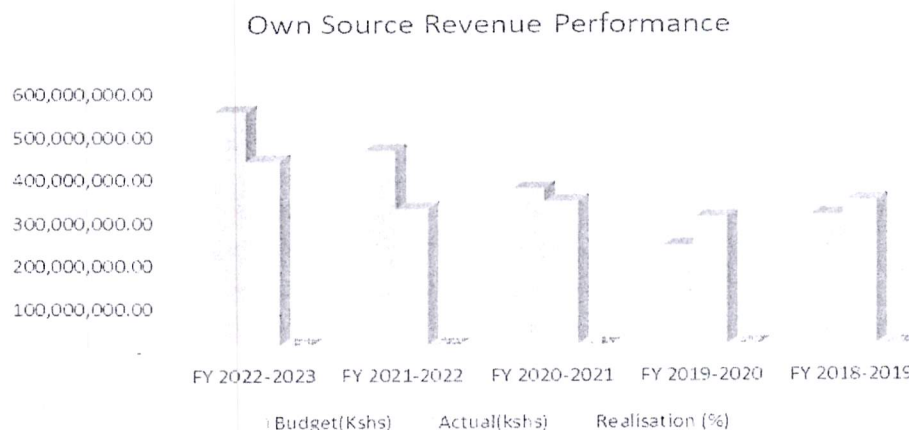


Figure 3: Taita Taveta County revenue sources in FY 2024/2025

5. Overview of the County Revenue Fund Operations

a) Background

Article 207 of the Constitution of Kenya provides for the establishment of a County Revenue Fund into which shall be paid all money raised or received by or on behalf of the County Government. As outlined under Section 109 of the Public Finance Management (PFM) Act, 2012 the County Treasury is responsible for administration of the County Revenue Fund. The County Revenue Fund is maintained as the County Exchequer Account at the Central Bank of Kenya.

b) Receipts into the County Revenue Fund

County Government revenue is received through the appointed County Receiver of Revenue by the County Executive Committee Member for finance to the County Treasury pursuant to Section 157 (1) of the PFM Act 2012. Revenue includes Exchequer releases, grants from development partners, proceeds from domestic and foreign borrowings, own source revenue, and other miscellaneous deposits in the County Revenue Fund Account.

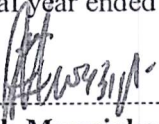
c) Transfers from the County Revenue Fund

The withdrawal of funds from the County Revenue Fund is authorized by the County appropriation Act. The County Treasury is required to seek the Controller of Budget's approval for withdrawal of funds from the County Revenue Fund to the County Executive and County Assembly bank accounts pursuant to Section 109 (6) of the PFM Act 2012. These entities are responsible for the administration of their respective approved budgets.

d) Financial Reporting requirements

The Accounting Officer for the County Revenue Fund is required to prepare and submit the financial statements to the Auditor-General and a copy to the Controller of Budget, and the Commission on Revenue Allocation.

This statement therefore covers the operations of the County Exchequer Account for the financial year ended 30th June 2025.



CPA Elijah Mwazighe Mwazo
CECM Finance & Economic Planning
COUNTY GOVERNMENT OF TAITA TAVETA

6. Statement of Management Responsibility

Article 207 of the Constitution, Sections 109 and 167 of the Public Finance Management Act, 2012 requires a County Revenue Fund established by the Constitution, an Act of Parliament or county legislation to prepare financial statements for the Fund for each financial year in a form prescribed by the Public Sector Accounting Standards Board and submit to the Auditor General and a copy to the Commission on Revenue Allocation and the Controller of Budget.

The Accounting Officer at the County Treasury is responsible for the preparation and presentation of the County Revenue Fund financial statements, which give a true and fair view of the state of affairs of the Fund as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Revenue Fund; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the County Revenue Fund; (v) Selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

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

The Accounting Officer further confirms the completeness of the accounting records maintained for the County Revenue Fund, which have been relied upon in the preparation of its financial statements, as well as the adequacy of the systems of internal financial control. The Accounting Officer confirms that the County Revenue Fund has complied fully with applicable Government Regulations and the terms of external financing covenants. Further, the Accounting Officer confirms that the County Revenue Fund's Financial Statements have been prepared in a form that complies with relevant Accounting Standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the Financial Statements

The County Revenue Fund's financial statements were approved and signed on 28/10/2025.

