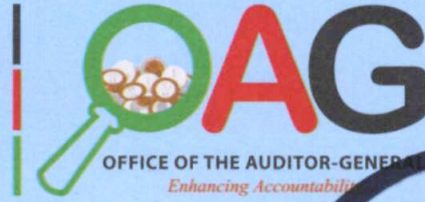
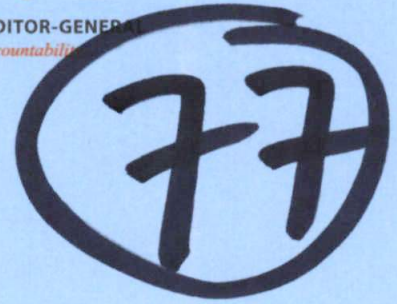


REPUBLIC OF KENYA



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REPORT



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THE AUDITOR-GENERAL

ON

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**RECEIVER OF REVENUE
REVENUE STATEMENTS**

**FOR THE YEAR ENDED
30 JUNE, 2025**

COUNTY GOVERNMENT OF KISII

FF



RECEIVER OF REVENUE
County Government of Kisii

REVENUE STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025

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

*Receiver Of Revenue
County Government Of Kisii
Revenue Statements for the Period Ended 30th June 2025*

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*Receiver Of Revenue
County Government Of Kisii
Revenue Statements for the Period Ended 30th June 2025*

1. Acronyms and Definition of Key Terms

a) Acronyms

CA	County Assembly
COB	Controller of Budget
CRF	County Revenue Fund
FY	Financial Year
IPSAS	International Public Sector Accounting Standards
NT	National Treasury
OSR	Own Source Revenue
PFMA	Public Finance Management Act
PSASB	Public Sector Accounting Standards Board
ROR	Receiver of Revenue

b) Key terms

Comparative FY	Comparative Prior Financial Year
Fiduciary Management	The key management personnel who had financial responsibility

2. Key Entity Information and Management

(a) Background information

The receiver of revenue is under the Department of Department of Finance, Accounting Services & Revenue Management. At the County Executive Committee level, the receiver of revenue is represented by the County Executive committee member for Finance Economic Planning & ICT, who is responsible for the general policy and strategic direction of the receiver of revenue. The receiver of revenue is designated as a receiver on 23rd August 2024 by the County Executive Committee member for Finance, in accordance with section 157 of the PFM Act.

(b) Principal activities

The receiver of revenue collects revenue and remits to the County Revenue Fund (CRF).

(c) Key Management Team

The County Government of Kisiis' day-to-day management of revenue is under the following:

- County Executive Committee Member for Finance
- Chief Officer, Revenue Management
- Director, Revenue Management
- Head of Revenue Reporting

*Receiver Of Revenue
County Government Of Kisii
Revenue Statements for the Period Ended 30th June 2025*

Key Entity information and Management (continued)

(a) County Headquarters

P.O. Box 4550-40200
Kisii Building/House/Plaza
Kisii-Keroka Road/Highway
KISII, KENYA

(b) Entity Contacts

Telephone: (254) 58203005
E-mail: info@kisii.go.ke
Website: www.kisii.go.ke

(c) Independent Auditor

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

(d) Principal Legal Adviser

The Attorney General
State Law Office
P.o.Box 40112
City Square 00200

(e) Bankers

Kenya Commercial Bank
Kisii Branch
P.O.Box 48400
Nairobi, Kenya

(f) County Attorney

The Office the County Attorney
County Government of Kisii
P.o.Box 4550
Kisii, Kenya

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3. Foreword by the CECM Finance and Economic Planning

In the Budget estimates for the Financial Year 2024/2025, Kisii County Government expected to collect Kshs 865M from the following 14 Revenue streams as follows:

Table: 1 Budget estimates for the financial year 2024/2025

Description	Original Targets	Adjustments	Final Targets	Actual On-Comparable Basis	Budget Realization Difference	% of Realization
	A	B	C=A+B	D	E=C-D	F=D/C %
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
County Own Source Revenue						
Cess	20,000,000.00	10,000,000.00	30,000,000.00	9,590,773.00	20,409,227.00	31.97
Land Rate	25,000,000.00	5,000,000.00	30,000,000.00	18,303,877.00	11,696,123.00	61.01
Single/Business Permits	200,000,000.00	30,000,000.00	230,000,000.00	138,706,896.00	91,293,104.00	60.31
Property Rent	25,000,000.00	35,000,000.00	60,000,000.00	16,052,979.00	43,947,021.00	26.75
Parking Fees	156,000,000.00	36,000,000.00	192,000,000.00	132,990,203.00	59,009,797.00	69.27
Market Fees	91,000,000.00	14,000,000.00	105,000,000.00	40,921,332.00	64,078,668.00	38.97
Advertising	40,000,000.00	5,000,000.00	45,000,000.00	80,924,251.00	- 35,924,251.00	179.83
Physical Planning and Development	40,000,000.00	20,000,000.00	60,000,000.00	56,786,827.00	3,213,173.00	94.64
Hire of County Assets	3,500,000.00	21,500,000.00	25,000,000.00	752,734.00	24,247,266.00	3.01
Conservancy Administration Charges	5,000,000.00	15,000,000.00	20,000,000.00	36,606,419.00	- 16,606,419.00	183.03
Administration Control Fees and Charges	30,000,000.00	15,000,000.00	45,000,000.00	34,651,692.00	10,348,308.00	77.00
Proceeds from sale of assets	10,000,000.00	2,000,000.00	12,000,000.00	-	12,000,000.00	-
Sale of fingerling	1,000,000.00	5,000,000.00	6,000,000.00	439,263.00	5,560,737.00	7.32
Miscellaneous Receipts	3,500,000.00	6,500,000.00	10,000,000.00	25,700.00	9,974,300.00	0.26
Total County Own Source Revenue	650,000,000.00	220,000,000.00	870,000,000.00	566,752,946.00	303,247,054.00	65.14

*Receiver Of Revenue
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Revenue Statements for the Period Ended 30th June 2025*

