

REPUBLIC OF KENYA

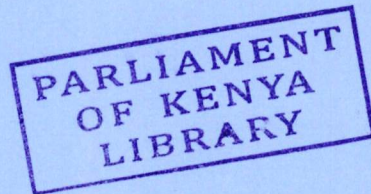


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

REPORT



OF

THE AUDITOR-GENERAL

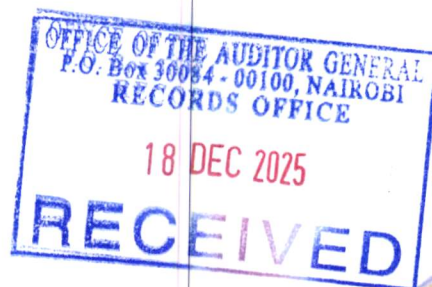
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COUNTY EXECUTIVE OF MAKUENI

FOR THE YEAR ENDED
30 JUNE, 2025





**COUNTY GOVERNMENT OF MAKUENI
(MAKUENI COUNTY EXECUTIVE)**

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

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

Makueni County Executive
Annual Report and Financial Statements for the year ended June 30, 2025.

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1. Acronyms, Abbreviations and Definition of Key Terms

A. Acronyms and Abbreviations

ADP	Annual Development Plan
BROP	Budget Review and Outlook Paper
CA	County Assembly
CBEF	County Budget and Economic Forum
CBK	Central Bank of Kenya
CE	County Executive
CECM	County Executive Committee Member
CEO	County Executive Officer
CG	County Government
CGM	County Government of Makueni
CIDP	County Integrated Development Plan
COG	Council of Governors
CPA	Certified Public Accountant
CPAC	County Public Accounts Committee
CPISF	County Public Investments and Special Funds
CRA	Commission on Revenue Allocation
CRF	County Revenue Fund
CS	Certified Secretary
CT	County Treasury
EACC	Ethics and Anti-Corruption Commission
ECDE	Early Childhood Development Education
FLLoCA	Financing Locally-Led Climate Action
FY	Financial Year
HQ	Head Quarters
ICPAK	Institute of Certified Public Accountants of Kenya
ICT	Information Communication Technology
IDA	International Development Association
IPSAS	International Public Sector Accounting Standards
KDSP	Kenya Devolution Support Program
Kshs	Kenya Shillings
MCA	Member of County Assembly
NAVCDP	National Agricultural Value Chain Development Project
NT	National Treasury
OAG	Office of the Auditor General
OCOB	Office of the Controller of Budget
OSR	Own Source Revenue
PFM	Public Finance Management
PP	Public Participation
PPAD	Public Procurement and Disposal
PSASB	Public Sector Accounting Standards Board
PWD	Persons with Disability
WB	World Bank

B. Definition of Key Terms

Fiduciary Management *The key management personnel who had financial responsibility*

Makueni County Executive

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2. Key Entity Information and Management

a) Background information

The County Executive is constituted as per article 176 of the Constitution of Kenya 2010. It is headed by the County Governor, who is responsible for the general policy and strategic direction of the County. The County Executive is comprised of the following departments:

No.	Department	Major Responsibility
1.	Finance, Planning, Budget & Revenue	Management of County Treasury and Finance in financial accounting services, planning, budget, revenue, audit, procurement, risk management and monitoring & evaluation through offering effective coordination in Public Finance Management and Economic Policy Formulation.
2.	Agriculture, Irrigation, Livestock, Fisheries & Cooperative Development	Provision and facilitation of extension services to farmers in the county. The agriculture sector is a key driver of the county economy contributing 78% of the total household income in Makueni County. About 79% of the total 244,669 households in the county are involved in agricultural production with 74% involved in crop farming while 65% are involved in livestock farming. The main crops grown in the county include maize, green grams, mango, avocado and citrus while the main livestock reared include indigenous poultry, goats and sheep and cattle.
3.	Governorship	The Office of Governor and Deputy Governor are charged with responsibility of providing leadership in the management of the county affairs. This is executed through various organisational structures established under the Law.
4.	County Secretary	To improve leadership and coordination of various departments and county entities to enhance service delivery.
5.	County Attorney	Facilitation of the realization of good governance and respect for the rule of law through the provision of legal advisory services and upholding of ethics and integrity.
6.	Devolution, Public Service, Public Participation & Special Programs	Coordination, leadership, enforcement, management, documentation of devolved functions at county level and response to disasters.
7.	Gender, Children, Culture and Social Services	Mobilization and support communities for social, economic and political development via enhancing County Social Protection, Sexual and Gender Based Violence (SGBV) Protection and Mitigation, Sport Development and Management
8.	Health Services	Ensuring affordable and available health care services through maintaining accurate and safe health records and information, achieving the highest level of Reproductive, Maternal, New-born, Child and Adolescent health (RNMCAH) indicators, improving the nutrition status of the

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No.	Department	Major Responsibility
		population, reducing the burden of non-communicable diseases on the community, implementing a comprehensive community health strategy, improving and achieve highest level of health quality indicators.
9.	ICT, Education & Internship	To provide, promote and coordinate quality education, Innovate and Nurture Talent to Transform the Livelihoods of Makueni Citizenry and apply Information Technology to transform the Management and operations of Makueni County.
10.	Infrastructure, Transport, Public Works, Housing & Energy	Provision of efficient, affordable and reliable infrastructure for sustainable economic growth and development through provision of cost-effective public utilities, infrastructure, facilities and services in the area of energy, transport and build environment.
11.	Lands, Urban Planning & Development, Environment & Climate Change	To ensure efficient and effective administration and management of Land Resource, to improve infrastructure development, connectivity and accessibility, safety and security within Urban areas and efficiency in land management, to map, explore and develop existing mineral resources, to protect, conserve and sustainably manage the environment.
12.	Trade, Marketing, Industry, Culture & Tourism	Promotion, coordination and implementation of integrated economic policies and programs for a rapidly industrializing economy
13.	Water and Sanitation	Increasing access to water and reducing distance to the water sources, water catchment protection and ensuring environmental sustainability, improving management of water utilities (water governance) and ensuring sustainability and independence of WSPs, formulations and Implementation of relevant water legislation frameworks, water quality control, development/improvement of sanitation infrastructure and services.
14.	County Public Service Board	Maintaining a professional and motivated public service to enhance service delivery across county departments.

b) Key Management team

The County Executive's day-to-day management is under the following key organs:

No.	Designation	Name
1.	Governor	H.E Mutula Kilonzo Jnr. CBS
2.	Deputy Governor	H.E Lucy Mulili
3.	County Secretary	Dr. Justine Kyambi

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No.	Designation	Name
4.	CECM – Department of Agriculture, Irrigation, Livestock, Fisheries & Cooperative Development	Ms. Joyce Mutua
5.	CECM – Department of Devolution, Public Participation, County Administration & Special Programmes	Mr. Nicholas Masila Nzioka
6.	CECM – Department of ICT, Education & Internship	Ms. Elizabeth Ndunge Muli
7.	CECM – Department of Water and Sanitation	Eng. John Kasyoki Kieti
8.	CECM – Department of Finance, Planning, Budget & Revenue	CPA Damaris Mumo Kavoi
9.	CECM – Department of Gender, Children, Youth, Sports & Social Service	Eng. Sebastian Kyoni
10.	CECM – Department of Trade, Marketing, Industry, Culture & Tourism	Dr. Sonnia Nzilani Musyoka
11.	CECM – Department of Infrastructure, Transport, Public Works and Energy	Mr. Peter Mumo Nyamai
12.	CECM – Department of Lands, Urban Planning & Development, Environment & Climate Change	Mr. Japheth Musyoka Mang'oka
13.	CECM – Department of Health Services	Dr. Paul Musila
14.	Chairperson – Makueni County Public Service Board	Dr. Nicodemus Muteti
15.	County Attorney	Mr. Stanley Mutinda Nthiw'a

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- Department of Finance, Planning, Budget & Revenue	CPA. Damaris Mumo Kavoi
2.	Accounting Officer- Financial Services	CPA John Nthuka Nguni
3.	Accounting Officer- Socio-Economic Planning, Budget, Revenue, Monitoring and Evaluation	Boniface Musyoki Mutua
4.	Accounting Officer- Environment, Natural Resources, Mining and Climate Change	Dr. Geoffrey Ngovi Muthoka
5.	Accounting Officer – Office of the Governor	Felistus Kamene Mutune
6.	Accounting Officer- Public Service Management	Catherine Syombua Katuti
7.	Accounting Officer- Agriculture and Irrigation	Dr. Victoria Kyalo
8.	Accounting Officer- Energy, Infrastructure, Transport and Public Works	Naomi Nthambi
9.	Accounting Officer- Devolution, Public Participation, County Administration & Special Programs	Daniel Mutuku Ndolo

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No.	Designation	Name
10.	Accounting Officer- Trade, Marketing, Industry, Culture and Tourism	Dr. Jossylyn Nzilani Mutua
11.	Accounting Officer- Health Services	Dr. Harvey Mulei
12.	Accounting Officer- Water and Sanitation	Eng. David Maithya Makau
13.	Accounting Officer- Lands, Urban Planning and Development	Jackson Charo Daudi
14.	Accounting Officer- Livestock and Fisheries	Japheth Mutuku Kiminza
15.	Accounting Officer- Gender, Children, Youth, Sports and Social service	Nicholis Mutisya Mutua
16.	Accounting Officer- ICT, Education and Internship	Irene Nduku Makau
17.	CEO/Secretary- Makueni County Public Service Board	CS Redempta Kavindu
18.	Ag. Head of Accounting Services	CPA Sylvia Mbevi
19.	Ag. Head of Supply Chain	CM Fidel Muema

d) Fiduciary Oversight Arrangements

The key fiduciary oversight arrangements for the County Government include;

- **Makueni County Assembly-** Performed its mandate in legislation and oversight arrangements to the County Executive through assembly business and different committees like approval of annual/supplementary budgets and Appropriation Bills/Acts, review and recommendations of Auditor General reports on reports and financial statements, oversight of county projects, review and recommendations of periodic reports and financial statements, adoption of various reports amongst others.
- **Office of Controller of Budget (OCOB)-** Provided the required guidelines in budget execution, processed and approved fund requisitions and provided oversight in budget implementation.
- **The National Treasury (TNT)-** Processed exchequer funds, provided technical support especially on IFMIS, capacity training on e-GP and issued circulars to guide on the new quarterly accrual-based financial reporting templates and end of year procedures.
- **Public Sector Accounting Standards Board (PSASB)-** Developed and disseminated the Annual and quarterly accrual- based financial reporting templates, trained on the Cash-Accrual transition.
- **Commission on Revenue Allocation (CRA)-** The institution provided support in revenue allocation through recommendation on the Basis for Equitable Sharing of Revenue between the National and County Governments and highlight on the fourth basis for revenue sharing, assisting counties in developing their Tariffs and Pricing Policies and other recommendations concerning county government financing and financial management like recurrent expenditure budget ceilings to enable deliver essential services within the confines of the allocated budgets, given Kenya's prevailing challenges including inflation, the escalating cost of living and the unique requirements of specific regions.
- **Office of the Auditor General-** Carried out the FY 2023/24 financial audit and FY 2024/25 compliance audit to check and report on the prudent use of resources entrusted to the Makueni County Executive.

Makueni County Executive

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

- **Development Partners-** They provided both funding and technical support to the development, implementation and monitoring of country-owned sector policies and strategies through the national government inform of conditional grants during the quarter.
- **Makueni County Audit Committee-** It reviewed the internal audit reports and ensured corrective actions were taken to safeguard the internal controls of the County's financial operations to ensure proper public financial management.

e) County Executive Headquarters

P.O. Box 78-90300
Office of the Governor Building
Off Wote-Makindu Road
WOTE – MAKUENI, KENYA

f) County Executive Contacts

Telephone: 020-2477000 | 0795717885 | 0780717885
E-mail: info@makueni.go.ke
Website: www.makueni.go.ke

g) County Executive Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA
2. Kenya Commercial Bank
Wote Town
WOTE – MAKUENI, KENYA
3. Cooperative Bank
Wote Town
WOTE – MAKUENI, KENYA
4. Family Bank Limited
Wote Town
WOTE – MAKUENI, KENYA
5. Equity Bank Limited
Wote Town
WOTE – MAKUENI, KENYA

h) Independent Auditor

Auditor-General
Office of the Auditor General
Anniversary Towers. University Way
P.O. Box 30084

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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/County Assembly Legal Advisor.

P.O. Box 78-90300
Office of the Governor Building
Off Wote-Makindu Road
WOTE – MAKUENI, KENYA

**Makueni County Executive
Annual Report and Financial Statements for the year ended June 30, 2025.**

3. Governance Statement

Makueni County is established as per Section 176 of the Constitution of Kenya, 2010. The County is headed by the Governor, who is responsible for the general policy and strategic direction of the County.

The County Executive is structured in terms of departments, headed by a County Executive Committee Member (CECMs). The CECMs support the Governor and the Deputy Governor in executing the mandate of the County Government as stipulated in the Constitution. The County Secretary heads county public service and is responsible for arranging the business of county executive committee.

The County Executive

a) Membership of the Cabinet/County Executive Governance Structures

The membership of the Makueni County Executive cabinet is composed of the Governor, Deputy Governor, County Secretary, County Executive Committee Members (CECMs) and the County Attorney as outlined below;

No.	Management Details
1.	 H.E. Mutula Kilonzo Junior, CBS – Governor holds a Bachelor of Law (LLB) from Nagpur University, India. He was admitted to the Bar in 2001 after completion of a Postgraduate course at the Kenya School of Law (KSL). Previously, he was the Makueni County Senator for Nine years between 2013 and 2022. At the Senate, Mutula Junior was the Minority Whip and served as the Vice Chairperson in the Senate Committee on Information, Communication and Technology from 2013 to 2017. He was a member of the Standing Committee on Finance and Budget, and Justice, Legal and Human Rights. Governor Mutula Junior is an Advocate of the High Court of Kenya and the Supreme Court of Kenya with extensive experience in Criminal, Commercial Law, Family Law, Election Petitions and Conveyance. He was conferred with the Chief of the Order of the Burning Spear (CBS) in 2020 by President Uhuru Kenyatta for his outstanding work as a legislator. H.E. Mutula Kilonzo Junior is a member of the Law Society of Kenya, Commonwealth Parliamentary Association, the Commonwealth Lawyers Association, the Law Society of Kenya, the Parliamentary Group for Global Action, the Chartered Institute of Arbitrators, the Chartered Institute of Public Secretaries, and was the managing Partner in the firm of Kilonzo and Company Advocates

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No.	Management Details
2.	H.E. Lucy Mulili – Deputy Governor Lucy is a career administrator with over twenty- four (24) years’ Experience. She served as a District Officer and rose to the position of a County Commissioner overseeing Government policy and development in three Counties. She served as Secretary Administration in the Ministry of ICT and has served in several Management Boards, among them the ICT Authority, Technical University of Mombasa, and Turkana University College. Lucy holds a Master of Arts Degree in Contemporary Diplomacy and is actively engaged in community development and champions programs that advocate for the empowerment of the boy and the girl child. 
3.	Dr. Justine Kyambi – County Secretary  He holds a Doctor of Philosophy Degree in Human Resource Management from JKUAT, a Master of Business Administration (MBA) in Human Resource Management from Kenyatta University and Bachelor of Education Degree from Kenyatta University. He is a Certified Human Resource Professional (CHRP) and an associate member of the Institute of Human Resource Management. Previously, he worked as a lecturer in JKUAT, Egerton and SEKU and as the Executive Director of Wiper Democratic Movement. He is a published scholar, a consultant and an expert in Research.
4.	Stanley Mutinda Nthiwa – County Attorney He possesses a Bachelor of Laws {LLB} from Moi University School of Law and a Post Graduate Diploma in Law {Advocate Training Program} from the Kenya School of Law. He is an advocate of the High Court of Kenya and Commissioner for oaths and is very passionate about offering simplified legal advice and services. Stanley is a member in good standing of the Law Society of Kenya, East African Law Society and Commissioner for Oaths. 

Makueni County Executive

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No.	Management Details
5.	Joyce Mutua – CECM; Agriculture, Livestock, Fisheries & Cooperative Development She is a seasoned Agriculture and Livestock Value Chain Expert with over twenty-one (21) Years professional practice. Previously, she worked at Kenya Dairy Board, a state corporation and Fintrac Inc. while implementing a United States Agency for International Development (USAID) funded project and as a consultant for various international organizations including Africa Union, FAO, Netherlands Agency for International Development (SNV) and World Bank funded National Agricultural Rural Inclusive Growth Project (NARIGP). She holds a B.Sc. in Dairy Sciences and Technology awarded by Egerton University, Kenya, MBA in Strategic management and marketing by Daystar University, Kenya and post Graduate Diploma in International Trade Law and Policy Management by University of Cape Town, South Africa.
6.	Japheth Musyoka Mang’oka – CECM; Lands, Urban Planning & Development, Environment & Climate Change. He holds a Bachelor’s Degree in Economics and Sociology from the University of Nairobi. He served in the Office of Auditor General from 1991 to October 2022. He joined the County Government of Makueni in November 2022 as the CECM in-charge of Devolution, Public Participation, County Administration and Special Programmes. He has a great wealth of experience in Public Sector Governance.
7.	CPA Damaris Mumu Kavoi – CECM; Finance, Planning, Budget and Revenue and Head of County Treasury CPA Damaris Mumu Kavoi holds a Bachelor in Business Administration (BBA) (Accounting and Finance) from Kenya Methodist University (KEMU) and a Masters of Business Administration (MBA) from the University of Nairobi. She has over twenty-eight (28) years of experience in financial accounting and management, budgeting, financial reporting, and in management of donor funded projects in the Public Sector. She worked at the University of Nairobi diligently rising through the ranks to the position of Director in Charge of Finance in February 2020 to November 2022. CPA Damaris is a member of Institute of Certified Accountants of Kenya (ICPAK) in good standing and Association of Women Accountants of Kenya (AWAK). She currently

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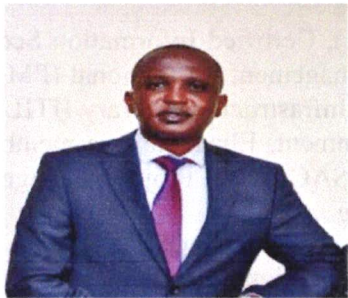
No.	Management Details
	serves as a member of the Public Sector Accounting Standards Board (PSASB) representing the Intergovernmental Budget and Economic Council (IBEC) and as a member of ICPAK Finance & Strategy Committee, Strategic financial planning & investment policy oversight. CPA Damaris serves as a Board of Management member at State House Boys High School providing financial oversight & governance support. She is also the Chair of the Board's Finance, Procurement, and Strategy Committee.
8.	Nicholas Masila Nzioka – CECM; Devolution, Public Service, Public Participation & Special Programmes. Nicholas Masila Nzioka holds a Bachelor of Science Degree from Jomo Kenyatta University of Agriculture and Technology (JKUAT). Previously, he served as the political advisor to the Makueni County Governor, for the period September-October 2022, Assistant / Liaison Officer in the Office of the Senate Minority Whip (November 2017 – August 2022) and as County Office Manager, Office of the Senator, Makueni County (August 2014 – October 2017). He possesses a certificate in Basic Management Skills from East and South African Management Institute (ESAMI) Kampala, Uganda. 
9.	 Dr. Paul Musila – CECM; Health Services Dr Paul Musila is a Medical Practitioner with over twenty-one (21) years' experience in public and private practice in Kenya. He worked in various Counties within Kenya, before joining the private sector at the Nairobi Hospital in 2014. He holds a Bachelor's degree in Medicine and Surgery (MBChB) from the University of Nairobi and a Master's Degree in Pediatrics and Child Health. Dr. Musila has a certificate in strategic leadership and development at the Kenya School of Government and is passionate about leadership and strategic partnerships that enhance quality of health care services.
10.	Ms. Elizabeth Ndunge Muli, MBA, PMP, CISM, CISA, ITIL – CECM; ICT, Education, And Internship Ms. Elizabeth Ndunge Muli has over Seventeen (17) years of experience at the intersection of technology, business, and policy. Previously, she worked at the Kenya Medical Supplies Authority (KEMSA). She holds a Master of Business Administration (MBA) from the University of Nairobi, Bachelor of Business Information Technology (BBIT) and a Diploma in Business Information Technology from Strathmore University. 

Makueni County Executive

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No.	Management Details
	She is a Certified Information Systems Auditor (CISA), Certified Information Security Manager (CISM) by ISACA, and Certified Project Management Professional (PMP) by PMI. She has certification in Information Technology Infrastructure Library (ITIL) and Senior management from the Kenya School of Government. Elizabeth is a member of Information Systems Audit and Control Association (ISACA) and Project Management Institute (PMI) Professional bodies and in good standing. Ms. Elizabeth has pursued Continuous Professional Development courses, including "How to Make Strategic Thinking a Habit" and "Project Management Skills for Leaders."
11.	Eng. Sebastian Kyoni – CECM; Gender, Children, Youth, Sports & Social Services He holds a BSc. in Electrical and Electronics Engineering from the Jomo Kenyatta University of Agriculture & Technology and is a member of the Kenya Society of Electrical and Electronics Engineers. He previously worked with the East African Breweries Ltd as an Electrical and Instrumentation Engineer for six years, Bidco Oil & Soap Ltd Tanzania as an Electrical and Instrumentation Engineer for five years and as a Team Leader, Engineering and Manufacturing for one year, Mtibwa Sugar Estates, Tanzania as a Project Manager for four years in their pipe manufacturing division, Pipe Industries Company Ltd rising to be the General Manager. He then joined the County Government of Makueni as the CECM in charge of roads Infrastructure, Transport, Public Works and Energy.
12.	Dr. Sonia Nzilani Musyoka – CECM; Trade, Marketing, Industry, Culture & Tourism Dr. Sonnia Nzilani is the Chairperson of the Konza Buffer Zone Inter-County Joint Physical and Land Use Planning Committee and the Founder and CEO of Kibwezi (well-wishers) Centre for Sustainability. She holds a Doctor of Philosophy Degree in Natural Resources and Life Sciences from University of Natural Resources and Life Sciences, Australia, Master's degrees in Water and Coastal Management from Cadiz University, Spain and Environmental assessment and Management from University of Bologna-Italy. She has 11 post-graduate short courses from Netherlands, South Africa, USA, Spain, Israel, Ghana and Ireland. Dr. Sonnia worked with the South Eastern Kenya University for eight (8) years as a lecturer and the Head of the Department of Hydrology and Aquatic Sciences. She has more than sixteen (16) years of local and international experience in consultancy and training on Environmental conservation, aquatic science, food security and climate change and has done over 10 academic publications.

**Makueni County Executive
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No.	Management Details
13.	 Peter Mumo Nyamai – CECM; Infrastructure, Transport, Public Works and Energy He holds a Bachelor's Degree in Chemical and Process Engineering from Moi University, Kenya and a post-graduate Business and Entrepreneurship Diploma from Drake University, Iowa, USA. He was the co-founder and Chief Operations Officer at Solar Freeze Ltd and the founder of Expressions Global Group Limited. He worked as the Technical Manager at Green Life Crop Protection Africa Ltd, served in multiple community organizations boards and as an entrepreneur. Peter won the MIT D-Lab Accelerator award in 2019. He is part of the inaugural cohort of Obama Foundation Leaders African 2018 and a recipient of the Mandela Washington Fellowship 2016, for business and entrepreneurship.
14.	Eng. John Kasyoki Kieti – CECM; Water and Sanitation Eng. John Kasyoki Kieti is a Professional Mechanical Engineer with 43 years' experience in the water sector. Previously, he worked with the Ministry of Water and Development, National Water and Pipeline Corporation and County Government of Makueni in various positions across the County. He is a member of the Institute of Engineers of Kenya. 

b) Stakeholders' engagement especially on matters that require public participation

The County Government of Makueni (CGM) engages a broad range of stakeholders in policy formulation, planning, budgeting and service delivery within the constitutional and statutory provisions. To institutionalize inclusivity and accountability, the County has established a comprehensive Public Participation (PP) framework anchored in the Makueni County Public Participation Policy (2021) and its accompanying guidelines. Public participation activities are systematically coordinated through an Annual Public Participation Plan (APPP), which provides clear timelines, structured processes, and well-defined communication strategies. This ensures predictability, transparency, and consistency in citizen engagement across all sectors of governance.

The county promotes inclusivity by recognizing a diverse range of stakeholder categories, including beneficiaries of county investments, organized groups, whistle-blowers, vulnerable populations (such as women, youth, the elderly, and persons with disabilities), professionals, and diaspora communities. Targeted forums at village and cluster levels specifically cater to vulnerable groups, while e-participation platforms engage professionals, youth, and members of the diaspora.

Makueni County Executive

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To enhance grassroots involvement, new Ward and Sub-Ward Development Committees have been elected and inducted, with sector-specific representation in areas such as water, energy, and education. Online youth engagement sessions and the County People's Forum further expand participation, enabling communities to validate proposed projects. CGM serves as a national benchmark for openness and inclusivity, employing a life-cycle approach to PP—conducting consultations at every project stage and disseminating information through civic education, radio, SMS, and print media. A one-stop government information Centre enhances transparency, while Ward Development Officers facilitate ongoing stakeholder mapping and engagement. Civil society organizations play an active role in PP processes, whistle-blowing, and social audits, bolstering accountability.

At the community level, participatory structure includes 394 Cluster Forums, 60 Sub-Ward Forums, 30 Ward Forums, 6 Sub-County Forums, and a County Forum. The County Budget and Economic Forum (CBEF), mandated under the Public Finance Management (PFM) Act (2012), integrates public input into planning and budgeting, with representation from the Governor, County Executive Committee Members (CECMs), and non-state actors. The county leadership remains committed to fostering inclusive participation among all stakeholders, including national agencies, development partners, the private sector, and Makueni residents, ensuring that governance is transparent, accountable, and community-driven.

c) Safeguards against unethical conduct and corruption.

The County Government is keen on safeguarding unethical conduct and corruption in the County. The County has employed adherence to various National laws including the Public Procurement and Asset Disposal Act 2015, which includes provisions for declaring non-engagement in corruption. The County is governed by the Makueni County Office of the County Attorney Act 2018 setting out clear ethical standards for County Legal Counsel, requiring transparency, high moral values, adherence to the law, avoidance of conflicts of interest, and a commitment. Open Government Partnership (OGP) principles employed by the County advocate for civic participation, access to information, public accountability, and technology.

Staff Sensitization on corruption prevention and unethical practices during meetings and forums is done to create awareness on corruption prevention. Further, the government has been implementing the EACC recommendations on corruption Risk assessment. The EACC recommended key risk factors that were impacting on the County, upon which a county anti-corruption action plan was developed and is under implementation.

Among the key action areas under the plans being implemented includes:

- i. The development of necessary governance instruments that demonstrate clarity of government processes and expectations for all her stakeholders and officers
- ii. Structured mechanism for reporting and receiving both internal and external complaints;
- iii. Establishment of designated registries in the departments
- iv. Use of official emails;
- v. Non-use of imprest facility to implement projects and activities involving amounts above the recommended value which contravenes section 107 of the PPAD Act, 2015.
- vi. Adoption of Cashless mode of payment for most of the County services
- vii. Increased automation of services
- viii. Adopting of merit-based systems for the recruitment and promotion of civil servants and interns

Makueni County Executive

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

- ix. Wealth declaration – staff are required to declare their wealth every two years
- x. Performance contracting and management – all Staff are required to sign annual performance contracts on which they are assessed on how well they performed and used
- xi. Promotion of stakeholder participation
- xii. Implementation of Open Government Partnership Programme in collaboration with other stakeholders
- xiii. Signing of codes of conduct and ethics for Public Officials

Further, at the service delivery level the government established the project management committees that oversee project implementation, report community complaints, host project stakeholders and enhance project ownership and sustainability. This model of stakeholder approach to service delivery ensures safeguarding against unethical conducts and corruption.

d) Engagements with the County Assembly and the Senate

The County executive engaged with the Assembly and Senate on legislative and oversight roles geared towards enhancing transparency and accountability as discussed below;

i) Makueni County Assembly

The Makueni County Assembly undertakes its oversight, legislative, and representative responsibilities to ensure that the County Executive fulfils its mandate to the people of Makueni. During the period under review, the Assembly through its committees held several engagements with the Executive to promote accountability, transparency, and effective governance as discussed:

- a) **Approval of annual budgets for the County Government in accordance with Article 207, 220, 201 and 203 of the constitution** - The County Assembly approved two supplementary budget estimates for the Financial Year 2024/2025 in December 2024 and May 2025. Additionally, the Assembly approved the FY 2025/26 main budget estimates in June 2025.
- b) **Oversight** – The County Assembly performed its oversight role by engaging various County Executives on management and accountability of Public Funds through its committees as highlighted below;
 - i) **Makueni County Assembly Committee on Agriculture** conducted a fact-finding tour of the Kathonzwani Dairy Plant to assess its operational status in August 2024 following concerns over the viability of the milk processing plant. The County informed the committee that the Government had already settled power bills owed to the plant, ensured supply of clean water, planned to deploy technicians and was in the process of building and equipping a laboratory in preparation for opening the plant to production. The Dairy Plant, when operating at optimum capacity, can process 10,000 litres of milk per day and produce other dairy products like yoghurt and mala for the local market August 2024
 - ii) **Committee on General Oversight** engaged the County executive through the ECM Finance, Planning, Budget and Revenue on the implementation status of the County Assembly resolutions on payment of project management committees in various wards across the county. The Committee sought to know why PMCs have not been paid while the contractors to various projects have been paid. The County Executive implemented measures to ensure PMC payments accompany contractor's payments.
 - iii) **The Assembly Committee on Health** engaged the department of health on timely medicine supplies

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- iv) **County Public Accounts Committee Engaged the County Executive on Auditor General report for the Financial Year ended 2023**

Other various CECMs were also invited to the County Assembly to respond to oversight issues raised by the respective Assembly Committees regarding their departments as required by the law in various oversight engagements.