Signature _____

Name: Fredrick Nganga

Chief Officer Finance

County Government of Taita Taveta



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON COUNTY REVENUE FUND FOR THE YEAR ENDED 30 JUNE, 2025 - COUNTY GOVERNMENT OF TAITA TAVETA

PREAMBLE

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of County Revenue Fund - County Government of Taita Taveta set out on pages 1 to 18, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in

accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of County Revenue Fund - County Government of Taita Taveta 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 County Governments Act, 2012, the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Inaccuracies in Transfers to Other Government Entities

The statement of financial performance reflects revenue from transfers from other Government entities of Kshs.1,013,967,614. However, this amount differed with that shown in the County Executive financial statements of Kshs.818,594,423 by an unexplained difference of Kshs.195,373,191.

In the circumstances, the accuracy of the transfers from other Government entities of Kshs.1,013,967,614 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Revenue Fund - County Government of Taita Taveta Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget of Kshs.8,179,697,824 against actual realization of Kshs.7,042,433,622 (excluding budget carry over from financial year 2023/2024 of Kshs.11,000,031) resulting in budget underperformance of Kshs.1,148,264,233 or 14% of the budget.

The underperformance affected the planned activities and may have impacted negatively on service delivery to the residents of Taita Taveta County.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effects of the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

The Management is responsible for the Other Information set out on page iii to xii which comprise of Key Entity Information and Management, Statement by the County Executive Committee Member (CECM) Finance, Management Discussion and Analysis, Overview of the County Revenue Fund Operations, and the Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Transfer Donor and Road Maintenance Levy Funds to the Implementing Agencies

The statement of financial performance reflects total revenue of Kshs.6,398,803,430. Included in the amount is revenue from transfers from other Government entities of Kshs.1,013,967,614 being funds received from various development partners and road maintenance levy of Kshs.935,577,862 and Kshs.78,389,752 respectively. However, the following observations were made;

1.1 Road Maintenance Levy Fund

Review of records showed that an amount of Kshs.78,389,752 was received into the County revenue fund in respect of road maintenance levy. However, the financial statements and as disclosed in Note 12 reflect Nil transfer to the road maintenance levy to the County Executive. No explanation was provided for the failure to transfer the road maintenance levy to the County Executive for road maintenance.

1.2 Donor Funds and Grants

Note 7 to the financial statements discloses an amount of Kshs.935,577,862 received into the County revenue fund in respect of donor funding/grants for various

programmes being implemented in the County. Included in the amount was World Bank Kenya Informal Settlement Improvement Project (KISIP II) – State Department of Housing and Urban Development of Kshs.176,321,755. However, the amount transferred to the County Executive for implementation of the project was Kshs.150,000,000 resulting in unremitted balance of Kshs.26,321,755.

In the circumstances, the effectiveness of usage of funds not remitted to the implementing agencies bank accounts could not be confirmed.

2. Non-Adherence to Fiscal Responsibility Principle on Allocation to the County Assembly

The statement of financial performance as disclosed in Note 13 to the financial statements reflect transfers to the County Assembly of Kshs.808,904,160 which is equivalent to 13% of the total County revenue of Kshs.6,398,803,430. This was contrary to Regulations 25(1)(f) of the Public Finance Management (County Governments) Regulations, 2015, which requires that the approved expenditures of a County Assembly should not exceed 7% of the total revenues of the County Government or twice the personnel emoluments of that County Assembly, whichever is lower. The excess budgetary provisions led to reduced allocation to the development vote thereby denying the residents the benefit that would have accrued from development projects.

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 EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's, ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

Those charged with governance are responsible for overseeing the Fund's, financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give

an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 December, 2025

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

Description	Notes	FY 2024/25 Kshs.
Revenue from non-exchange transactions		
Exchequer releases	6	5,066,138,539
Transfers from other government agencies	7	1,013,967,614
Other grants	8	
Return to CRF from County Entities	9	58,277
Non-Exchange Own Source Revenue	10	259,169,678
Revenue from exchange transactions		
Exchange Own Source Revenue	11	59,469,322
Total Revenue		6,398,803,430
Expenses		
Transfers to County Executive	12	5,878,795,379
Transfers to County Assembly	13	808,904,160
Other Transfers	14	
Total Expenses		6,687,699,539
Surplus for the year		(288,896,109)