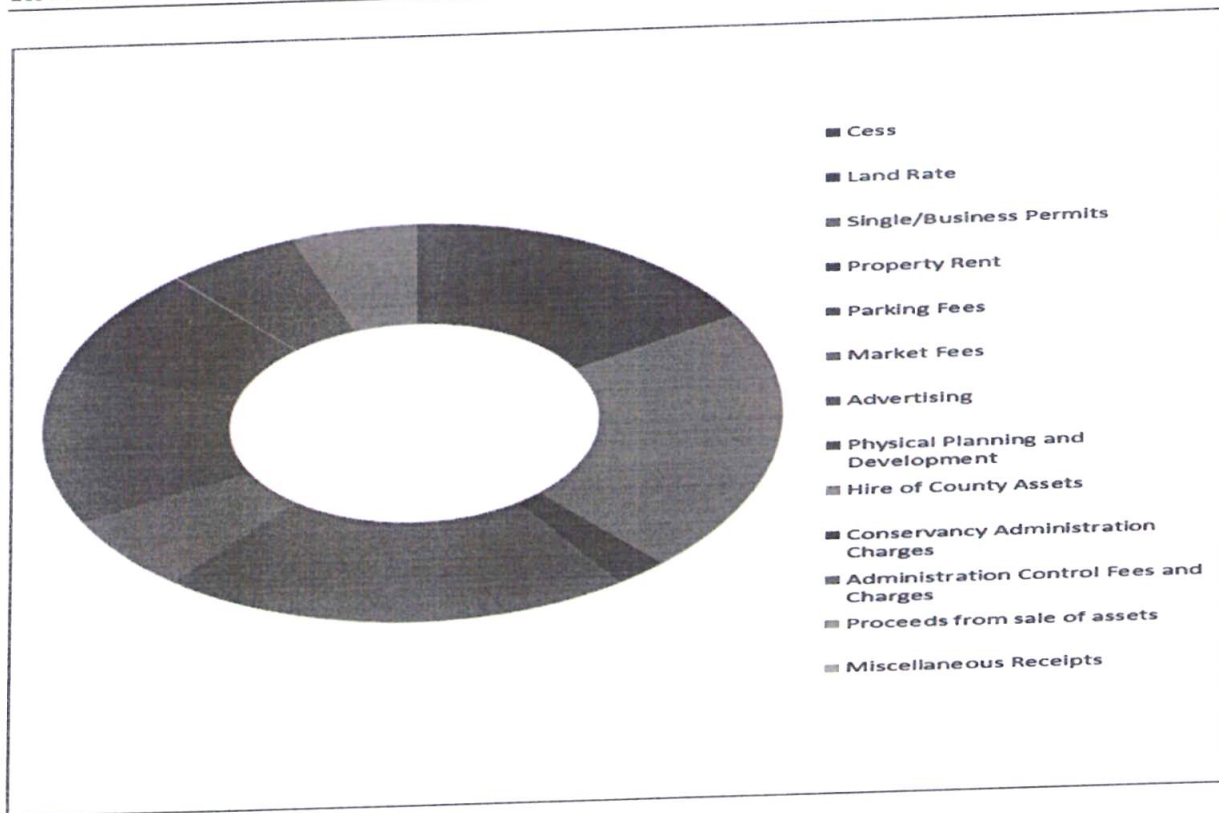


Figure: 1

The actual revenue collected was Kshs 566,752,946.00 which represented 65% of the budget estimates. The Budget estimates against actual collection for the year were represented in the pie-chart.

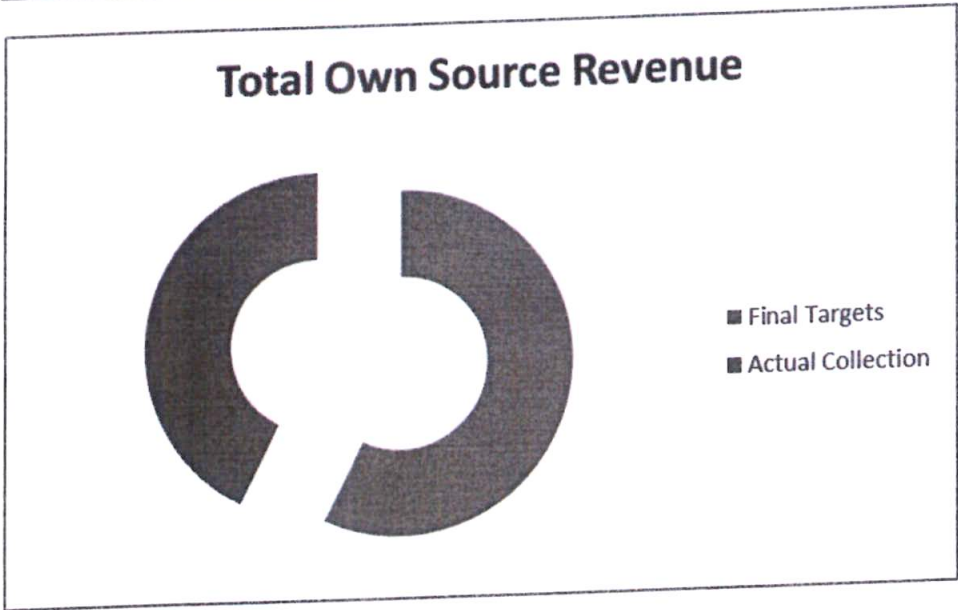


Figure: 2
During the financial year 2024/2025, Kshs 556,512,729.58 was transferred from the revenue collection account in Kenya Commercial Bank into the County Revenue Collection Account in the Central Bank of Kenya (CBK) where as Kshs. 490,555.00 was outstanding as at the financial year end. This was subsequently transferred on 3rd of July 2025.

The financial year 2024/2025 was the 1st transitional year for accrual accounting as per the IPSAS

.....
CECM Finance and Economic Planning
County Government of Kisii

*Receiver Of Revenue
County Government Of Kisii
Revenue Statements for the Period Ended 30th June 2025*

4. Management Discussion and Analysis

Receiver of revenue Statements of the county government of Kisii were prepared on accrual basis under IPSAS

Own source revenue budget estimates against actual revenues collected have been analyzed in the tables and graphs as shown in table 2 and figure 3 respectively as follows.