- c) **Legislation** – The County Assembly reviewed and approved the Makueni County Appropriation Bill 2025, The Makueni County Equitable Development Bill 2025, Mbooni-Kee Municipal Charter, The Makueni County Tax waivers Administration Bill 2025, The Makueni County Social Protection Bill 2025, The Makueni County Public Participation and Civic Education Bill 2025, Makueni County Supplementary Appropriation Bill 2025 and 2024, Makueni County Finance Bill 2024 and the Makueni County Agricultural Training Centre Bill 2024.

- d) **Representation** – In fulfilling its representative role, the County Executive actively engaged Members of the County Assembly (MCAs) throughout all phases of project planning, budgeting, and implementation. This engagement ensured that the voices and priorities of the people of Makueni were adequately captured and reflected in development initiatives. MCAs acted as a critical link between the County Government and the public, articulating community needs, proposing ward-level priorities, and providing feedback during project execution. This participatory approach fostered inclusivity, strengthened public trust, and enhanced the alignment of county projects with the actual needs of the citizens.

ii) The Senate

The senate while exercising oversight over national revenue allocated to the County Governments, it engages the Counties in various aspects concerning their operations, policies and reports from other oversight bodies. The following were some of the County Executive's engagements with the Senate through its committees in the FY 2024/25;

i. The Senate County Public Accounts Committee (CPAC)

- a) **Responses to the Auditor General Reports-** The County Executive submitted management responses to the Auditor General's Report on the Financial Statements of the County Executive, Receiver of Revenue and the County Revenue Fund of Makueni for the Financial Year 2023/2024. The CPAC considered the reports and issued resolutions of the senate on the said reports.

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- b) **Status Report on senate Resolutions** - The County Executive led by the Governor and CECM Finance, Planning, Budget and Revenue met with the Senate CPAC on 30th May 2025 to consider the status report on the actions taken to address the unresolved issues raised in the Auditor General's Report on the Financial Statements of the County Executive of Makueni for the Financial Year 2023/2024. The County expressed its commitment to clear pending bills and highlighted the impressive progress made by the County in raising its own revenue to over a billion shillings. The resolve to put more resources into value chain development to boost social and economic empowerment for local residents was emphasized. The committee praised Makueni as a success story of devolution, applauded the Governor for development initiatives that bring real change to people's lives and highlighted Makueni's model of public participation in budgeting, saying it promotes community ownership of projects.



The Governor while appearing before the CPAC on 30th May 2025

- ii. **The Senate Energy Committee** – The Senate Committee held a public hearing in Thange Ward to assess the long-term impacts of a 2015 Kenya Pipeline Company (KPC) oil spill at Thange river basin. This was informed by the persistent demands by residents for fair compensation over lost livelihoods and health risks linked to petroleum-contaminated water and crops. During the visit, the residents expressed frustration over delayed justice, citing failed promises and prolonged exposure to pollution. The Senate Committee promised to pursue KPC to conduct comprehensive health and Environmental and Social Impact Assessments (ESIAs) and ensure adequate compensation for victims. The Committee assured urgent action, emphasizing corporate accountability and community restitution.

iii. Senate Committee on County Public Investments and Special Funds (CPISF)



H.E. Governor Mutula Kilonzo Jr. before the CPISF committee considering level 4 and 5 hospital reports

a) Consideration of Level 4 and 5 Hospitals Financial Reports- H.E. Governor Mutula Kilonzo Junior appeared before the CPISF committee on 3rd July 2025 to respond to Auditor General's Report on the Financial Statements of Makueni County Referral Hospital, Kibwezi Sub County Hospital, Makindu Sub County Level 4 Hospital and Sultan Hamud Sub County Hospital for Financial Years 2023/2024.

The Governor outlined measures taken by the County to enhance transparency, efficiency and patient care quality. He reported that Makueni health facilities handle nearly 2 million patients annually, highlighting the need for improved service systems

and increased healthcare funding. The senators commended Makueni County for adopting cashless transactions, a move aimed at improving accountability in health service payments.

b) Consideration of Water Companies and Wote Municipality Audit reports- H.E. the Governor appeared before the CPISF committee to discuss the Water Companies and Wote Municipality audit reports. The Governor reiterated the county government's commitment to improve the management capacity of the boards through training and peer-to-peer learning. He also highlighted a raft of measures adopted by the county government to minimize excessive non-revenue water from as high as 58 percent to allowable levels of not more than 25 percent as prescribed by the Water Services Regulatory Board (WASREB). This included;

- Upgrading of old distribution infrastructure such as Mulima dam pipeline
- Fast tracking drafting and adoption of the debt recovery strategies for all the companies and standard tariffs.
- Implementing use of digital master meters, smart consumer meters, installing High-Density Polyethylene pipes as well as leakage detectors to reduce physical losses.

iv. Senate Finance and Budget Committee- The County before this committee indicated that Counties prepare their own Finance Bills in line with the national economic policies without undermining them. The governor expressed concern that the Commission on Revenue Allocation had not provided recommendations for the Finance Bill, 2024, and Parliament had yet to vote on it.

v. The Senate's National Cohesion, Equal Opportunity, and Regional Integration Committee praised Makueni Governor Mutula Kilonzo Jr. for his compliance with legal requirements in human resource management and his commitment to promoting equal employment opportunities in the County. They commended the County Government for its efforts to empower the youth through initiatives such as Agri-preneurship, providing equal opportunities in online procurement, and offering vocational training programs. The Governor reported that the county's workforce consists of 61% female and 39% male employees, with 27% of the workforce under 35 years of age demonstrating the county's dedication to fostering diversity, inclusivity, and empowering the youth. The committee cited that the inclusion of

young people into the county's workforce is a key step towards securing the County's future and fulfilling government employment legal mandates

- vi. **The Senate Standing Committee on Education** – The Senate Standing Committee on Education conducted an inquiry on the status of implementation of Early Childhood Development Education and technical and County Vocational Education and Training policies in the County on 29th May 2025. The County reported that it had constructed 354 ECDE centres equipped to accommodate over 43,000 young learners. Each centre includes modern infrastructure composed of two classrooms, an admin office, a store, ablution facilities and two 10,000-litre water tanks. The County has 61 Vocational Training Centres (VTCs) that are active across the county, enrolling close to 4,000 trainees. The committee expressed their admiration for the County's commitment to empowering youth through skills training and hailed the strong partnerships that have made the ECDE projects possible.



H.E the Governor, CECM Finance, CECM Education during the senate proceedings on 29th May 2025

e) Risk management

i) Risk management and internal control

The County Government of Makueni maintained robust and structured risk management and internal control systems during FY2024/25. These systems were anchored in the County Enterprise Risk Management (ERM) Policy Framework, which aligns with Treasury Circular No. 3/2009 and the Government-Wide Integrated Risk Management Policy. A dedicated Risk Management Committee, reporting to the County Executive Committee, provided strategic oversight. Each department had designated risk champions, and internal audit functions remained active, independent, and instrumental in ensuring compliance with financial regulations and control effectiveness. The risk appetite and tolerance levels were clearly defined within the ERM Policy, guiding consistent risk responses across departments.

ii) Risk Identification and Assessment

The County employed structured, formal processes to identify and assess risks at both departmental and strategic levels. Risk identification was undertaken through the development and regular updating of departmental risk registers, aligned with the strategic objectives in the County Integrated Development Plan (CIDP). Risk champions, in collaboration with accounting officers (risk owners), led the identification process, using departmental risk universes as reference points. Quarterly risk review workshops were conducted, ensuring continuous evaluation and early detection of operational, strategic, financial, and compliance risks.

iii) Risk Analysis

Risks were analyzed using a standardized **Risk assessment matrix** evaluating likelihood and impact to derive risk severity ratings ranging from Low to Severe. This categorization guided the prioritization of risks and determined appropriate management actions: **Accept, Reduce, Transfer, or Avoid**. Risk analysis reports were generated for each risk category and formed part of the department's quarterly submissions to the County Treasury. This structured analysis process ensured that all mitigation strategies were evidence-based and aligned with the County's risk appetite.

iv) Assessment of changes in the internal and external environments

The County continuously monitored both internal and external risk environments. The Treasury actively assessed variables such as changes in fiscal policy, inflation, donor funding trends, technological disruptions, and climate-related events. These insights were integrated into Quarterly Budget Implementation Reports and informed adaptive risk responses. Emerging risks were systematically researched and included in the risk universe, ensuring that the risk management system remained relevant and responsive to dynamic conditions.

f) Risks Identified and Managed during the Period

During the Financial Year 2024/25, Makueni County identified, analyzed, and managed a number of key risks affecting service delivery and financial management. Fiscal risks arose mainly from unpredictable national transfers, rising wage bill pressures, and delays in conditional grants. To mitigate these, the County engaged in policy dialogue with national agencies, implemented expenditure rationalization measures, and prioritized essential services to safeguard critical operations. Financial risks were also noted, particularly revenue shortfalls and delayed disbursements that affected project timelines. In response, the County enhanced automation of Own Source Revenue (OSR), broadened its revenue base, and strengthened stakeholder engagement to ensure timely collections.

Environmental and climate risks, including droughts, floods, and the resulting impacts on agriculture and infrastructure, remained a significant concern. The County responded through investment in climate-resilient infrastructure and the development of emergency response mechanisms. Technological risks were also recognized, such as cybersecurity vulnerabilities, system downtimes, and capacity gaps in the Integrated Financial Management Information System (IFMIS) and revenue platforms. These were addressed through regular ICT audits, system upgrades, and targeted capacity building in digital security.

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Finally, operational risks were observed in areas such as procurement delays, inefficiencies in contract management, and weak asset tracking systems. To manage these, the County undertook process automation, strengthened procurement planning, and rolled out asset management reforms. Collectively, these measures underscored the County's commitment to proactive risk management and resilience in public service delivery.

g) Audit Committee

Establishment

The Makueni County Executive Audit Committee is established pursuant to Section 155(5) of the Public Finance Management Act (PFMA), 2012, and Regulation 167(1) of the Public Finance Management Regulations, 2015. The functions of the committee include the following, among others:

- i. To support the Accounting Officers with regard to their responsibilities for issues of risk, control, and governance and associated assurance; provided that the responsibility over the management of risk, control, and governance processes remains with the management of the county government entity; and
- ii. Follow up on the implementation of the recommendations of internal and external auditors.

Composition

The Internal Audit Guidelines for County Governments and the Makueni County Audit Committee charter provide that the Audit Committee will consist of 4 members, of whom one shall be the chair. A senior officer and a County Treasury representative shall sit in the Audit Committee. The committee should meet at least 4 times a year. It has the authority to conduct or authorize investigations on any matters within its responsibility. A meeting quorum shall be at least 4 members, 2 of whom shall be independent external members.

Below are the members of the Makueni County Audit Committee:

Table: Makueni County Audit Committee

No.	Name	Position	Representation/Category
1.	Esther Musau	Chairperson	Independent
2.	Charles Nyamai	Member	Independent
3.	Jennifer Mburu	Member	Independent
4.	Sylvia Mbevi	Member	County Treasury Representative
5.	Daniel Kisee	Member	Senior Management Representative
6.	Stephen Thiong'o	Secretary	Head of Internal Audit

The independent members of the committee were competitively recruited by the County Public Service Board, while the rest are internal members appointed from the County Executive, as guided by the regulations.

During the period under review, one of the independent members who happened to be the chairperson exited, and the County competitively recruited a person to fill the position. The independent member who was successfully recruited to fill the vacant position of the chairperson happened to be among the independent members. The county is in the process of recruiting an independent member to fill in the vacancy left after the appointment of the chairperson.

Inauguration

The committee was appointed on 30th June, 2023, and inaugurated on 14th July, 2023.

h) Compliance

Makueni County is governed by a framework of laws and regulations that provide direction on financial management, governance, and service delivery. Key among these is the Constitution of Kenya, 2010, which establishes the principles of devolution, transparency, accountability, and public participation, the County Governments Act, 2012, which guides county structures, functions, and stakeholder engagement; and the Public Finance Management (PFM) Act, 2012, which sets standards for planning, budgeting, financial reporting, and accountability in the use of public resources.

Other critical instruments include the Public Procurement and Asset Disposal Act, 2015, Public Finance Management Act Regulations 2015, Public Procurement and Asset Disposal Act, Urban Areas and Cities Act 2011, Intergovernmental Relations Act 2012, The Employment Act 2007, Public Audit Act, VAT Act, Income Tax Act and sector-specific laws that regulate areas such as health, education, and environmental management.

Article 185 of the Constitution of Kenya 2010 provides that a CA may receive and approve plans and policies for the management and exploitation of the County's resources and the development and management of its infrastructure and institutions. Makueni County has established County Specific Acts and policies to guide its operations. Some of the County Specific Acts and policies include;

i) Acts

- Makueni County Supplementary Appropriation Act, No. 1 of 2023
- Makueni County Finance Act 2023, No. 3 of 2023
- Makueni County Sand Conservation and Utilization (Amendment) Act, No. 1 of 2022
- Makueni County Finance Act, No. 7 of 2022
- Makueni County Finance Act, No. 6 of 2020
- Makueni County Implementation of Socio-Economic Act, No. 7 of 2020
- Makueni County Reproductive Health and Family Planning Act, No. 5 of 2019
- Makueni County Office of the County Attorney Act, No. 3 of 2018
- Makueni County Investment Authority Act, No. 6 of 2018
- Makueni County Supplementary Appropriation Act, No. 7 of 2018
- Makueni County Persons with Disabilities Act, No. 1 of 2017
- Makueni County Co-operative Societies Act, No. 4 of 2017
- Makueni County Health Services Act, No. 5 of 2017
- Makueni County Fruit Development and Marketing Authority (Amendment) Act, No. 6 of 2017
- Makueni County Cultural Heritage Act, No. 5 of 2016
- Makueni County Senior Citizens Act, No. 4 of 2016
- Makueni County Technical and Vocational Skills Training Act, No. 4 of 2016
- Makueni County Flag Emblems and Names Protection Act No. 6 of 2015
- Makueni County Wards Development Act, No.1 of 2014
- Makueni County Climate Change Act, 2022
- Makueni County South Eastern Kenya Economic Bloc Act, 2022

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- Makueni County Investments Authority (Amendment) Act, 2021
- Makueni County Equitable Development Act, 2021
- Makueni County Water Act, 2020
- Makueni Fruit Development and Marketing Authority 2017
- Makueni County Revenue Administration 2017
- Makueni County Vetting and Approval of Public Officers Act, 2015
- Makueni County Emergency Fund Act, 2015
- Makueni County Cancer Control Act, 2016
- Makueni County Alcoholic Drinks Control Act, 2014
- Makueni County Sand Conservation and Utilization Act, 2015
- The Makueni County Administration Act, 2014

ii) Policies

- Makueni County Statistics Policy, 2022
- Makueni County Tourism Policy 2021
- Makueni County Cooperative Development Policy 2021
- Makueni County Spatial Planning and Development Policy 2021
- Makueni County Revenue Administration 2021
- Makueni County Arts, Culture and Heritage Policy 2021
- Makueni County Public Participation Policy 2021
- Makueni County Environment and Climate Change policy 2021
- Social Protection Policy 2021
- Makueni Enterprise Risk Framework
- Makueni County Monitoring and Evaluation 2021
- Makueni Gender Policy 2021
- Makueni Youth Policy 2020
- Makueni-county-universal-health-care-policy 2020
- Makueni County Transport Policy 2021
- Makueni County Trade and Investment policy 2021
- Makueni County Sexual and Gender Based Violence Policy 2021
- Makueni County Education and Training Policy 2021
- Makueni County Disaster Management and Special Programs Policy 2021
- Makueni County Spatial and Development Policy 2021

The County Government is compliant to all governing Acts, Rules, Bills, Policies and Regulations. This has seen the County achieve effectiveness and efficiency in its Mandate.

The reports prepared under the county governing laws and regulations are discussed in the relevant offices under their jurisdictions like the Makueni County Executive Cabinet and relevant County Assembly Committees which do periodic reviews and recommendations as required by the law.

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i) Other Governance issues

County Budget and Economic Forum (CBEF),

The County Budget and Economic Forum (CBEF), established under Section 137 of the Public Finance Management Act (2012), serves as a critical platform for inclusive and participatory planning and budgeting in Makueni County. Chaired by the Governor, the Forum comprises county leadership including the Deputy Governor, County Executive Committee members, the County Secretary, and the County Attorney alongside an equal representation of non-state actors such as professional bodies, private sector representatives, and faith-based organizations, youth, women's groups, persons with disabilities and the elderly

CBEF plays a central role in shaping key fiscal documents, including the County Integrated Development Plan (CIDP), Annual Development Plan (ADP), County Fiscal Strategy Paper (CFSP), Medium-Term Debt Management Strategy (MTDMS), Budget Review and Outlook Paper (BROP), and annual Budget Estimates. Beyond document preparation, the Forum provides strategic policy guidance on fiscal management and helps prioritize development initiatives to align with county objectives.

During FY 2024/25, CBEF strengthened participatory budgeting by actively contributing to the formulation and validation of critical financial instruments, including the 2025/26 ADP, the 2024/25 Supplementary Budgets, the 2024 BROP, the 2025 CFSP, and the 2025/26 Budget Estimates. Additionally, the Forum facilitated extensive citizen engagement, ensuring grassroots input in the planning process.

To enhance efficiency, CBEF established three thematic sub-committees: Economic Affairs, Social Services, and Governance & Enablers comprising state and non-state members. These sub-committees provide technical expertise and policy recommendations to guide resource allocation. Moreover, the Forum conducted field assessments of 14 major county projects, evaluating their progress, impact, and cost-effectiveness. The findings informed key budgetary decisions for FY 2024/25, ensuring optimal use of public funds.

The Non-State Makueni CBEF representatives are as follows.

Table: Makueni County Non-State CBEF Members

No	Name	Representation	Designation
1.	Jonathan Mbului	Professional Body	CBEF Secretary
2.	Vincent Ndivo Muia	Professional representative	CBEF-Member
3.	Sylvester Muendo	NGO	CBEF-Member
4.	Irene Mwende Kioko	Youth Representative	CBEF-Member
5.	Carolyn Mutanya	Women Representative	CBEF-Member
6.	Joyce Mbula Kathyoli	Women Representative	CBEF-Member
7.	Francis Mutunga Kitana	Faith Based Organization	CBEF-Member
8.	Jonathan Musoma Kituku	Persons Living with Disabilities	CBEF-Member
9.	Lizer Mbinja Mwangangi	Business Community	CBEF-Member
10.	Joseph Muoki Kisolo	Elderly	CBEF-Member

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The state members of the CBEF consist of the following:

Table: Makueni County CBEF State Members

No	Name	Department	Designation
1.	H.E. Mutula Kilonzo Junior, CBS	Office of the Governor	Governor and Chairperson of CBEF
2.	H.E. Lucy Mulili	Office of the Governor	Deputy Governor
3.	Dr. Justine Kyambi	County Secretary	County Secretary
4.	Dr. Sonia Nzilani Musyoka	Trade, Marketing, Industry, Culture & Tourism	CECM
5.	Eng. Sebastian Kyoni	Gender, Children, Youth, Sports & Social Service	CECM
6.	Eng. John Kasyoki	Water, Sanitation and Irrigation	CECM
7.	Japheth Musyoka Mang'oka	Devolution, Public Service, Public Participation & Special Programmes	CECM
8.	CPA Damaris Mumo Kavoi	Finance and Socio-Economic Planning	CECM
9.	Nicholas Masila Nzioka	Lands Urban Planning & Development, Environment & Climate Change	CECM
10.	Elizabeth Ndunge Muli	ICT, Education & Internship	CECM
11.	Peter Mumo Nyamai	Infrastructure, Transport, Public Works and Energy	CECM
12.	Dr. Paul Musila	Health Services	CECM
13.	Joyce Mutua	Agriculture, Livestock, Fisheries & Cooperative Development	CECM
14.	Stanley Mutinda Nthiwa	County Attorney	County Attorney

4. Foreword by CECM Finance and Economic Planning

It is my pleasure to present the Makueni County Government Executive's Annual Report and Financial Statements for the Financial Year ended 30th June, 2025. The report and financial statements provide an overview of the County Executive's financial performance for the Financial Year 2024/25.

According to Section 164 of the Public Finance Management Act, 2012, an Accounting Officer for a County Government entity is responsible for preparing Financial Statements in the formats prescribed by the Public Sector Accounting Standards Board. Section 164(4) of the PFM Act, 2012 requires that this report and statements be submitted to the Auditor General, with copies delivered to the National Treasury, Controller of Budget, and Commission for Revenue Allocation within three months after the end of each Financial Year.

The attached Financial Statements have been prepared in accordance with the requirements of the PFM Act 2012 and provide an accurate representation of the County Government of Makueni's financial status for the twelve-month period ending 30th June, 2025.

a) Functions of the County Government as per the County Government Act.

The County Government Act operationalizes devolution by ensuring counties manage local resources, deliver services, and promote democratic governance at the grassroots level. Functions of the County Government (as per the County Governments Act, 2012 and aligned with the Fourth Schedule of the Constitution of Kenya, 2010) include;

- i. County Legislation & Policy Formulation**-Making laws necessary for the effective performance of county functions and developing policies and plans to guide County development.
- ii. Service Delivery**-Ensuring efficient service provision in devolved sectors such as health, agriculture, trade, and local infrastructure.
- iii. County Planning & Development**-Preparing integrated development plans (CIDPs) and coordinating spatial planning, land survey, mapping, and resource allocation.
- iv. Administration & Governance**-Establishing administrative units (villages, wards, sub-counties), promoting democratic and accountable exercise of power and ensuring citizens' participation in governance.
- v. Financial Management**-Preparing budgets, managing County finances and mobilizing local resources (e.g., property rates, entertainment taxes, charges for services).
- vi. Public Service Management**-Establishing and managing the county public service, promoting values and principles of public service (transparency, accountability, integrity).
- vii. Social and Economic Development**-Promoting agriculture, trade, markets, tourism, and cooperative societies, facilitating health services, cultural activities, and social welfare programs.
- viii. Infrastructure and Environmental Management**-County transport (roads, street lighting, traffic, and parking), water and sanitation services, control of air and noise pollution, public nuisances, and waste management.
- ix. Disaster and Emergency Management**-Coordinating disaster risk reduction and response within the County.
- x. Promotion of Participation and Inclusivity**-Ensuring marginalized groups, minorities, women, youth, and persons with disabilities are included in development and governance.

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b) Budget performance

The Makueni County Executive budget performance analysis compares the approved budget against the actual revenue and expenditure, highlighting variances, their causes, and the implications on service delivery. The FY 2024/2025 budget was funded from four main sources: Equitable Share from the National Government, Own-Source Revenues, Conditional Allocations, and Grants, as well as FY 2023/2024 Reallocation Funds

Overall Budget Performance

The County had an approved (final) budget of Ksh 11.58 billion, out of which Ksh 9.56 billion was spent, representing an absorption rate of 83%. This indicates underutilization of funds by Ksh 2.02 billion (17%) mainly attributed to delays in procurement, low development budget absorption and unrealized own source revenue, conditional grants and donor funds.

Revenue Performance

The total revenue target was Ksh 11.58 billion. Actual revenue collected in the period under review was Ksh 11.06 billion, translating to 95% performance. The shortfall was largely due to lower collections from OSR and Conditional grants/Donor funds. This is as indicated in the table and chart below;

Table: Revenue Performance by source

Revenue Source	FY 2024/25 Approved Budget Estimates (1)	Adjustments	FY 2024/25 Approved Sup. Budget (2) Estimates	Actuals as of June 30, 2025	Balance	Perf orm ance (%)
Equitable Share	8,762,816,136	(265,507,864)	8,497,308,272	8,497,308,448	(176)	100%
Conditional Allocations, Loans and Grants	990,048,872	(382,771,271)	607,277,601	321,729,343	285,548,258	53%
County Own Generated Revenue	1,471,433,323	-	1,471,433,323	1,290,552,746	180,880,577	88%
FY 2023/24 Reallocation Funds	1,004,193,182	-	1,004,193,182	948,201,484	55,991,698	94%
Total	12,228,491,513	(648,279,135)	11,580,212,378	11,057,792,021	522,420,357	95%

The County's revenue structure is dominated by the equitable share, which accounted for 77% of the total realized revenue. Own Source Revenue (OSR) contributed 12%, while reallocation funds and conditional allocations/donor funds accounted for 9% and 3% respectively.

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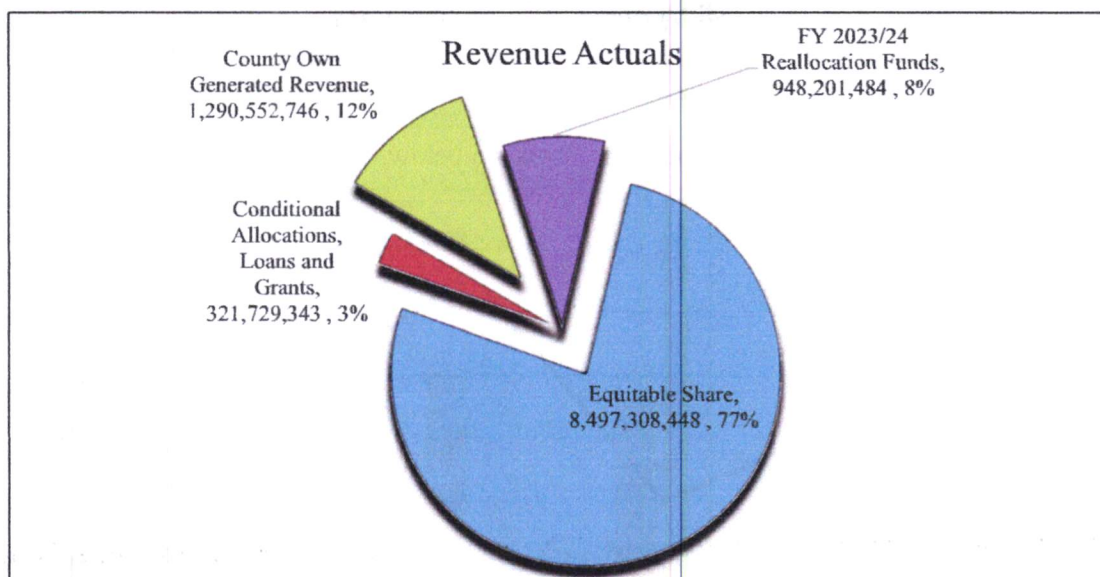


Figure: Revenue performance by source

Expenditure Performance by Economic Classification

Out of the final allocation of Ksh 7.08 billion for recurrent expenditure, actual spending was Ksh 6.61 billion, representing 92% absorption. The high performance was mainly driven by personnel emoluments, which consumed 67% of recurrent funds.

Development expenditure amounted to Ksh 2.11 billion against a budget of Ksh 3.66 billion, translating to 58% absorption. The low performance was caused by procurement delays, implementation delays and late disbursement of conditional grants. This is as indicated in the table below;

Table: Expenditure by economic classification

Economic Item	FY 2024/25 Approved Budget Estimates (1)	Adjustments	FY 2024/25 Approved Sup. Budget (2) Estimates	Actuals as of June 30, 2025	Balance	Absor ption (%)
Personnel Emoluments	4,746,548,777	-	4,746,548,777	4,439,206,977	307,341,800	94%
Operation & Maintenance	2,276,147,942	62,814,346	2,338,962,287	2,170,158,270	168,804,017	93%
Recurrent	7,022,696,719	62,814,346	7,085,511,064	6,609,365,247	476,145,817	93%
Development (Capital Expenditure)	4,220,327,803	(563,367,356)	3,656,960,448	2,111,793,254	1,545,167,194	58%
Total Executive	11,243,024,522	(500,553,010)	10,742,471,512	8,721,158,501	2,021,313,011	81%
County Assembly	985,466,991	(147,726,125)	837,740,866	835,333,568	2,407,298	100%
Total Budget	12,228,491,513	(648,279,135)	11,580,212,378	9,556,492,069	2,023,720,310	83%

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Over the last five financial years (2020/2021 – 2024/2025), overall expenditure has recorded inconsistent trend. Total spending increased from Ksh 9.25 billion in 2020/2021 to Ksh 9.56 billion in 2024/2025, representing a cumulative growth of just 3%.

A 5-Year Overall Expenditure Trend Chart is shown below.

