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REPORT

OF

THE AUDITOR-GENERAL

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RECEIVER OF REVENUE – REVENUE
STATEMENTS

FOR THE YEAR ENDED
30 JUNE, 2025

COUNTY GOVERNMENT OF WAJIR

211

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RECEIVER OF REVENUE
COUNTY GOVERNMENT OF WAJIR

REVENUE STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2025

Transitional IPSAS Financial Statements

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*Receiver of Revenue
County Government of Wajir
Revenue Statements for the year Ended 30th June 2025*

1. Acronyms and glossary of 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) Glossary of terms

Comparative FY Comparative Prior Financial Year

Fiduciary Management The key management personnel who had financial responsibility

2. Key Entity Information and Management

Wajir County is constituted as per the constitution of Kenya and is headed by the County Governor, who is responsible for the general policy and strategic direction of the County. The governor is supported by the county executive committee in carrying out the mandate as stipulated in the constitution. The County Executive Committee Member for Finance and Economic Planning is in charge of the County Treasury. One of the functions of the CECM for Finance is financial reporting at the county level.

(a) Background information

The receiver of revenue is under the Department of Revenue Services. At the County Executive Committee level, the receiver of revenue is represented by the County Executive committee member for Finance and Economic Planning, who is responsible for the general policy and strategic direction of the receiver of revenue. The receiver of revenue is designated as a receiver 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 Wajir day-to-day management of revenue is under the following:

No.	Designation	Name
1.	CEC member –Finance	Mohamed Hassan
2.	Chief Officer, Finance	Yayha M. Dahiye
3.	Director, Revenue	Ali Sharrif Ibrahim
4.	Head of Revenue Reporting	Jibril Musa Omar

(d) County Headquarters

P.O. Box 9-70200
County Government Headquarters
Airport Road
Wajir, Kenya

(e) Entity Contacts

E-mail: info@wajir.go.ke
Website: www.wajir.go.ke

(f) Independent Auditor

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

Receiver of Revenue
County Government of Wajir
Revenue Statements for the year Ended 30th June 2025

(g) Principal Legal Adviser

The Attorney General
State Law Office and Department of Justice
Harambe Avenue
P.O Box 40112-00200
Nairobi, Kenya

(h) Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O Box 6000
Nairobi, Kenya
2. Kenya Commercial Bank, Wajir.
Mandera Road
P.O. Box 201-70200
Tel: +254-46421536/0711087000
Email: Contactcentre@kcb.co.ke
Wajir, Kenya

(i) County Attorney

County Government of Wajir
P.O. Box 9-70200
County Government Headquarters,
Wajir, Kenya

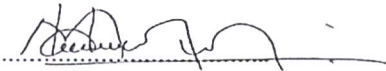
3. Forward by the CECM Finance and Economic Planning

It's my pleasure to present the first Wajir County Receiver of Revenue Financial Statements for the period ended 30th June 2025 for the financial year 2024/2025 in compliance with the relevant Public Finance Management regulations.

During the year under review, Wajir County budgeted to raise Kshs. **270,000,000**. The County's revenue sources included Cess collections, Land/Poll Rent, Single/Business Permits, Property Rent, Market Fees, Hospital Fees, Public Health Service Fees and Physical Planning and Development.

The County encountered numerous challenges such as recurring droughts that affected livestock and farm production, insecurity threats from terror militants that made some targeted revenue collection spots inaccessible, border closure between Kenya and Somalia that limited movement of goods and trading activities in the region amongst other limiting factors. These challenges hindered revenue collection efforts by weakening the county's economic conditions and the citizen's ability to pay levies. Accordingly, the total revenue realized was Kshs. **355,608,395** including arrears of Kshs. **26,379,738** for the said period against a collection target of Kshs. **270,000,000** in the period ended 30th June 2025.

To enforce more revenue collections in the financial year 2025/2026 and subsequent financial periods appropriate mechanisms will be put in place by the receiver of revenue.