Table 2: Budget Estimates against actual revenues collected

Financial year	Budget Estimates	Actual Collection	Actual collection as a % of budget
2020/2021	650,000,000	399,505,292	61
2021/2022	700,000,000	400,297,869	57
2022/2023	750,000,000	415,285,664	55
2023/2024	650,000,000	502,404,001	77
2024/2025	865,000,000	566,752,946	65

BUDGET ESTIMATES VS ACTUAL REVENUE COLLECTED

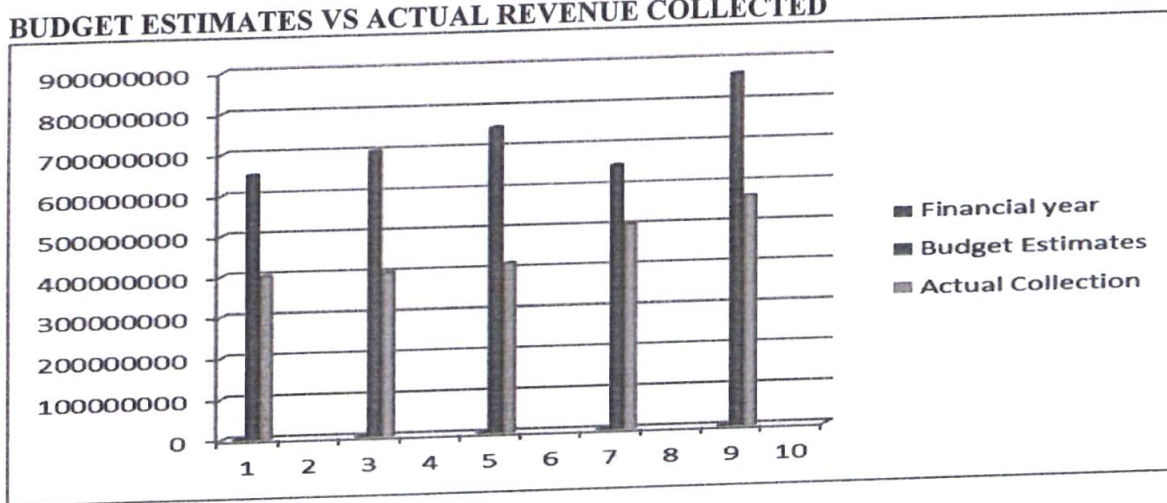


Figure 3

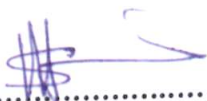
It is important to note that revenue targets have not been achieved over the years. The financial year 2024/2025 has recorded the highest revenue collection ever.

The management faced several challenges during the year which hindered the achievement of the revenue target. The challenges included:

- i. Pending court cases challenging the Finance Act mainly affecting single business Permits, cess, Advertisement, parking fees and other fees and charges.
- ii. Delay in completion of the stadia affected its collection.

*Receiver Of Revenue
County Government Of Kisii
Revenue Statements for the Period Ended 30th June 2025*

- iii. The boundary dispute in Keroka Town interfered with revenue collection
- iv. Heavy rains received during the year affected the collection of market dues, cess and parking.
- v. The government had anticipated disposing some assets, but the process did not take off.

Sign.....

**Name: Conrad Owino
County Receiver of Revenue**

*Receiver Of Revenue
County Government Of Kisii
Revenue Statements for the Period Ended 30th June 2025*

5. Statement of the Receiver of Revenue's responsibilities

Section 165 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, a receiver of revenue for a county government shall prepare an account in respect of the revenue collected, received and recovered by the receiver during that financial year.

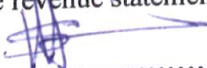
The Receiver of Revenue is responsible for the preparation and presentation of the Receiver of Revenue account, which gives a true and fair view of the state of affairs of the Receiver of Revenue for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: (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 statement of assets and liabilities of the entity, (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 entity, (v) selecting and applying appropriate accounting policies, and (vi) making accounting estimates that are reasonable in the circumstances.

The Receiver of Revenue in charge accepts responsibility for the entity's receiver of revenue accounts, which have been prepared on the Accrual Basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and the relevant legal framework of the Government of Kenya. The Receiver of Revenue is of the opinion that the entity's receiver of revenue account gives a true and fair view of the state of the entity's receiver of revenue transactions during the financial year ended June 30, 2025, and of the entity's statement of assets and liabilities as at that date. The Receiver of Revenue further confirms the completeness of the accounting records maintained, which have been relied upon in the preparation of the Receiver of Revenue account as well as the adequacy of the systems of internal financial control.

The Receiver of Revenue confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable). The Receiver of Revenue confirms that the revenue statements have been prepared in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the Revenue Statements

The revenue statements were approved and signed by the Receiver of Revenue on 11th November 2025

.....

Name: Conrad Owino
County Receiver of Revenue

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON RECEIVER OF REVENUE - REVENUE STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2025 - COUNTY GOVERNMENT OF KISII

PREAMBLE

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

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

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

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

REPORT ON THE REVENUE STATEMENTS

Qualified Opinion

I have audited the accompanying revenue statements of Receiver of Revenue - County Government of Kisii set out on pages 1 to 22, which comprise of the statement of financial position as at 30 June, 2025 and the statement of revenue and disbursements, statement of cash flows and the statement of comparison of budget

and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the revenue statements present fairly, in all material respects, the financial position of Receiver of Revenue - County Government of Kisii as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis and comply with the County Governments Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Revenue Statements

Review of the revenue statements prepared and presented for audit revealed the following inaccuracies.

1.1. Inaccuracy in Dues to County Revenue Fund

The statement of revenue and disbursements reflects increase in dues to County Revenue Fund (CRF) of Kshs.490,555. However, recomputation yielded an amount of Kshs.10,178,562 resulting in an unexplained variance of Kshs.9,688,007. In addition, Note 25 to the revenue statements on movement disclosure on dues to CRF reflects movement of Kshs.1,651,889 with no explanatory note as to what the movement relates to.

1.2. Statement of Cash Flows

The statement of cashflows reflects cash and cash equivalents balance as at 30 June, 2025 of Kshs.490,555. The statement also reflects opening balance of Kshs.2,142,444 and Nil net cash flows from operating activities resulting to an expected closing cash balance of Kshs.2,142,444. As a result, the cash and cash equivalent balance as at 30 June 2025 of Kshs.490,555 is understated by Kshs.1,651,889.