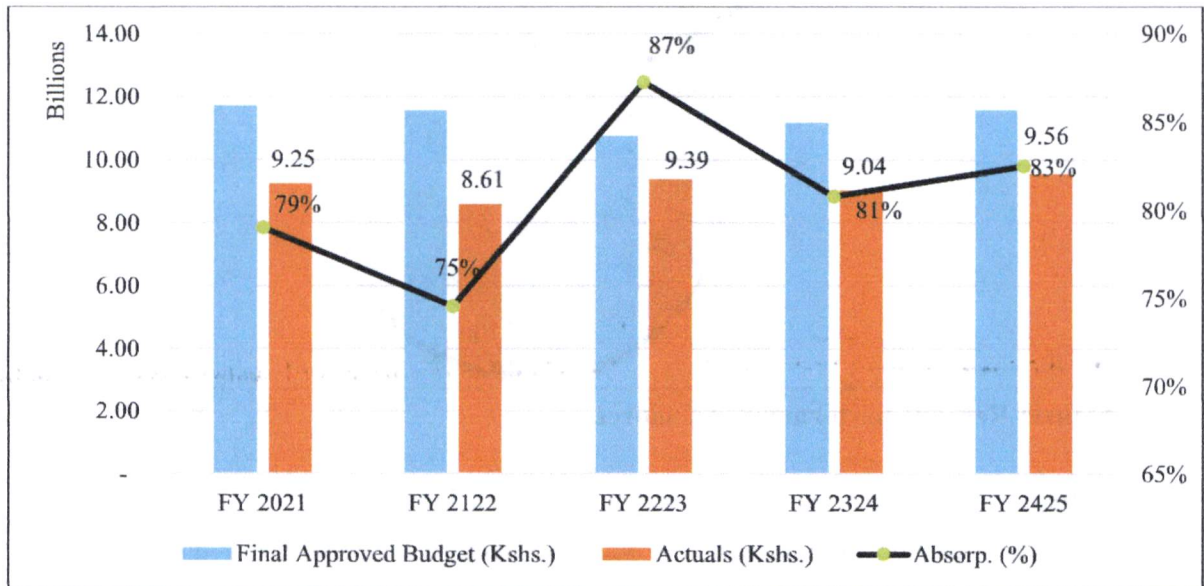


Figure: Budget Absorption Trend

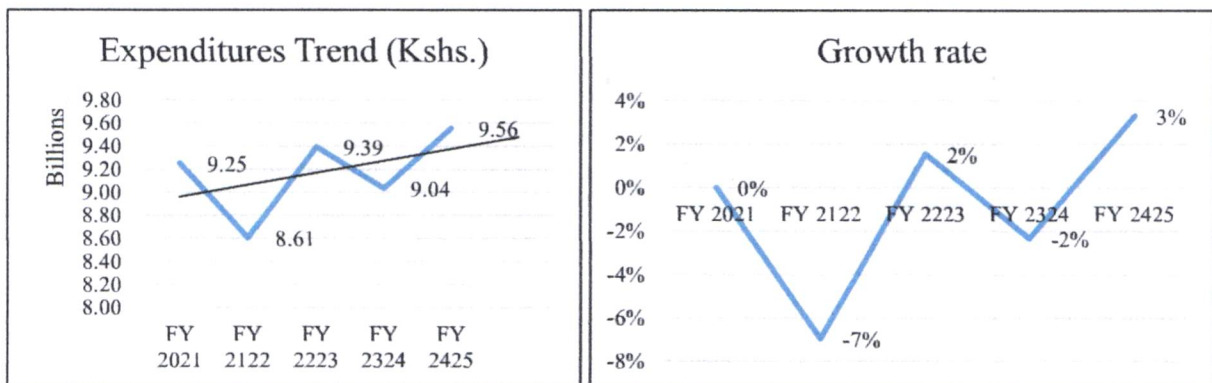


Figure: Expenditure Trend Chart

c) Physical progress based on outputs, outcomes and impacts since establishment of County Government

Since the advent of devolution in 2013, Makueni County has embraced an integrated, inclusive, and accountable development model that has transformed governance and service delivery. This approach has yielded measurable improvements across all departments anchored in community driven planning, efficient resource utilization, and climate-smart investments. As a result, the county has made notable progress in enhancing livelihoods, expanding infrastructure, and strengthening public services

The Financial Year 2024/25 budget marked the second year of implementing the Third Generation County Integrated Development Plan (CIDP 2023–2027), with a focus on sustaining the economic gains and advancing inclusive development. The budget prioritized development projects and programs as outlined in the 2024/25 County Annual Development Plan (CADP) and the 2024 County Fiscal Strategy Paper (CFSP), aligning resources with transformative county priorities.

In the water sector, Makueni County has significantly improved water access, reducing the average distance to water sources from 8 km in 2013 to under 3.5 km in some areas, with 65.5% of households now accessing water within 30 minutes. Investments in 10 small dams, five sand dams, 18 boreholes, and 235 km of pipeline extensions have benefited 32,538 households (162,915 people), while also supplying 112 markets and 103 institutions. The county aims to increase basic water access from 46% to 70% by 2027

In agricultural processing and value addition, the Makueni County Fruit Development and Marketing Authority (MCFDMA) produced 262.4 metric tons of puree. From the sale of puree and water, the authority generated a revenue of Kshs. 35.9 million.

Makueni County expanded its agricultural support, reaching 121,260 farmers with extension services and distributing 36.8 MT of certified seeds (including maize, beans, and green grams) to 18,277 farmers, which boosted crop yields on 1,542 hectares. In the livestock sector, 110,808 cattle and 72,503 goats/sheep were vaccinated, while 2,237 artificial inseminations were conducted to improve dairy production. Through the NAVCDP, 187,587 farmers were registered in KIAMIS, enhancing data-driven farming practices. The county also established the Kathonzweni Livestock Yard the fourth largest in Kenya with a market day capacity of 1,000 goats and 500 cattle, thereby strengthening trade. Additionally, 72 hectares of irrigation land, 302 farm ponds, and 4,900 kitchen gardens were developed to reduce dependence on rain-fed agriculture.

To improve road connectivity and accessibility, the county opened 248.30 km of rural roads, graded 1665 km of roads, and gravelled 67.3 km of roads. In addition, the government constructed 9 drifts and 13,050 meters of catch water mitre drains were excavated to enhance road drainage.

In the Public Works sector, a team from the department visited Machakos County to engage in peer-to-peer learning on the "one-stop shop" approach. This model was designed to streamline the processes of design, supervision, approval, revenue generation and regulation for both public and private developments within the county

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To boost security and extend trading hours in markets, 70 grid streetlights, 15 grid floodlights and 45 integrated solar market lights were installed across the wards.

In the Health sector, Makueni County has made significant strides in maternal health, with skilled deliveries increasing from 89% to 92%. However, antenatal care (ANC) visits experienced a slight decline, from 68% to 67%, due to the transition from the National Health Insurance Fund (NHIF) to the Social Health Insurance (SHA). Immunization coverage fell from 98% to 88% as a result of vaccine shortages. On a positive note, Iron and Folic Acid supplementation reached 100% of pregnant women, while Vitamin A coverage improved from 82% to 89%.

A major milestone in sanitation was achieved with 1,549 villages being declared Open Defecation Free. In terms of curative care, the average length of hospital stays decreased from 4.5 days to 4.3 days, and drug availability rose from 65% to 70%. Additionally, 3,400 households enrolled in the Makueni Care Scheme, effectively doubling SHA coverage from 15% to 30%.

Infrastructure upgrades included the establishment of one new health facility, ongoing construction projects, and the digitization of services through Atiya Makueni (CIHMIS), which has now expanded to three hospitals, thereby enhancing commodity tracking and patient management.

The County Government constructed new classrooms in 34 ECDE centres, with 8 more underway and trained 959 teachers on child development and CBC curriculum. To support education access, 18,173 needy students received bursaries, while 675 bright students were awarded scholarships. Additionally, 125 interns were placed to enhance employability, 53 out of 61 VTCs received capitation to subsidize training costs, and 633 community members were trained in ICT, with the Kiangini Community Information Centre now operational to boost digital literacy.

In gender and social protection, The County Government empowered vulnerable groups by supporting 136 organized groups with income-generating tents and chairs, while 576 PWDs received assistive devices. For youth empowerment, 10 were enrolled in apprenticeships, 30 received trade tools, and 66 obtained driving. To nurture talent, 4 sports leagues were held, 6 playfields developed, and boda boda tournaments organized, distributing uniforms and balls. Additionally, the Ndakuma marathon engaged 425 participants to promote climate conservation and talent.

In trade development, The County Government strengthened MSMEs by training 425 entrepreneurs through KSBDC partnerships and organized 4 trade fairs, while constructing 13 sanitation facilities. Trade infrastructure saw 4 facilities upgraded, 7,600 measuring instruments verified, and 4 skip bins installed for waste management. Market access improved as 15 exhibitors connected with KAM and 35 producers linked to markets, including participation in the EAC Trade Fair where 5 MSMEs were sponsored. Tourism revenue grew with 3 sites promoted, 3 circuits established, and 61 stakeholders sensitized, alongside 2 cultural festivals and support for 10 artists. The county excelled at the KMCF event, winning 17 trophies and 30 certificates.

In urban planning, the government is finalizing Tawa's land use plan and establishing Kee-Mbooni Municipality's boundaries. Land clinics educated residents in 14 markets, while survey work progressed in Yikivumbu. Twelve climate resilience projects launched under CCRI, and the CCIS program upgraded digital systems, reviewed climate plans, and fostered stakeholder engagement.

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Wote Municipality installed cabro paving in Wote Township in order to improve parking fee collection. Emali-Sultan Hamud municipality improved sanitation infrastructure by opening and unclogging 4,350 meters of drainage systems and rehabilitating one decentralized treatment facility.

During FY 2023/24, the Sand Authority, identified sand harvesting sites through 30 ward barazas and trained five new sand management committees. Additionally, rehabilitation works began on Kwa Nditu Earth Dam through community partnerships.

The Department of Finance and Socio-economic planning implemented measures to improve own-source revenue (OSR). As a result, there has been an increase in OSR, from Ksh 1,045,086,845 in 2023/24 to Ksh 1,290,552,746 in FY 2024/25. The county was recognized for excellence; it won the 2024 SDGs Award for best county performance and topped the County Budget Transparency Survey 2024 for outstanding budget documentation. The County Attorney five litigation cases were successfully concluded, three county bills were processed, and eight conveyancing documents were done.

The Department of Devolution Public Participation, County Administration, and Special Program improved service delivery, public participation, and liquor licensing, raising Ksh. 26 million. It held forums for the FY 2025/26 ADP and budget, prepared key public participation reports, addressed complaints, strengthened performance management, supported KDSP II, and enhanced disaster management through risk dissemination, response coordination, safety certifications, and fire incident handling, boosting governance and safety countywide.

The Office of the County Secretary focused on capacity building by providing promotional and career growth courses to address various training needs. The county enrolled all its 3800 staff in insurance cover and cascaded performance contracts. To gather feedback and enhance workplace morale, a comprehensive institutional skills gap analysis was conducted, along with an employee satisfaction survey.

In FY 2024/25, the County Public Service Board effectively executed its mandate under Section 57 of the County Government Act 2012, maintaining a professional and motivated public service to enhance service delivery across county departments through promoting 290 staff and recruiting 33 new staff. To improve service delivery, the board digitized 20 percent of its records.

d) The County Flagship Projects Implementation

The County Government established a County Executive sub-committee on flagship (Flagship Implementation Committee) steered by the Head of the County Treasury. The mandate of the team was to ensure implementation and tracking of key flagship projects as prioritized in the County Integrated Development Plan (CIDP) 2023-27. The key County flagship projects implemented during the FY 2024/25 are as presented in the table below:

Table: FY 2024/25 Flagship Projects

No	Department	Project Name	Location	Budget Allocation (Kshs.)	Expenditure	Current Implementation Status
1)	Water	Athi-Tunguni Kilema Water Project	Makindu, Kikumbulyu North and Nguumo	36,759,568	26,684,441	Ongoing
2)	Water	Mulima Water project	Mbooni Ward	40,000,000	16,877,542	Ongoing
3)	Water	Ndukuma earth dam-Water distribution	Kikumini/Muvau ward	15,000,000	15,000,000	Complete
4)	ICT, Education and Internship	Automation Of Health Services (CIHMIS) Phase II 2024/2025 And Other Applications	HQ	20,712,320	11,814,371	Complete
5)	Health Services	Mbooni Family hospital	Mbooni	57,731,613	23,758,839	Ongoing
6)	Gender	Makueni Rehabilitation centre	Emali/Mulala	7,847,400	6,040,721	Complete
7)	Agriculture	National Agricultural Value Chain Development Project (NAVCDP) and Commissioning of 30 Ward SACCOS.	All wards	156,515,152	101,724,387	Ongoing

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8) IDA (World Bank) Credit Financing Locally-Led Climate Action (FLLoCA) Program, County Climate Resilience Investment (CCRI) Grant						
1.	Lands	Rehabilitation of Kwa-Kakui Earth Dam	Mukaa	16,000,000	15,520,431	Completed
2.	Lands	Wautu Kyangaati Water Project	Ilima	15,499,911	13,623,764	Completed
3.	Lands	Enhancement of Athi-Mavindini Water Project	Mavindini	15,000,000	5,319,305	Ongoing
4.	Lands	Kiangini/Kikuu Water Enhancement Project	Kathonzweni	10,000,000	9,738,980	Completed
5.	Lands	Kinze Water Project	Kisau/Kiteta	11,000,000	9,825,436	Completed
6.	Lands	Implementation of Kaiti 2 Water Project	Wote/Nziu	15,000,000	14,804,878	Completed
7.	Lands	Muliluni/Kiambani Water and Livelihood Enhancement Project	Masongaleni	10,000,000	9,979,253	Completed
8.	Lands	Construction of Yandia Water Project		13,000,000	12,199,203	Completed
9.	Lands	Enhancement of Miting'ani (Kaiti River) Water Project	Ukia	11,000,000	10,072,393	Completed
10.	Lands	Kwa- Nzoongo Earth Dam Development and Livelihood Enhancement Project	Ivingoni/Nzambani	11,746,435	10,415,405	Completed
11.	Lands	Isuuni/Kwa Kiseela Pumping & Distribution Water Project	Kithungo/Kitundu	14,000,000	13,536,410	Completed
12.	Lands	Construction of Ilovoto Water Project	Kilungu	10,000,000	9,031,281	Completed
13.	Lands	Ndovoini Water Project	Nguumo	10,000,000	-	Not started

e) Value-for-money achievements

The County Government in FY 2024/25 prioritized the delivery of development projects in a cost-efficient, high-quality, and sustainable manner. All projects were aligned to County Vision 2025, the 2023–2027 County Integrated Development Plan (CIDP III), the 2024/25 County Annual Development Plan (CADP) to ensure coherence in planning and implementation.

Project identification was undertaken through structured and inclusive public participation forums, ensuring that citizen priorities directly informed county investment decisions. To uphold transparency and accountability, all projects were subjected to a competitive and open procurement process, guaranteeing fairness and value for money.

In line with the County's commitment to open governance, Project Management Committees (PMCs) and ward and sub ward development were democratically elected by project beneficiaries. These committees worked hand-in-hand with technical officers to certify progress and ensure quality standards were met. Regular monitoring, evaluation, and technical backstopping were conducted across all sectors, enhancing efficiency and effectiveness in implementation. Furthermore, Project Sustainability Committees (PSCs) were established and capacitated to take charge of completed projects, ensuring long-term functionality, ownership, and maintenance by the communities.

In FY 2024/25, some of the notable achievements in value for money included:

1. **Completion of high-impact water projects** through last-mile connectivity and irrigation expansion, reducing per-unit costs while maximizing household coverage. Examples include the Ndukuma Water Project (Ksh. 15M), Kwa-Kakui Earth Dam Rehabilitation (Ksh. 16M), Wautu Kyangaati Water Project (Ksh. 15.5M), and the ongoing Mulima Water Project (Ksh. 40M). In addition, several FLLoCA-funded water projects such as Kinze Water Project, Ilovoto Water Project, and Kiangini/Kikuu Water Enhancement Project were successfully completed, significantly improving household and agricultural water supply across multiple wards.
2. **Agricultural mechanization and value chain support** under the National Agricultural Value Chain Development Project (NAVCDP), complemented by the commissioning of 30 Ward SACCOs. This intervention promoted farmer cooperatives, enhanced access to affordable inputs, and facilitated market linkages driving down unit costs while boosting productivity and farmer incomes.
3. **Upgrading of health facilities and automation of health services**, with the Mbooni Family Hospital (Ksh. 57.7M) progressing steadily and the successful completion of the Automation of Health Services (CIHMIS Phase II, Ksh. 20.7M). These investments reduced inefficiencies, improved patient record management, and enhanced access to primary and universal health coverage at lower operational costs.
4. **Enhanced project sustainability**, as completed projects were handed over to Project Sustainability Committees (PSCs). These committees ensured effective community ownership, proper utilization, and long-term maintenance, thereby reducing recurrent maintenance costs to the County Government and strengthening resilience of public investments

f) Implementation Challenges of Strategic Objectives and the County's Outlook

i) Implementation Challenges of Strategic Objectives

Several cross-cutting challenges were experienced during the implementation of the County's strategic objectives in the FY 2024/25 including the following: -

- **Funding and Budget Constraints:** The delayed release of funds from the National Treasury significantly hindered the timely implementation of programs and projects.
- **Conditional Allocations, loans and grants, -** The County received KShs. 319,989,343.00 of the conditional allocation against the expected KShs. 607,277,601.00 accounting for 53%. Additionally, the disbursements were made late making it impossible to implement the programmes and projects and hence low development absorption rates.
- **High poverty levels at 39.1%** increased the dependency level reducing the amount available towards development.
- **Vandalism of Projects:** Deliberate destruction, damage, and theft of public infrastructure undermined essential services such as water supply, sanitation, and education. The repair of vandalized assets diverted resources and attention from other critical development projects, significantly impeding overall progress.
- **Low Synergy among departments** – Low adoption of one government approach in implementation of the County projects limited the synergy benefits associated with it.
- **Human Resource Constraints:** The county struggled with inadequate staffing levels in key sectors due to limits on staff salaries and a growing population demanding high-quality public services. The ongoing loss of staff through natural attrition, combined with weak succession planning and insufficient funding for staff training, further exacerbated challenges in service delivery.
- **Climate Change-** Effects of climate change including drought and unpredictable weather conditions affected efforts to address food security and the cost of living in the County
- **Unforeseen risks** such as fluctuating fuel prices or material costs, disrupted project schedules and budgets. These external factors introduced unpredictability, thereby affecting project management and execution.

ii) County's Future Outlook

The County Government's budget for the Financial Year 2025/26 is projected at KShs. 11,542,107,627. The revenue framework is primarily anchored on three sources: the equitable share from the National Government amounting to KShs. 8,866,423,364 (77%), conditional allocations comprising loans and grants totaling KShs. 1,175,684,263 (10%), and Own Source Revenue estimated at KShs. 1,500,000,000 (13%). Out of the total budget, KShs. 10,644,476,312 has been allocated to the County Executive, while the County Assembly will receive KShs. 897,631,315. In terms of expenditure priorities, 34% of the budget is dedicated to development programs, 45% to personnel emoluments, and 21% to operations and maintenance.

The FY 2025/26 development agenda is themed **"Stimulating local economies for shared prosperity"** and highlights the importance of local economic actors in both farm and non-farm enterprises, including institutions within our rural communities. The main focus on local economies

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will be driven by Agriculture, Land, Water, Trade, and Local livelihoods, specific to each Ward. To achieve the aspired development outcomes, the following objectives will be pursued:

- Increase access to potable water through last-mile connectivity (Kunyaiikya kiw'u nduani na musyini) for domestic and agricultural use
- Agricultural transformation to attain food security and improve livelihoods through enhanced value chain development (Mbesa sya muimi movukoni)
- Universal Healthcare -Strengthening healthcare infrastructure, improving service delivery, and ensuring access to quality medical care.
- Improve land security of tenure through succession programs and development of urban infrastructure.
- Automate government services, procedures, and innovation.
- Mobilize resources through enhancing automation of revenue collection, expanding revenue streams, and strategic partnerships.
- Youth Empowerment and Sports Development - Investing in sports, technical training, and entrepreneurship to equip youth with skills and opportunities that drive economic growth and ensure self-reliance.
- Decentralization of Services-Strengthening local service units to enhance accessibility, governance, and public participation at the grassroots level.

FY 2025/26 sector priority areas

The table below shows the sector priority areas for the FY 2025/26

Sector	Priority Areas
Water, Sanitation, Environment, and Natural Resources	The last mile water infrastructure development targets the connection of an additional 1,000 HHs per ward (30,000 HHs in the County) to clean and safe water. • Implementation of the last-mile water infrastructure initiative, connecting the water source to the end user. • The initiative targets one project per ward in the FY 2025/26. • Irrigation development- Establishing and rehabilitating existing irrigation schemes • Climate change initiatives. • Landscape restoration, environmental conservation, and management
Agriculture and Rural Development	• Implementation of the Value Chain agricultural development approach to ensure the sector supports the county agenda on food and nutrition security. • In the FY 2025/26, seven value chains will be promoted, namely: Fruits (Mango, Avocado, Citrus), Cereal, Dairy, Chicken, Industrial crops, Meat, and Apiculture. • Cooperative management and development: Strengthening the cooperative movement as a tool for economic growth and rural development • Strengthen Agriculture Extension Services

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Sector	Priority Areas
Transport, Infrastructure, Public Works, Energy, and ICT	- Upgrading urban road infrastructure Maintenance of the critical county road network and opening of strategic road links to agriculturally-rich zones - Enhance access to the electricity grid in rural and urban areas through the REREC Matching grant - Mainstreaming renewable energy to county government projects
Health Services	- Upgrading and equipping of health facilities to enhance service delivery - Health care financing, including mobilization for SHA/SHIF registrations to increase uptake and Medical Health Services Fees (AIA Allocation) - Strengthen the operations of the Community Health Promoters (CHPs)
Social Protection, Education, and Recreation	- Youth Empowerment- through Youth KCB Matching grant - Construction of ECDEs and CTTI infrastructure Youth talent and sports development by supporting Supa Cup and KYISA competitions. - Support for the elderly and PwDs - Enhance Youth participation in economic activities in the County Youth empowerment and entrepreneurship programmes, including <i>Ajira kwa vijana</i> and support to youth groups.
General Economic and Commercial Affairs	- Trade development and promotion - Market Infrastructure improvement and maintenance of Market centres
Lands and Urban Development	- Land Security of tenure remains a challenge in Makueni County. The government budgets to solve the problem through a land succession programme at the Ward level - Emali Sultan Municipality Spatial plan to guide the development
Devolution	Resource Mobilization-Intensifying efforts to increase Own Source Revenue (OSR) by 7% from Kshs 1.4 billion in 2024/25 to Kshs 1.5 billion in FY 2025/26

FY 2025/2026 Flagship Projects and programmes

The County intends to implement various flagship projects in the FY 2025/26 across various sectors as illustrated below;

Table: FY 2025/2026 Flagship Projects and programmes

No.	Department	Ward	Project/Programme Name	FY 2025/26 Budget Estimates
1	Agriculture	All wards	IDA (World Bank) Credit National Agricultural Value Chain Development Project (NAVCDP)+Matching fund	236,250,000
2	Agriculture	All wards	Agriculture extension programme	18,000,000
3	Devolution	HQ	IDA (World Bank)-Second Kenya Devolution Support Program-Service	352,500,000

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No.	Department	Ward	Project/Programme Name	FY 2025/26 Budget Estimates
			Delivery and Investment Grant-(Level 2 Grant) ((KDSP)	
4	Devolution	HQ	IDA (World Bank)-Second Kenya Devolution Support Program-Institutional Grant-Level 1 Grant((KDSP)+Matching fund	47,500,000
5	Emali-Sultan Municipality	HQ	IDA (World Bank Credit: Kenya Urban Support Project (KUSP)- Urban Development Grant (UDG)	20,083,771
6	Lands	HQ	IDA (World Bank) Credit Financing Locally-Led Climate Action (FLLoCA) Program, County Climate Resilience Investment (CCRI) Grant +Matching fund	230,746,435
7	Lands	HQ	IDA (World Bank) Credit: Kenya Urban Support Project (KUSP)-Urban Institutional Grant (UIG)	35,000,000
8	Trade	Kilungu	Construction of Nunguni Modern Market - Kilungu Ward	50,000,000
9	Transport	All wards	Roads Maintenance Fuel Levy	146,891,738
10	Transport	HQ	Rural Electrification Programme - REREC Matching grant	30,000,000
11	Transport	Ilima	Construction of Kithioni drift	15,000,000
12	Transport	Nguu/Masumba	Construction of Kitende Drift	14,000,000
13	Water	Kiimakui/Kalan zoni	Water Treatment & Distribution of Katilini Earth Dam Water Project	30,230,000
14	Water	Kisau/Kiteta	Distribution of Kinze Water Project/Mbumbuni Scheme	12,770,750
15	Water	Makindu	Construction of Drift, Sump, Pumping Systems, and distribution in Ngakaa Dam in partnership with NDMA	15,000,000
16	Water	Nguu/Masumba	Construction and distribution of water from Mweini Concrete dam	13,738,597
17	Water	Kisau/Kiteta	Distribution of Kyala Earth Dam Water Project	12,000,000
18	Water	Wote/Nziu	Wote Town Improvement Project - Distribution of Kwa Kitungu Water Project	10,000,000
19	Wote Municipality	Wote/Nziu	Purchase of Wote Bus park land	40,000,000
20	Wote Municipality	HQ	IDA (World Bank) credit: Kenya Urban Support Project (KUSP) - Urban Development Grant (UDG)	20,083,771

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g) Key risk management strategies applied by the County Executive

The County Government of Makueni promotes performance and accountable governance in its management. As part of the public financial management agenda, the County Executive applies the following in managing its risk profile:

- i) Developing the Makueni County Enterprise Risk Management Policy Framework
- ii) Carrying out Risk profiling
- iii) Risk Appetite statement
- iv) Risk Assessment
- v) Risk mitigation and control
- vi) Developing a Risk Register
- vii) Carrying out Corruption Risk Assessment

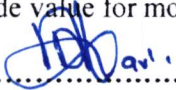
Each county department or agency appointed a risk champion with a specific job description related to enterprise risk management. These risk champions were later sensitized on their responsibilities. They worked on updating the risk registers for their respective department or agency, and then forwarded them to the County Treasury for consolidation.

a) Conclusion

In conclusion, the County Government has made significant progress in implementing projects and programmes during the Financial Year. The overall budget expenditure absorption rate was at 83% while the revenue receipts amounted to 95% of the total revenue target. However, there were delays in the disbursement of funds from the National Treasury, resulting in cash flow challenges throughout the year.

I would like to take this opportunity to express my gratitude to H.E. the Governor and the H.E. Deputy Governor for their leadership and guidance in achieving the County Vision for the people of Makueni. I would also like to thank my colleagues-the County Executive Committee Members responsible for other departments, as well as all Accounting Officers and county staff who have worked together to ensure the County Government of Makueni fulfils its mission. Their hard work has enabled the delivery of quality and timely services to the people of Makueni County.

I also express my gratitude to the suppliers and contractors whom we engaged during the financial year for providing us with high-quality goods & services and their expertise in achieving county projects and programmes. I would also like to acknowledge the valuable contributions of our development partners, with whom we have worked closely to improve our society. Lastly, I would like to express my appreciation to the citizens of Makueni who were involved in various stages of project identification and implementation. Their participation has ensured that the investments provide value for money.


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CPA Damaris Mumu Kavoi

County Executive Committee Member-Finance, Planning, Budget and Revenue
County Government of Makueni

5. Statement of Performance against Predetermined Objectives

a) Strategic development objectives

The Makueni County 2023-2027 CIDP has identified 16 key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the Governor's Manifesto, the National Government's Vision 2030, the MTP III, Makueni Vision 2030, the SDGs, and Agenda 2063: The Africa We Want, and the Paris Agreement on Climate Change.

The strategic objectives are a synthesised product of the aforementioned planning frameworks that amalgamate the sector priority areas and development aspirations in these policy frameworks. The key development objectives are to:

1. Increase access to improved water sources from 44.2 % to 70%
2. Reduce the average distance from the improved water source from 4Kms to 2Kms
3. Enhance agricultural production and productivity
4. Enhance access to modern, reliable energy
5. Enhance government services automation for efficient service delivery
6. Enhance access and equity to quality education and training
7. Strengthen both farm and non-farm trade activities in the county
8. Improve the security of land tenure in the county
9. Improve performance on service delivery in the county

Below, we present the progress made in attaining the objectives of the Makueni CIDP 2023-2027.

