

PARLIAMENT  
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DATE: 30 APR 2026 DAY: Thursday

TABLED BY: Leader of the Majority

CLERK-AT THE-TABLE: Kanda - T.

**REPUBLIC OF KENYA**

FINANCIAL STATEMENT

**for the**

**Fiscal Year 2026/2027**

**(1st July – 30th June)**

		<b>BUDGET</b>	<b>SUPP 1</b>	<b>BUDGET</b>
		<b>FY</b>	<b>FY</b>	<b>FY</b>
		<b>2025/26</b>	<b>2025/26</b>	<b>2026/27</b>
		<b>KSh.Mn</b>	<b>KSh.Mn</b>	<b>KSh.Mn</b>
	<b>Notes</b>			
<b>1. Revenue</b>		<b>3,321,651</b>	<b>3,399,057</b>	<b>3,629,721</b>
Ordinary Revenue	Note 1	2,754,709	2,784,415	2,985,743
AIA Ministerial Recurrent	Note 2	334,256	357,962	343,345
AIA Ministerial Development	Note 3	232,686	256,680	300,633
<b>2. Grants</b>		<b>47,231</b>	<b>39,924</b>	<b>43,634</b>
Programme Grants/AMISOM Receipts		-	5,081	-
Project Grants (Revenue)		28,723	20,676	27,561
Project Grants (AIA)		18,508	14,168	16,072
Nairobi County Grants to NMS				
<b>A. TOTAL REVENUE AND GRANTS</b>		<b>3,368,882</b>	<b>3,438,981</b>	<b>3,673,355</b>
1. Recurrent- Ministerial	Note 4 (a)	1,804,706	2,034,531	2,051,716
2. Recurrent -CFS	Note 4 (b)	1,337,325	1,366,598	1,501,327
3. Development Expenditure	Note 5	712,838	847,298	812,137
4. County Governments - Equitable Share	Note 6	415,000	415,000	420,000
<b>B. EXPENDITURE AND NET LENDING</b>		<b>4,269,869</b>	<b>4,663,428</b>	<b>4,785,180</b>
<b>C. DEFICIT INCL.GRANTS</b>		<b>(900,987)</b>	<b>(1,224,446)</b>	<b>(1,111,826)</b>
<b>Financed by:</b>				
1. Net Foreign Financing	Note 7	287,440	95,209	116,165
2. Government Securities	Note 8	634,751	1,125,442	1,067,345
3. Other Domestic Financing	Note 9	10,795	10,795	11,272
Accounts Payables		(181,000)	(32,000)	(82,957)
Privatization Proceeds		149,000	25,000	-
<b>D. FINANCING</b>		<b>900,987</b>	<b>1,224,446</b>	<b>1,111,826</b>

		<b>BUDGET</b>	<b>SUPP 1</b>	<b>BUDGET</b>
		<b>FY 2025/26</b>	<b>FY 2025/26</b>	<b>FY 2026/27</b>
		<b>KSh.Mn</b>	<b>KSh.Mn</b>	<b>KSh.Mn</b>
<b>Note 1</b>	<b>Ordinary Revenue</b>	<b>2,754,709</b>	<b>2,784,415</b>	<b>2,985,743</b>
	Import Duty	162,851	166,950	186,180
	Excise Duty	335,531	323,139	382,231
	Income tax	1,284,772	1,266,772	1,383,615
	VAT	771,704	771,704	829,215
	Investment Revenue	69,639	115,639	52,266
	Others	130,211	140,211	152,236
<b>Note 2</b>	<b>AIA Ministerial Recurrent</b>	<b>334,256</b>	<b>357,962</b>	<b>343,345</b>
	GoK Road Maintenance Levy 15% - Counties			
	Ministerial Recurrent AIA	231,909	255,615	270,830
	African Union & Int't Subscription Fund	6,631	6,631	9,700
	PDL - Recurrent	25,500	25,500	-
	Ministerial Recurrent AIA - NMS	-	-	-
	Road Maintenance Levy - Normal	70,216	70,216	62,814
<b>Note 3</b>	<b>AIA Ministerial Development</b>	<b>232,686</b>	<b>256,680</b>	<b>300,633</b>
	Railway Development Levy (RDL)	40,694	47,125	48,493
	Other Local Ministerial Dev AIA (including PDL)	50,610	68,174	80,445
	Housing Development Levy	95,000	95,000	110,027
	Road Maintenance Levy	32,000	32,000	32,668
	Road Maintenance Annuity Fund	14,382	14,382	7,001
	Petroleum Development Levy - Stabilization			22,000
<b>Note 4</b>	<b>Recurrent Expenditure</b>	<b>3,142,031</b>	<b>3,401,130</b>	<b>3,553,044</b>
(a)	<b>Recurrent Ministerial</b>	<b>1,804,706</b>	<b>2,034,531</b>	<b>2,051,716</b>
(i)	<b>GoK Contribution</b>	<b>1,470,450</b>	<b>1,676,569</b>	<b>1,686,372</b>
	National Government O/M Expenditure	1,462,509	1,668,628	1,672,066
	Recurrent Transfers - Counties (See note 6b)	7,941	7,941	14,306
(ii)	<b>Appropriations-in-Aid (Local)</b>	<b>334,256</b>	<b>357,962</b>	<b>365,345</b>
	Ministerial Recurrent AIA	334,256	357,962	365,345