1.3. Cash and Cash Equivalents

The statement of financial position reflects Kshs.490,555 in respect of cash and cash equivalents as disclosed in Note 22 to the revenue statements. However, the cash book provided for audit in support of the balance reflected credit balance of Kshs.33,371,155 resulting in an unreconciled balance of Kshs.33,861,710. Further, the bank reconciliation statement for the month of June 2025 includes unreconciled balance of Kshs.10,502,964. which was explained as being amount received in advance from the customers but disclosed as part of unrepresented cheques.

In the circumstances, the accuracy and completeness of the revenue statements as prepared and presented could not be confirmed.

2. Unsupported Single Business Permits

The statement of revenue and disbursement as disclosed in Note 8 to the revenue statements reflects an amount of Kshs.138,706,896 in respect of revenue from single business permits. However, Management did not provide a list of all eligible business entities within the County Government to support the revenues.

In the circumstances, the accuracy and completeness of the business permits amount of Kshs.138,706,896 could not be confirmed.

3. Unsupported Long Outstanding Receivables from Non-Exchange Transactions

The statement of financial position as disclosed in Note 23 to the revenue statements reflect Kshs.620,498,120 in respect of receivables from non- exchange transactions. However, detailed breakdown indicating when the specific transactions occurred was not provided for audit review. Further, the ageing analysis shows a balance of Kshs.540,726,677 which has been outstanding for more than one year and the management did not demonstrate any strategies or efforts being undertaken to ensure that the outstanding arrears are recovered. In addition, management did not provide the debt management policy casting doubt on how the receivables are managed without this key policy document.

In the circumstances, the accuracy and completeness of receivables from non-exchange transactions balance of Kshs.620,498,120 as at 30 June, 2025 could not be confirmed.

4. Inconsistency in Reported Land Rates Balances Across County Systems

The statement of financial position as disclosed in Note 23 to the revenue statements reflect balance of Kshs.620,498,120 in respect to receivables from non-exchange transaction. Audit review revealed that the County Government has a total of 7,131 registered properties captured in the revenue system. However, comparison between the LAIFOMS system and the revenue system reveals notable discrepancies; the LAIFOMS system indicates 3,115 properties had outstanding land rates of Kshs.620,498,120, while the revenue system indicated 2,965 properties with outstanding balances amounting to Kshs.605,257,435. In addition, Note 7 of the revenue statements reflect land rates, penalties and arrears of Kshs.8,048,233, Kshs.4,850,169, and Kshs.5,405,475 respectively all totaling to Kshs.18,303,877. The inconsistencies between the two systems raise concerns regarding the completeness and accuracy of the revenue reported.

In the circumstances, the accuracy and completeness of receivables from non-exchange transactions balance of Kshs.620,498,120 as at 30 June, 2025 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Receiver of Revenue - County Government of Kisii 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

revenue statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amount reflects budgeted County Own Source Revenue and actual on comparable basis of Kshs.870,000,000 and Kshs.566,752,946 respectively, resulting in under collection of Kshs.303,247,054 or 35% of the budget. Further, the basis of the budget amount of Kshs.870,000,000 had not been explained, including upward budget adjustments of Kshs.220,000,000 from an initial budget of Kshs.650,000,000 during the year.

The under collection of revenue may have affected the planned activities and may have adversely impacted on service delivery to the residents of Kisii County. My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior year's audit reports, several issues were raised under the Report on Revenue statements, Lawfulness and Effectiveness in the Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the Receiver of Revenue in 2024/2025 revealed that the following matters remained unresolved as at 30 June, 2025:

S/No.	Financial Year	Audit Issue
1	2023/2024	Unexplained Variance in County Own Source Revenue Amount
2	2023/2024	Variances Between the Revenue statements and Disbursement to CRF
3	2023/2024	Unsupported Revenue Collected Through Zizi System
4	2023/2024	Unreceipted Revenue
5	2023/2024	Long Outstanding Land Rate Arrears
6	2023/2024	Budgetary Control and Performance
7	2023/2024	Weak Internal Controls over the Administration of Revenue Collection Systems
8	2023/2024	Lack of Risk Management Strategy

Other Information

Management is responsible for the Other Information set out on page iii to x which comprise of Key Entity Information and Management, Foreword by the CECM Finance and Economic Planning, Management Discussion and Analysis and the Statement of Receiver of Revenue's responsibilities. The Other Information does not include the revenue statements and my audit report thereon.

In connection with my audit on the Receiver of Revenue's - revenue statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the revenue 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 revenue statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Levy Penalties on Late payments for Single Business Permit

The statement of revenue and disbursement as disclosed in Note 8 to the revenue statements reflect a balance of Kshs.138,706,896 in respect of revenue from single business permits. However, analysis of SBP collections revealed that a total of 8,557 permits issued after 31 March, 2025 were not subjected to penalty of 5% of the permit fee per month, as required under the Finance Act, 2024. Failure to apply the penalty resulted in loss of potential revenue amounting to Kshs.2,589,533, thereby denying the County additional income and highlighting weaknesses in enforcement of revenue laws.

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

2. Failure to Maintain Updated Valuation Roll

Valuation roll is a legally mandated register of rateable properties within the county, detailing ownership, location, tenure, acreage, and assigned value. The management

relies on an updated Valuation roll contrary to the provisions of the Valuation for Rating Act (Cap. 266) and the National Rating Act, 2024, which require counties to update valuation rolls at least every five years.

Further, although a valuation roll is a legally mandated register of rateable properties within the county, detailing ownership, location, tenure, acreage, and assigned value, failure to have an up dated and approved valuation roll translates to loss of revenue since the county cannot accurately assess property rates, leading to significant unrealized revenue potential undermining fairness and transparency in revenue collection.

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

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Weak ICT Controls

During the year under review, the Management utilized two automated systems; The Kisii Pay, a revenue management solution, and the LAIFOMS, a land rate management system. However, the Receiver of Revenue lacked the approve IT policy, the approved disaster recovery and business continuity plan, offsite backup plan, IT change management plan, ICT capacity building training program, IT security policy, and approved IT steering committee to ensure that the IT department is in harmony with the County Government's mission and objectives. Further, the Receiver of Revenue lacked both the hardware maintenance program and hardware reviews.