S/No	Strategic Objective as per CIDP	Targeted Outcome	Performance/Progress made up since inception from the latest CIDP	Remarks (reasons underperformance/Over performance)
1.	Increase access to improved water sources from 44.2 % to 70%	Increased access to improved water sources	The proportion of the population accessing water from improved water sources improved from 44.2 percent to 46%	The government's efforts in the last mile connection are bearing fruit in access to water
2.	Reduce the average distance from the improved water source from 5Kms to 2Kms	Reduced distance to Improved water sources	Average distance (KMs) to the nearest improved water source reduced from 5Kins to 4Kms	
3.	Enhance agricultural production and productivity	Increased agricultural production and productivity	The quantity of pulse production increased from 163,429MT in 2021 to 185,922 MT in 2023 The quantity of cereal production increased from 104.252MT in 2021 to 124.634 MT in 2023 The quantity of fruit production increased from 481.153 MT in 2021 to 514.904MT in 2023	Agricultural outcomes have enjoyed a mixed reaction due to weather shocks

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<i>S/No</i>	<i>Strategic Objective as per CIDP</i>	<i>Targeted Outcome</i>	<i>Performance/Progress made up since inception from the latest CIDP</i>	<i>Remarks -reasons underperformance/ Over performance)</i>
			Chicken meat production increased from 5,550,333 kgs in 2021 to 6,119,241 kgs 2023	
4.	Develop a vibrant and self-sustaining cooperative movement	Strengthened cooperative movement	Annual turnover for the cooperative decreased from Kshs 196M in 2021 to Kshs 121M in 2023	Cooperative performance in the county depends on agricultural performance
5.	Enhance access to modern, reliable energy	Enhanced access to modern and reliable energy	The percentage of HHs connected to electricity increased from 29% to 31% 2023	More resources need to be allocated
6.	Enhance government services automation for efficient service delivery	Enhanced efficiency in government service delivery	The proportion of automated government services increased from 30% to 43%	The government has enhanced its efforts in automation to improve service delivery
7.	Enhance access and equity to quality education and training	Improved access to quality education and training	County Technical Training Institutions' enrolment decreased from 4,841 in 2021 to 4,198 in 2023	The Sector should enhance sensitization and awareness of the available courses
			Gross Enrolment in the ECDE centres increased from 92% 2021 to 97% in 2023	An effort to enhance access to ECDE education has been
8.	Improve performance on service delivery in the county	Improved service delivery	Customer Satisfaction levels increased from 60% to 83%	More effort is required to improve the satisfaction levels
9.	Enhance resource management and utilization	Increased funds available for the development Budget	Own Source Revenue increased from 891.60 M in 2022 to 1,045.09 M in 2023 (a 17.2% increase)	OSR has been on the upward trend since the revenue collection process was automated

b) Progress on Attainment of Development Objectives from Annual Development Plan for FY 2024/25

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement. Below, we provide the progress on attaining the stated objectives:

Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
1. Department of ICT, Education, and Internships											
Early Childhood Development Education	To enhance access and equity to quality education and training	Improve d access to quality technical and vocational training	New classrooms constructed in ECDE centres	Number of classrooms constructed in ECDE centres	42	34	8	62	61	-1	infrastructural development in schools should be continuous
			ECDE teachers' capacity built	Number of ECDE teachers' capacity built	959	959	0	959	959	0	
			CTTIs are rehabilitated and equipped.	Number of CTTIs rehabilitated and equipped				5	7	2	
Trainees benefiting from capitation			No. Trainees benefiting from capitation				6,500				
Technical and Vocational Training											
County Bursary and Scholarship	To enhance access, retention and transition	Increase d retention and transition	Students supported with a bursary	No. students supported with a bursary	17,000	0	7,000	21,000	14,388	-6,612	The program has enhanced inclusivity in education
			Continuing students supported	Number of continuing students supported	90	0	90	180	100	-80	

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
			through scholarships	through scholarships							
Community libraries and resource centres	To promote an environment for information mining, learning and sharing	Improved literacy and skill levels for the community	Community members utilizing Community Libraries and Resource Centres	Number of Community members utilizing the community Libraries and Resource Centres	6,000	22,971	(+16,971)	11,000	107,231	96,321	The community is ready for the library services
Internship, Mentorship, and Volunteerism	To engage, mentor, and capacity build of interns, attaches, and volunteers for socio-economic transformation	Enhanced human resource development	Interns recruited	No. of Interns recruited	90	125	(+35)	180	225	45	Increase the annual positions allocated to internship

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					Target	Actual	Variance	Target	Actual	Variance	
Information and Communication Technology	To enhance government services automation for efficient service delivery	Increased use of ICT in the county	Members of the public trained on basic ICT skills	Number of members of the public trained on basic ICT skills	700	633	-67	1,200	1,187	-13	Utilize the ICT potential in the county
			Community Information Centres are equipped and operationalized	Number of Community Information Centres equipped and operationalized	1	1	0	4	1	-3	
			Increased automated services	Percentage of increased automated services	60	43	17	60%	43%	-17	Allocate enough resources
2. Gender, Children, Youth, Sports, and Social Services											
Gender and Social Protection	To reduce vulnerability and improve wellbeing of the vulnerable	Enhanced socio-economic empowerment of the vulnerable	PWDs, the Elderly, and OVCs are supported to improve their livelihood	No. of elderly persons supported with food and non-food items	2,500	0	-2,500	4,500	1,832	-2,668	Increase the budgetary allocations
				Number of PWDs, supported to improve their livelihood	1,500	576	-924	1,706	576	-1,130	
			Groups empowerment	No. of groups empowerment	54	136	+82)	54	136	+82	

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					Target	Actual	Variance	Target	Actual	Variance	
			Guidelines on children protection developed	Guidelines on child protection have been developed	1	1	0	1		0	
Sport development	To develop sporting talent and recreation	Enhanced sporting and recreation development	Sporting infrastructure upgraded	Number of sporting infrastructure upgraded	6	6	0	14	11	-3	Increase the budgetary allocations
			Sport league games are supported to nurture talents and promote sports development	Number of sports league games supported to nurture talents and promote sports development	4	4	0	4	4	0	
Youth empowerment	To empower youth to participate in and contribute to socio-economic development	Empowered youth for socio-economic development	Youth issued with tools of trade for economic empowerment	Number of youth issued with tools of trade for economic empowerment	69	30	-39	169	127	-42	Enrich the programmes and allocate more resources
			Youth engaged in the Makueni Youth Apprenticeship Programme (MYAP)	Number of youth engaged on Makueni Youth Apprenticeship	350	10	-340	700	138	-562	

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					Target	Actual	Variance	Target	Actual	Variance	
				Programme (MYAP)							
			Youth empowered through motor-vehicle driving and motorcycle riding training	No. of youth empowered through motor-vehicle driving and motorcycle riding training	176	66	-110	176	66	-110	
				No. of youth empowered through motorcycle riding training	141	0	-141	141	0	-141	
3. Land, Urban planning and Development, Environment and Climate Change											
Urban Planning	To improve security of land tenure from 31% in 2022 to 50% in 2027	Improved security of land tenure	Well planned towns	No of towns planned	1	0	-1	4	3	-1	Land security gap still exist, the program should be continuous
Land Survey & Mapping			Survey conducted for Issuance of Title Deeds	No. of market surveys conducted to facilitate issuance of title deeds and opening of town roads	4	2	-2	6	4	-2	
				No. of title deeds issued	-	-	-	1,500	600	-900	
Environment	To mainstream	Enhanced	Climate resilient	No. of climate resilient	17	13	-4	17	13	-4	Allocate more

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					Target	Actual	Variance	Target	Actual	Variance	
management and protection	climate change initiatives	climate change resilience	projects implemented	projects implemented							resources to climate change matters
4. Agriculture, Livestock, Fisheries & Co-operative Development											
Agricultural extension and Capacity Development	To enhance agricultural extension services for effective knowledge, skills and technology transfer	Increased agricultural production and productivity	Extension Officers recruited	Number of new extension officers employed	10	4	-6	50	23	-27	e-extension services can enhance the provision to close the gap
			Farmers accessing the extension services	Number of farmers accessing the extension services	170,520	14,600	-24,520	373,520	332,000	-41,520	
Value Chain Development	To increase production and productivity of various crops	Increased agricultural production and productivity	Certified seeds procured and supplied	Metric tonnes of certified seeds procured and supplied to farmers	252	37	-215	572	277	-295	1. There is need to allocate enough budget toward value chain
			Avocado seedlings	Number of avocado seedlings	1,000	0	-1,000	32,250	31,250	-1,000	

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					Target	Actual	Variance	Target	Actual	Variance	
	through zoning and development/ organization		supplied to farmers	supplied to farmers in the county							development
			Mango seedlings supplied to farmers	Number of Mango seedlings supplied to farmers	-	-	-	27,500	27,500	0	2.Framer should be trained and capacity build on matters to do with specific value chains
			Agroforestry tree nurseries established	Number of agroforestry tree nurseries established	1	2	+1	2	3	1	3.The government to create linkages both backward and forward with the private sector
			Cold rooms operationalized	Number of cold room operationalized	2	3	+1	5	3	-2	
			Aggregation centres constructed	Number of aggregation centres constructed	10	4	-6	12	4	-8	
			Grain processing plant completed and operational	Complete grain processing plant	1	1	0	2	2	0	
			MT of pulses processed by the plant	MT of pulses processed by the plant	100	0	-100	232	0	-232	
			Revenue generated by	Revenue generated by	20	0	-20	46	0	-46	

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					Target	Actual	Variance	Target	Actual	Variance	
			the plant in Millions Kshs	the plant in Millions Kshs							
			Animals inseminated	Number of AI administered – Cows	7,000	2,237	-2,988	16,000	5,237	-10,763	
				Number of insemination done – goats	1,500	0	-1,500	1,500	0	-1,500	
			Quantity in Kgs of pasture seeds procured and supplied	Quantity in Kgs of pasture seeds procured and supplied to farmers	2,000	535	-1,465	5,000	11,285	6,285	
			Chicks procured and supplied to farmers	Number of chicks procured and supplied to farmers	0	0	0	25,600	0	-25,600	
			Fishermen/fish farmers trained	Number of Fishermen/fish farmer trained	250	260	10	262	275	13	
			Fibre glass canoes procured	Number of fibre glass canoe procured	0	0	0	1	1	0	
			Fishing gears for pond harvesting (seine nets)	Number fishing gears for pond harvesting (seine nets)	0	0	0	7	7	0	

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					Target	Actual	Variance	Target	Actual	Variance	
			hatchery farms with quality brooding stock established	Number of hatchery farms with quality brooding stock established	1	5	4	7	9	2	
Pest and Disease Control Programme	To Strengthen pest and disease control and post-harvest management	Increased agricultural production and productivity	Area under low pest prevalence zone in Acres	Total Area in the low pest prevalence zone in Acres	20,640	4,000	-16,640	47,240	38,400	-8,840	Allocate more resources toward pest control both in crops and animal
			Households under low pest prevalence zone	No. of Households under low pest prevalence zone	41,040	10,000	-31,040	54,340	27,200	-27,140	
			Farmers trained on the integrated pest management system	Number of farmers trained on integrated pest management system	4,300	5,415	1,115	4,300	5,415	1,115	
			Animals vaccinated	Number of animals vaccinated - cattle	80,000	195,058	115,058	130,000	247,058	117,058	
				Number of goats/sheep vaccinated	120,000	138,844	18,844	200,000	238,844	38,844	

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
				Number of dogs vaccinated	30,000	2,546	27,454	60,000	32,546	-27,454	
				Number of birds vaccinated	150,000	36,307	113,693	300,000	42,307	-257,693	
			Veterinary camps outreach held	Number of veterinary camps held	6	3	3	12	13	1	
			Meat carcass inspected	Number of carcasses inspected - beef	26,000	16,480	9,520	52,000	42,480	-9,520	
				Number of carcasses inspected - goats/sheep	90,000	47,709	42,291	180,000	137,709	-42,291	
			Slaughter houses inspected	Number of slaughter house inspected	81	64	17	162	129	-33	
			Amount of revenue generated	Amount of revenue generated by the veterinary public health programme and vaccination/liv	10,000,000	13,020,620	3,020,620	20,000,000	20,680,598	680,598	

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					Target	Actual	Variance	Target	Actual	Variance	
				estock movement permits programme							
Soil conservation and water harvesting and range rehabilitation	To enhance soil and water conservation for proper utilization in agriculture	Increased agricultural production and productivity	Zai pits Constructed	Number of Zai pits Constructed	100	65	-31	100	65	-35	The program should be integrated with climate change and extension services
			Farm ponds excavated	Number of farm ponds excavated	96	126	-30	376	428	52	
			Training meetings Held	Trainings conducted	90	44	46	102	74	-28	
			New cooperatives formed	No. of New cooperative societies	10	25	15	20	46	26	
			Community savings culture enhanced	Percentage increase in members savings	10%	20%	0	10%	20%	10%	
5. Makueni County Fruit Development and Marketing Authority											
Value Chain Development	To increase production and productivity of various crops	Increased agricultural production and productivity	Quantity of puree produced(drum s)	Total Quantity of puree produced(drum s)	3,000	1,486	1,514	6,000	2,766	-3,234	The entity should look for alternative financing to boost
			Quantity of RTD juice produced in MT	Total Quantity of RTD juice produced in MT	750	22	728	1,500	22	-1,478	

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					Target	Actual	Variance	Target	Actual	Variance	
	through zoning and development/organization		Revenue Generated	Revenue Generated	100,000,000.00	29,511,228	-70,488,772	200,000,000	65,433,816	-134,556,184	its business development
6. Department of Water, Sanitation and Irrigation											
Water harvesting, storage and Distribution	To increase access to improved water sources from 44.2% to 70%	Increased access to improved water sources	Prefeasibility studies done	No. of prefeasibility studies done	5	3	-2	5	3	-2	Water treatment and distribution to HHs and Public institutions need to be enhanced
			Sand dams constructed	No. Of sand dams constructed	10	10	0	20	17	-3	
			Small dams constructed	No. sized and small dams constructed	10	10	0	25	22	-3	
			Boreholes developed	No. of boreholes developed	20	30	10	50	67	17	
			Water pipelines constructed	Km. of water pipelines constructed	200	235	35	550	159	-156	
			Urban centres supplied with water	No. of urban centres supplied with water	30	20	-10	70	55	-15	
			Water treatment	No. of water treatment	3	3	0	4	6	+2	

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					Target	Actual	Variance	Target	Actual	Variance	
			systems installed in unimproved water sources (CFU, Chlorine dosing units etc.)	systems installed in unimproved water sources (CFU, Chlorine dosing units etc.)							
			Water projects with pipeline extension	No. of water projects with pipeline extension	39	21	-18	39	21	-18	
Urban and Rural Water Governance	To improve urban and rural water governance	Increased access to improved and reliable water	Water institutions management' trained	No. of water institutions management' trained	150	120	-30	150	120	-30	Allocate more resources toward capacity building the managements of water sources in the county
			Water institutions meeting governance criteria	Number of water institutions meeting governance criteria	100	50	-50	100	50	-50	
			Community water schemes/ projects sustainability management committees' capacity built	Proportion of Community water schemes/ projects sustainability management committees'	100	100	0	100	100	0	

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					Target	Actual	Variance	Target	Actual	Variance	
			on effective water management and sustainability.	capacity built on effective water management and sustainability.							
			Water schemes trained	No. of water schemes trained	20	15	5	20	15	5	
Irrigation Development	To promote irrigated agriculture	Increase agricultural production and productivity	Irrigation schemes established/rehabilitated	No. of irrigation schemes established/rehabilitated	2	1	1	2	1	1	Allocate more money
7. County Attorney											
County Leadership, Governance and Coordination	To ensure effective and efficient running of the county affairs as provided for by	Strengthened county governance, coordination and management of county services	Litigations cases concluded	No of cases number of litigations concluded	3	5	2	5	9	4	Need to create awareness of the function of county Attorney in the county
			County Bills formulated	No of County bills formulated	8	3	-5	16	23	7	
			Conveyancing documents drafted	Number of conveyancing documents drafted	5	8	3	10	12	2	

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					Target	Actual	Variance	Target	Actual	Variance	
	the Constitution		Legal clinic held	Number of legal clinic held	7	9	+2	7	9	2	
			Legal advisories done	No. of Legal advisories done	6	6	0	6	6	0	
			MOUs signed	No. of signed MOUs	12	12	0	12	12	0	
			Policies formulated	No. of policies formulated	4	4	0	14	14	0	
			Court cases addressed	No. of Court cases in which the county was sued, and cases where the county itself sued its clients addressed	4	4	0	6	8	2	
8. Devolution, Public Service, Public Participation And Special Programmes											
Disaster risk mitigation and Response	To ensure efficient and effective disaster preparedness, mitigation.	Reduced disaster incidences, impact and response time	Disaster response attended	Number of disaster responses attended	20	21	1	50	56	6	Increase the awareness of the disasters and risks and their responses

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					Target	Actual	Variance	Target	Actual	Variance	
	response, management and mainstreaming										
Participatory Development & Civic Education	To empower the citizenry in achieving meaningful participation in development activities	Effective citizen engagement	Public participation forums held	No of Public participation forums held	3,612	3,828	216	7,224	7,440	216	County coordination need to be strengthened
			People reached on themed Civic Education	No. of people reached on themed Civic Education	207,000	0	207,000	1,107,000	900,000	207,000	
			Functional development committees formed	No of functional development committees	485	4,318	3,833	4,572	4,318	254	
			Monthly progress reports prepared	no. of Monthly progress reports	12	12	0	24	24	0	
			Barazas / forums held	No. of forums / Barazas held	400	170	-230	800	570	-230	
			Sub-county coordination meetings held	No of sub-county coordination meetings held	72	0	-72	84	12	-72	
County Enforcement and	To enhance smooth	Proper run and orderly	Enforcement uniform purchased	No. of enforcement	20	0	-20	40	20	-20	Allocate more resources

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					Target	Actual	Variance	Target	Actual	Variance	
compliance	and orderly operation of the county functions	county operations		uniform purchased							to the function
			Enforcement officers trained	Number of enforcement officers trained	50	0	-50	100	50	-50	
Liquor Drinks Control and Licensing	To ensure sustainable consumption of alcohol in the county	sustainable consumption of alcohol in the county	Liquor premises inspections conducted	No of Liquor premises Inspected and licenced	2,800	2,639	-161	2,800	2,639	-161	Support the Psycho education on drug and substance
			Revenue generated	Amount of revenue generated	70,000,000	26,000,000	-44,000,000	140,000,000	71,208,580	68,791,420	
			People reached through Psycho education on drug and substance	No of people reached through Psycho education on drug and substance	1,200	1,200	0	3,400	3,400	0	
9. Trade, Marketing, Industry, Culture And Tourism											
Trade Development and Promotion	To enhance both farm and nonfarm trade activities	Improved income from trade activities	SMEs Trained	No. of SMEs trained	140	425	285	140	425	285	Increase the budgetary allocation
			Trade fairs & exhibitions held/participated	No. of trade fairs & exhibitions held/participated	3	4	1	3	4	1	

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					Target	Actual	Variance	Target	Actual	Variance	
	in the county		Trade infrastructure developed and renovated	No. of trade infrastructure developed and renovated	4	4	0	4	4	0	
			Weighing and measuring equipment verified	No. of weighing and measuring equipment verified	7,550	7,600	150	15,100	12,740	-2,360	
			Weighing and measuring equipment inspected	No. of weighing and measuring equipment inspected	1,550	1,600	150	3,100	2,868	-232	
Market Cleaning and Solid Waste Management	To improve solid waste management in urban areas	Improve solid waste management in urban areas	Public toilets constructed	No. of public toilets constructed	4	17	13	4	17	13	Increase the budgetary allocation
			Skip bins installed for solid waste collection in designated areas.	No. of skip bins installed for solid waste collection in designated areas.	0	4	4	0	4	4	
Industrial development	To promote cottage industries development	Increased decent job opportunities	Products developed	Number of products developed	5	0	5	6	0	-6	Increase the budgetary allocation
			Innovations supported	Number of innovations supported	10	0	10	10	0	-10	

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					Target	Actual	Variance	Target	Actual	Variance	
	ment in the county		Cottage industries promoted	Number of Cottage industries promoted	1	1	0	1	1	0	
Marketing and market linkages	To enhance county products visibility and market access	Enhanced market access to county products	Producers linked to market	Number of producers linked to market	35	25	-10	35	25	-10	Increase the budgetary allocation
			Trade fairs and exhibitions held	No. of trade fairs and exhibitions held	4	2	-2	4	2	-2	
Tourism development and promotion	To increase earnings through enhanced tourism activities in the county	Increased earnings from tourism	Tourism site promoted	No. of tourism site promoted	2	4	2	2	4	2	Increase the budgetary allocation
			Tourism circuits promoted	No. of circuits promoted	10	6	-4	12	8	-4	
			Master plan activities implemented	No. of activities implemented in the master plan	2	1	-1	4	3	-1	
			Stakeholders' engagement conducted	No. of stakeholder's engagement conducted	2	0	-2	2	0	-2	
Conservation,	To increase	Enhanced	Cultural festivals and	No. of cultural festivals and	6	6	0	6	6	0	Increase the

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					Target	Actual	Variance	Target	Actual	Variance	
Preservation and Promotion of Arts, Culture and Heritage	earnings from the Arts and Cultural and Creative Industries in the county	income generation and society cohesion	exhibitions held	exhibitions held							budgetary allocation
			Artists promoted and supported in the cultural and creative industries	No. of artists promoted and supported in the cultural and creative industries	165	320	145	310	457	147	
			Culture events held	No of culture events held	6	5	-1	9	7	-2	
10. Emali-Sultan Hamud Municipality											
Urban Development	To promote urbanization through provision of urban basic amenities	Improve d urban quality of life	Drainage system opened and unclogged	Number of meters of opened and unclogged drainage system	4,350Ms	5,400 Ms	0	4,350Ms	5,400 Ms	1,050	Increase the budgetary allocation to infrastructure development in the Urban area
			DTF rehabilitated	Number of Decentralized treatment facility rehabilitated	1	1	0	1	1	0	
			Toilets constructed	No. of toilets constructed	0	3	3	0	3	3	
			Boda boda shed constructed	Number of Boda boda shed constructed	0	3	3	0	3	3	

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					Target	Actual	Variance	Target	Actual	Variance	
			Spatial plans developed	Number of spatial plans developed	0	1	1	0	1	1	
			Parking zones cabro paved	Meters of parking zones established and cabro paved	2,500	0	2,500	2,500	0	-2,500	
			Roads opened	No of km of roads opened	2Km	0	2Km	2Kms	0	-2Kms	
11. Health services											
Curative and rehabilitative services	Improve efficiency and effectiveness of health services	Improve efficiency in provision of health services	Reduced length of stay	The average length of stay	5.1	4.8	-0.3				Increase the resource allocation to improve health access
			The average length of stay	No. of days patients stay in hospitals	4.5	4.3	-0.2	4.5	4.3	-0.2	
			Death rate	Facility death rate	4.5	4.5	0.0	4.5	4.5	0	
			Facilities with sample referral networks	Percentage of facilities with sample referral networks	65	75	10	65	75	10	
			laboratories enrolled in External quality assurance schemes	Percentage of laboratories enrolled in External quality assurance schemes	75	80	5	75	80	5	

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					Target	Actual	Variance	Target	Actual	Variance	
			physiotherapy visits attended	No. physiotherapy visits	24,000	24,500	500	48,000	50,176	2,176	
			Orthopaedic visits	No. orthopaedic visits	20,000	20,500	500	39,500	42,176	2,676	
			Occupational therapy visits	No. occupational therapy visits	12,000	12,300	300	23,500	25,376	1,876	
General administrative and planning	Improve efficiency and effectiveness of health services	Improved efficiency in provision of health services	Health facilities renovated	No. of health facilities renovated	15	17	2	25	33	8	Increase the resource allocation to improve health access
			Facilities automated	No. of facilities automated	6	12	6	10	17	7	
			HH under Makueni care	No. of HH registered under Makueni care	30,000	40,000	10,000	30,000	40,000	10,000	
			Health insurance coverage	The proportion of population registered under NHIF/SHA	30	30	0	30	30	0	
Preventive and promotive services	Increase access to essential primary	Increase access to essential	Children under one year old fully immunized	Proportion of children under one year, fully immunized	100	100	0	100	100	0	The programs targets were

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					Target	Actual	Variance	Target	Actual	Variance	
	healthcare	primary healthcare	Deliveries conducted by skilled personnel	% of deliveries conducted by skilled personnel	92	92	0	92	92	0	almost met all of them. But there is need to strengthen its performance and increase allocation
			Pregnant women attending at least 4 ANC visits	% of pregnant women attending at least 4 ANC visits	70	67	-3	70	67	-3	
			Pregnant women attending ANC who are supplemented with Iron Folic Acid Supplementation (IFAS)	Proportion of pregnant women attending ANC who are supplemented with Iron Folic Acid Supplementation (IFAS)	100	100	0	100	100	0	
			children 6-59 months supplemented with Vitamin A	Proportion of children 6-59 months supplemented with Vitamin A	85	88	3	85	88	3	
			Women aged 15-49 years screened for cervical cancer	Percentage of women aged 15-49 years	0.6	0.6	0	0.6	0.6	0	

Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
				screened for cervical cancer							
			Over five outpatient cases, patients screened for hypertension	% of over five outpatient cases patients screened for hypertension	0.4	0.5	0.1	0.4	0.5	0.1	
			Over five outpatient cases screened for diabetes	% of over five outpatient cases screened for diabetes	0.4	0.5	0.1	0.4	0.5	0.1	
			Residents reached with counselling services	No. of residents reached with counselling services	55,000	59,000	4,000	105,000	125,208	20,208	
			One on one structured sessions Held	No. of one on one structured sessions	6,000	6,000	0	11,000	11,632	632	
			Groups therapy services provided	No. of groups therapy services provided	3,200	3,300	1,000	3,550	3,735	185	
			Community health units established	No. of established community health units	240	240	0	240	240	0	

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
			Community dialogue days conducted	No. of community dialogue days conducted	1,000	1,800	800	2,000	3,280	1,280	
			Expectant women LWHIV currently on ART	% of expectant women LWHIV who are currently on ART	100	99.0	-1	100	99.0	-1	
			HIV positive clients linked to care	% of HIV positive clients linked to care	100%	100%	0	100	100	0	
			TB cure rate improved	TB cure rate	94	93.5	-0.5	94	93.5	-0.5	
			TB treatment success rate enhanced	TB treatment success rate	98	98	0	98	98	0	
			Schools with required sanitation & hygiene standards	Proportion of schools with required sanitation & hygiene standards	85	87	2	85	87	2	
			School-going children dewormed	The proportion of school-going children dewormed	60	65	5	60	65	5	
			World health days	The number of world health	10	11	1	18	20	2	

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
			commemorate d	days commemorate d							
			Radio/TV sessions held	Number of Radio/TV sessions held	11	11	0	21	23	2	
			Health IEC materials designed, developed, printed and disseminated	Number of Health IEC materials both soft and hard designed, developed, printed and disseminated.	20,000	21,600	,600	40,000	41,125	1,125	
12. Wote Municipality											
Urban Development	To promote urbanization through provision of urban basic amenities	Improve d urban quality of life	Development plans activities implemented	No of approved development plans activities implemented	2	1	-1	4	1	-3	Increase the budgetary allocation to infrastructures development in the Urban area
			Parking zones established and Cabro paved	Meters of parking zones established and Cabro paved	2,500	2,500	0	4,000	3,200	800	
			Solar powered high mast floodlights installed	No of solar powered high mast floodlights installed	1	1	0	2	1	-1	

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
			Market toilets constructed	No. of market toilets constructed	3	0	3	4	1	-3	
13. Office of Governor											
General administration & planning	To ensure effective and efficient running of the county affairs as provided for by the Constitution	Strengthened county governance, coordination and management of county services	Meeting of the County Budget and Economic Forum	Number of meetings held	6	5	1	12	10	-2	Not all targets were met but the progress is good
			Attending Council of Governors meeting	Number of meetings	4	2	2	8	6	-2	
			Cabinet meeting held	No of cabinet meetings held	52	32	20	104	84	-20	
			Generating/ Processing/ county executive/ legislative bills	Number of bills generated/processed	15	4	11	30	24	-6	
			Submission of Annual Progress Reports	Number of Annual Progress Reports	1	1	0	2	2	0	
			Delivering an annual State of the County Address	Copy of Annual State of the County Speech	1	1	0	2	2	0	

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
			E-magazine and website content development	No of E-magazine produced	12	1	11	24	3	-21	
14. Office of County Secretary											
Leadership and Coordination	To ensure effective and efficient running of the county affairs as provided for by the	Strengthened county governance, coordination and management of county services	Trained Staff on national values and principles	Proportion of trained Staff on national values and principles	70	70	0	70	70	0	Not all targets were met but the progress is good
			Generating Cabinet memos	Number of Cabinet memos generated and implemented	52	32	20	104	84	20	
			compliance with national values and principles of public service	compliance with national values and principles of public service	60	60	0	60	60	0	
	Constitution		Level of awareness of national values and ethics	Level of awareness of national values and ethics	70	70	0	70	70	0	
			policy, legal and institutional frameworks	No of policy, legal and institutional frameworks drafted	2	4	2	2	4	2	

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
			drafted and approved								
			MoU signed and implemented	Number of MoU signed and implemented	5	5	0	5	5	0	
15. County Public Service Board											
Public Service Management and Development	Improve performance, service delivery and efficiency	Efficient and effective service delivery to the citizenry	Customer satisfaction surveys	% level of satisfaction with service delivery/ customer satisfaction	65	60	5	65	60	-5	There is need to allocate more money toward public service management
			Service delivery enhanced	% of the population satisfied with their last experience of public services	70	70	0	70	70	0	
				% of Digitized Records	60	20	40	60	20	-40	
			Performance management frameworks developed	% of public servants meeting 70% of performance appraisal targets	90	100	10	90	100	10	
				Percentage of Performance	100	0	100	100	0	100	

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
				Evaluations Completed on time							
				% of schemes of service prepared and validated	50	0	50	50	0	50	
16. Sand Conservation and Utilization Authority											
Environmental Conservation and Management	To increase efficiency in utilization of natural resources	Increased efficiency in utilization of natural resources	Legal frameworks developed	No of legal frameworks developed	1	1	0	2	1	-1	Allocate more resources
			Sand dams constructed	No of sand dams constructed	3	5	2	6	6	0	
			Sensitization forums carried out	No of sensitization forums carried out	30	50	20	60	66	6	
17. Department of Infrastructure, Transport, Public Works, Housing and Energy											
General administration & planning	To strengthen institutional frameworks and internal capacities	Improved service delivery	Energy Plan	% of completion of energy plan	100	100	0	100	100	0	Targets met
			Policy Framework operationalized	% of operationalization of policies (energy policy, public works policy and	100	100	0	100	100	0	

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
				housing policy)							
Road Infrastructure improvement	To improve county road network quality	Improved connectivity and accessibility	Roads management	Kms of roads opened	100	249.3	49.3	220	694.6	474.6	Allocated more resources to roads development
			Roads maintained	Km of roads maintained (grading, spot improvement)	600	1,665	,065	9,600	2,938.4	- 6,661.6	
			Roads rehabilitated	No. of Kms of roads rehabilitated to all weather (gravelling and drainage works)	60	57.6	-2.4	210	159.6	-50.4	
			Construction of drifts	No of Drifts constructed	10	9	-1	20	21	1	
Green Energy Promotion and Development	To increase uptake of renewable energy	Enhanced green energy development and adoption	Installation of street lights	No. of streetlights installed	30	70	40	60	148	88	Increase allocation toward energy development and distribution
			Installation of flood lights	No. of floodlights installed	6	15	9	36	21	-15	
Rural electrification	To increase electricity develop	Enhanced access to reliable energy	Rural electrification	Households connected with electricity	500	568	68	900	1,154	254	

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
	ment and connectivity										
Road safety	To reduce road traffic accidents	Enhanced road safety	Road accidents reduced	% reduction in road traffic accidents	30	20	-10	60	40	-20	Synergise with National government to improve the output
18. Finance and Socio-Economic Planning											
General administration & planning	To ensure effective and efficient running of the department	Enhanced service delivery	Functional Integrated Records Management System	% of implementation	100	0	100	100	0	-100	The record systems need to be developed
			Undertake Training Needs Assessment	No. of reports	1	1	0	1	1	0	
			Well-coordinated service delivery	No of performance management reports	1	1	0	2	2	0	
			Staff Training	No. of staff trained	60	60	0	120	160	40	
Public Finance	Transparent and	Enhanced fiscal	Timely Final reporting	No of Final accounts and	1	0	1	2	2	0	All the statutory

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
Management	accountable management of public resources	responsibility and accountability		quarterly reports prepared							documents were developed and delivered on time
			Timely Final reporting	No of quarterly reports	4	3	1	8	7	-1	
			Efficient and effective Accounting Services	Annual Consolidated Financial Statements prepared	1	1	0	2	2	0	
			Budget Circular	Budget Circular issued by 30th August	1	1	0	2	2	0	
			Convening of Sector Working Groups	Sector working group reports & budget proposals	1	1	0	2	2	0	
			County Fiscal Strategy Paper (CFSP),	CFSP prepared and submitted to the assembly by February 28 th	1	1	0	2	2	0	
			County Budget Review and Outlook Paper (C-BROP),	C-BROP prepared and submitted to the assembly by September 30 th	1	1	0	2	2	0	

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
			Public participation in budget preparation & sensitized the public on Budget Implementation	No. ward participation forums held	30	30	0	60	60	0	
			Programme-based budget (PBB)	Programme-Based Budget (PBB) submitted to county Assembly by 30th April	1	1	0	2	2	0	
			Integrated Financial Management	County budget prepared on IFMIS budget module	2	2	0	2	2	0	
			Budget implementation monitoring	Quarterly budget implementation report prepared	4	4	0	8	8	0	
			Strengthen internal controls	No. of audit reports and feedback per	5	3	-2	10	8	-2	There is need to strengthen

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
				department per annum							n internal controls and asset management
			Risk based audits	Number of departments in which RBU audits have been conducted	10	3	-7	20	13	-7	
			Systems audit	No of systems audits undertaken	3	2	-1	6	5	-1	
			Verification of Assets and liabilities	No of departments whose assets and liabilities have been verified	1	3	(+2)	1	3	2	
			Revenue and business census report, Revenue arrears & quarterly performance report	Complete reports	6	4	2	12	10	-2	
			Ensure compliance with public procurement	% level of compliance	100	70	30	100	70	-30	E-procurement system

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Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Cumulative Achievement by end of FY			Remarks
					Target	Actual	Variance	Target	Actual	Variance	
			policies and systems								will help address the challenge of compliance
			Developed annual procurement plan	Annual Procurement Plans	1	1	0	2	2	0	
			Annual development plan (ADP)	Annual Development Plan (ADP)	1	1	0	2	2	0	

6. Environmental and Sustainability Reporting

Makueni County exists to transform the livelihoods of the citizens guided by an overarching vision, which is *a prosperous, value-based County with a high quality of life*. The delivery of the transformation agenda is guided by five key principles and values, which are: Integrity and Accountability; Inclusiveness; Equity and Fairness; Patriotism and Responsiveness.