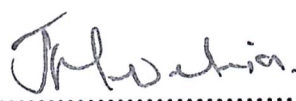


Name: CPA Fredrick Nganga

Chief Officer Finance

ICPAK Member No. 15010

Date: 28/10/2025



Name: CPA Joyce Kambe Mwachia

Director Accounting Services

ICPAK Member No. 12587

Date: 28/10/2025

County Government of Taita Taveta
 County Revenue Fund
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9. Statement of Financial Position as at 30th June 2025

Description	Note	FY 2024/25	Opening Statement 1st July 2025
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	15	125,338,115	11,000,031
Receivables from Non-Exchange Transactions	16		403,234,193
Receivables from Exchange Transactions	17		
Total Current Assets		125,338,115	414,234,224
Total Assets (A)		125,338,115	414,234,224
Liabilities			
Current Liabilities			
Accounts Payable	18	-	-
Total Current Liabilities			
Total Liabilities (B)		-	-
Net Assets(A-B)		125,338,115	414,234,224
Represented by:			
Accumulated Surplus		125,338,115	414,234,224
Net Assets		125,338,115	414,234,224




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County Government of Taita Taveta
 County Revenue Fund
 Annual Report and Financial Statements For the financial year ended 30th June 2025

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

	Accumulated Surplus
As at 30th June 2024 (cash basis)	11,000,031
Adjustments:	
Recognition of Receivables from Non-Exchange Transactions	403,234,193
Recognition of liabilities	
As at July 1, 2024	414,234,224
Return to CRF	
Surplus/ deficit for the year	(288,896,109)
Other changes (specify)	
As at June 30, 2025	125,338,115

County Government of Taita Taveta

County Revenue Fund

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11. Statement of Cash Flows for the year ended 30 June 2025

		FY 2024/25
	Notes	Kshs
Cash flows from operating activities		
Receipts		
Exchequer releases		5,469,372,732
Transfers from other government agencies		1,013,967,614
Other grants		-
Return to CRF from County Entities		58,277
Own Source Revenue		318,639,000
Total receipts		6,802,037,623
Payments		
Transfers to County Executive (operating activities)		(5,878,795,379)
Transfers to County Assembly (operating activities)		(808,904,160)
Other transfers		-
Total Payments		(6,687,699,539)
Net cash flows from/ (used in) operating activities		114,338,084
Cash flows from investing activities		
Net cash flows from/ (used in) investing activities		
Cash flows from financing activities		
Net cash flows from from/ (used in) financing Activities		
Net increase/(decrease) in cash & Cash equivalents		114,338,084
Cash and cash equivalents at 1 July 24	15	11,000,031
Cash and cash equivalents at 30 June 25	15	125,338,115

12. Statement of Comparison of Budget Actual Amounts for the Year Ended 30th June, 2025.

Receipt/Payments	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Realisation Difference	% Of Realisation
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
Budget carryovers from FY 2023/24				11,000,031		
Receipts						
Exchequer releases	5,229,266,247	(92,105,655)	5,137,160,592	5,066,138,539	71,022,053	99%
Transfers from other government agencies	2,039,235,732	(249,698,500)	1,789,537,232	1,013,967,614	775,569,618	57%
Other grants	-	-	-	-	-	0%
Return to CRF	403,000,000	-	403,000,000	403,292,470	(292,470)	100%
Own Source Revenue	750,000,000	100,000,000	850,000,000	548,034,968	301,965,032	64%
Total Receipts	8,421,501,979	(241,804,155)	8,179,697,824	7,042,433,622	1,148,264,233	86%
Payments						
Transfers to County Executive	7,561,981,108	(211,804,155)	7,350,176,953	5,878,795,379	1,471,381,574	80%
Transfers to County Assembly	859,520,871	(30,000,000)	829,520,871	808,904,160	20,616,711	98%
Others	-	-	-	-	-	0%
Total Payments	8,421,501,979	(241,804,155)	8,179,697,824	6,687,699,539	1,491,998,285	82%
Balance	-	-	-	354,734,083	(343,734,052)	

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	354,734,083
1	Level 4(Transfers)	(144,827,658)
2	FIF(Transfers)	(84,568,310)
	Closing Cash and Cash Equivalent as per the statement of Cash flows	125,338,115

13. Notes to the Financial Statements

1. General Information

The County Revenue Fund is established by and derives its authority and accountability from Article 207 of the Constitution of Kenya 2010. The Fund is wholly owned by the Taita Taveta County Government and is domiciled in Kenya. The Fund's principal activity is to receive all Money on behalf of the County Government.

2. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Accrual-Basis IPSAS financial reporting under the Accrual-Basis of accounting, as prescribed by the PSASB and Section 167 of the PFM Act 2012. The Financial Statements are presented in Kenya Shillings, which is the functional and reporting currency of the Fund, all values are rounded off to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented. The financial statements are prepared on accrual basis while the cashflow statement is prepared using the direct method.

These Financial Statements were authorized for issue by the accounting officer on 28th August 2025.

Basis of preparation

Reporting entity

This report relates to the financial operations of the County Revenue Fund, which is domiciled at the County Treasury and has a bank account maintained at the Central Bank of Kenya.

Revenues

Revenues include funds deposited in the County Revenue Fund pursuant to Article 207 of the Constitution of Kenya and Section 109 of the PFM Act 2012.

Expenses

Expenses are based on the County Government Appropriation Act. The exchequer requests are received by County Treasury, which rationalizes the requests based on the available balance, consolidates the requests and forwards them to Controller of Budget (COB) for approval. Once the approval of COB is obtained, the funds are released to the County Assembly and County Executive operational accounts appropriately.

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 46 Measurement	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></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> <p><i>State the expected impact of the standard to the Entity if relevant</i></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> <p><i>State the expected impact of the standard to the Entity if relevant</i></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	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p>

County Government of Taita Taveta

County Revenue Fund

Annual Report and Financial Statements For the financial year ended 30th June 2025

Standard	Effective date and impact:
Mineral Resources	<ul style="list-style-type: none"><li data-bbox="475 376 1372 443">i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.<li data-bbox="475 443 1372 544">ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.<li data-bbox="475 544 1372 710">iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

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

4. Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Revenue Transfers

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.

ii. Revenue from exchange transactions

Own Source Revenue

b) Budget information

The original budget for FY 2024/25 was approved by the County Assembly on 25th June 2025. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Entity recorded additional appropriations of Kshs 241,804,155 on the 2024/25 budget following the governing body's approval. The Entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements.

c) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Fund 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 Fund 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 fund'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 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 Fund assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx*.

Financial liabilities

Classification

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

d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year

e) Events after the reporting period

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

f) Currency

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

5. Significant judgments and sources of estimation uncertainty

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

State all judgements, estimates and assumptions made if any.

County Government of Taita Taveta
 County Revenue Fund
 Annual Report and Financial Statements For the financial year ended 30th June 2025

6. Exchequer releases

The following is an analysis by revenue type of the receipts collected in the County Revenue Fund:

Description	FY 2024/2025
	Kshs.
Equitable Share	5,066,138,539
Others (<i>Specify</i>)	
Total	5,066,138,539

* Equitable Share of Kshs 5,469,372,732 in the cashflow Statement includes Kshs 403,234,193 receivable from Non exchange transaction (Equitable Share).

7. Transfers from other government agencies**

Description	FY 2024/2025
	Kshs.
Road Maintenance Levy	78,389,752
Development of Youth Polytechnics-State Department of TVETS	-
User Fees Foregone -Ministry of Health	-
World Bank -Transforming Health Systems for Universal Care Project (THUSP)-Ministry of Health	-
World Bank-NARIGP-State Department of Crop Development	-
World Bank Kenya Climate Smart Agriculture (KCSAP) -State Department of Crop Development	-
DANIDA Grant -Primary Health care in devolved context -Ministry of Health	6,532,500
IDA (World Bank) Credit: Water & Sanitation Development Project (WSDP)-Min. Water, Sanitation, and Irrigation	610,805,126
SIDA Agricultural Sector Development Support Programme II (ASDSP II)-State Department of Crop Development	-
World Bank-Emergency Locust Response Project (ILRP) State Department of Crop Development	-
World Bank-Kenya Informal settlement improvement project (KISIP 11)-State Department of Housing & Urban Development	176,321,755
UNFPA-9th County Programme Implementation -Ministry of Health	-
IDA (World Bank) Kenya Urban Support Project (KUSP) - Urban Institutional Grant (UIG)	32,309,300
KfW German Development Bank- Drought Resilience Programme in Northern Kenya (DRPNK)-Min. Water, Sanitation, and Irrigation	-
IDA World Bank National Agricultural Value Chain Development Project (NAVCDP) -State Department of Crop Development	100,088,623
(IDA) World Bank Credit-Financing locally Led climate programme (FFLoCA)1 CCIS Grant State Department of	9,520,558
Total	1,013,967,614