In addition, a system review of the IT environment revealed that the receiver of revenue did not have a changeover strategy in place to shift users from using the IT application from LAIFOM system to the Kisii Pay systems, no formal maintenance plan had been developed, approved and followed by the Receiver of Revenue for Point of Sale (POS) devices used in revenue collection and the Kisii Pay application has 401 users, 19 of which are inactive users while 382 users are active. This is despite the fact that 280 point of sale devices have so far been procured by the entity.

In the circumstances, the effectiveness of the ICT controls could not be confirmed.

2. Inadequate Controls Over Management of Point of Sale Terminals

The County Government procured 280 POS terminals for deployment across all sub-counties to facilitate revenue collection. However, a review of audit trails for the period September to December 2024 revealed that only 162 terminals were actively in circulation and used to collect revenue. The remaining 118 terminals did not record any transactions during the review period, raising concerns about their deployment, utilization, and existence. The lack of activity suggests either that the devices were not being used as intended, were not functional, or are possibly unaccounted for.

In the circumstances, the effectiveness of the internal controls over revenue collection at the point of sales could not be confirmed.

3. Limited Control Over the Mpesa Account

The County Government utilizes the Jambo Pay system for revenue collection, which is integrated with both MPesa and a KCB Bank account. However, the County does not exercise direct control over the MPesa account, and as a result, it relies entirely on the vendor for statements relating to MPesa transactions. This dependency limits the County's ability to independently verify and monitor all revenue inflows, thereby weakening oversight and accountability over public funds.

In the circumstances, the effectiveness of the internal controls over Mpesa account could not be confirmed.

4. Delayed Transfer of Revenue from Collection Account to CRF

The County Government operates a Kenya Commercial Bank (KCB) account for the collection of revenue, with the expectation that all amounts received are promptly swept into the County Revenue Fund (CRF) account in line with statutory requirements. However, a review revealed that transfers from the KCB collection account to the CRF account took an average of 28 days during the year under review. Such delays undermine the principle of timely banking of revenue, limit the County's capacity to utilize funds for service delivery, and increase the risk of revenue leakage or mismanagement.

In the circumstances, the effectiveness of the controls over transfers to County Revenue Fund could not be confirmed.

5. Use of Out-dated Applications in Management of County Property Rates

The County relies on the Local Authority Integrated Financial Operations Management System (LAIFOMS) for the management of land rates. This system was last updated in 2010 and no longer receives security patches or technical support. As a result, the integrity and security of critical land rates data maintained in the system are highly questionable. Further, although the County has migrated land records to the Jambo system, it still heavily depends on LAIFOMS for day-to-day operations and reporting of land rate records. This parallel use of an outdated system alongside the

new one increases the risk of inconsistencies, duplication, and errors in revenue management.

In the circumstances, the effectiveness of the controls over county property rates could not be confirmed.

6. Lack of Business Continuity and Disaster Recovery Plans

Review of documents provided for audit review revealed that the County Government of Kisii had not developed, approved, or tested a Business Continuity or Disaster Recovery Plan for the JamboPay platform. The absence of formal continuity and recovery frameworks heightens the risk of prolonged service outages, data loss, and reputational damage in the event of infrastructure failure, cyber incidents, or other disruptions contrary to international ICT governance frameworks, including ISO/IEC 27001 which emphasize the need for government institutions to develop, document, and test Business Continuity Plans (BCP) and Disaster Recovery Plans (DRP) to ensure timely recovery and continuity in the event of a system failure or disaster. Lack of a tested business continuity plan and a disaster recovery plan exposes JamboPay to serious operational risks, extended system downtime and loss of revenue data.

In the circumstances, the reliability and integrity of the JamboPay system in revenue collection in case of disasters could not be confirmed.

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

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these revenue statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of revenue 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 revenue statements, Management is responsible for assessing the County Assembly 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 revenue 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 revenue statements described above, Management is also responsible for ensuring that the

activities, financial transactions and information reflected in the revenue 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 Receiver of Revenue 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 revenue 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 revenue 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 revenue 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 revenue statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

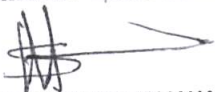
15 December, 2025

*Receiver Of Revenue
County Government Of Kisii
Revenue Statements for the Period Ended 30th June 2025*

Statement of Revenue and Disbursements for the year ended 30th June 2025

Description	Note	2024-2025
		Kshs
Revenue from non-exchange transactions		
Cess	6	9,590,773.00
Land Rates	7	18,303,877.00
Single/Business Permits	8	138,706,896.00
Conservancy Administration	9	36,606,419.00
Administration Control Fees and Charges	10	34,651,692.00
Physical Planning and Development	11	56,786,827.00
Total Revenue from non-exchange transactions		294,646,484.00
Revenue from exchange transactions		
Parking Fees	12	132,990,203.00
Market Fees	13	40,921,332.00
Property Rent	14	16,052,979.00
Advertising	15	80,924,251.00
Hire of County Assets	16	752,734.00
Sale of assets	17	-
Sale of Fingerlings	18	439,263.00
Miscellaneous receipts	19	25,700.00
Total Revenue from exchange transactions		272,106,462.00
Total Revenues (a)		566,752,946.00
Disbursements		
Disbursements To CRF	20	556,542,869.17
Bank charges	21	31,514.59
Total Disbursements and other charges (b)		556,574,383.76
Increase/Decrease in Dues to County Revenue Fund		490,555.00

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



.....
Name: Conrad Owino
County Receiver of Revenue
(Ref: PFM ACT section 165, 2(a))



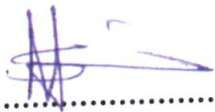
.....
Name: CPA Lydia Moindi
Head of Revenue Reporting
ICPAK M/No 25350

*Receiver Of Revenue
County Government Of Kisii
Revenue Statements for the Period Ended 30th June 2025*


7. **Statement of Financial Position as at 30th June 2025**

Description	Note	FY 2024-2025 Kshs	Balances as at 30th June 2024	Adjustments	Opening Statement 1 st July 2024 Kshs
Current Assets					
Cash and Cash Equivalents	22	490,555	2,142,444	-	2,142,444
Receivables from non-Exchange transactions	23	620,498,120	-	546,132,152	546,132,152
Receivables from Exchange transactions	24	1,282,850	-	-	-
Total Current Assets		622,271,525	2,142,444	546,132,152	548,274,596
Total Assets		622,271,525	2,142,444		548,274,596
Financial Liabilities					
Payables-Due to CRF	25	599,403,336	2,142,444	528,511,160	530,653,604
Revenue Received in Advance	26	22,868,189	-	17,620,992	17,620,992
Total Financial Liabilities		622,271,525	2,142,444		548,274,596