The development agenda is founded on three key pillars: Economic Pillar, Social Pillar, and Political Pillar. The pillars have thematic interventions along six thematic areas namely: Community economic empowerment, water resource management, lands and urban development, social development, universal health care, and institutional strengthening and capacity development.

To continue offering services to the citizens of Makueni County over the long term, the County is focused on;

a) Sustainability strategy and profile

The County promotes sustainable development through Environmental and Social Governance reforms that are founded on integrity, transparency and accountability. The County has focused on provision of overall policy development, institutional development and strengthening. This is guided by issue-based leadership, transparency and accountability in the management of public resources.

The County is committed to achieve sustainability by supporting ecological, human and economic health vitality. The County has invested in sustainable practices, including Natural Resource conservation and value addition, adoption of green and circular economy, digitization of government services, technical capacity building and enhancement of skills, building partnerships and community engagement for locally led actions. The County is fully committed in ensuring sustainability is achieved in all aspects.

b) Environmental performance

Natural resources and the environment are essential to Makueni County's livelihoods, forming the backbone of agriculture, livestock, fisheries, tourism, and forestry. Most communities depend on land, water, and forests for sustenance, particularly through small-scale farming and pastoralism, making environmental health critical to economic stability. The Environmental actions are anchored in global, national, and county frameworks, including Agenda 21, the Kenya Constitution 2010, EMCA 1999 (Revised 2015), the SDGs, Africa Agenda 2063, and Kenya's Vision 2030. Kenya's Constitution has devolved environmental planning to counties and established the right to a clean and healthy environment as a human right. To enhance climate resilience in the County, the Makueni County Environment and Climate Change Policy 2021, available in CGM website through the link; *Makueni County Environment and Climate Change Policy 2021 - Government of Makueni County* was enacted. The policy provides direction for mainstreaming of Environment and Climate Change in the County Planning and Development.

Makueni County Environmental Performance Index has continually improved overtime to 47% according to the Makueni Environmental Performance Index (EPI) Report 2018 (NEMA). The EPI

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was below average compared to the National Environmental Index Performance, which is at 55.6 %. The EPI analyses three main objectives: Environmental Health, Ecosystem Vitality and Socio-Economic Sustainability. The County performed fairly in tree cover loss, Climate Change Mainstreaming and Expenditure in Environment and Natural Resources and the need to focus its attention to wastewater treatment, exposure to indoor pollution, capacity building on Environment and Natural Resource Management expertise, access to solid waste management and water scarcity.

In the Financial Year 2024/2025, the County enhanced environmental performance by focusing on the environmental Health, Ecosystem Vitality and Socio-Economic Sustainability as discussed below;

a. Environmental Health

In forest resource Management, the County has undertaken a program of greening County projects by planting 20 tree seedlings for every commissioned project and planting assorted tree seedlings in 12 FLLoCA projects, as well as capacity building groups on tree nursery establishments and management. In a bid to achieve the National 15 billion tree initiative and subsequent County target of 344 million trees by 2032, the County has partnered with stakeholders in the forestry sector to grow 527,620 seedlings across the county with a survival rate of 64.5%. In enhancing air quality, the County is working to reduce indoor air pollution by promoting solar energy for lighting and cooking. The County undertook routine environmental inspections and monitoring in an effort to avert land, water and soil pollution. To ensure mainstreaming of environmental safeguards in County Projects, the Department supported Agencies and other Departments in ensuring their projects comply with environmental policies and legal frameworks.

b. Enhancing Ecosystem Vitality

For Climate Change mainstreaming the County allocated 1.7 % (Ksh 66,000,000) of its Development Budget for implementation of the County Climate Change Action Plan 2023-2027 with an addition of Ksh142, from the FLLoCA Program. The Fund has facilitated the implementation of 17 Climate Change investments across 17 wards. In enhancing climate finance, the County has done a Green Finance Assessment to determine the capacity of the County to access green finances, including green bonds. Furthermore, the County has carried out several stakeholder engagements.

c. Enhancing Socio-Economic Sustainability

The County carried out Geological Mineral mapping in Tulimani Ward to establish the available minerals within the ward and advice on their economic viability for building community economic resilience. In ensuring enhancement of capacity in Environmental and Natural Resource Management the County has;

- Trained 2 officers on Project Planning and Implementation
- Trained two officers on a Senior Management Course
- Capacity building of 2 Community Forest Associations for the management of Mbooni forests and Mwambwani and Kalumbi Community Forest
- Capacity building of communities and CSOs on governance, financial management, social accountability to enhance natural resource management
- Capacity building of farmer groups on tree nursery management and adoption of climate-smart agriculture

- Commemorated Environmental Days; International Day of Forests (IDF), 21st March 2025 at SEKU, World Meteorological Day on 23rd March in Makindu, and World Environment Day on 5th June 2025 at Wote KMTTC, where awareness was created to the community on sustainable management of environmental resources and strengthening of partners in the environment sector
- Reviewed Makueni County Climate Change Management Bill 2025 and developed Draft Makueni County Climate Change Regulations 2025
- Development of Makueni County Environment Action Plan 2025-2029
- Launched Makueni County Forest and Landscape Restoration Implementation Plan 2024-2033
- The Department has also purchased a Noise Meter that will be used in creating awareness and enforcing Noise Pollution control across the County.

c) Employee welfare

Makueni County recognizes that human resources are its most valuable asset and has put in place a range of regulations and policies to guide their management. These frameworks include the Constitution of Kenya, the County Governments Act, 2012, the Employment Act, 2017, and other relevant labour laws and regulations. At the institutional level, the County Public Service Board oversees recruitment and selection processes, ensuring that they are conducted in line with established policies that promote inclusivity, diversity, meritocracy, and gender parity. Furthermore, day-to-day Human Resource (HR) management practices are anchored on the Makueni County Human Resource Policies and Procedures Manual, which provides comprehensive guidelines for workforce planning, development, and administration.

Over the years, the County has made notable progress in strengthening its HR management. Significant achievements include the introduction of succession management frameworks across various cadres to ensure continuity in leadership and institutional knowledge transfer. The Performance Management System (PMS) has been institutionalized, with lessons learned from previous cycles being incorporated into subsequent reviews. This has fostered a culture of continuous improvement, accountability, and peer-to-peer learning across departments, thereby reinforcing the "One-Government Approach" in the implementation of county programs and projects.

The integration of HR records into the Human Resource Information System (HRIS–Kenya) and ensuring that all employees are paid exclusively through this system has greatly enhanced payroll transparency, accountability, and efficiency. This digital transformation has also strengthened workforce data management, enabling evidence-based decision-making in HR planning. Additionally, the County Government has developed and implemented a Workplace Safety and Health Policy, in compliance with the Occupational Safety and Health Act, 2007 (OSHA). This policy, which is embedded within the County Service Delivery Manual, addresses key workplace safety and health issues including adherence to occupational safety regulations, fire safety preparedness, and provision of insurance cover for employees. Formulation of career progression guidelines tailored for unique cadres within the County provide clarity on career paths, promote staff motivation, and ensure that opportunities for professional growth and advancement are transparent and merit-based.

To strengthen retention, the County has put in place clear career progression guidelines and succession management frameworks that provide employees with predictable pathways for professional growth. These efforts are complemented by continuous capacity-building programs, training, and mentorship

opportunities designed to improve technical and leadership skills while preparing staff for greater responsibilities.

d) Marketplace practices

In FY 2024/2025, the County Government prioritized responsible procurement and supply chain practices anchored on integrity, transparency, and sustainability. These practices ensured that supplier relationships were managed responsibly, ethical standards were upheld, and all operations were free from corruption, thereby safeguarding public resources and strengthening stakeholder confidence.

i. Responsible Supply chain and supplier relations

The County Government of Makueni demonstrated its commitment to good business practices by fostering transparent, ethical, and sustainable relationships with its suppliers and contractors. The County emphasized accountability, fairness, and professionalism in its procurement and payment processes by embracing Contractual Integrity where all supplier agreements were honoured, with strict adherence to timelines, quality standards, and obligations, Respect for Payment Terms by ensuring prompt settlement of supplier payments, minimizing delays and fostering trust, Transparent Communication geared towards address concerns swiftly and strengthen business relations as well as compliance to governing laws and regulations including the Public Procurement and Asset Disposal Act, 2015.

The County also advanced ethical sourcing and sustainability by requiring suppliers to comply with ethical labor practices, including fair wages, safe working conditions, and non-discrimination, embrace environmental stewardship, such as reducing waste and adopting eco-friendly practices and participate in joint sustainability initiatives aimed at minimizing the environmental footprint of County operations.

ii. Responsible ethical practices

To entrench accountability and strengthen integrity in public service, the County Government enhanced its ethical governance framework during the Financial Year 2024/25. A revised Code of Conduct was enforced across all departments, providing clear guidance on acceptable practices and standards of behavior expected of all public officers. To reinforce this, the County conducted continuous training and awareness sessions, equipping staff with the knowledge and skills needed to make ethical decisions and comply with established regulations. In addition, the whistleblowing mechanism remained active, offering a safe and confidential channel for staff and citizens to report misconduct without fear of victimization.

Maintaining a corruption-free environment was a central priority throughout the year. The County consistently enforced its Anti-Corruption Policy, strictly prohibiting bribery, kickbacks, and irregular payments in all transactions. To strengthen accountability, regular monitoring, audits, and compliance reviews were carried out, enabling the early detection and mitigation of corruption risks. Furthermore, the County upheld transparency in procurement by ensuring that all procurement processes remained competitive, open, and traceable. The use of digital platforms further enhanced fairness, reduced opportunities for manipulation, and improved public confidence in the County's procurement systems.

iii. Stewardship of goods and services

The County Government of Makueni remained steadfast in its responsibility to manage public goods and services with integrity and efficiency. Strong emphasis was placed on quality assurance, with rigorous checks instituted to ensure that all goods and services procured or delivered met the required

standards. At the same time, deliberate efforts were made to promote efficient resource utilization by streamlining processes, minimizing waste, and optimizing the use of public resources to maximize value for money. To further enhance service delivery, the County prioritized citizen feedback mechanisms, enabling timely resolution of complaints and aligning services more closely with community needs and expectations.

Beyond service provision, the County reaffirmed its commitment to protecting the rights and interests of citizens while promoting social responsibility. This was achieved through strict regulatory compliance, ensuring that procurement, consumer protection, and financial management processes adhered to both national and county laws. Recognizing the importance of information security, the County also strengthened data and privacy protection systems to safeguard both personal and institutional records.

Citizen engagement remained a cornerstone of governance, with the County conducting regular public participation forums to incorporate community priorities into planning and decision-making. In addition, the County invested in corporate social responsibility (CSR) initiatives, supporting social development programs in critical sectors such as education, health, and youth empowerment.

The County's marketplace practices in FY 2024/2025 emphasized integrity, fairness, and sustainability. Through responsible supply chain management, ethical practices, corruption-free operations, and stewardship of resources, the County strengthened public trust and ensured value for money. These principles continue to anchor its procurement processes, reinforcing accountability and contributing to long-term institutional credibility and community welfare

e) Community Engagements

During FY 2024/25, the County continued to enhance its public participation model with a deliberate focus on inclusivity, accountability, and data-driven decision making. Building on the lessons, challenges, and innovations from previous years, the new approach emphasized deeper citizen engagement, stronger alignment with planning instruments, and the use of technology to broaden participation. The model was anchored on the following principles:

5.1.1 Guiding Principles for the Enhanced Public Participation Model

a) **Equity and Social Justice-** Resource allocation and project identification were guided by equity, ensuring no ward or area was left behind. Special consideration was given to marginalized areas and vulnerable populations to reduce socio-economic disparities.

b) **High Impact and Sustainable Projects-** Communities were encouraged to prioritize transformational projects with wider community benefits, long-term socio-economic value, and multiplier effects instead of fragmented, small-scale interventions.

c) **Technical Support and Evidence Based Decision Making-** Sectoral officers and professionals provided technical backstopping at all stages of prioritization. Emphasis was placed on data, statistics, and feasibility studies to ensure well-conceptualized and sustainable project proposals.

d) **Alignment with County and National Priorities-** Public participation discussions were framed around government priority areas, including: expanding access to water, food security and climate-smart agriculture, healthcare access, youth empowerment, and environmental conservation.

e) **Digital Participation Platforms-** Leveraging online forums, mobile platforms, and community radio programs expanded reach, especially for youth, diaspora, and citizens unable to attend physical forums.

5.1.2 Challenges, Lessons, and Improvements from FY 2024/25

Community engagements in the reporting year highlighted emerging challenges and created new opportunities for strengthening devolved governance. The evolution of the model is summarized below:

S.No	Challenge / Lesson Learnt	New Paradigm / Improvement
1.	Weak follow-through on community priorities	Introduction of structured feedback loops (community scorecards, quarterly updates, participatory monitoring)
2.	Overlap between planning instruments (ADP, CFSP, Budget)	Streamlined alignment of CIDP III, ADP, CFSP and Budgets for coherence and policy fidelity.
3.	Limited uptake of evidence-based planning	Mainstreaming of statistics, GIS mapping, and departmental technical reviews in project prioritization.
4.	Continued demand for small projects	Reinforcement of the high-impact project model with emphasis on scalability and sustainability
5.	Weak citizen understanding of fiscal constraints	Enhanced civic education on resource ceilings, funding sources, and fiscal responsibility.

5.2 Community Engagement Results

5.2.1 Public Participation for County Planning and Budgeting

Public participation in FY 2024/25 demonstrated stronger coherence between community priorities, county development plans, and budgetary ceilings. The process was explicitly guided by CIDP III, ADP 2024/25, CFSP 2024, and MTEF frameworks, ensuring alignment between long-term vision and annual implementation.

Key priority outcomes from the engagements included:

- Water Security and Climate Resilience**-Scale-up of last-mile water connectivity, expansion of irrigation schemes, and catchment conservation for climate adaptation.
- Agriculture and Value Chains**- Support for agro-processing, input subsidy programs, and market linkages to improve farmer incomes and food security.
- Universal and Primary Healthcare**-Continued upgrading of rural health facilities, digital health systems, and expansion of preventive and promotive healthcare programs.
- Youth Empowerment**-Enhanced investment in skills development, enterprise incubation, and access to innovation hubs.
- Strengthening Revenue Mobilization**- Expansion of Appropriation-in-Aid (AiA) sources through automation, compliance enforcement, partnerships with SAGAs, and health insurance uptake.
- Environmental Sustainability**- Scaling afforestation, renewable energy promotion, and community-led conservation programs.

5.2.2 Forums and Engagement Platforms

In the FY 2024/25, the County Government convened and facilitated structured community forums and digital engagements, ensuring citizens had multiple opportunities to contribute. These included:

- Public Participation on ADP 2025/26
- Ward and Sub-County Budget Public Hearings for FY 2025/26
- Engagement on the County Fiscal Strategy Paper (CFSP 2025)

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- d. Public consultations on the 2025 County Finance Bill
- e. Participation on County legislative processes including drafting of Makueni energy policy
- f. Digital public participation forums through virtual meetings, SMS polls, and social media feedback sessions

During Fiscal year 2024/25 budget participation, the County engaged 40,536 people comprising of people with disability, faith-based organizations, youth, women, business community, private sector, professionals, civil society organizations, community-based organizations and elderly during physical and virtual engagements. The attendance disintegrated data is tabulated below;

S/No.	Level	Gender	Age			PWD	Total
			Below 35	35-60	Over 60		
1	Clusters	Male	2,272	6,210	1,944	197	10,426
		Female	2,135	5,486	2,191	267	9,812
		Total	4,407	11,696	4,135	464	20,238
2	Sub ward	Male	1,011	2,562	1,205	151	4,778
		Female	1,246	3,182	692	148	5,120
		Total	2,257	5,744	1,897	299	9,898
3	Ward	Male	975	2,249	812	145	4,036
		Female	1,090	2,520	578	77	4,188
		Total	2,065	4,769	1,390	222	8,224
4	Markets	Male	83	277	67	10	427
		Female	65	162	23	5	250
		Total	148	439	90	15	677
5	Municipalities	Male	56	88	26	7	170
		Female	38	65	7	4	110
		Total	94	153	33	11	280
6	Youth	Male	130	0	0	6	130
		Female	72	0	0	5	72
		Total	202	0	0	11	202
7	Diaspora	Male	18	24	30	2	70
		Female	12	35	0	0	57
		Total	30	59	30	2	127
8	County Validation Forum	Male	78	288	10	12	388
		Female	181	221	74	26	502
		Total	259	400	87	38	890
	Grand Total		9,462	23,260	7,662	1,062	40,536

Makueni County Executive Annual Report and Financial Statements for the year ended June 30, 2025.

Sample photos of public participation forums and engagements in the FY 2024/25 are presented below:



Figure 2: Public participation officer addressing Ivingoni/nzambani Participants during the 2024/25 Budget process



Figure 1: Public Participation notices for the FY 2024/25

**Makueni County Executive
Annual Report and Financial Statements for the year ended June 30, 2025.**



Figure 3: County project validation forum presided over by H.E the Governor at MIVEC grounds.

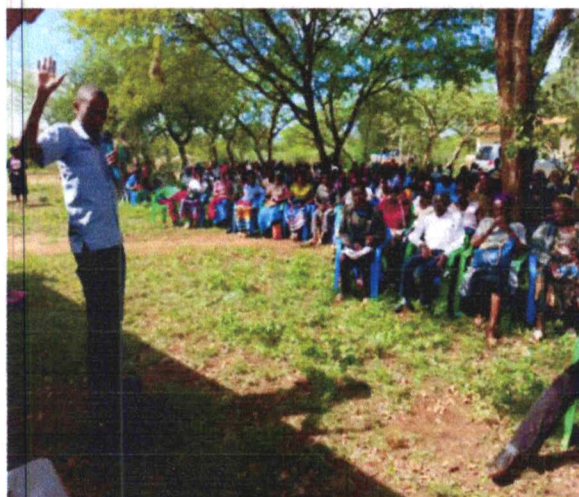


Figure 5: 2024/25 Participation forum at Nguu masumba ward



Figure 4: Makueni County Engages Citizens to Prioritize 2025-26 Projects

5.2.3 Public participation in the devolved service delivery implementation process

The County Government has strengthened citizen involvement in service delivery by establishing ward and sub ward development committee and continuously building the capacity of **Project Management Committees (PMCs)** and **Project Sustainability Committees (PSCs)**. These structures play a pivotal role in overseeing project implementation, safeguarding accountability, and ensuring sustainability after the County Government or development partners have completed their interventions.

This approach reflects the county's commitment to opening up governance, co-creating solutions with citizens, and empowering communities to exercise their sovereignty in shaping their socio-economic wellbeing. The growing collaboration between the public and the government is evident in the effective roles played by PMCs and PSCs, as guided by the principles of open governance outlined in the **Kenyan OGP Plan 2022–2024**.

The values underpinning the operations of these committees include:

- a) **Transparency in government contracting processes**, ensuring inclusivity and fairness for all, particularly women and youth, through active involvement of PMCs.
- b) **Revitalizing citizen participation** by encouraging communities to co-create government initiatives, with PMCs focusing on project implementation oversight.
- c) **Enhancing data use and development monitoring** to improve evidence-based decision-making.
- d) **Fostering a culture of resilience and sustainability** through open government practices.

5.2.4 Community Mobilization Strategy for public participation

To achieve broad-based citizen involvement in FY 2024/25, the County Government employed a range of mobilization strategies to reach residents across Makueni. These included:

- Notices and advertisements in national newspapers (e.g., Daily Nation).
- Announcements and talk shows on local radio stations such as Mbaitu FM and ENE FM.
- Leveraging existing County and National Government administrative structures.
- Public declarations by leaders during community gatherings.
- Partnerships with civil society and community-based organizations to reach grassroots populations.
- Digital and social media platforms, including WhatsApp groups, to mobilize and engage diverse audiences.

7. Management Discussion and Analysis

Operational Performance

a) Entity's key Programs/projects or investment decisions implemented or ongoing

The County Governments' operations are guided by various plans that outline the development approach for a specific period. These plans include the CIDP, ADP, County Fiscal Strategy Paper, County Budget Review and Outlook. In the FY 2024/25, The County seeks to sustain economic gains for inclusive development by increasing access to potable water, improve agricultural production, enhance access to universal health care, develop urban infrastructure, automate government services, procedures and innovation and mobilise resources through strategic partnerships.

The County's key programs for the year 2024/25 include;

- i. **Agriculture-** IDA (World Bank) Credit National Agricultural Value Chain Development Project (NAVCDP)
- ii. **Culture-** Construction of Mini stadium in Sultan Hamud
- iii. **Health-** Universal health care programme – Hospital, Feasibility and operationalization of model health centres, Infrastructure improvement for Makueni Referral Hospital
- iv. **Water-** Mulima earth dam - Desilting, Construction of a treatment and Water distribution and Supply phase 2, Kamunyolo earth dam - Construction of spillway, rehabilitation of the raising mains and solarisation Ndukuma Earth dam - Feasibility study for distribution water, draw off system (siphon system); Connect with existing pipeline kwa Phillip to kyemole; Conservation of water ways; rehabilitation of existing pipeline to the existing tanks and Pegging of the dam area
- v. **ICT-** Government Automation

b) Entity's compliance with statutory requirements

The County Government establishment and operations are guided by the Constitution of Kenya 2010, County Government Act 2012, Public Finance Management Act 2012, Public Finance Management Act Regulations 2015, Public Procurement and Asset Disposal Act, Urban Areas and Cities Act 2011, Intergovernmental Relations Act 2012, The Employment Act 2007, Public Audit Act, VAT Act, Income Tax Act etc.

Article 185 of the Constitution of Kenya 2010 provides that a County Assembly may receive and approve plans and policies for the management and exploitation of the County's resources and the development and management of its infrastructure and institutions. Makueni County has established County Specific Acts and policies to guide its operations

The County Government is compliant to all governing Acts, Rules, Bills, Policies and Regulations. This has seen the County achieve effectiveness and efficiency in its Mandate. The reports prepared under the county governing laws and regulations are discussed in the relevant offices under their jurisdictions like the Makueni County Executive Cabinet and relevant County Assembly Committees which do periodic reviews and recommendations as required by the law.

c) Major risks facing the County.

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The County Government of Makueni in its day-to-day operations faces various risks including

- i. Strategic risk- Risk associated with achieving the strategic objectives of the operating departments, agencies and the County Government as a whole
- ii. Financial Risk- Associated with the financial health and sustainability of the departmental and county government programmes
- iii. Compliance risk- Associated with officers of the County government complying with all statutory and regulatory requirements governing their work
- iv. Operational Risk- associated with the non-achievement of short, medium and long-term county government goals
- v. Leadership- Associated with the County officials acting in the best interest of the county at all times
- vi. Hazards- they are risks associated with the safety and health of the working environment

d) Material arrears in statutory and other financial obligations.

The County Government of Makueni has been deliberate in ensuring compliance to statutory obligations. These include payment of PAYE, NHIF, NSSF, contributions to Pension Schemes, payroll deductions and all other emerging obligations. The County through the payroll management unit ensures that all staff obligations are timely included in their monthly deductions. Local arrangements have been done with the local banks to ensure that staff salary and the other short-term obligations are done in time even in the event where the exchequer has delayed.

The County Government has been working on meeting its financial obligations. As at June 30, 2025, the accounts payable carried forward from FY 2023/24 of Kshs. 686,830,832 were reduced to Ksh. 71,080,224 including a balance of Kshs 39,417,551 owed to LAPFUND which is to be paid for 3-year period. The revenue challenge and delays in exchequers leads to delayed settlement of financial obligations.

e) Review of the economy and sector

The County since inception has endeavoured to achieve its goals. Commendably the National Treasury has disbursed all the funds due to the County every year despite the delays. The first quarter of each Financial Year however is characterised by low disbursement of funds in comparison with the provided annual budget allocation. The delay in the funds releases could adversely affect the implementation of the intended projects. Second quarters are characterised by a flux in commitments and procurement while third quarters are associated with the project implementations. Most of the projects are therefore completed and paid for in the fourth quarter. A balance of the activities throughout the year will result to better service delivery.

The County has since inception been preparing its financial statements on cash basis of accounting which was limited in presentation of various aspects and not giving the true picture of its affairs.

f) Future developments

The County in the FY 2024/25 has adopted the transitional accrual basis financial statements preparation which in three years will be in full adoption. This bridges the gap that existed from the use of Cash basis of accounting like the accountability of pending bills and asset management.

Makueni County Executive

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

8. Statement of Management Responsibilities

Section 164 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of a County Government Entity to prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The County Executive Committee (CEC) member for Finance and Economic planning of the County Government is responsible for the preparation and presentation of the County Executive's financial statements, which give a true and fair view of the state of affairs of the County Executive 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 county Executive/assembly; (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 Executive; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

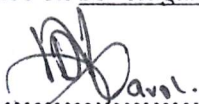
The CEC member for Finance, Planning, Budget and Revenue accepts responsibility for the County Executive's financial statements, which are Transitional Financial Statements, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for finance is of the opinion that the County Executive's financial statements give a true and fair view of the state of the County Executive's transactions during the Financial Year ended June 30, 2025, and of its financial position as at that date.

The CEC member for Finance, Planning, Budget and Revenue further confirms the completeness of the accounting records maintained for the County Executive 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 CEC member for Finance, Planning, Budget and Revenue confirms that the County Executive has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Executive's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Further the CEC member for Finance, Planning, Budget and Revenue confirms that the County Executive'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 Makueni County Executive Annual Financial Statements were approved and signed by the CECM for Finance on 28th August 2025.



.....
CPA Damaris Mumo Kavoi,

CECM - Finance, Planning, Budget & Revenue and Head of County Treasury

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF MAKUENI 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 transitional International Public Sector Accounting Standards (IPSAS) financial statements of County Executive of Makueni set out on pages 1 to 49, 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, the transitional International Public Sector Accounting Standards (IPSAS) financial statements present fairly, in all material respects, the financial position of County Executive of Makueni as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the County Governments Act, 2012, the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Opinion

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

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis of Kshs.10,742,471,512 and Kshs.8,872,507,510 respectively resulting to underfunding of Kshs.1,869,964,002 or approximately 17% of the budget.

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

2. Trade and Other Payables

The statement of financial position and as disclosed in Note 32 to the financial statements reflect trade and other payables balance of Kshs.773,724,216 which include Kshs.265,420,905, Kshs.374,948,836 and Kshs.133,354,475 in respect to trade payables, employee payables and deposits and retentions respectively. Review of the supporting documents and ageing analysis revealed that trade and other payables totalling Kshs.138,604,174 have been outstanding for a period of more than one year.

Management did not provide measures put in place to settle the payables.

Failure to settle bills during the year to which they relate distorts the financial statements and adversely affects the budgetary provisions for the subsequent year as they form the first charge.

My opinion is not modified in respect of these matters.

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 pages iii to xciii which comprise of Key Entity Information and Management, Governance Statement, Foreward by CECM Finance and Economic Planning, Statement of Performance Against Predetermined Objectives, Environmental and Sustainability Reporting, Management Discussion and Analysis and 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 Executive'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. Regularities in Human Resource Management Practices

1.1 Non-Compliance with Fiscal Responsibility on Wage Bill

As previously reported, the statement of financial performance and as disclosed in Note 9 to the financial statements reflect employees' costs totalling Kshs.4,426,652,436 which represents approximately 51% of the total revenue of Kshs.8,674,598,107. This is

contrary to the provisions of Regulation 25(1) (a) and (b) of the Public Finance Management (County Governments) Regulations, 2015 and Section 107(2) (c) of the Public Finance Management Act, 2012 which require that the County Government's expenditure on wages and benefits for its public officers shall not exceed 35% of the County Government's total revenue. Although Management indicated that the increase in wage bill was as a result of various policies and legal requirements such as mandatory wage increase as per the Salaries and Remuneration Commission (SRC) circulars and implementation of the Health Workers' Collective Bargaining Agreement (CBA), no measures have been put in place to address the matter.