County Government of Taita Taveta
 County Revenue Fund
 Annual Report and Financial Statements For the financial year ended 30th June 2025

8. Other grants

Description	FY 2024/2025
	Kshs.
Donor 1	-
Donor 2	-
Donor 3	-
Others	-
Total	-

9. Return to CRF from County Entities

Description	FY 2024/2025
	Kshs.
Recurrent Account (<i>County Executive</i>)	25,338
Development Account (<i>County Executive</i>)	14,076
Recurrent Account (<i>County Assembly</i>)	-
Development Account (<i>County Assembly</i>)	18,863
Others June 2024 Exchequer issue	
Total	58,277

10. Non-Exchange Own Source Revenue

Description	FY 2024/2025
	Kshs.
Cess	145,209,406
Land Rates	26,595,110
Single/Business Permits	67,444,626
Conservancy Administration	2,821,448
Administration Control Fees and Charges	5,301,760
Other Fines, Penalties, And Forfeiture Fees	1,366,387
Public Health Service Fees	84,644,260
Physical Planning and Development	6,808,964
Total Revenue from non-exchange transactions	340,191,961
Bank Balance at the beginning of the year	5,522,819
Bank Balance at the end of the year	(1,742,532)
Disbursed to FIF	(84,568,310)
Disbursed to Bank charges	(234,261)
Disbursements To CRF	259,169,678

County Government of Taita Taveta
 County Revenue Fund
 Annual Report and Financial Statements For the financial year ended 30th June 2025

11. Exchange Own Source Revenue

Description	FY 2024/2025
	Kshs.
Parking Fees	18,842,222
Market Fees	11,676,537
Property Rent	17,714,632
Advertising	6,241,389
Hospital Fees	144,827,658
Hire of County Assets	1,078,608
Sale of assets	-
Park Fees	-
Miscellaneous receipts	3,915,934
Total Revenue from exchange transactions	204,296,980
Disbursement to Level 4	(144,827,658)
Disbursed to CRF	59,469,322

(The total of own source revenue should tally with disbursements from county receivers of revenue)

12. Transfers to County Executive

Description	FY 2024/2025
	Kshs.
Recurrent Account	4,310,408,846
Development Account	474,449,564
Roads Maintenance Levy Fund	-
Kenya Urban Support Project (KUSP)	-
Kenya Urban Support Project (KUSP) UIG	32,309,300
Agriculture Sector Development Support Project	-
Water and Sanitation Development Project (WSDP)	610,805,126
Locally Led Climate Action Programme-(LLoCAP)-WB grant	36,000,000
National Agricultural Value Chain development Project	108,888,623
Kenya Informal Settlement Improvement Project-World Bank	150,000,000
Taita Taveta Education Fund Board	110,000,000
Taita Taveta Executive Car Loan and Mortgage Revolving Fund	7,450,000
Taita Taveta County Primary Health-Kes	13,768,500
Taita Taveta County Comm Health Promotors	22,215,420
Kenya Devolution Support Programme II	2,500,000
Total	5,878,795,379

County Government of Taita Taveta
 County Revenue Fund
 Annual Report and Financial Statements For the financial year ended 30th June 2025

13. Transfers to County Assembly

Description	FY 2024/2025
	Kshs.
Recurrent Account	760,302,258
Development Account	48,601,902
Special purpose accounts	
Others	
Total	808,904,160

14. Other Transfers

Description	FY 2024/2025
	Kshs.
Others	-
Total	-

(Explain as per County Appropriation Act)

15. Cash and Cash equivalents

Description	FY 2024/2025	Opening Statement 1st July 2024
	Kshs.	Kshs.
Taita Taveta County Revenue Fund Ac 1000171855	125,338,115	11,000,031
Others		
Total	125,338,115	11,000,031

16. Receivables from Non-Exchange Transactions

Description	FY 2024/2025	Opening Statement 1st July 2024
	Kshs	Kshs
Receivables	-	403,234,193
Other non-exchange debtors (<i>Specify</i>)	-	-
Less: impairment allowance	-	-
Net receivables	-	403,234,193

Receivable from Non-Exchange Transaction of Kshs 403,234,193 relates to June 2024 exchequer Issue for FY 2023-24.