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



.....
Name: Conrad Owino
County Receiver of Revenue



.....
Name: Lydia Moindi
Head of Revenue Reporting
ICPAK M/No 25350

*Receiver Of Revenue
County Government Of Kisii
Revenue Statements for the Period Ended 30th June 2025*

8. **Statement of Cash Flows for the Year Ended 30th June 2025**

Description	Note	2024-2025
		Kshs
Operating Activities		
Receipts from local revenue		556,574,383.76
Total Receipts		556,574,383.76
Payments		
Disbursements To CRF		556,542,869.17
Bank charges		31,514.59
Total Payments		556,574,383.76
Net Cash from Operating Activities		-
Cash and Cash Equivalent as at 1 st July 24	31	2,142,444.00
Cash and Cash Equivalent as at 30th June 25	31	490,555.00

County Government Of Kisii
Revenue Statements for the Period Ended 30 June 2025

9. Statement of Comparison of Budget vs Actual Amounts for Year Ended 30th June 2025

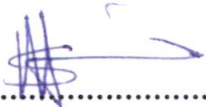
Description	Original Targets	Adjustments	Final Targets	Actual On Comparable Basis	Budget Realization Difference	% of Realization
	A	B	C=A+B	D	E=C-D	E/C
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
County Own Source Revenue						
Cess	20,000,000.00	10,000,000.00	30,000,000.00	9,590,773.00	20,409,227.00	31.97
Land Rate	25,000,000.00	5,000,000.00	30,000,000.00	18,303,877.00	11,696,123.00	61.01
Single/Business Permits	200,000,000.00	30,000,000.00	230,000,000.00	138,706,896.00	91,293,104.00	60.31
Property Rent	25,000,000.00	35,000,000.00	60,000,000.00	16,052,979.00	43,947,021.00	26.75
Parking Fees	156,000,000.00	36,000,000.00	192,000,000.00	132,990,203.00	59,009,797.00	69.27
Market Fees	91,000,000.00	14,000,000.00	105,000,000.00	40,921,332.00	64,078,668.00	38.97
Advertising	40,000,000.00	5,000,000.00	45,000,000.00	80,924,251.00	- 35,924,251.00	179.83
Physical Planning and Development	40,000,000.00	20,000,000.00	60,000,000.00	56,786,827.00	3,213,173.00	94.64
Hire of County Assets	3,500,000.00	21,500,000.00	25,000,000.00	752,734.00	24,247,266.00	3.01
Conservancy Administration Charges	5,000,000.00	15,000,000.00	20,000,000.00	36,606,419.00	- 16,606,419.00	183.03
Administration Control Fees and Charges	30,000,000.00	15,000,000.00	45,000,000.00	34,651,692.00	10,348,308.00	77.00
Proceeds from sale of assets	10,000,000.00	2,000,000.00	12,000,000.00	-	12,000,000.00	-
Sale of fingerling	1,000,000.00	5,000,000.00	6,000,000.00	439,263.00	5,560,737.00	7.32
Miscellaneous Receipts	3,500,000.00	6,500,000.00	10,000,000.00	25,700.00	9,974,300.00	0.26
Total County Own Source Revenue	650,000,000.00	220,000,000.00	870,000,000.00	566,752,946.00	303,247,054.00	65.14

County Government of Kisii
Revenue Statements for the Period Ended 30th June 2025

- (a) Enhanced compliance led to increase in the overall improvement collection
- (b) Asset disposal was uncollected because no assets were disposed
- (c) Most businesses increased their advertisement hence improvement in the advertisement revenue.
- (d) Pending court cases challenging the Finance Act mainly affecting single business Permits, cess, parking fees and other fees and charges.
- (e) Delay in completion of the stadia affected its collection.
- (f) The boundary dispute in Keroka Town interfered with revenue collection
- (g) Heavy rains received during the year affected the collection of market dues, cess and parking.
- (h) The government had anticipated disposing some assets, but the process did not take off.

The changes between the original and final budget are as a result of reallocations within the budget.

The County Receiver of Revenue's amended financial statements were approved on 11th November 2025 and signed by:



.....
Name: Conrad Owino
County Receiver of Revenue



.....
Name: CPA Lydia Moindi
Head of Revenue Reporting
ICPAK M/No25350

10. Notes to the Financial Statements

1. General Information

The County Government of Kisii's Receiver of Revenue was appointed by the CEC member of Finance, Economic Planning and ICT Services in accordance with section 157 of the PFM Act. The Entity's principal activity is Own Source Revenue Collection as outlined in the appointment letter and section 157 of the PFM Act.

2. Statement of Compliance and Basis of Preparation

The revenue statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) Accrual Basis of Accounting and relevant legal framework of the County Government Kisii. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the County Government of Kisii. The accounting policies adopted have been consistently applied to all the years presented.

The Financial statements were authorized for issue by the Accounting Officer on 8th October 2025

3. Adoption of New and Revised Standards

The entity adopted accrual accounting in the financial year 2024/2025. This is the entity's first statements prepared on accrual basis as per IPSAS 47.

Standard	Effective date and impact:
IPSAS 43	<p>Applicable 1st January 2025</p> <p>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.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations	<p>Applicable 1st January 2025</p> <p>The Standard requires,</p> <p>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:</p> <p>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.</p>
IPSAS 45-Property Plant and Equipment	<p>Applicable 1st January 2025</p> <p>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 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.</p>
IPSAS 46 Measurement	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p>

*Receiver Of Revenue
County Government of Kisii
Revenue Statements for the Period Ended 30th June 2025*

Standard	Effective date and impact
	<ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>The entity applied IPSAS 47 in reporting the Receiver of revenue Financial Statements</p>
<p>IPSAS 48- Transfer Expenses</p>	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
<p>IPSAS 49- Retirement Benefit Plans</p>	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral</p>	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and

*Receiver Of Revenue
County Government of Kisii
Revenue Statements for the Period Ended 30th June 2025*

Standard	Effective date and impact
Resources	<p>evaluation expenditures.</p> <p>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</p> <p>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p>

i) Early adoption of standards

The Entity did an early adopt of IPSAS 47 standards in the financial year as we transited to accrual accounting.

4. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these revenue statements are set out below:

i) Revenue from non-exchange transactions

Fees, taxes, fines and charges

The Receiver of Revenue recognizes revenues from fees, taxes, fines and charges when the event occurs and the asset recognition criteria is met. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the Entity and the fair value of the asset can be measured reliably.

ii) Revenue from exchange transactions

Rendering of services

The Receiver of Revenue recognizes revenue from the rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the Entity.

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.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

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.

iii) Budget

The County Revenue budget is developed on cash basis. The budget has the same accounts classification basis, and for the same period as the financial statements. The County budget was approved as required by law. The original budget was approved by the County Assembly in May 2024 for the period 1st July 2024-1 to 30 June 2025. There were two supplementary budgets passed in the year. A high-level assessment of the County's actual performance against the comparable budget for the financial year under review has been included in these financial statements.

The County Government of Kisii'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 performance has been presented under section 10 of these financial statements.

iv) 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 revenue collection accounts held at Commercial banks.

Notes to the Financial Statements (Continued)

Summary of Significant Accounting Policies (Continued)

v) Revenue in Arrears

Revenue in arrears relates to revenue earned and is yet to be received or collected by the receiver of revenue. These arrears are presented as receivables from exchange and non- exchange transactions in the statement of financial position. These receivables are assessed for impairment on a continuous basis. The details of these arrears are presented as an appendix to the financial statements under the statement of arrears as required under the PFM Act, 2012 Section 165 (2) (b).

vi) Disbursements to CRF

The Receiver of Revenue has an arrangement for transfer of funds from its bank account to the CRF account. Total disbursements to the CRF are as a result of the transfer arrangement during the year. The Receiver's policy is to transfer money to the CRF Account twice a week (Every Tuesday and Thursday).

vii) Payables due to CRF

These relate to amounts yet to be disbursed to the County Revenue Fund at the end of the period. The amount also includes monies that are yet to be collected by the receiver of revenue at the end of the reporting period.

viii) Comparative Figures

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

ix) Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the revenue statements for the year ended June 30, 2025

Notes to the financial statements

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The 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.

Provisions

The management did not have any provisions during the year.

*Receiver Of Revenue
County Government Of Kisii
Revenue Statements for the Period Ended 30th June 2025*

Notes to the Financial Statements

6. Cess

Description	2024/2025
	Kshs
Farm produce	9,590,773.00
Others	-
Total	9,590,773.00

7. Land rates

Description	2024/2025
	Kshs
Land rates	8,048,233.00
Land penalties and interest	4,850,169.00
Arrears received during the year	5,405,475.00
Total	18,303,877.00

8. Single /Business Permits

Description	2024/2025
	Kshs
Distribution Permits	24,071,101.00
Annual Business permit fees	112,649,132.00
Business permit penalties and interest	1,986,663.00
Total	138,706,896.00

*Receiver Of Revenue
County Government of Kisii
Revenue Statements for the Period Ended 30th June 2025*

Notes to the Financial Statements (continued)

9. Conservancy Administration

Conservancy Administration	2024/2025
	Kshs
Conservancy fee	99,540.00
Environmental Permits	36,506,879.00
Total	36,606,419.00

10. Administration Control Fees and Charges

Description	2024/2025
	Kshs
Weights and measures inspection	2,213,680.00
Fire Services	26,997,601.00
Impounding fees	4,276,963.00
Clamping fees	1,092,111.00
Betting and Gaming	48,500.00
Other Administrative fees and charges	22,837.00
Total	34,651,692.00

11. Physical Planning and Development

Description	2024/2025
	Kshs
Building plans approval	56,786,827.00
Total	56,786,827.00

*Receiver Of Revenue
County Government of Kisii
Revenue Statements for the Period Ended 30th June 2025*

Notes to the Financial Statements (continued)

12. Parking fee

Description	2024/2025
	Kshs
Street parking fees	52,944,262.00
Monthly toll/sticker fees	68,972,891.00
Motorbike fees	67,550.00
Reserved parking	11,005,500.00
Total	132,990,203.00

13. Market fees

Description	2024/2025
	Kshs
Market entry fees	37,670,532.00
Livestock market	1,510,450.00
Slaughter house fee	1,740,350.00
Total	40,921,332.00

*Receiver Of Revenue
County Government of Kisii
Revenue Statements for the Period Ended 30th June 2025*

Notes to the Financial Statements (continued)

14. Property Rent

Description	2024/2025
	Kshs
County Housing	9,500,412.00
Plot Rent	6,552,567.00
Total	16,052,979.00

15. Advertising

Description	2024/2025
	Kshs
Billboard advertising	80,924,251.00
Total	80,924,251.00

16. Hire of County Assets

Description	2024/2025
	Kshs
Hire of County Stadia	550,733.00
Hire of County Halls	202,001.00
Conference facilities/Agricultural Training Centers (ATC)	-
Total	752,734.00

17. Sale of Assets

Description	2024/2025
	Kshs
Receipts from Sale of Buildings	-
Receipts from Sale of Vehicles and Transport Equipment	-
Receipts from Sale of Plant Machinery and Equipment	-
Disposal and Sales of Non-Produced Assets	-
Total	-

*Receiver Of Revenue
County Government of Kisii
Revenue Statements for the Period Ended 30th June 2025*

Notes to the Financial Statements (continued)

18. Sale of Fingerlings

Description	2024/2025
	Kshs
Sale of Fingerlings	439,263.00
Total	439,263.00

19. Miscellaneous Income

Description	2024/2025
	Kshs
Salary overpayment	25,700.00
Total	25,700.00

20. Disbursements to CRF

Description	Sep/Dec/March/ June 2025
	Kshs
Quarter 1	67,859,000.00
Quarter 2	77,000,000.00
Quarter 3	202,140,000.00
Quarter 4	209,543,869.17
Total	556,542,869.17

21. Bank Charges

Description	2024/2025
	Kshs
Bank Charges & commissions	31,514.59
Total	31,514.59

Receiver Of Revenue
County Government of Kisii
Revenue Statements for the Period Ended 30th June 2025

Notes to the Financial Statements (continued)