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

1.2 Non-Compliance with Law on Ethnic Diversity

As previously reported, review of master roll and other staff records revealed that the County had three thousand eight hundred and sixty-three (3,863) employees out of which three thousand five hundred and eighty-five (3,585) or approximately 93% of the total workforce are from the dominant ethnic community in the County. In addition, one hundred and six (106) employees were recruited during the year under review out of which ninety-four (94) or approximately 89% of the newly recruited staff are from the dominant ethnic community in the County. This is contrary to Section 65(1)(e) of the County Governments Act, 2012 which requires that at least thirty percent of the vacant posts at entry level are filled by candidates who are not from the dominant ethnic community in the County and Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that, "all public offices shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public Institution shall have more than one-third of its staff establishment from the same ethnic community". Although Management indicated that they made deliberate effort to have a wider circulation of the advertisements for the posts and encouraged other community members to apply, the outcome was not positive.

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

1.3 Failure to Meet Recruitment Threshold on Persons Living with Disabilities

As previously reported, during the financial year under review, the County Executive recruited a total of one hundred and six (106) employees, out of which three (3) persons living with disability were hired which translates to approximately 3% of the recruited staff. No explanation was provided for failure to meet the threshold of 5% as stipulated in Section B.23 (2) of the Human Resource Policies and Procedural Manual on Rights and Privileges of Persons Living with Disabilities.

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

2.0 Failure to Operationalize Projects

2.1 Kathambalani Drift and Sump

The County Executive through the Department of Agriculture, Livestock, Fisheries and Cooperative Development entered into a contract for the construction of Kathambalani Irrigation Project on 30 May, 2024 at a contract sum of Kshs.6,390,017.

The project was inspected on 4 September, 2024 and full payment was made on 27 January, 2025. However, physical verification conducted in May, 2025 revealed that the Project had not been fully operationalized, despite the County having paid the entire contract sum of Kshs.6,390,017.

2.2 Makueni Child Protection and Development Center

The County Executive through the Department of Gender, Children, Youth, Sports and Social services entered into a contract for the construction of a Manager's house at Makueni Child Protection and Development Center (MCCPDC) (Phase V) on 17 April, 2024 at a contract sum of Kshs.2,913,165 and was completed on 10 February, 2025.

Further, the Department awarded a contract on 14 March, 2025 for the installation of Solar System for the operationalization of the Center at a contract sum of Kshs.2,782,010. The project was completed on 7 April, 2025. Project verification conducted in June, 2025 revealed that the two (2) projects were complete. However, despite having in place a committee composed of members from the State Department for Social Protection and the County Government of Makueni to fast-track operationalization process, the center had not been operationalized.

In the circumstances, value for money obtained from the projects completed and not operational could not be confirmed.

3.0 Delayed Completion of Project: Mulima Earth Dam Project

The County Executive entered into a contract for the construction of Mulima Water project phase II on 9 January, 2025 for a period of five (5) months with expected completion date of 30 June, 2025 at a contract sum of Kshs.34,470,879. Review of minutes of site visit in May, 2025 revealed that the project was ongoing and the pump house was approximately 60% complete while the stilling well and the chemical dosing channel was at approximately 70% level of completion.

Further, review of the project file revealed that there was a land dispute in the area where the dam was constructed. In addition, the County Executive did not obtain Kenya Forest Service permits for the use of forest land prior to implementation of the project.

In the circumstances, value for money obtained from the incomplete project could not be confirmed.

4.0 Project Implementation Status

The County Executive planned to implement seven hundred and sixty-one (761) projects with a budgeted expenditure totalling Kshs.3,438,686,936 for the year ended 30 June, 2025. Review of the County's Annual Progress Report revealed that six hundred and thirty-four (634) projects worth Kshs.2,490,343,104 were complete, one hundred and two (102) projects with a budgeted cost of Kshs.865,777,653 were ongoing, twenty-four (24) projects budgeted at Kshs.82,066,179 had not started, while one (1) project

costing of 500,000 had stalled. Management did not provide measures put in place to complete the projects as detailed in **Appendix I**.

In the circumstances, value for money totalling Kshs.948,343,832 incurred on the incomplete projects could not be confirmed.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Under Staffing of Internal Audit Unit

As previously reported, the approved County staff establishment provides for the Internal Audit Department headed by a Director. The Directorate has two (2) divisions including Internal Audit and Internal Control, Policies and Systems Divisions each headed by a Deputy Director. However, review of the staff establishment revealed that the directorate had an approved staff establishment of twenty-eight (28) employees whereas the actual number in position is six (6), resulting to under staffing by twenty-two (22) officers. Further, some of the staff are still pursuing their accountancy certification to attain the qualifications for the scheme of service for accountants.

In the circumstances, the effectiveness of internal controls in the Internal Audit Department could not be confirmed.

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 County Executive'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 County Executive'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, OBS
AUDITOR-GENERAL

Nairobi

18 December, 2025

Appendix I: Projects Implementation Status

S/N	Department	Project Name	Budget (Kshs.)	Status
Ongoing Projects				
1	Transport	REREC matching grant - connection of electricity to Mutanda CTTI, Kathulumbi CTTI, Mutembuku CTTI, Kathongo Dispensary and Syotuvali Dispensary.	1,000,000	Ongoing
2	Transport	Rehabilitation of market solar lights- Nthunguni, Kathekani, Darajani, Kiteng'ei and Mwakila Markets.	1,065,000	Ongoing
3	Transport	Market lighting – Mutini, Musalala and Kwa Mwove markets.	1,500,000	Ongoing
4	Transport	Fuel for Routine maintenance of Kitise Ward access roads.	1,000,000	Ongoing
5	Transport	County Machinery- Routine maintenance of Ivingoni /nzambani ward access roads -Opening of feeder roads, light grading, mitre drains-	1,600,000	Ongoing
6	Transport	REREC matching grant (AIC Mbeetwani and surrounding villages).	2,000,000	Ongoing
7	Transport	Routine maintenance of Kikumbulyu South ward access roads.	3,000,000	Ongoing
8	Transport	Installation of three phase electrification and a transformer (to be placed Kwa Kimuyu Church) for Ziwani, Kiurani, Yiani and Katheka Kai Villages, enroute, Skygo Petrol station, Kwa Mavuti, Kwa Simon Muthiani Junction to Kwa Kimuyu church.	3,000,000	Ongoing
9	Transport	Electrification across 10 villages in Upper luani cluster	3,000,000	Ongoing
10	Transport	REREC Matching Grant-Mitamboni Village in Mukaange Sub Ward and Miangeni/ Maluini Villages in Kyumani Sub Ward and Ngangani Village.	4,000,000	Ongoing
11	Transport	Rural Electrification Programme - REREC Matching Grant	30,000,000	Ongoing
12	Transport	Instalation of Street lighting in mikomani, Kilumilo and Kwa Kinyuti,	3,000,000	Ongoing

S/N	Department	Project Name	Budget (Kshs.)	Status
		Nzoila, Ngiluni, Iviani and Yindundu markets.		
13	Transport	Grading and Murraming of road across Kilala/luani – Fuel	1,500,000	Ongoing
14	Transport	Roads improvement programme (Fuel)	500,000	Ongoing
15	Transport	Construction of Mbulutini Ndauni Drift	4,900,000	Ongoing
16	Transport	Mbulutini drift- Construction of a Drift	7,650,000	Ongoing
17	Agriculture, Irrigation, Livestock, Fisheries & Cooperative Development	Provision of Gala goats	1,000,000	Ongoing
18	Agriculture, Irrigation, Livestock, Fisheries & Cooperative development	Extension Service delivery - Support establishment of One Model Youth Community Led Extension Service Delivery (Malooi Youth Demonstration Farm and Kanoto Farmers society - Tulimani)	3,099,004	Ongoing
19	Agriculture, Irrigation, Livestock, Fisheries & Cooperative Development	Livestock Value Chain Support Project	21,485,520	Ongoing
20	Agriculture, Irrigation, Livestock, Fisheries & Cooperative Development	Operationalization of dairy unit (thorough purchase of 6 heifers dairy cattle feed) livestock disease control which is being established by AgriFI	375,550	Ongoing
21	Agriculture, Irrigation, Livestock, Fisheries & Cooperative Development	Avocado Development Programme	141,408	Ongoing
22	Agriculture, Irrigation, Livestock, Fisheries & Cooperative Development	Establishment of Mukaa Ward tree nurseries	60,000	Ongoing
23	Agriculture, Irrigation, Livestock, Fisheries	Fruit development- Avocado and Mango Value Chains	2,400,000	Ongoing

S/N	Department	Project Name	Budget (Kshs.)	Status
	& Cooperative Development			
24	ICT, Education and Intership	Muthethe ECDE – Construction of two (2) classrooms with an office, 3-door pit latrine with urinal, electrical works, shelving to the stores, 2 lockable metallic cabinets, 2 wooden desks, 2 wooden arm chairs, water harvesting goods (10,000 Ltrs water tank and base), 40 kiddy chairs and 20 kiddy tables, play equipment 4-piece set (double swing, slide, climbing frame, and double see-saw) display soft board and branding, publicity and signwriting.	3,500,000	Ongoing
25	ICT, Education and Intership	Construction of 1 ECDE class at Katangini	1,000,000	Ongoing
26	ICT, Education and Intership	Kivai ECDE Centre - Construction of ECDE classroom	2,300,000	Ongoing
27	ICT, Education and Intership	Kai ECDE-1 No. ECDE Classroom with an office; Electrical Works; Shelving to the stores; 1 No. Wooden Desk; 1No.Wooden Arm Chair; 20 No. Kiddy chairs and 10. No. Kiddy tables; Play equipment 2-piece set (double swing, slide, climbing frame and double see-saw); Displays of Pin board, White Board & Mark Pens and Branding, Publicity and Signwriting.	2,400,000	Ongoing
28	ICT, Education and Intership	Construction of ECDE class at Kalamba Primary School.	1,200,000	Ongoing
29	ICT, Education and Intership	Yatwa ECDE - Construction of 2 No. ECDE Classrooms with an office, 3-Door Pit Latrine with Urinal, Electrical Works, Shelving to the stores, 2 No. Lockable Metallic Cabinets, 2 No. Wooden Desks, 2 No. Wooden Arm Chairs, Water harvesting goods (10,000Ltrs Water Tank and base), 40 No. Kiddy chairs and 20. No. Kiddy tables, play	4,400,000	Ongoing

S/N	Department	Project Name	Budget (Kshs.)	Status
		equipment 4-piece set (double swing, slide, climbing frame and double see-saw), Display soft board and Branding, Publicity and Signwriting.		
30	ICT, Education and Intership	Methovini Ecde - Construction of 2 No. ECDE Classrooms with an office, 3-Door Pit Latrine with Urinal, Electrical Works, Shelving to the stores, 2 No. Lockable Metallic Cabinets, 2 No. Wooden Desks, 2 No. Wooden Arm Chairs, Water Harvesting Goods (10,000Ltrs Water Tank and base), 40 No. Kiddy chairs and 20. No. Kiddy tables, Play Equipment 4-piece set (double swing, slide, climbing frame and double see-saw), Display soft board and Branding, Publicity and Signwriting.	4,300,000	Ongoing
31	ICT, Education and Intership	Kaiani ECDE Centre - 2 No. ECDE Classrooms with an office; Electrical Works; Shelving to the stores; 2 No. Wooden Desks; 2 No. Wooden Arm Chairs; Water harvesting goods (10,000Ltrs Water Tank and base); 40 No. Kiddy chairs and 20. No. Kiddy tables; Play equipment 4 piece set (double swing, slide, climbing frame and double see-saw); Display Soft Pin Board, White Board & Mark Pens and Branding, Publicity and Signwriting.	3,500,000	Ongoing
32	ICT, Education and Intership	Mutanda CTTI - Construction of a twin workshop	3,000,000	Ongoing
33	ICT, Education and Intership	Matiliku ECDE (One classroom with electrical contuity and lockable cabinet)	2,400,000	Ongoing
34	ICT, Education and Intership	Maumi ECDE (One classroom with electrical contuity and lockable cabinet)	2,400,000	Ongoing

S/N	Department	Project Name	Budget (Kshs.)	Status
35	ICT, Education and Intership	Katangini ECDE Construction of a Classroom (One classroom and electrical contuity)	1,470,000	Ongoing
36	ICT, Education and Intership	Ndeini CTTI Electricity connection	64,301	Ongoing
37	ICT, Education and Intership	Kwa Matungu CTTI	712,400	Ongoing
38	ICT, Education and Intership	Construction of Kitaingo CTTI workshops and power connection	1,129,280	Ongoing
39	Gender, Children, Youth, Sports & Social Services	Support to Bodaboda (Purchase of motorbikes for Bodaboda)	2,500,000	Ongoing
40	Gender, Children, Youth, Sports & Social Services	Sports and Youth Development - Ujuzi Teketeke	300,000	Ongoing
41	Gender, Children, Youth, Sports & Social Services	Sports and Youth Development Programme -Youth, Talent and Infrastructure development for athletics, ballgames, indoor games, establishment of sport fund and development of sports development proposals.	300,000	Ongoing
42	Gender, Children, Youth, Sports & Social Services	Support to Youth Groups (Ujuzi Teketeke)	850,000	Ongoing
43	Gender, Children, Youth, Sports & Social Services	Ujuzi Tekete	800,000	Ongoing
44	Gender, Children, Youth, Sports & Social Services	Boda-boda Shades	500,000	Ongoing
45	Gender, Children, Youth, Sports & Social Services	Sports Development (Levelling of field at Musalala area and improvement of Akatch Stadium)	984,850	Ongoing
46	Gender, Children, Youth, Sports & Social Services	PWD support-Assistive Devices - Support PWDs with assorted assistive devices	500,000	Ongoing
47	Gender, Children, Youth, Sports & Social Services	PWD support-Assistive Devices - Support PWDs with assorted assistive devices	500,000	Ongoing
48	Gender, Children, Youth, Sports & Social Services	Support to elderly	500,000	Ongoing

S/N	Department	Project Name	Budget (Kshs.)	Status
49	Gender, Children, Youth, Sports & Social Services	PWD support-Assistive Devices - Support PWDs with assorted assistive devices	500,000	Ongoing
50	Gender, Children, Youth, Sports & Social Services	PWD support-Assistive Devices - Support PWDs with assorted assistive devices	500,000	Ongoing
51	Gender, Children, Youth, Sports & Social Services	PWD support-Assistive Devices - Support PWDs with assorted assistive devices	500,000	Ongoing
52	Gender, Children, Youth, Sports & Social Services	Youth empowerment (Training and licensing of Boda Boda Riders and car driving)	1,400,000	Ongoing
53	Gender, Children, Youth, Sports & Social Services	Youth Empowerment- Ujuzi Teke Teke	800,000	Ongoing
54	Gender, Children, Youth, Sports & Social Services	Youth Empowerment	1,000,000	Ongoing
55	Gender, Children, Youth, Sports & Social Services	Support to Women Groups	500,000	Ongoing
56	Gender, Children, Youth, Sports & Social Services	Birth and Death Certificate Registration	267,983	Ongoing
57	Gender, Children, Youth, Sports & Social Services	Sports Development Programmes	350,000	Ongoing
58	Lands, Urban planning, Environment & Climate Change	Mulata Dispensary (purchase of land)	75,000	Ongoing
59	Lands, Urban planning, Environment & Climate Change	Ndumoni dispensary (purchase of land)	200,000	Ongoing
60	Lands, Urban planning, Environment & Climate Change	Survey of Ward Road Network and Ward Public Utilities	500,000	Ongoing
61	Lands, Urban planning, Environment & Climate Change	Land Succession Program, Survey and Titling	1,500,000	Ongoing

S/N	Department	Project Name	Budget (Kshs.)	Status
62	Lands, Urban planning, Environment & Climate Change	Desilting of Londokwe earthdam under Climate Change (Fuel) - Climate Change Fund	2,000,000	Ongoing
63	Lands, Urban planning, Environment & Climate Change	Security of land tenure - Provision of title deeds for Ngai Ndethya Settlement Scheme.	574,480	Ongoing
64	Lands, Urban planning, Environment & Climate Change	IDA (World Bank) Credit: Kenya Urban Support Project (KUSP) - Urban Institutional Grant (UIG)	35,000,000	Ongoing
65	Lands, Urban planning, Environment & Climate Change	IDA (World Bank) Credit Financing Locally-Led Climate Action (FLLoCA) Program, (CCRI) Matching Grant	86,823,400	Ongoing
66	Lands, Urban planning, Environment & Climate Change	IDA (world Bank) Credit Financing Locally-led Climate Action (FLLoCA) Program, County Climate Resilience Investment (CCRI) Grant and Matching Grant.	285,492,870	Ongoing
67	Lands, Urban planning, Environment & Climate Change	CCRI FLLoCA Matching Grant	35,971,960	Ongoing
68	Wote Municipality	Development and enforcement of Municipal Plans and Development control - Kilala and Kalamba markets	3,000,000	Ongoing
69	Emali- Sultan Municipality	Rehabilitation of Sultan Hamud Decentralized Treatment Facility (DTF)	3,000,000	Ongoing
70	Health services	Completion & equipping of Mbooni Isolation Ward	474,000	Ongoing
71	Health services	Kathulumbi - Equipping	2,000,000	Ongoing
72	Health services	Mwanyani Model Health Centre - Construction of new staff quarters.	3,000,000	Ongoing
73	Health services	Kalawa Sub County Hospital - Solarization	4,000,000	Ongoing
74	Health services	Infrastructure improvement for Makueni Referral Hospital - Mortuary, Gate and Medical Equipment	21,467,879	Ongoing
75	Health services	Conditional Grant - for COVID 19 Emergency Response	27,257,613	Ongoing

S/N	Department	Project Name	Budget (Kshs.)	Status
76	Health services	Completion & equipping of Mbooni Isolation Ward	30,000,000	Ongoing
77	Health services	Basic Salary Arrears for County Government Health Workers.	30,568,273	Ongoing
78	Trade, Marketing, Industry, Culture & Tourism	Special Economic Zone (prefeasibility study-EIA, master plan) at Kwa Kathoka	2,000,000	Ongoing
79	Trade, Marketing, Industry, Culture & Tourism	ESP Markets	1,000,000	Ongoing
80	County Attorney	Sensitization and Support to Land Succession - Legal Statutory Charges and Fees, Gazettement, Filing, Sensitization, Collection of Data and Document Perfection.	1,000,000	Ongoing
81	County Attorney	Establishment of Sub-Ward Land Clinics and Support to Land Succession.	1,000,000	Ongoing
82	County Attorney	Sensitization and support to land succession - Legal statutory charges and fees, gazettelement, filing, sensitization, collection of data and document perfection.	700,000	Ongoing
83	County Attorney	Sensitization and support to land succession Legal statutory charges and fees, gazettelement, filing, sensitization, collection of data and document perfection.	1,000,000	Ongoing
84	County Attorney	Sensitization and support to land succession -filing, sensitization, collection of data and document perfection.	1,000,000	Ongoing
85	County Attorney	Sensitization and support to land succession -Legal statutory charges and fees, gazettelement, filing, sensitization, collection of data and document perfection.	500,000	Ongoing
86	Water and sanitation	Maiani Borehole	3,295,200	Ongoing
87	Water and sanitation	Kithokoosyo water project	5,566,035	Ongoing
88	Water and sanitation	Mulima water project	40,000,000	Ongoing

S/N	Department	Project Name	Budget (Kshs.)	Status
89	Water and sanitation	Katukulu earthdam	2,500,000	Ongoing
90	Water and sanitation	Katukulu earthdam	1,500,000	Ongoing
91	Water and sanitation	Mbuthani water project	1,000,000	Ongoing
92	Water and sanitation	Mbuthani water project	500,000	Ongoing
93	Water and sanitation	Kwa Ngoka borehole	2,817,940	Ongoing
94	Water and sanitation	Yekanga Borehole	1,928,140	Ongoing
95	Water and sanitation	Kasalama borehole	6,700,000	Ongoing
96	Water and sanitation	Athi-Tunguni water project	9,506,000	Ongoing
97	Water and sanitation	Athi-Tunguni water project	4,900,000	Ongoing
98	Water and sanitation	Athi-Tunguni water project	4,900,000	Ongoing
99	Water and sanitation	Athi-Tunguni water project	8,820,000	Ongoing
100	Water and sanitation	Athi-Tunguni water project	5,733,568	Ongoing
101	Water and sanitation	Athi-Tunguni water project	2,900,000	Ongoing
102	Devolution	KDSP-II Grant	37,500,000	Ongoing
	Total		865,777,653	
Projects Not Started				
1	Agriculture, Irrigation, Livestock, Fisheries & Cooperative development	Kenya Agricultural Business Development Project (KABDP)	10,918,919	Not started
2	Agriculture, Irrigation, Livestock, Fisheries & Cooperative Development	AI Development	329,685	Not started
3	Gender, Children, Youth, Sports & Social Services	Purchase of Blankets - Heavy Duty	115,608	Not started

S/N	Department	Project Name	Budget (Kshs.)	Status
4	Lands, Urban planning, Environment & Climate Change	Planting of trees - Climate change fund	700,000	Not started
5	Lands, Urban planning, Environment & Climate Change	Conditional Allocation; 20% Share of Mineral Royalties	99,857	Not started
6	Wote Municipality	IDA (World Bank) credit: Kenya Urban Support Project (KUSP) - Urban Development Grant (UDG)	20,085,060	Not started
7	Emali- Sultan Municipality	IDA (World Bank Credit: Kenya Urban Support Project (KUSP)- Urban Development Grant (UDG)	20,083,771	Not started
8	Emali- Sultan Municipality	Rehabilitation of Emali Recreation Park	300,000	Not started
9	Health services	Solarisation of Kee Model Health Centre (Back-up)	400,000.00	Not started
10	Health services	Upgrading of Kasemeini and Kyanginywa Dispensaries - Incinerators	500,000.00	Not started
11	Health services	Kambi Mawe Dispensary	979,389	Not started
12	Health services	Kikumini Model Health Center	4,585,142	Not started
13	Trade, Maketing, Industry, Culture & Toursim	Kinze Market toilet	500,000	Not started
14	Water and Sanitation	Kwa Mateng'e	4,000,000	Not started
15	Water and Sanitation	Kaiti 1	4,000,000	Not started
16	Water and Sanitation	Mbiuni Borehole	500,000	Not started
17	Water and Sanitation	Nzaini Borehole	500,000	Not started
18	Water and Sanitation	Kikuu-Kiangini water project	3,700,000	Not started
19	Water and Sanitation	Kwa Mbuli borehole	500,000	Not started
20	Water and Sanitation	Kiambani borehole	5,115,704	Not started

S/N	Department	Project Name		Budget (Kshs.)	Status
21	Water and Sanitation	Kilala Health Centre and Kyambiwa Water Project		80,000	Not started
22	Water and Sanitation	Kyamyatu Earth dam		2,954,636	Not started
23	Water and Sanitation	Kawenini Earthdam		432,958	Not started
24	Water and Sanitation	Water Improvement Project		685,450	Not started
	Total			82,066,179	
Stalled Projects					
1	Lands, Urban planning, Environment & Climate Change	Survey and planning Koya/Maanda market		500,000	Stalled
	Total			500,000	

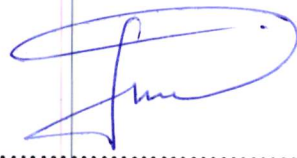
Makueni County Executive
Annual Report and Financial Statements for the year ended June 30, 2025.

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

	Notes	FY 2024/25 Kshs
Revenue from non-exchange transactions		
Transfers from CRF	6	8,674,598,107
Miscellaneous Revenue	7	-
Total		-
Revenue from exchange transactions		
Other income	8	
Total revenue		8,674,598,107
Expenses		
Employee costs	9	4,426,652,436
Use of goods and services	10	2,824,050,504
Transfers to other Government Entities	11	836,517,562
Depreciation and amortization expense	12	22,300,218
Other Grants and Subsidies	13	180,339,403
Finance costs	14	-
Social Benefits	15	6,590,683
Total expenses		8,296,450,806
Gain/(loss) on sale of assets	16	-
Gain/Loss on Foreign Exchange	17	-
Gain/Loss on fair value of investments	18	-
Impairment loss	19	-
Surplus/Deficit for the year		378,147,301
Taxation	20	-
Net Surplus/Deficit		378,147,301

The Financial Statements set out on pages 1 to 40 were signed by:


 Name: CPA John Nguni
 Chief Officer – Financial Services
 ICPAK Member No. 3440
 Date: 28th August, 2025


 Name: CPA Sylvia Mbevi
 Ag. Director Accounting Services
 ICPAK Member No. 16462
 Date: 28th August, 2025



Makueni County Executive
Annual Report and Financial Statements for the year ended June 30, 2025.

11. Statement of Financial Position as at 30 June 2025

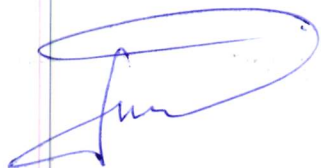
	Notes	FY 2024/25	Opening Statement 1 st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	21	158,557,418	177,146,957
Receivables from Exchange Transactions	22	-	-
Receivables from Non-Exchange Transactions	23	-	-
Prepaid Expenses	23(a)	117,215,556	95,424,904
Inventory	24	-	-
Current portion of investments	25	-	-
Total Current Assets		275,772,974	272,571,861
Non-Current Assets			
Receivables from Exchange Transactions	22(b)	-	-
Non- Current portion of investments	25	-	-
Property, Plant and Equipment	26	393,030,830	47,620,788
Intangible Assets	27	-	-
Investment Property	28	-	-
Right-of-use assets	29	-	-
Biological Assets	30	-	-
Tangible Natural Resources	31	-	-
Total Non- Current Assets		393,030,830	47,620,788
Total Assets (A)		668,803,804	320,192,650
Liabilities			
Current Liabilities			
Trade and Other Payables	32	773,724,216	803,222,821
Refundable Deposits and Prepayments	33	-	-
Current Provision	34	-	-
Lease Liabilities	35	-	-
Deferred Income	36	-	-
Employee Benefit Obligation	37	-	-
Current Portion of Borrowings	38	-	-
Total Current Liabilities		773,724,216	803,222,821
Non-Current Liabilities			
Non-Current Provisions	34	-	-
Lease Liabilities	35	-	-
Deferred Income	36	-	-
Non-Current Employee Benefit Obligation	37	-	-
Borrowings – Non-Current Portion	38	-	-
Service Concession Liability	39	-	-
Total Non- Current Liabilities		-	-
Total Liabilities (B)		773,724,216	803,222,821

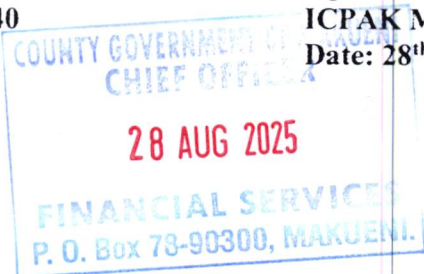
Makueni County Executive**Annual Report and Financial Statements for the year ended June 30, 2025.**

	Notes	FY 2024/25	Opening Statement 1 st July 2024
		Kshs	Kshs
Net Assets(A-B)		(104,920,412)	(483,030,172)
Represented By:			
Reserves		-	-
Accumulated Surplus		(104,920,412)	(483,030,172)
Capital Fund		-	-
Net Assets		(104,920,412)	(483,030,172)

The financial statements set out on pages 1 to 40 were signed by:


.....
Name: CPA John Nguni
Chief Officer – Financial Services
ICPAK Member No. 3440
Date: 28th August, 2025


.....
Name: CPA Sylvia Mbevi
Ag. Director Accounting Services
ICPAK Member No. 16462
Date: 28th August, 2025



Makueni County Executive**Annual Report and Financial Statements for the year ended June 30, 2025.****12. Statement of Changes in Net Assets for the year ended 30 June 2025**

	Accumulated Surplus	Reserves	Capital Fund	Total
As at 30th June 2024 (cash basis)	197,909,403	-	-	197,909,403
Adjustments:				-
Recognition of assets	5,891,257	-	-	5,891,257
Recognition of liabilities	(686,830,832)	-	-	(686,830,832)
As at 1st July, 2024	(483,030,172)	-	-	(483,030,172)
Surplus/ deficit for the period	378,147,301		-	378,147,301
Returns to CRF	(25,494)	-	-	(25,494)
Prior Year Adjustment	(12,047)	-	-	(12,047)
As at 30th June 2025	(104,920,412)	-	-	(104,920,412)

Prior year adjustments relate to:

- a) Correction of FY 2023/24 assets payable balances overstatement of Kshs. 12,047.