	<b>(b) CFS - Recurrent</b>	<b>1,337,325</b>	<b>1,366,598</b>	<b>1,501,327</b>
	Domestic Debt Interest (See note 10)	851,421	883,760	986,726
	Foreign Debt Interest (See note 10)	246,268	242,771	267,512
	Pension, CFS Salaries, Subs and Miscl Exp (See note 10)	239,635	240,066	247,090
	Guaranteed Debt	-	-	-
<b>Note 5</b>	<b>Development Expenditure</b>	<b>712,838</b>	<b>847,298</b>	<b>812,137</b>
	<b>(a) Cash Payments</b>	<b>407,100</b>	<b>482,989</b>	<b>474,802</b>
	Project Grants (Revenue) Expenditure	28,723	20,676	27,561
	Project Loans (Revenue) Expenditure	124,609	124,158	116,310
	GoK contribution to development	236,225	323,599	315,556
	Counties Conditional Grants (See note 6c)	4,954	4,954	3,773
	Equalization Fund	10,590	7,602	9,602
	Contingency Fund	2,000	2,000	2,000
	Support for COVID-19 Vaccine Purchase			
	<b>(b) Financed by Foreign and Local AIA</b>	<b>305,738</b>	<b>364,309</b>	<b>337,335</b>
	Project Grants AIA	18,508	14,168	16,072
	Project Loans - Counties Conditional Grants (See note 6d)	56,908	56,908	57,400
	Project Loans AIA - National Government	29,636	43,553	17,897
	Railway Development Levy (RDL)	40,694	47,125	48,493
	Project Loans SGR (Phase 2A) AIA			
	Other Local AIA (including PDL)	159,992	202,556	197,473
	Support for COVID-19 Vaccine Purchase			
	Programme Grants/AMISOM Receipts	-	5,081	-
	<b>(c) CBK old loan and Guaranteed debt</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Note 6</b>	<b>Total County Allocation Per CARA:</b>	<b>476,862</b>	<b>476,862</b>	<b>481,173</b>
	<b>(a) Equitable Share</b>	<b>415,000</b>	<b>415,000</b>	<b>420,000</b>
	Equitable Share	415,000	415,000	420,000
	<b>Conditional Allocation to Counties</b>	<b>61,862</b>	<b>61,862</b>	<b>61,173</b>
	<b>(b) Recurrent</b>			
	Recurrent Transfers	7,941	7,941	14,306
	<b>(c) Development - GoK</b>	<b>4,954</b>	<b>4,954</b>	<b>3,773</b>
	County Headquarters	4,954	4,954	3,773
	<b>(d) Development - External</b>	<b>56,908</b>	<b>56,908</b>	<b>57,400</b>
<b>Note 7</b>	<b>Net Foreign Financing</b>	<b>287,440</b>	<b>95,209</b>	<b>116,165</b>
	<b>(a) Disbursements</b>	<b>627,630</b>	<b>768,970</b>	<b>529,035</b>
	Programme Loans	3,500	3,500	-
	Rapid Credit Facility from IMF	-	-	-

	Project Loans AIA Development	86,544	100,461	75,297
	Project Loans Revenue	124,609	124,158	116,310
	Accounts Payables (Domestic Arrears)	(181,000)		
	Privatization Proceeds	149,000		
	Sovereign Bond	221,178	331,433	145,628
	External Debt Operations - Refinancing	-	143,638	-
	Development Policy Operations - WB	170,480	3,250	170,480
	Development Policy Operations - ADB	21,320	-	21,320
	Samurai Bond and Other Commercial		62,530	-
	<b>(b) Debt repayment - Principal</b>	<b>(340,190)</b>	<b>(673,761)</b>	<b>(412,870)</b>
<b>Note 8</b>	<b>Net Domestic Financing</b>	<b>645,547</b>	<b>1,161,238</b>	<b>1,078,617</b>
	Government Securities	634,751	1,125,442	1,067,345
<b>Note 9</b>	<b>Other Domestic Financing</b>	<b>10,795</b>	<b>35,795</b>	<b>11,272</b>
	Domestic Redemptions (Receipts)	11,905	11,905	12,381
	Government Deposits	-	25,000	-
	Domestic Loan Repayments CBK	(1,110)	(1,110)	(1,109)
	Increase in Other Accounts Payable		(32,000)	(82,957)
<b>Note 10</b>	<b>Consolidated Fund Services</b>	<b>2,141,025</b>	<b>2,584,617</b>	<b>2,562,974</b>
<b>(a)</b>	<b>Public Debt</b>	<b>1,901,390</b>	<b>2,344,550</b>	<b>2,315,884</b>
	Domestic Debt Interest	851,421	883,760	986,726
	Foreign Debt Interest	246,268	242,771	267,512
	Foreign Debt Principal Repayment	340,190	673,761	412,870
	Internal Redemptions ( Rollovers)	463,510	544,257	648,777
<b>(b)</b>	<b>Pension, CFS Salaries, Subscriptions and Misc Exp</b>	<b>239,635</b>	<b>240,066</b>	<b>247,090</b>
	Pensions and Gratuities	234,898	234,898	241,938
	<b>CFS Salaries, Subscriptions and Misc Exp</b>	<b>4,736.71</b>	<b>5,168.04</b>	<b>5,151.75</b>
	Salaries and Allowances	4,666	5,097	5,079
	Miscellaneous Services	71	71	72