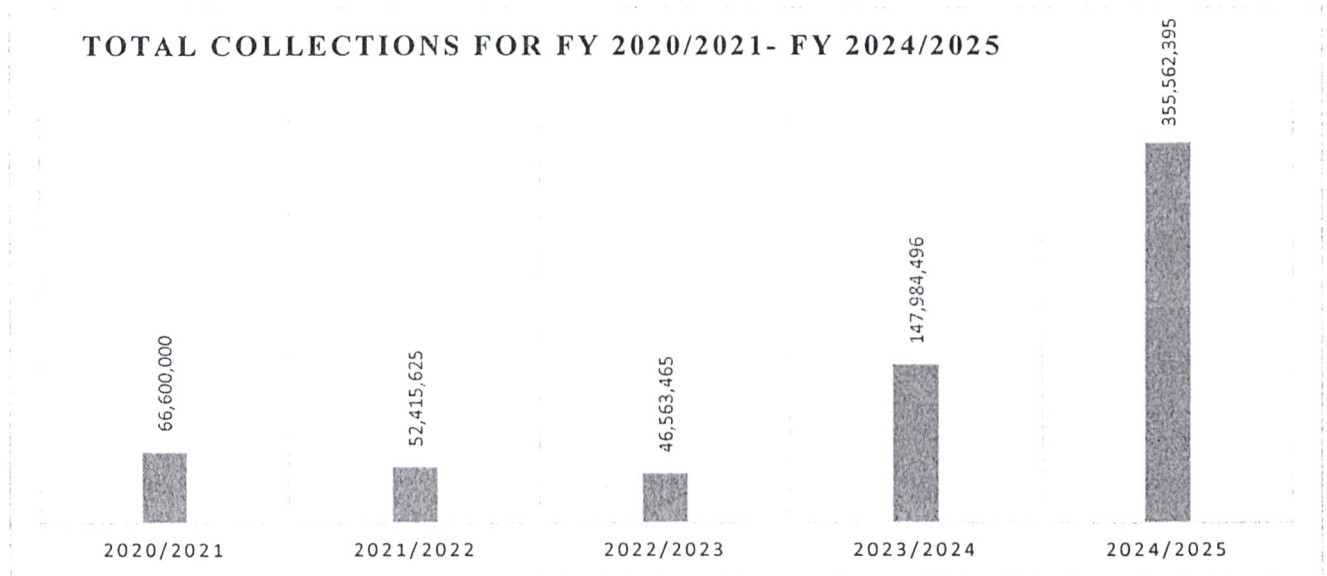


CECM Finance and Economic Planning
County Government of Wajir

*Receiver of Revenue
County Government of Wajir
Revenue Statements for the year Ended 30th June 2025*

4. Management Discussion and Analysis

The CROR's financial performance for the period ended 30th June 2025 remained strong despite encountering numerous challenges such as recurring droughts in the County, frequent border closures between the three countries of Kenya, Somalia and Ethiopia; insecurity threats from terror militants, the adverse impact of the coronavirus and locust reinvasion and related challenges that threatened to obstruct the CROR's performance.



During the period ended 30th June 2025 financial year, the main local revenue sources covered Cess collections, Land/Poll Rent, Single/Business Permits, Property Rent, Market Fees, Hospital Fees, Public Health Service Fees and Physical Planning and Development. The total revenue realized was Kshs. **355,608,395** against the budgeted amount of Kshs. **270,000,000** for the period under review. The revenues were disbursed to the Wajir County Revenue Fund Account as required by the Public Finance Management laws and utilized to undertake planned government Programs.

5. Statement of Receiver of Revenue's responsibilities

Section 158 (3) 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 period ended 30th June 2025.

This responsibility includes:

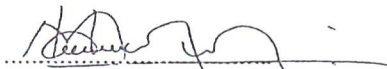
- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period,
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the statement of assets and liabilities of the entity,
- (iii) 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 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 period ended June 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. 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 18/08/2025



**Name: Mohamed Hussein Hassan
County Receiver of Revenue**

REPUBLIC OF KENYA

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



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

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

PREAMBLE

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

- A. Report on the 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 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 the 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 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 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 REVENUE STATEMENTS

Opinion

I have audited the accompanying revenue statements of the Receiver of Revenue - County Government of Wajir set out on pages 1 to 14, 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 and 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 revenue statements present fairly, in all material respects, the financial position of Receiver of Revenue – County Government of Wajir 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 Government Act, 2012, the Public Finance Management Act, 2012.

Basis for Opinion

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.270,000,000 and Kshs.355,608,395 respectively resulting to an overperformance of Kshs.85,608,395 or 32% of the budget.

The overperformance is indicative of under budgeting of revenue streams.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the revenue statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised under the Report on Revenue Statements, Lawfulness and Effectiveness in 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:

No.	Financial Year	Audit Issue
1.	2023/2024	Unreconciled Variances in Revenue Transferred to the County Revenue Fund
2.	2023/2024	Weaknesses In Revenue Collection System
3.	2022/2023	Under Collection of Revenue
4.	2022/2023	Delay in Transfer of Receipts to County Revenue Fund
5.	2022/2023	Lack of Quarterly Revenue Statement
6.	2022/2023	Anomalies in M-Pesa Pay Bill Collection Account
7.	2021/2022	Presentation of the Revenue Statements
8.	2021/2022	Unreconciled Variances between Revenue Statements and the Ledger
9.	2021/2022	Under-Collection of Revenue
10.	2021/2022	Delay in Transfer of Receipts to County Revenue Fund
11.	2021/2022	Weakness in Internal Controls

Other Information

The Management is responsible for the Other Information set out on page ii to vi which comprise of Key Entity Information and Management, Foreword by the County Executive Committee Member for 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 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 USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Lack of Land Valuation Roll

During the year under review, the Receiver of Revenue did not collect land rates due

to lack of land valuation roll which is essential in determining the applicable rates for land. This was contrary to Regulation 63(1)(a) of the Public Finance Management (County Governments) Regulations, 2015 which states that an Accounting Officer and a receiver of revenue are personally responsible for ensuring that adequate safeguards exist and are applied for the prompt collection and proper accounting for, all County Government revenue and other public moneys relating to their county departments or agencies.