Makueni County Executive

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

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

		<i>FY 2024/25</i>
	Notes	Kshs
Cash flows from operating activities		
Receipts		
Transfers from CRF		8,674,598,107
Miscellaneous Revenue		-
Other income		-
Total receipts		8,674,598,107
Payments		
Employee costs		4,439,299,679
Use of goods and services		2,985,005,758
Transfers to other Government Entities		721,118,232
Other Grants and Subsidies		180,339,403
Finance costs		-
Social Benefits		-
Total payments		8,325,763,071
Net cash flows from/(used in) operating activities	40	348,835,036
Cash flows from investing activities		
Purchase of PPE		(367,399,081)
Purchase Intangible assets		-
Proceeds from sale of PPE		-
Proceeds from sale of Biological Assets		-
Net cash flows from/(used in) investing activities		(367,399,081)
Cash flows from financing activities		
Returns to CRF		(25,494)
Proceeds from borrowings		-
Repayment of borrowings		-
Net cash flows from financing Activities		(25,494)
Net decrease in cash & Cash equivalents		(18,589,539)
Cash and cash equivalents at 1 July 2024 (restated)	21	177,146,957
Cash and cash equivalents at 30 June 2025	21	158,557,418

14. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025 Recurrent and Development Budgets Combined

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget carry overs (Special Purpose A/c)	-	197,909,403	197,909,403	197,909,403	-	100%
Receipts						
Transfers from the CRF	10,294,805,012	249,757,098	10,544,562,110	8,674,598,107	1,869,964,003	82%
Other receipts	-	-	-	-	-	0%
Total Receipts	10,294,805,012	447,666,500	10,742,471,512	8,872,507,510	1,869,964,003	83%
Payments						
Compensation of employees	4,345,879,948	347,073,241	4,692,953,189	4,439,299,679	253,653,510	95%
Use of goods and services	2,235,115,565	159,142,393	2,394,257,958	2,152,581,731	241,676,227	90%
Subsidies	-	-	-	-	-	0%
Transfers to other government units	1,721,134,229	204,884,571	1,926,018,800	737,351,229	1,188,667,571	38%
Other grants and transfers	33,000,000	152,577,534	185,577,534	180,339,403	5,238,131	97%
Social security benefits	20,000,000	(20,000,000)	-	-	-	0%
Acquisition of assets	1,899,675,270	(356,368,808)	1,543,306,462	1,200,552,597	342,753,865	78%
Finance costs, including loan interest	-	357,569	357,569	-	357,569	0%
Repayment of principal on borrowings	-	-	-	-	-	0%
Other payments	40,000,000	(40,000,000)	-	-	-	0%
Total	10,294,805,012	447,666,500	10,742,471,512	8,710,124,639	2,032,346,874	81%
Surplus	-	-	-	162,382,871		

Makueni County Executive
Annual Report and Financial Statements for the year ended June 30, 2025.

Reconciliation table

<i>Description</i>	<i>Operating</i>	<i>Financing</i>	<i>Investing</i>	<i>Total</i>
<i>Actual amounts on comparable basis presented in the budget and actual comparative statement</i>	162,382,871	-	-	162,382,871
Basis difference (Outstanding Retentions)	133,354,475	-	-	133,354,475
Timing differences	-	-	-	-
Entity differences	-	-	-	-
Classification differences	-	(25,494)	-	(25,494)
Actual in the statement of cashflows	295,737,346	(25,494)	-	295,711,853

- The transfers from the CRF underperformance were occasioned by delayed exchequer releases
- The changes between original and final budget were due to reallocations done within the year

Makueni County Executive

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

15. Notes to the Financial Statements

1. General Information

Makueni County is established by and derives its authority and accountability from The Constitution of Kenya 2010. The Entity is domiciled in Kenya and its principal activities are service delivery to the citizenship, social and economic development, infrastructure improvement, and citizen empowerment.

2. Statement of Compliance and Basis of Preparation

Statement of compliance

The Financial Statements have been prepared in accordance with the Public Finance Management Act, 2012 and with the International Public Sector Accounting Standards (IPSAS).

Guiding note during the transition period:

Makueni County Executive has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1st years Financial Statements are transitional financial statements and the following elements of the financial statements have not been recognised as the entity has taken advantage of the transition provisions outlined in IPSAS 33.

- Inventory Recognition- the County has not recognised the inventory held at the close of the FY 2024/25. MCE will undertake stock taking to recognise inventory in the 2nd year of transition
- Non-Current Assets Recognition- MCE has recognised the assets acquired in the FY 2024/25 in the books. Assets relating to previous period will be ascertained and revalued for recognition by third year of transition.

These Financial Statements were authorised for issue by the Accounting Officer on 28th August 2025

Basis of Preparation

These Financial Statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period. These financial statement of performance and Position have been prepared on an accrual basis while the statement of Cash flow is prepared on cash basis. Under accrual basis, revenues are recognised when rights to assets are earned or levied rather than when cash is received, and expenses are recognised when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Entity. The accounting policies adopted have been consistently applied to all the years presented.

Reporting period

The reporting period for these financial statements is for the period ended June 2025

Critical accounting judgements

IPSAS requires accounting judgements to be made in determining accounting policies that impact the presentation of these financial statements. The most critical of these judgements, and their impact, are:

Recognition of revenue

Revenue is an increase in the net financial position, other than increases arising from ownership contributions. Revenue is required to be measured when the event occurs and when recognition criteria (probable inflow of resources and ability to reliably measure their value) are met. Judgment is required to determine if these criteria are met, particularly where limited evidence is available at the time the revenue is earned.

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Notes to the Financial Statements (Continued)

Recognition of non-exchange expenses and liabilities

A liability is a present obligation of an entity for an outflow of resources that results from a past event. Expenses (and other liabilities) are recognized when there is a present obligation (legal or constructive) as a result of a past event. An outflow of resources embodying economic benefits will probably be required to settle the obligation and a reliable estimate of the obligation can be made. Judgement is required in assessing each of these conditions, and therefore reporting if an expense and a present obligation should be reported.

The entity pursues a number of policy targets and outcomes. However, the commitment to these targets and outcomes, generally, do not of themselves constitute a present obligation unless the entity is clear on the cost it intends to incur, when payment will be made, and to whom and as a consequence has raised a valid expectation. As a consequence, liabilities are not reported for costs associated with the entity policy objectives and targets. Where a policy choice gives rise to an obligation that exists independently of the entity's future actions, expenses (and other related liabilities) are recognized for that policy.

Purpose and nature of financial instruments

Judgment is required in determining whether financial assets (including investment in securities and advances) and financial liabilities are held for trading or to provide a return through interest and principal transactions. Depending on that judgment, financial instruments will be reported at fair value or on an amortized cost basis.

Climate change obligations

Kenya's current National Determined Contribution (NDC) to deliver on the goals of the Paris Agreement sets a headline target of a 32 per cent emission reduction by 2030 relative to the business-as-usual scenario of 143 MtCO₂eq. Entities commitment to climate change action does not constitute a present obligation on the balance sheet but are disclosed separately.

Physical assets

An asset is a resource presently controlled by the entity as a result of a past event. The primary reason for holding property, plant and equipment and other assets is for their service potential rather than their ability to generate cash flows. Because of the types of services provided, a significant proportion of assets used by public sector entities including roads, national parks, heritage buildings etc are specialized in nature. There may be a limited market for such assets and so judgement is required on measurement. Judgment is also required whether assets are held for commercial purposes or public benefit purposes.

3. Adoption of New and Revised Standards

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

Standard	Effective date and impact
IPSAS 43	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current	<i>Applicable 1st January 2025</i> The Standard requires.

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Standard	Effective date and impact:
Assets Held for Sale and Discontinued Operations	Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45- Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46 Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: 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. The standard also introduces a public sector specific measurement bases called the current operational value.

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 47- Revenue	<i>Applicable 1st January 2026</i> 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.
IPSAS 48- Transfer Expenses	<i>Applicable 1st January 2026</i> 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.

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Standard	Effective date and impact:
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: 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.

iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year 2024/25

4. Summary of 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. Recurrent grants are recognized in the statement of financial performance. Development/Capital grants are recognized in the statement of financial performance after meeting revenue recognition criteria. Conditional grants are recognized as revenue upon fulfilment of the set conditions.

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 each period.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the Entity's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for FY 2024/25 was approved by the County Assembly on 26th 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 Entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Entity recorded reduced appropriations of Kshs. (648,279,135.00) 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.

The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial cash flows has been presented under section .ccc of these financial statements.

Makueni County Executive**Annual Report and Financial Statements for the year ended June 30, 2025.****Notes to the Financial Statements (Continued)****c) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a period of time. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

d) 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 Entity 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

Depreciation and Impairment of Property Plant and Equipment (PPE)

Depreciation on assets shall be charged on a straight-line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life as follows:

$$\text{Depreciation} = \frac{(\text{Cost/Valuation}-\text{Residual Value})}{\text{Asset's Useful Life}}$$

Land (Freehold) and Work in Progress (WIP) are not depreciated. Work in progress refers to partially-completed goods/works that are still ongoing. These items do not include raw materials or finished goods. This would include assets under construction but not yet completed.

Depreciation of PPE and Amortization of Intangible Assets are recognized in the Statement of Financial Performance. The Annual rates of depreciation in use are;

No.	Asset Class	Estimated Useful Life (Years)	Depreciation Rate (%)
1	Buildings-Permanent	50	2
2	Buildings-Semi Permanent	20	5
3	Buildings-Temporary	10	10
4	Water Infrastructure-Water collection points/ Permanent building structures	50	2
5	Water purification facilities and machines	10	10
6	Water storage facilities	10	10
7	Other Infrastructure and Civil Works-Permanent building structures	50	2
8	Saloon vehicles and pick-ups	6	16.67
9	Heavy duty utility vehicles	8	12.5
10	Lorries and diesel propelled vehicles above 4500cc	10	10

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11	Computer and other ICT Equipment	3.33	30
12	Furniture, Fittings & Equipment	8	12.5

A full year's depreciation charge is recognized both in the year of asset purchase and in the year of asset disposal. A review is done annually for impairment on PPE to determine impairment loss.

The County Executive adopted the Guidelines on Asset and Liability Management in the public sector

e) Right of use asset

The right-of-use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the entity incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IPSAS 21 or IPSAS 26. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the entity expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the statement of financial position.

f) Tangible Natural Resources

The entity recognises a tangible natural resource recognized if, and only if: It is probable that service potential associated with the natural resource will flow to the entity; the entity controls the tangible natural resource as a result of past events; and the tangible natural resource can be measured reliably. Where this criterion is not met, the entity discloses the tangible natural resource in the notes to the financial statements. Where a tangible natural resource is recognized as an asset as the result of an event that is not a transaction in an orderly market, including non-exchange transactions, the asset shall be measured initially at its deemed cost. An entity shall apply IPSAS 46, Measurement, when measuring the deemed cost of such a recognized tangible natural resource. A recognized tangible natural resource acquired through an exchange transaction shall be measured at its cost. Historical cost model is applied after initial recognition less any depreciation and impairment losses.

Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

g) Intangible assets

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Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite.

h) Research and development costs

The Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale;
- ii) Its intention to complete and its ability to use or sell the asset;
- iii) How the asset will generate future economic benefits or service potential;
- iv) The availability of resources to complete the asset;
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

i) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. (amend as appropriate). 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.

i. Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortized 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

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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.

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.

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.

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.

ii. Financial liabilities

Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through surplus or deficit

j) 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

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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:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) 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 Entity.

k) Provisions

Provisions are recognized when the Entity 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 Entity 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.

l) Contingent liabilities

The Entity 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.

m) Contingent assets

The Entity 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 Entity 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.

n) Nature and purpose of reserves

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

o) Changes in accounting policies and estimates

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

p) Employee benefits**Retirement benefit plans**

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

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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 benefit funds 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.

q) 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.

r) 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.

s) Related parties

The Entity 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 Entity, or vice versa. Members of key management are regarded as related parties and comprise the Governor, Deputy governor, County Secretary, County Executive Committee Members and Chief Officers and Directors

t) Service concession arrangements.

The Entity analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Entity recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Entity also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

u) 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.

v) Comparative figures

In preparing these financial statements the entity has elected to apply paragraph 79 of IPSAS 33, which allows for the election by an entity to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position and an

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opening statement of financial position as at the time of first time adoption of the accrual basis of accounting.

w) Subsequent events

There have been no events subsequent to the Financial Year end with a significant impact on the Financial Statements for the year ended June 30, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur.

Useful lives and residual value

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

- a) The condition of the asset based on the assessment of experts employed by the Entity.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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Nature of Transfer	Amount recognized to Statement of financial performance. Kshs	Amount deferred under deferred income. Kshs	Total transfers FY 2024/25 Kshs
Recurrent	6,569,972,933	-	6,569,972,933
Development	1,649,639,922	-	1,649,639,922
Special purpose transfers	454,985,252	-	454,985,252
Total	8,674,598,107	-	8,674,598,107

7. Miscellaneous Revenue

Nature of Revenue	FY 2024/25 Kshs
In kind grants and donations	-
Refunds & Reimbursements	-
Revenues not classified anywhere else	-
Total	-

8. Other Incomes

Description	FY 2024/25 Kshs
Insurance recoveries	-
Sale of tender documents	-
Services concession income	-
Other incomes not specified elsewhere	-
Total other income	-

9. Employee Costs

Description	FY 2024/25 Kshs
Basic salaries of permanent employees	3,816,478,603
Basic wages of temporary employees	92,702
Personal allowances – part of salary	-
Pension and other social security contributions	520,664,306
Employer contributions to compulsory national social security schemes	30,015,360
Employer contributions to compulsory national health insurance schemes	-
Employer contribution to compulsory housing scheme	59,401,465
Other social benefit schemes	-
Other personnel costs	-
Total Employee costs	4,426,652,436

10. Use of Goods and Services

Description	FY 2024/25 Kshs
Utilities, supplies and services	57,974,129
Communication, supplies and services	14,520,581
Domestic travel and subsistence	59,698,642
Foreign travel and subsistence	6,646,421
Printing, advertising, and information supplies & services	11,285,606
Rentals of produced assets	79,298,903
Training expenses	19,469,640

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Description	FY 2024/25
	Kshs
Hospitality supplies and services	91,088,910
Insurance costs	243,160,976
Specialized materials and services	316,806,492
Other operating expenses including bank Charges	929,790,923
Office and general supplies and services	28,293,143
Fuel Oil and Lubricants	70,140,689
Routine maintenance – vehicles and other transport equipment	62,242,817
Routine maintenance – other assets	711,100,401
Membership Fees, Dues and Subscriptions to Professional and Trade Bodies	2,627,203
Medical Expenses	10,824,835
Security Operations	8,046,870
Contracted Guards and Cleaning Services	46,952,762
Contracted Professional Services	8,634,056
Legal Dues/fees, Arbitration and Compensation Payments	45,446,507
Total	2,824,050,504

11. Transfers to Other Government Entities

Description	FY 2024/25
	Kshs
Transfers to other County Government entities	826,517,562
Transfers to self-reporting projects	-
Transfers to car loan and mortgage schemes	10,000,000
Others	-
Total	836,517,562

12. Depreciation and Amortization Expense

Description	FY 2024/25
	Kshs
Property, plant and equipment	22,300,218
Intangible assets	-
Investment property carried at cost	-
Total	22,300,218

13. Other Grants and Subsidies

Description	FY 2024/25
	Kshs
Membership dues and subscriptions to international organizations	-
Scholarships and other educational benefits	140,940,633
Emergency relief and refugee assistance	39,398,770
Grants to small businesses, cooperatives, and self employed	-
Subsidies to Public entities	-
Subsidies to Private entities	-
Total Grants and Subsidies	180,339,403

14. Finance Costs

Description	FY 2024/25
	Kshs
Interest Payments on Guaranteed Debt Taken over by Govt	-
Interest on Domestic Borrowings (Non-Govt)	-

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Interest on Borrowings from Other Government Units	-
Interest on bank overdrafts	-
Interest on loans from commercial banks	-
Total finance costs	-

15. Social Benefits

Description	FY 2024/25
	Kshs
Transfers to the elderly	-
Transfers to orphans	-
Transfers to the physically challenged	-
Contributions in Kind	6,590,683
Total social benefit expenses	6,590,683

16. Gain/Loss on Sale of Assets

Description	FY 2024/25
	Kshs
Property, plant and equipment	-
Intangible assets	-
Other assets not capitalised	-
Total gain on sale of assets	-

17. Gain/Loss on Foreign Exchange

Description	FY 2024/25
	Kshs
Gain or loss on foreign exchange transactions	-
Gain or loss on balances in foreign exchanges	-
Total	-

18. Gain/Loss on Fair Value Investments

Description	FY 2024/25
	Kshs
Investments at Fair Value	-
Total Gain	-

19. Impairment Loss

Description	FY 2024/25
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
Total Impairment Loss	-

20. Taxation

Description	FY 2024/25
	Kshs
Current income tax charge	-
Tax charged on rental income	-
Tax charged on interest income	-
Original and reversal of temporary differences	-

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Income tax expense reported in the statement of financial performance	-
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21. Cash and Cash Equivalents

Description	FY 2024/25	Opening Statement 1st July 2024
	Kshs	Kshs
Recurrent Account	-	-
Development Account	-	-
Deposits Account	133,354,475	116,391,989
Special Purpose Accounts	25,202,943	60,754,968
Other operating commercial accounts	-	-
Total	158,557,418	177,146,957

21 (a) Detailed Analysis of the Cash and Cash Equivalents

Financial Institution	Account number	Kshs	Opening Statement 2024 Kshs
Recurrent Accounts			
CBK, Makueni County Recurrent Ac- Kshs	1000170557	-	-
CBK, Sultan Hamud Municipal OP AC	1000740981	-	-
Development Accounts			
CBK, Makueni County Development Ac- Kshs	1000170573	-	-
CBK, Sultan Hamud Municipal Dev AC	1000740997	-	-
Deposits Accounts			
CBK, Makueni County Deposit Ac - Kshs	1000238119	133,354,475	116,391,989
Special Purpose Accounts			
CBK, Makueni County Emergency Fund Ac - Kshs	1000268255	3,670,903	4,705,673
CBK, Makueni County Road Maint Levy Fund - Kshs	1000251697	89	89
CBK, Makueni County Special Purpose - Kshs	1000333464	-	322
CBK, Makueni County National Agriculture And Rural Growth Inclusive Project - Kshs	1000365471	-	-
CBK, Makueni County Village Polytechnics Project - Kshs	1000367407	1	1
CBK, Makueni County Urban Institutional Grants - Kshs	1000372109	1,215	1,215
CBK, Wote Municipality Urban Dev Gr - Kshs	1000372117	1,289	1,289
CBK, Makueni County Kenya Devolution Support Programme - Kshs	1000372125	5,246	27,415,296
CBK, Makueni County Ideas Led Grant Account - Kshs	1000393308	-	-
CBK, Makueni County Nutrition International Proj Ac - Kshs	1000446056	4,975,138	1,371,745
CBK, Makueni County Covid 19 Grants Ac - Kshs	1000455497	16,547,338	27,257,613
CBK, Makueni County Hivos Project Account - Kshs	1000472391	1,707	1,707
CBK, Makueni County Primary Health Care - Kshs	1000555718	16	18
CBK, Makueni County Climate Change Fund Ac - Kshs	1000654368	-	-
CBK, Makueni County Climate Resilience Investment Grant Ac - Kshs	1000654384	-	-
CBK, Makueni County National Agricultural Value Chain Ac - Kshs	1000696745	-	-

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Financial Institution	Account number	FY 2024/25	Opening Statement 1 st July 2024
		Kshs	Kshs
CBK, Makueni County Community Health Project Ac - Kshs	1000743131	-	-
CBK, Makueni County Kenya Dev Supp AC II	1000745018	-	-
KCB, Makueni County Operation Account - Kshs	1140751042	-	-
KCB, Kaiti Sub County Imprest Account - Kshs	1162794070	-	-
KCB, Kibwezi East Sub County Imprest Account - Kshs	1201095395	-	-
KCB, Kibwezi West Sub County Imprest Account - Kshs	1163197033	-	-
KCB, Kilome Sub County Imprest Account - Kshs	1162744774	-	-
KCB, Makueni Sub County Imprest Account - Kshs	1162295899	-	-
KCB, Mbooni Sub County Imprest Account - Kshs	1198480068	-	-
KCB, Makueni County Market Cleaning Imprest - Kshs	1152024132	-	-
Total		158,557,418	177,146,957

There was a prior year adjustment to correct the erroneous disclosure of the opening balance from Makueni County Climate Change Fund in the statement of net assets restating the opening balance amount from **Kshs. 314,301,392** to **Kshs. 177,146,957**.

22. Receivables from Exchange Transactions

Description	FY 2024/25	Opening Statement 1 st July 2024
	Kshs	Kshs
Total receivables		
Other exchange debtors	-	-
Less: impairment allowance	-	-
Total receivables	-	-
a) Current receivables	-	-
b) Non-current receivables	-	-
Total Receivables (a+b)	-	-

i) Ageing analysis for Receivables

Description	FY 2024/25		Opening Statement 1 st July 2024	
	Kshs		Kshs	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	-	%	-	%

ii) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

Impairment allowance	FY 2024/25
	Kshs
At the beginning of the year	-

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Additional allowance during the year		-
Recovered during the year		-
Written off during the year		-
At the end of the year		-

23. Receivables from Non-Exchange Transactions

Description	FY 2024/25		Opening Statement 1 st July 2024	
		Kshs		Kshs
Other debtors (non-exchange transactions)		-		-
Less: impairment allowance		-		-
Total receivables from non-exchange transactions		-		-
Ageing Analysis- Receivables from non-exchange transactions	FY 2024/25	% of the total	Opening Balance	% of the total
Less than 1 year		%		%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

i. Reconciliation for Impairment Allowance on Receivables from Non-Exchange Transactions

Description	FY 2024/25
At the beginning of the year	-
Additional provisions during the year	-
Recovered during the year	-
Written off during the year	-
At the end of the year	-

23(a) Prepaid Expenses

Description	FY 2024/25		Opening Statement 1 st July 2024	
		Kshs		Kshs
Prepaid Rent		110,400		-
Prepaid Insurance Cover		117,105,156		95,424,904
Other		-		-
Total		117,215,556		95,424,904

24. Inventories

Description	FY 2024/25		Opening Statement 1 st July 2024	
		Kshs		Kshs
Spare parts		-		-
Goods held for distribution		-		-
Less: allowance for impairment		-		-
Total		-		-

Detailed disclosure on inventories

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Opening balance	-
Additional Inventory in the year	-
Inventory expensed in the year	-
Write-downs in the year	-
Others specify	-
Closing balance	-

25. Investments

Description	FY 2024/25	Opening Statement 1 st July 2024
	Kshs	Kshs
a) Investment in Treasury bills and bonds	-	-
Financial institution	-	-
CBK	-	-
Sub- total	-	-
b) Investment with Financial Institutions/ Banks	-	-
Bank x	-	-
Bank y	-	-
Sub- total	-	-
c) Equity investments (specify)		
Equity/ shares i	-	-
Sub- total	-	-
Grand total	-	-
Analysed as:	-	-
Current portion of Investment	-	-
Non-current portion of investment	-	-

d) Movement of Equity Investments

	FY 2024/25
	Kshs
At the beginning of the year	-
Purchase of investments in the year	-
Sale of investments during the year	-
Increase /(decrease) in fair value of investments	-
At the end of the year	-

e) Shareholding in other entities

For investments in equity share listed under note 25 above, list down the equity investments under the following categories.

Name of Entity where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding		Current year	Opening Statement 1 st July 2024
	%	%	%	Kshs	Kshs	Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-

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26. Property, Plant and Equipment

Description	Land	Buildings	Motor vehicles	Infrastructure Assets	Furniture and fittings	Computers & ICT Equipment	General Equipment	Work in progress	Total
Depreciation Rate	N/A	2%	16.67%	10%	12.50%	30%	12.50%	N/A	
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	-	-	-	2,318,272	-	519,996	1,841,035	43,559,441	48,238,744
Additions	1,000,000	214,259,224	16,690,707	76,382,696	983,870	14,568,590	43,825,174	-	367,710,260
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
As At 30 th June 2025	1,000,000	257,818,664	16,690,707	78,700,968	983,870	15,088,586	45,666,209	-	415,949,004
Depreciation And Impairment									
Opening Bal as at 1 st July 2024	-	-	-	(231,827)	-	(155,999)	(230,129)	-	(617,955)
Depreciation for year	-	(5,156,373)	(2,043,434)	(4,742,576)	(122,984)	(4,526,576)	(5,708,276)	-	(22,300,218)
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	(5,156,373)	(2,043,434)	(4,974,403)	(122,984)	(4,682,574)	(5,938,406)	-	(22,918,174)
Net Book Values									
Opening Bal as at 1 st July 2024	-	-	-	2,086,445	-	363,997	1,610,906	43,559,441	47,620,788
As At 30 th June 2025	1,000,000	252,662,291	14,647,273	73,726,565	860,886	10,406,011	39,727,804	-	393,030,830

Note: The Work in Progress relates to Buildings on construction in the FY 2023/2024 and were all capitalized in the FY 2024/2025.

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Notes to the Financial Statements (Continued)

27. Intangible Assets

Description	FY 2024/25
	Kshs
Cost/Opening balance at the beginning of the year	-
Additions	-
Disposal	-
At end of the year	-
Additions—internal development	-
Disposal	-
At end of the year	-
Amortization and impairment	-
At beginning of the year	-
Amortization	-
At end of the year	-
Impairment loss	-
At end of the year	-
NBV	-

28. Investment Property

Description	FY 2024/25
	Kshs
Cost/Opening balance at the beginning of the year	-
Additions	-
Disposal during the year	-
Depreciation	-
Impairment	-
At end of the year	-

29. Right-of-use assets

	Buildings	Motor vehicles	Plant and equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 2024	-	-	-	-
Additions	-	-	-	-
As at June 2025	-	-	-	-
Accumulated Depreciation				
As at 1 July 2024	-	-	-	-
Charge for the year	-	-	-	-
As at June 2025	-	-	-	-
Carrying Amount				
As at June 2025	-	-	-	-

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30. Biological Assets

Description	FY 2024/25	Opening Statement 1 st July 2024
	Kshs	Kshs
Specify	-	-
Specify	-	-
Total	-	-

31. Tangible Natural Resources

	Sub- soil assets	Water	Wildlife	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 2024	-	-	-	-
Additions	-	-	-	-
As at June 2025	-	-	-	-
Accumulated Depreciation				
As at 1 July 2024	-	-	-	-
Charge for the year	-	-	-	-
As at June 2025	-	-	-	-
Carrying Amount				
As at June 2025	-	-	-	-

32. Trade and Other Payables

Description	FY 2024/25		Opening Statement 1 st July 2024	
	Kshs.		Kshs.	
Trade payables	265,420,905		338,652,304	
Payments received in advance	-		-	
Employee payables	374,948,836		348,178,528	
Third-party payments	-		-	
Deposits and Retentions	133,354,475		116,391,989	
Total trade and other payables	773,724,216		803,222,821	
Ageing analysis: (Trade and other payables)	FY 2024/25	%	Opening balance	%
Under one year	635,120,042	82%	622,795,642	78%
1-2 years	59,060,774	8%	151,361,579	19%
2-3 years	65,007,481	8%	25,749,101	3%
Over 3 years	14,535,919	2%	3,316,499	0%
Total (tie to above total)	773,724,216		803,222,821	

33. Refundable Deposits and Prepayments

Description	FY 2024/25	Opening Statement 1 st July 2024
	Kshs	Kshs
Customer deposits	-	-

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Prepayments	-	-
Other deposits	-	-
Total deposits	-	-
Ageing analysis: (Refundable deposits)	Current FY	% of the Total
Under one year	-	%
1-2 years	-	%
2-3 years	-	%
Over 3 years	-	%
Total	-	-

34. Provisions

Description	Leave provision	Gratuity Provision	Other provision	Total
Balance b/f	-	-	-	-
Additional provisions	-	-	-	-
Provision utilised	-	-	-	-
Change due to discount and time value for money	-	-	-	-
Total provisions year end	-	-	-	-
Current Provisions	-	-	-	-
Non-Current Provisions	-	-	-	-

35. Lease Liabilities

Description	FY 2024/25	Opening Statement 1 st July 2024
	Kshs	Kshs
Balance at the beginning of the year	-	-
Discount interest on lease liability	-	-
Paid during the year	-	-
At end of the year	-	-

Maturity Analysis

Period	Amount
Year 1	-
Year 2	-
Year 3	-
Year 4	-
Year 5 and onwards	-
Less: unearned Interest	-

Analysed as:

Description	Amount
Current	-
Non- Current	-

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Total	-
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36. Deferred Income

Description	FY 2024/25	Opening Statement 1 st July 2024
	Kshs	Kshs
National Government	-	-
International Funders	-	-
Public Contributions and Donations	-	-
Total Deferred Income	-	-

The deferred income movement is as follows:

	National governm ent	Internationa l funders	Public contribution s and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance Brought Forward	-	-	-	-
Additions	-	-	-	-
Transfers To Capital Fund	-	-	-	-
Transfers To Income Statement	-	-	-	-
Other Transfers	-	-	-	-
Balance Carried Forward	-	-	-	-

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

37. Employee Benefit Obligations

Description	Defined benefit plan	Post- employment medical benefits	Other Benefits	FY 2024/25	Opening Statement 1 st July 2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
Total Employee Benefits Obligation	-	-	-	-	-

38. Borrowings

Description	FY 2024/25
	Kshs
a) External borrowings	-
Balance at beginning of the year	-

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External borrowings during the year	-
Repayments of during the year	-
Balance at end of the year	-
	-
b) Domestic borrowings	-
Balance at beginning of the year	-
Domestic borrowings during the year	-
Repayments during the year	-
Balance at end of the year	-
	-
Balance at end of the period- domestic and External borrowings c = (a+b)	-

The analyses of both external and domestic borrowings are as follows:

	FY 2024/25	Opening Statement 1st July 2024
External Borrowings		
Dollar Denominated Loan From 'X Organization'	-	-
Sterling Pound Denominated Loan From 'Y organization'	-	-
Euro Denominated Loan from Z organization'	-	-
Domestic Borrowings	-	-
Kenya Shilling Loan From KCB	-	-
Kenya Shilling Loan from Barclays Bank	-	-
Kenya Shilling Loan from Consolidated Bank	-	-
Total /Balance at end of The Year	-	-

Description	FY 2024/25	Opening
	Kshs	Kshs
Short Term Borrowings (Current Portion)	-	-
Long Term Borrowings	-	-
Total	-	-

39. Service Concession Arrangements Liability

Description	FY 2024/25	Opening Statement 1st July 2024
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	-	-
Accumulated depreciation to date	-	-
Net carrying amount	-	-
Service concession liability at beginning of the year	-	-
Service concession revenue recognized	-	-

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Service concession liability at end of the year	-	-
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40. Cash Generated from Operations

	<i>FY 2024/25</i>
	Kshs
Surplus for the year before tax	378,147,301
Adjusted for:	
Depreciation	22,300,218
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Increase in inventory	-
Increase in prepaid expenses	(21,790,652)
Increase in deferred income	-
Increase in payables (operating)	(29,821,832)
Increase in payments received in advance	-
Net cash flow from operating activities	348,835,036

41. Financial Risk Management

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

i) Credit risk

The Entity 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 assessment 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 Entity'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 Entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs

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As at 30 June 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

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

The table below represents cash flows payable by the Entity 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.