17. Receivables from Exchange Transactions

Description	FY 2024/2025	<i>Opening Statement</i> <i>1st July 2024</i>
	Kshs	Kshs
Receivables from exchange transactions	-	-
Other debtors (exchange transactions)	-	-
Less: impairment allowance	-	-
Total	-	-

18. Accounts Payable

Description	FY 2024/2025	Opening Statement 1st July 2024
	Kshs	Kshs
Payables to County Executive	-	-
Payables to County Assembly	-	-
Other transfers	-	-
Total Accounts Payable	-	-

Notes to the financial statements

19. Disclosure of Balances in Revenue Collection Accounts

County Government Own source revenue is recognized in the financial statements when it has been swiped to CRF. Revenue collection account balances are disclosed as at the end of the reporting period as below.

Name of Bank, Account No. & currency	Account No:	Exc. rate (if in foreign currency)	Period Ended Dec-24 Kshs	Opening Statement 1st July 2024 Kshs
Taita Taveta County -Revenue Collection A	1140754017	Kshs	628	4,217,440
Moi Hospital Revenue Collection	1197838384	Kshs	2,067	2,333
Taveta Hospital Revenue Collection	1197838996	Kshs	-	1,170
Taita Taveta County Hospitals Revenue	1261095480	Kshs	39,392	40,723
Taita Taveta County Revenue Collection -Eq	7.9028E+11	Kshs	358,880	358,880
Voi Sub County Rev Collection	1305926846	Kshs	213,189	161,957
Mwatate Sub County Rev Collection	1305926870	Kshs	5078	5,078
Taveta Sub County Rev Collection	1305926897	Kshs	924,695	586,089
Wundanyi Sub County Rev Collection	1305926935	Kshs	12,447	61,796
Mwatate Municipality Rev Collection	1305926943	Kshs	180,796	86,353
Cash At Hand				
Taita Taveta Revenue Collection	899131	Kshs		-
Taveta Sub County Revenue Collection Mpesa	4101269	Kshs	2,800	-
Mwatate Municipality Revenue Collection Mpesa	8200892	Kshs	1,000	-
Wundanyi Sub County Revenue Mpesa	4101273	Kshs	-	-
Voi Sub County Revenue Mpesa	4101275	Kshs	1,560	1,000
Mwatate Sub County Revenue Mpesa	4101271	Kshs	-	
Total			1,742,532	5,522,819

(These balances should be reconciled by those reported by CRORs as balances due for disbursement to the CRF at the end of the reporting period.)

14. Appendices

Appendix 1: Progress on follow up of Auditor's Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Budgetary Control & Performance		Resolved	30 th June 2025



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Name: CPA Fredrick Nganga
Chief Officer Finance
ICPAK Member No. 15010

County Government of Taita Taveta
 County Revenue Fund
 Annual Report and Financial Statements For the financial year ended 30th June 2025

Appendix 2. Analysis Of Receipts from The National Treasury Exchequer Releases

Period 2024/25	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
Equitable Share	428,436,332	1,674,011,162	835,912,859	2,127,778,186	5,066,138,539
Level 5 Hospitals	-	-	-	-	-
DANIDA Universal Healthcare in Devolved Units Programme	-	-	-	6,532,500	6,532,500
World Bank – THUSCP	-	-	-	-	-
National Agricultural Value Chain development Project	-	-	-	100,088,623	100,088,623
Kenya Devolution Support Programme	-	-	-	-	-
Youth Polytechnic support grant	-	-	-	-	-
Abolishment of user fees in health centres and dispensaries	-	-	-	-	-
Kenya Urban Support Programme (UDG)	-	-	-	-	-
Kenya Urban Support Programme (UIG)	-	-	-	32,309,300	32,309,300
Agriculture Sector Development Support Project (ASDSP)	-	-	-	-	-
Kenya Climate Smart Agriculture Project (KCSAP)	-	-	-	-	-
Water and Sanitation Development Project (WSDP)	-	-	-	610,805,126	610,805,126
Road maintenance fuel levy fund	-	-	-	78,389,752	78,389,752
Locally Led Climate Action Programme-(LLoCAP)-WB grant	-	-	-	9,520,558	9,520,558
Kenya Informal Settlement Improvement Project-World Bank	30,000,000	-	-	146,321,755	176,321,755
Total	458,436,332	1,674,011,162	835,912,859	3,111,745,800	6,080,106,153