22. Cash and Cash Equivalents

Name of Bank, Account No. & currency	Amount	Exc. rate (if in foreign currency)	FY2024-2025	Opening Statement
			Kshs	1 st July 2024 Kshs
KCB 1140758519 (Kes)	490,555.00	-	490,555.00	2,142,444.00
Cash at Hand	-		-	-
Total	490,555.00		490,555.00	2,142,444.00

23. Receivables from non-Exchange Transactions

Description	2024/2025	Opening Statement
	Kshs	1 st July 2024 Kshs
Receivables		
Land Rates	620,498,120.00	546,132,152.00
Sub total	620,498,120.00	546,132,152.00
Less impairment Allowance	-	-
Total Current Receivables	620,498,120.00	546,132,152.00

24. Ageing analysis for Receivables from Non-exchange transactions

Description	2024/2025		Opening Statement	
	Current FY	% of the total	Opening Balance	% of the total
	Kshs		Kshs	
Less than 1 year	79,771,443.00	12.86	58,478,524.00	10.71
Between 1- 2 years	58,478,524.00	9.42	59,447,444.00	10.89
Between 2-3 years	59,447,444.00	9.58	53,081,976.00	9.72
Over 3 years	422,800,709.00	68.14	375,124,208.00	68.69
Total (a+b)	620,498,120.00	100	546,132,152.00	100

Ageing analysis for total receivables in exchange transactions

Description	2024/2025	
	2024/2025	% of the total
	Kshs	
Less than 1 year	1,282,850.00	-
Between 1- 2 years	-	-
Between 2-3 years	-	-
Over 3 years	-	-
Total (a+b)	1,282,850.00	-

Receiver Of Revenue
County Government of Kisii
Revenue Statements for the Period Ended 30th June 2025

Notes to the Financial Statements (continued)

Reconciliation for Impairment Allowance on Receivables from Exchange Transactions	
Impairment allowance/ provision	2024/2025
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	-

25. Payables Due to CRF

Description	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Amount collected yet to be disbursed to CRF	490,555.00	2,142,444.00
less revenue received in advance	22,868,189.00	17,620,991.95
Amount billed and yet to be collected for disbursement to CRF	621,780,970.00	546,132,152.00
Total Due to CRF	599,403,336.00	530,653,604.05

Movement Disclosure on Dues to CRF		
Description	2024/2025	2023/2024
	Kshs	Kshs
Opening Dues to CRF	2,142,444.00	1,595,312.00
Increase/Decrease in Dues to CRF	- 1,651,889.00	- 547,132.00
Closing Dues to CRF	490,555.00	2,142,444.00

26. Revenue received in advance

Description	2024-2025	Opening Statement 1st July 2024
	Kshs	Kshs
Direct Deposits not Presented	22,868,189.00	17,620,991.95
Total	22,868,189.00	17,620,991.95

11. Appendices

Appendix 1: Progress on follow up of prior Year Auditor Recommendations.

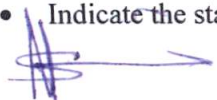
The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Unexplained Variance in the county own source Revenue Amount	The issue has been addressed by the management	Resolved	N/A
2.	Variances between the Financial Statements and Disbursements to CRF	The issue has been addressed by the management	Resolved	N/A
3.	Unsupported Revenue Collected through the ZIZI system	The issue has been addressed by the management	Resolved	N/A
4.	Un-Received Revenue	The issue has been addressed by the management	Resolved	N/A
5.	Long outstanding Land Rate Arrears	The management appointed a committee to look into the issues	Not Resolved	30 th June 2026
1.	Budgetary Control and performance	The management is working to address the issue	Not Resolved	
1.	Weak internal Controls over the Administration of Revenue collection systems	The management issues raised during project implementation have been addressed and the management is now working on a self-service portal together with the service provider.	Not Resolved	30 th June 2026

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.	Lack of a risk Management strategy	The management is working towards having a risk management policy in place. It's at the draft level.	Not Resolved	30 th June 2026

Guidance Notes:

- Use the same reference numbers as contained in the external audit report.
- Obtain the "Issue/Observation" and "management comments", required above, from final external audit report that is signed by Management.
- Indicate the status of "Resolved" or "Not Resolved" by the date of submitting this report to National Treasury.



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Name: Conrad Owino
County Receiver of Revenue

Date: 11th November 2025



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Name: CPA Lydia Moindi
Head of Revenue Reporting
ICPAK M/No25350

Date: 11th November 2025

Appendix 2: Statement of Arrears of Revenue as at 30th June 2025

Classification Of Receipts	Balance as at The beginning of the current year (1 st July 2024) A	Arrears received during the year. B	Additions in arrears for the current year to June 30, 2025 C	Total arrears as at 30 June 2025 D=A+(B)+C	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Land rate	546,132,152.00	5,405,475.00	79,771,443.00	620,498,120.00	Issuance of demand notices	Some arrears are irrecoverable
County housing Rent	9,500,412.00	8,217,562.00	-	1,282,850.00	Issuance of demand notices	
Total Arrears	555,632,564.00	13,623,037.00	79,771,443.00	621,780,970.00		



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 Name: Conrad Owino
 County Receiver of Revenue
 (Ref: PFM ACT section 165, 2(a))



.....
 Name: Lydia Moindi
 Head of Revenue Reporting
 ICPAK M/No 25350



Appendix 3: Ageing Analysis of Revenue in Arrears

Description (indicate as applicable)	Less than 1 year	Between 1-2 years	Between 2-3 years	Over 3 years	Total
Land rate	79,771,443.00	58,478,524.00	59,447,444.00	422,800,709.00	620,498,120.00
County Housing Rent	1,282,850.00	-	-	-	1,282,850.00
Total	81,054,293.00	58,478,524.00	59,447,444.00	422,800,709.00	621,780,970.00

Appendix 4: A Report of Waivers and Variations of Fees or charges granted by the Receiver of Revenue during the year.

S/No	Name of person / organisation benefitting from waiver/ variation	Year in which waiver/ variation relates	Amount of variation/ waiver (fee or charge)	Reasons for waiver/ variation	The law in terms of which the variation/waiver was granted
	The entity did not issue any waiver during the year.				

(PFM ACT section 165 subsection 4, 5)

11th November 2025

Accounting Officer