	Less than 1 month	Between 1-3 months	Over 3 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Trade payables	-	18,828,655	246,592,250	265,420,905
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	374,948,836	-	-	374,948,836
Total	374,948,836	18,828,655	246,592,250	640,369,741

Financial Risk Management**iii) Market risk**

The Entity has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an on-going 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 Entity'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.

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The Entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Entity's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

The Entity 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 Entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

Financial Risk Management

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

Current FY

	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30 June 2025			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Financial Risk Management

The following table demonstrates the effect on the Entity's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
2025			
Euro	10%	-	-
USD	10%	-	-
20xx-1			
Euro	10%	-	-
USD	10%	-	-

b) Interest rate risk

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

Financial Risk Management

Sensitivity analysis

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant.

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Entity's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Entity considers relevant and observable market prices in its valuations where possible.

Financial Risk Management

The following table shows an analysis of financial and non- financial instruments recorded at fair value by level of the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-

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There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

iv) Capital Risk Management

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

	FY 2024/25	Opening Statement 1 st July 2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings/Accumulated Surplus	378,147,301	(345,875,737)
Capital Reserve	-	-
Total Funds	378,147,301	(345,875,737)
Total Borrowings	-	-
Less: Cash and Bank Balances	(158,557,418)	(177,146,957)
Net Debt/(Excess Cash And Cash Equivalents)	(158,557,418)	(177,146,957)
Gearing	0%	0%

42. Related Party Disclosures**Nature of related party relationships**

Entities and other parties related to the Makueni County Executive 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.

Government of Kenya

The Government of Kenya is the principal shareholder of the Makueni County Executive, holding 100% of the Entity's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Entity, both domestic and external.

Other related parties include:

- i) County Government Entities
- ii) National Government Entities
- iii) Key management.

	FY 2024/25
	Kshs
Transactions with related parties	
a) Sales to related parties	
Others e.g. interest and bank charges	-
Total	-
B) purchases from related parties	
Purchases of electricity from KPLC	-
Purchase of water from Govt service providers	-
Rent expenses paid to Govt agencies	-
Training and conference fees paid to govt. Agencies	-
Total	-
b) Grants /transfers from the government	
Transfers from National Government (Equitable Share)	8,497,308,448

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	<i>FY 2024/25</i>
	<i>Kshs</i>
Grants from national Govt Agencies/Departments	297,536,051
Other Grants from development donors	24,193,292
Donations in kind	-
Total	8,819,037,791
c) Expenses incurred on behalf of related party	
Payments of salaries and wages for employees	-
Payments for goods and services	-
Total	
d) Key management compensation	
Compensation to key management	104,490,375
Total	104,490,375

43. Contingent Assets and Contingent Liabilities**Contingent Assets**

	<i>Kshs</i>
Contingent Assets	
Insurance Reimbursements	-
Assets Arising from Determination Of Court Cases	-
Reimbursable Indemnities and Guarantees	-
Receivables From Other Government Entities	-
Total	-

Contingent Liabilities

	<i>FY 2024/25</i>
	<i>Kshs</i>
Contingent Liabilities	-
Court Case against the Entity	-
Bank Guarantees in Favour of Subsidiary	-
Contingent Liabilities arising from Contracts Including PPPs	-
Total	-

44. Capital Commitments

Capital Commitments	<i>FY 2024/25</i>
	<i>Kshs</i>
Authorised for	-
Authorised and contracted for	-
Total	-

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45. Program for Results (PforR) Disclosure

Program for Results (PforR) Programmes-Financing Partners: World Bank and Makueni County Government						
	Opening Cumulative for Previous FYs		Current FY		Total Cumulative	
Expenditure Details*	Budget	Actual	Budget	Actual	Budget	Actual
Program code- P176758- 0101013810						
National Agricultural Value Chain Development Project (NAVCDP)- General Administration and Planning	325,002,954	105,726,874	161,515,152	211,968,122	486,518,106	317,694,996
Sub-total	325,002,954	105,726,874	161,515,152	211,968,122	486,518,106	317,694,996
Programme code: P173065-0104033810						
Financing Locally Led Climate Action (FLLoCA) Programme- Institution Support	71,794,353	56,197,033	235,446,435	156,672,065	307,240,788	212,869,098
Financing Locally Led Climate Action (FLLoCA) Programme- Resilience Investment	186,331,435	5,076,210	28,000,000	24,112,441	214,331,435	29,188,651
Sub-total	258,125,788	61,273,243	263,446,435	180,784,506	521,572,223	242,057,749
Programme code: P156777						
Kenya Urban Support Project (KUSP)- Urban Institutional Grant (UIG)	-	-	35,000,000	32,309,300	35,000,000	32,309,300
Sub-total	-	-	35,000,000	32,309,300	35,000,000	32,309,300
Total	583,128,742	167,000,117	459,961,587	425,061,929	1,043,090,329	592,062,046

46. Events after the Reporting Period

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

47. Ultimate and Holding Entity

The Entity ultimate parent is the Government of Kenya.

48. Currency

The financial statements are presented in Kenya Shillings (Kshs).

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16. Appendix

Appendix 1: Implementation Status of Auditor-General'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)
Basis for a qualified Opinion				
1	Misclassification of expenditure An amount of kshs 54,886,832 was irregularly charged to other operating expenses instead of acquisition of assets and compensation of employees.	The budget estimates for these expenditure lines were uploaded into the Integrated Financial Management Information System (IFMIS) under the "Other Operating" and expensed thereof. Appropriate coding has been enhanced by incorporating accountants to the budget team uploading budgets	Not Resolved	June 2026
Emphasis of the matter				
1	Budgetary Control and Performance The budget was underfunded by kshs 1,859,556,625 (18% of the budget)	The underfunding was as a result of delayed disbursement of funds from the National Treasury for Equitable share and conditional loans and grants as well as underperformance of Own Source revenue. The County has adopted various strategies towards increasing the Counties revenue performance	Not Resolved	June 2026
2	Pending Accounts Payables Pending bills of Kshs 686,830,832 were not settled as at 30 June 2024 and no evidence was provided to confirm that the pending bills formed first charge in the subsequent year.	The increase in pending bills for the Financial Year under review was largely attributed to the non-release of the June 2024 exchequer allocation by the National Treasury. During the FY 2024/25 the County budgeted for the pending bills and settled up to 615M or (90) % of the pending bills	Partially Resolved	Dec 2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Other Matter				
1	Unresolved prior year Matters Management has not resolved all the prior year matters as prescribed in the reporting requirements set by the Public Sector Accounting Standards Board.	The County Government remains fully committed to resolving all outstanding audit matters. Measures have been put in place to strengthen internal controls and ensure timely implementation of audit recommendations. The County appeared before the Assembly and Senate for the previous audit reports up to the FY 2023/24. The County is keen to implement the recommendations given and close on the matters.	Partially Resolved	June 2026
Report on Lawfulness and effectiveness in the use of Public Resources				
1. Regularity of Human Resource Management Practices				
1.1	Non- Compliance with one third rule of basic salary One hundred and eighty-seven (187) employees earned a net pay below a third of their basic pay during the month of June, 2024 contrary to section 19(3) of the Employment Act, 2007.	The violation of the one-third rule was occasioned by the introduction of the Public Service Superannuation Scheme effective 1st January 2021, the cessation of temporary tax cuts introduced in April 2020 to cushion the economy from the effects of the COVID-19 pandemic, deductions towards government liabilities, such as expired KRA exemption certificates for Persons with Disabilities (PWDs), introduction of new statutory deductions, including the housing levy and additional NHIF contributions, which collectively reduced net pay below the statutory threshold. The current Human Resource Information System (HRIS-ile) has been configured	Not Resolved	June 2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		such that it is able to lockout commitments beyond the accepted thresholds.		
1.2	Non-compliance with law on ethnic Diversity 95% of recruited staff were from the dominant ethnic community (125 out of the 132 recruited)	The Board is always keen in observing the 30% representation of non-dominant ethnic group during recruitments by; Widely advertising vacancies in mainstream newspapers and on the County Public Service Board website, including the rider "The County is an equal opportunity employer" in all recruitment advertisements and Circulating advertisements to professional bodies for wider reach among their membership. Despite these efforts, the County continues to face challenges in retaining officers from non-dominant communities. Some candidates have declined appointments citing reasons such as family obligations, distance from their home counties, inadequate amenities and relatively low salary levels. In addition, majority of those who accept appointments often request transfers back to their home counties within a short period. The County Government remains committed to promoting diversity and inclusivity within the public service by devising more ways and methods of attracting and retaining the non-dominant communities to ensure compliance.	Not Resolved	June 2026
1.3	Failure to meet Recruitment Threshold on Persons with Disabilities	The County Public Service Board has consistently emphasized in its recruitment advertisements that the County is an equal	Not Resolved	June 2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	The County Government recruited a total of 132 employees, out of which four persons with disabilities were hired which translates to 3%. No explanation was given for failure to meet the 5% threshold.	opportunity employer, encouraging applications from youth, women, persons with disabilities (PWDs) and other disadvantaged groups. Where qualified applicants meet the minimum requirements outlined in the job adverts, the Board ensures they are shortlisted. Further, candidates attaining the minimum pass mark at interviews are given priority for appointment in line with the recruitment criteria. To strengthen inclusivity, the County Government has adopted deliberate measures to attract qualified PWD candidates. These include circulating recruitment adverts not only through mainstream channels but also to the National Council for Persons with Disabilities, the County Department responsible for PWD affairs and the Makueni PWD Network WhatsApp Group.		
1.4	Non-Compliance with Fiscal Responsibility Principle Compensation of employees amounted to Kshs 3,837,996,248 which represents 46% of the total receipts of Kshs 8,259,693,356.	The wage bill ratio increase arose from the introduction of the Social Health Authority (SHA) contributions, housing Levy deductions, NSSF Tier II employer contributions, staff annual increments on basic pay and house allowance and Increments awarded to health workers under the return-to-work formula which have not been matched by a corresponding increase in the County's equitable share allocation. The County Government has taken deliberate measures to manage wage bill by restricting employment to only critical	Not Resolved	June 2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		staff and enhancing revenue mobilization to increase the County's fiscal space.		
2. Regularity of procurement and award of contracts				
2.1	Regularity of procurement and award of contracts- Delay in Project Operationalization a) Kyumbuni and Kalawani Post Harvesting Facility The projects were not fully operationalized, there were visible buckling/cracks on the floor at Kyumbuni, equipping and reticulation of boreholes and access road to Kalawani had not been done	In the 2022/2023 Financial Year, the current administration inherited multiple incomplete and non- operational projects from the previous administration. The projects were at different levels of completion. To complete and operationalize the projects, the County adopted a phased approach, prioritizing projects considered ready for operationalization. The parameters used include the following: 1. Level of completion 2. Level of equipping the projects	Partially Resolved	June 2026
2.2	b) Kilungu Post Harvesting Facility Project Key and pertinent components had not been done to enable full operationalization including; Equipping and reticulation of the bore hole; External and civil works and land scaping and Erection of electrified perimeter wall and gate house. c) Kasikeu Grain Milling Facility	3. Operational framework including governance of projects upon hand over, sustainability, trained staff, statutory framework compliance and where applicable, availability of raw material and markets for the end products. The County appointed a technical taskforce to review and verify the usability in terms of availability of Water, Road access, Energy and other infrastructure for operationalization of the cold rooms. The cost was established and budgeted in		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2.3	The contractor failed to discharge the contract and the contract was terminated on 23 January 2023. In addition, the tender had not been re-awarded eighteen months later since the termination of the contract	2024/2025 FY. Procurement of the projects was done for operationalization within the Financial Year 2024/25. The operationalization of Kasikeu Grain Milling Factory is targeted to be implemented in the Financial Year 2025/2026.		
2.4	Project Implementation Status The County was to implement 635 projects in the year 2023/24 where; four hundred and sixty-six (466) were complete, one hundred and thirty-one (131) were ongoing, thirty-two (32) projects had not started while six (6) projects had stalled	The delay in completion and implementation of some projects during the Financial Year 2023/2024 was largely occasioned by unpredictable weather conditions. Heavy rains experienced during both the long and short rain seasons disrupted construction schedules, affected project implementation timelines, and in some cases, caused damage to already completed projects such as graded roads. In response, during the Financial Year 2024/2025, the County re-allocated budgetary resources towards the completion and operationalization of existing and stalled projects.	Partially Resolved	Dec 2025
2.5	Stalled Project – Mulima Water Project The project revealed various anomalies; The contract did not specify the completion period, the project had stalled and the contractor was not on site; the contractor supplied and installed one set of electric	Although the contract did not have a completion period, the work plan provided the end date. The project delays were largely due to Kenya Power and Lighting Company (KPLC) connection challenges. The contractor requested an extension to accommodate these delays. On 9th September 2024, the contractor was on site and successfully tested the pump-set,	Partially Resolved	June 2026

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Referen ce No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timefram e: (Put a date when you expect the issue to be resolved)
	motors and multistage centrifugal surface pumps instead of two indicated in the approved bill of quantities and the repair of the masonry tanks at Mavindu Forest, Ntungoni and Kikalyoni had not been completed.	which delivered water to the Mavindu Forest tank. Repairs to the masonry tanks at Mavindu Forest, Tunguni, and Kikalyoni were completed, tested, and found to be in good working condition. However, since the contractor did not complete the works as per the Bill of Quantities, the contract was terminated in December 2024 following a recommendation by the Project Implementation Team. A new contract was awarded to Kyamu Construction and Engineering Company Ltd, whose scope of works includes: Construction of one unit of water treatment works, Construction of a pump house and installation of water pumps with accessories, installation of a 1.7km rising mainline (HDPE OD225 & OD200 PN25, PN20, & PN16 pipes) and rehabilitation of a 50m ³ masonry tank at Syiluni Hill.		
2.6	Delayed Project Implementation Out of the sixty-seven projects for the Health Department, forty-two (42) projects worth Kshs. 235,365,812 were complete, eighteen (18) projects budgeted at a cost of Kshs. 67,653,477 were ongoing while three (3) projects costing Kshs. 6,890,000 had not started. Mbooni isolation ward and upgrading of Matulani dispensary had stalled	Several projects were not completed within the originally awarded contract period due to various challenges, including logistical delays and unfavorable conditions. In the Financial Year 2024/25, the County reallocated budgetary resources towards the completion and operationalization of existing and stalled projects within the Health Services Department.	Partially Resolved	Dec 2025
3. Other Non-Compliance				

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
3.1	Failure to Observe End of the Year Cut-Off Procedures Review of the cashbooks and schedules including internet banking statements for the year under review revealed that receipts and payments amounting to Kshs. 1,121,367,449 and Kshs.707,690,719 respectively were received and incurred in the month of July, 2024 respectively	During the year under review, the National Treasury gave authority to pay and allow the IFMIS to have a window to process payments to conclusion owing to the delayed May and June 2024 exchequer release. The payments made during the period of July 2024 were already captured in the cashbooks and posted in IFMIS before 30 th June 2024. Adoption of IPSAS Accrual Basis by Counties will allow for recognition of revenue and expenses in the period they are earned or incurred, eliminating timing differences.	Resolved	June 2025
3.2	Irregular Payments to The Council of Governors Kshs. 3,600,000 paid to the Council of Governors was contrary to section 37 (b) of Intergovernmental Relations Act of 2012	The Council of Governors, through their minutes' resolutions and request letters, instructed the County Governments to support their programs, honour contributions and settle invoices.	Resolved	June 2026
Report on the effectiveness of Internal Controls, Risk Management and Governance				
1	Under Staffing of the Internal Audit Services The directorate had Six (6) employees vis-a-vis twenty-eight (28) employees as per the staff establishment. Further, some of the staff was still pursuing their accountancy certification to attain the	In line with the approved staff establishment, the County has adopted a phased and sustainable recruitment strategy to progressively build capacity in the Internal Audit function while maintaining fiscal discipline. In the Financial Year 2023/2024, the County successfully recruited an Internal Auditor, enhancing the unit's capacity. For the Financial Year 2024/2025, the County advertised for additional Internal Auditor positions and the recruitment process is in progress.	Partially Resolved	June 2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	qualifications for the scheme of service for accountants.	To address professional qualification gaps, the County is supporting staff in pursuing the Certified Public Accountant (CPA) certification.		



John Nguni
 Chief Officer- Financial Services
 ICPAK Member No. 3440
 28th August 2025



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Appendix II: Projects implemented by Makueni County Executive

Project title	Project Number	Donor	Period duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
Construction of Yandia water project		FLLoCA		13,000,000	Yes	Yes
Rehabilitation of Kwa-Kakui earth dam		FLLoCA		16,000,000	Yes	Yes
Kikuu Kiangini Water project enhancement		County contributi		10,000,000	Yes	Yes
Implementation of Kaiti 2 water project		FLLoCA		15,000,000	Yes	Yes
Construction of Ilovoto water project		FLLoCA		10,000,000	Yes	Yes
Enhancement of the Miting'ani Kaiti water project		FLLoCA		11,000,000	Yes	Yes
Kwa Nzoongo Earthdam development & livelihood enhancement project		FLLoCA		11,746,435	Yes	Yes
Isuuni- Kwa Kisela pumping & distribution water project		FLLoCA		14,000,000	Yes	Yes
Muliluni-Kiambani water & livelihood enhancement project		FLLoCA		10,000,000	Yes	Yes
Wautu/ Kyangaati sand dam water project		FLLoCA		16,000,000	Yes	Yes
Enhancement of Athi Mavindini water project		FLLoCA		15,000,000	Yes	Yes
Implementation of Kinze earth dam water project		FLLoCA		11,000,000	Yes	Yes
IDA world bank loan for the National Agricultural value chain development project(NAVCDP)		NAVCDP		151,515,152	Yes	Yes
Total				304,261,587		

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Appendix III: Status of Projects completion

Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
Construction of Yandia water project	12,199,203	12,199,203	100%	13,000,000	12,199,203.15	FLLoCA
Rehabilitation of Kwa-Kakui earth dam	15,520,431	15,520,431	100%	16,000,000	15,520,430.90	FLLoCA
Kikuu Kiangini Water project enhancement	9,738,980.05	9,738,980.05	100%	10,000,000	9,738,980.05	County
Implementation of Kaiti 2 water project	14,804,878	14,804,878	100%	15,000,000	14,804,877.50	FLLoCA
Construction of Ilovoto water project	9,031,281	9,031,281	100%	10,000,000	9,031,281.00	FLLoCA
Enhancement of the Miting'ani Kaiti water project	10,072,394	10,072,394	100%	11,000,000	10,072,393.95	FLLoCA
Kwa Nzoongo Earthdam development & livelihood enhancement project	10,415,405.35	10,415,405.35	100%	11,746,435	10,415,405.35	FLLoCA
Isuuni- Kwa Kisela pumping & distribution water project	13,536,410	13,536,410	100%	14,000,000	13,536,410.00	FLLoCA
Muliluni-Kiambani water & livelihood enhancement project	9,979,253	9,979,253	100%	10,000,000	9,979,253.15	FLLoCA
Wautu/ Kyangaati sand dam water project	13,623,764	13,623,764	100%	16,000,000	13,623,764	FLLoCA
Enhancement of Athi Mavindini water project	10,638,610	5,319,305	50%	15,000,000	5,319,305	FLLoCA
Implementation of Kinze earth dam water project	9,825,436	9,825,436	100%	11,000,000	9,825,436.25	FLLoCA
IDA world bank loan for the National Agricultural	151,515,152	96,724,387	64%	151,515,152	96,724,387.00	NAVCDP
Total	290,901,198	230,791,128	79%	304,261,587	230,791,128	

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Appendix IV: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Transfer			Where Reported/recognized				
	Date received as per bank statement	Nature: Recurrent/Development/Others	Total Amount KES	Statement of Financial Performance	Deferred Income	Receivables	Others - must be specific	Total Transfers during the Year
County Revenue Fund	July 2024-June 2025	Recurrent	1,649,639,922	1,649,639,922	-	-	-	1,649,639,922
		Development	6,569,972,933	6,569,972,933	-	-	-	6,569,972,933
		SPA	454,985,252	454,985,252	-	-	-	454,985,252
		Total	8,674,598,107	8,674,598,107	-	-	-	8,674,598,107

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Appendix V: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Q1	Q2	Q3	Q4	Source Of Funds	Implementing Partners
Financing Locally Led Climate Actions	Building county level capacity for planning, budgeting, reporting and implementation of local climate actions in partnership with communities;	To strengthen community resilience to climate change impacts and risks	Participatory Climate Risk Assessment / CCAP review and sensitization	-	850,400	0,800	11,200	FLLoCA grant and County Contribution	
			Digitization of the Participatory Climate Risk Assessment Process	524,200	534,790			FLLoCA grant and County Contribution	
			Training technical officers on carbon markets, M&E, Project Management, financial management	-	-	287,700	1,630,854	FLLoCA grant and County Contribution	
			Induction of CCFB and training on resource mobilization	-	-			FLLoCA grant and County Contribution	
			Stakeholder engagement on locally led climate actions.	-	142,340	61,200	912,042	FLLoCA grant and County Contribution	
			Climate change Regulations	-	-	360,600	1,851,741	FLLoCA grant and County Contribution	
			Review of the climate change Act 2022	-	-		613,900	FLLoCA grant and County Contribution	
			Climate information system and plan	-	643,500	16,000	117,600	FLLoCA grant and County Contribution	KENYA MET
			Knowledge exchange and management-	-	-	7,440	1,340,400	FLLoCA grant and County Contribution	
			Drafting Environment, waste management, forest regulations	-	-			FLLoCA grant and County Contribution	
			Stationery and office supplies and equipment	-	-	348,830	768,707	FLLoCA grant and County Contribution	
			Office/GRM telephone	-	-		99,500	FLLoCA grant and County Contribution	
			Validation and sensitization of M&E Plan	-	200,000			FLLoCA grant and County Contribution	
			Environment and Social Risk Management	-	302,400			FLLoCA grant and County Contribution	

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Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
			FLLoCA program management costs (trainings, assessments and report writing, Audits)	276,100	1,138,050	133,550	1,118,440	FLLoCA grant and County Contribution	
			Fuel and vehicle maintenance	-	550,000	450,000	1,466,651	FLLoCA grant and County Contribution	
			Documentary on Climate actions				497,900	FLLoCA grant and County Contribution	
			Internet services				450,000	FLLoCA grant and County Contribution	
			Stakeholder engagement in climate change initiatives	-	-			FLLoCA grant and County Contribution	
			Conferences on climate change	-	586,800			FLLoCA grant and County Contribution	
			Facilitate Mainstreaming CC in to County Policies & Plans	-	-			FLLoCA grant and County Contribution	
			To facilitate development of proposal by ccf structures	-	203,000			FLLoCA grant and County Contribution	
			faciliate office rent and office running costs	-	312,000	5,000		FLLoCA grant and County Contribution	
			office equipment and furniture	-	-			FLLoCA grant and County Contribution	
			Strengthening county climate change governance structures	288,200	161,500	25,600	1,790,693	FLLoCA grant and County Contribution	
			Construction of Yandia water project	-	5,673,565		6,525,639	FLLoCA grant and County Contribution	
			Rehabilitation of Kwa-Kakui earth dam	-			15,520,431	FLLoCA grant and County Contribution	
			Kikuu Kiangini Water project enhancement	-	7,491,950	2,095,670	151,360	FLLoCA grant and County Contribution	
			Implementation of Kaiti 2 water project	-	8,619,160	3,686,350	2,499,368	FLLoCA grant and County Contribution	
			Construction of Ilovoto water project	-		769,281	8,262,000	FLLoCA grant and County Contribution	
			Enhancement of the Miting'ani Kaiti water project	-	4,568,365		5,504,029	FLLoCA grant and County Contribution	

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Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
			Kwa Nzoongo Earthdam development & livelihood enhancement project	-	1,186,260	6,330,534	2,898,612	FLLoCA grant and County Contribution	
			Isuuni- Kwa Kisela pumping & distribution water project	-		8,399,660	5,136,750	FLLoCA grant and County Contribution	
			Muliluni-Kiambani water & livelihood enhancement project	-		9,929,253	50,000	FLLoCA grant and County Contribution	
			Wautu/ Kyangaati sand dam water project	-		5,573,334	4,050,430	FLLoCA grant and County Contribution	
			Kyandulu/Ndovoini Livelihood enhancement project	-				FLLoCA grant and County Contribution	
			Enhancement of Athi Mavindini water project	-	5,269,305		50,000	FLLoCA grant and County Contribution	
			Implementation of Kinze earth dam water project	-		5,965,738	3,859,699	FLLoCA grant and County Contribution	
			Control of gulleys at Kwe Kuyu Kalemwani					FLLoCA grant and County Contribution	
			Construction of gabions along Mbeetwani Road					FLLoCA grant and County Contribution	
			Climate Change initiative- Agroforestry- Muvau kikumini				369,384	FLLoCA grant and County Contribution	
			Forest conservation and awareness (Tree planting/water weirs/sand dams) in Nzakika	-		52,920	1,845,470	FLLoCA grant and County Contribution	
			Construction of londokwe - Kitise Earthdam, Check dam, sustainable land management - Kitise/Kithuki				1,838,400	FLLoCA grant and County Contribution	
			Environmental Impact Assessment NEMA Fee	-				FLLoCA grant and County Contribution	NEMA
			Environmental Impact Assessment Consultancy	-	2,389,460		70,104	FLLoCA grant and County Contribution	
			Environmental and Social Screening and proposal development			482,180		FLLoCA grant and County Contribution	NEMA

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Project Name	Project Description	Project Objectives	Project Activities				Source Of Funds		Implementing Partners
			Designing and feasibility studies				1,642,140	FLLoCA grant and County Contribution	
			Tendering Process				286,003	FLLoCA grant and County Contribution	
			Technical Supervision	-		022,976	1,917,080	FLLoCA grant and County Contribution	
			Monitoring and Evaluation	-	616,520	166,430	858,190	FLLoCA grant and County Contribution	
			Community Outreach	-	609,800	00,580	551,219	FLLoCA grant and County Contribution	
			Project Management Committee	-		50,000	450,000	FLLoCA grant and County Contribution	
			Grievance Redress Mechanism	-	1,859,280	90,000		FLLoCA grant and County Contribution	
			TOTALS		1,088,500	43,908,444	58,781,626	77,005,936	

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Appendix VI: Disaster Expenditure Reporting Template

Column I Program me	Column II Sub- programme	Column III Disaster Type	Column IV Category of disaster related Activity	Column V Expenditure item	Column VI Amount (Kshs.)	Column VII Comments
Special Programme s, Disaster Managemen t and Emergency services	Special Programmes	Famine/drought	Response/recovery /preparedness	Purchase of relief food for hunger stricken & vulnerable populations across the county	3,888,205	The food was distributed to recognized families in need, children's homes, and other households affected by disasters.
	Disaster management	Floods/drought/ fire	Response/recovery /preparedness	Purchase of mattresses and blankets for disaster-stricken households	1,76 ,340	The mattresses and the blankets were distributed to families affected by disasters such as fire, landslides and others issued to schools whose dormitories were razed down by fire
	Disaster management	All disasters	Preparedness	Purchase of food & non-food items for Wote & Makindu fire station	915,116	Food and non-food items utilized by firefighters at the two fire station for their daily operations
	Disaster Management	Fire/landslides	Response	Purchase of iron sheets for disaster-stricken households and vulnerable population	401,808	Iron sheets distributed to families whose houses were destroyed by fire, landslides to help them in recovery and reconstruction process
	Disaster Management	House collapse	Recovery	Purchase of roofing materials for a family at Nyunzu destroyed during MAM rains	127,381	The items were utilized in roofing of house belonging to Peter Mwanzia of Nyunzu area, whose house was destroyed by MAM 2024 rains
	Special Programmes	Drought/famine	Response/prepared ness	Purchase and delivery of food items for use to vulnerable and needy families in the County	1,017,950	The items were distributed upon request to support needy and vulnerable families as a measure to protect them from the effects of poverty.
Total					8,120,190	

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Appendix VII: Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) Previous Year	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) Current Year
Land	702,504,883	1,000,000	-	-	703,504,883
Buildings and structures	1,252,851,641	257,818,664	-	-	1,510,670,305
Transport equipment	448,290,206	16,690,707	-	-	464,980,913
Office equipment, furniture and fittings	359,293,434	983,870	-	-	360,277,304
ICT Equipment, Software and Other ICT Assets	69,962,472	15,088,586	-	-	85,051,058
Other Machinery and Equipment	454,514,300	45,666,209	-	-	500,180,510
Heritage and cultural assets	-	-	-	-	-
Biological Assets	267,508,302	-	-	-	267,508,302
Intangible assets	547,386,833	-	-	-	547,386,833
Infrastructure assets- Roads, Rails	8,905,013,599	78,700,968	-	-	8,983,714,567
Total	13,007,325,671	415,949,004	-	-	13,423,274,675

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Appendix VIII: Trial Balance as at 30th June 2025

Account Description	Debit (Kshs.)	Credit (Kshs.)
Transfers from CRF	-	8,674,598,107
Employee costs	4,426,652,436	-
Use of goods and services	2,824,050,504	-
Transfers to other Government Entities	836,517,562	-
Depreciation and amortization expense (for the period)	22,300,218	-
Other Grants and Subsidies	180,339,403	-
Social Benefits	6,590,683	-
Cash and Cash equivalents	158,557,418	-
Prepaid Expenses	117,215,556	-
Property, Plant and Equipment	393,030,830	-
Trade and Other Payables	-	773,724,216
Accumulated Deficit (opening)	483,030,172	-
Returns to CRF	25,494	-
Prior Year Adjustments	12,047	-
Total	9,448,322,323	9,448,322,323