Appendix 3. Analysis Of Receipts from Own Source Revenue per Quarter

(a) Non-Exchange own source revenue

Period 2025	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
Cess	31,313,907	26,866,476	59,325,946	27,703,078	145,209,406
Land Rates	2,348,918	814,610	6,805,939	16,625,643	26,595,111
Single/Business Permits	4,776,518	2,626,721	995,000	59,046,387	67,444,626
Conservancy Administration	626,410	698,040	811,098	685,900	2,821,448
Administration Control Fees and Charges	561,580	1,620,260	2,231,120	888,800	5,301,760
Other Fines, Penalties, And Forfeiture Fees	142,200	382,409	542,512	299,267	1,366,388
Public Health Service Fees	23,691,065	22,845,863	18,981,399	19,125,933	84,644,260
Physical Planning and Development	2,403,483	1,869,970	1,332,071	1,203,441	6,808,964
Sub Total	65,864,081	57,724,349	91,025,085	125,578,449	340,191,963
Public Health Service Fees (FIF)	(23,691,065)	(22,845,863)	(18,981,399)	(19,049,983)	(84,568,310)
Balances	(1,742,532)	(234,261)		5,522,819	3,546,026
Total	40,430,484	34,644,225	72,043,686	112,051,285	259,169,679

County Government of Taita Taveta
 County Revenue Fund
 Annual Report and Financial Statements For the financial year ended 30th June 2025

(b) Exchange own source revenue

Period 2025	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)
Parking Fees	4,046,694	3,530,318	5,912,121	5,353,089	18,842,222
Market Fees	2,785,925	2,425,109	3,110,086	3,355,417	11,676,537
Property Rent	1,993,565	695,099	8,098,685	6,927,283	17,714,632
Advertising	756,899	425,500	3,641,490	1,417,500	6,241,389
Hospital Fees	15,917,162	33,635,862	15,503,582	79,771,053	144,827,659
Hire of County Assets	302,293	219,211	280,804	276,300	1,078,608
Sale of assets		-	-	-	-
Park Fees		-	-	-	-
Miscellaneous receipts		797,014	490,636	2,628,284	3,915,934
Sub Total	25,802,538	41,728,113	37,037,404	99,728,926	204,296,981
Hospital Fees (Level-4)	(15,917,162)	(33,635,862)	(15,503,582)	(79,771,053)	(144,827,659)
Total	9,885,376	8,092,251	21,533,822	19,957,873	59,469,322

Appendix 4: Analysis of Transfers from the County Revenue Fund

Period -2025	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
County Executive -Rec	317,217,293	1,501,173,274	818,468,826	1,673,549,453	4,310,408,846
County Executive -Dev	63,004,767	28,269,828	167,567,311	215,607,658	474,449,564
County Assembly -Rec	109,595,083	202,713,247	173,788,882	274,205,046	760,302,258
County Assembly -Dev	-	15,729,849	11,374,577	21,497,476	48,601,902
Kenya Urban Support Project (KUSP) UIG	-	-	-	32,309,300	32,309,300
Agriculture Sector Development Support Project	-	-	-	-	-
Water and Sanitation Development Project (WSDP)	-	-	-	610,805,126	610,805,126
Locally Led Climate Action Programme-(LLoCAP)-WB	11,000,000	-	-	25,000,000	36,000,000
National Agricultural Value Chain development Project	-	2,500,000	2,500,000	103,888,623	108,888,623
Kenya Informal Settlement Improvement Project-WB	30,000,000	-	-	120,000,000	150,000,000
Taita Taveta Education Fund Board	-	75,000,000	-	35,000,000	110,000,000
Taita Taveta Executive CarLoanMortgage Revolving Fund	-	7,450,000	-	-	7,450,000
Taita Taveta County Primary Health-Kes	-	-	7,236,000	6,532,500	13,768,500
Taita Taveta County Comm Health Promoters	2,000,000	7,890,000	-	12,325,420	22,215,420
Kenya Devolution Support Programme II	-	-	-	2,500,000	2,500,000
Total	532,817,143	1,840,726,198	1,180,935,596	3,133,220,602	6,687,699,539