In the circumstances, the Receiver of Revenue may have lost revenue due to lack of a valuation roll.

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, 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, 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. Poor Measures in Collection of Revenue Arrears

The statement of arrears of revenue reflects total arrears of Kshs.8,993,340 in respect of land rents, business permit and house and stall rent amounting to Kshs.2,200,000, Kshs.4,921,318 and Kshs.1,872,022 respectively. The arrears include an amount of Kshs.5,957,002 that was outstanding for more than one (1) year. However, there was no evidence that the Management had put in place measures to recover the outstanding rates as provided for under Section 63(1) of Management (County Governments) Regulations, 2015 which requires a Receiver of Revenue to ensure adequate safeguards exist and are applied for the prompt collection and proper accounting for, all County Government revenue and other public moneys relating to their County departments or agencies.

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

2. Failure to Activate Revenue Management System Modules and Inappropriate Access by the Vendor

The County Executive implemented the revenue collection system with effect from 15 February, 2025. However, most of the system modules including physical planning

and development, parking revenue and miscellaneous revenue were not activated and put into use during the year under review. In addition, the audit revealed that the system vendor retained full administrative control over the application. This includes authority over user account creation, database management, and exclusive possession of the super-administrator account. The vendor also maintained administrative access to both the testing and production environments. This level of control indicates an excessive reliance on the vendor for critical ICT functions, posing potential risks to data security, system integrity and operational autonomy. The arrangement denies the County effective ownership and control of its core revenue system and places sensitive financial data under third-party custody without adequate safeguards. This exposes the County to risks of over reliance on the vendor and unauthorized access to data manipulation which may compromise on the data integrity.

In the circumstances, the effectiveness of controls over revenue collection system 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 Management and Those Charged with Governance

The Management is responsible for the preparation and fair presentation of these revenue 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 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 Receiver'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.

The 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'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 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, SBS
AUDITOR-GENERAL

Nairobi

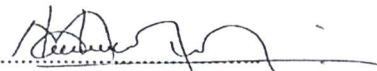
28 November, 2025

*Receiver of Revenue
County Government of Wajir
Revenue Statements for the year Ended 30th June 2025*

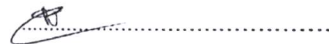
7. Statement of Revenue and Disbursements for the year ended 30th June 2025

	Note	2024/2025
		Kshs
Revenue from non-exchange transactions		
Cess	1	52,667,393
Land Rent	2	4,995,150
Single/Business Permits	3	9,468,890
Public Health Service Fees	4	3,563,909
Physical Planning and Development	5	2,937,880
Conservancy Administration	6	524,300
Miscellaneous	7	6,601
Non-Exchange Own Source Revenue		74,164,123
Revenue from exchange transactions		
Property Rent	8	6,746,446
Market Fees	9	840,200
Advertising	10	404,030
Hospital Fees	11	258,513,096
Hire Of County Assets	12	11,314,965
Cost Sharing	13	3,625,535
Exchange Own Source Revenue		281,444,272
Total County Own Source Revenue		355,608,395
Disbursements		
Balance b/f at the beginning of the year	15	275,212
Disbursements To CRF		(93,611,263)
Disbursement to other accounts (Hospital)		(235,606,696)
Bank charges	14	(16,385)
Total Disbursements and other charges (b)		(328,959,132)
Increase in Dues to County Revenue Fund/;		26,649,263

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 18/08/2025 and signed by:



**Name: Mohamed Hassan Hussein
County Receiver of Revenue**



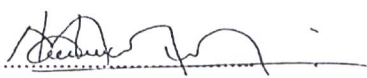
**Name: Jibril Omar Musa
Head of Revenue Reporting
ICPAK M/No: 15104**


*Receiver of Revenue
County Government of Wajir
Revenue Statements for the year Ended 30th June 2025*

8. Statement of Financial Position as at 30th June 2025

	Note	2024/2025	Opening Statement 1 st July 2024
		Kshs	Kshs
Current Assets			
Cash and Cash Equivalents	15	269,525	275,212
Receivables from non-Exchange transactions	16	7,121,318	5,529,792
Receivables from Exchange transactions	17	24,778,422	1,071,522
Total Current Assets		32,169,265	6,876,526
Total Assets		32,169,265	6,876,526
Financial Liabilities			
Payables-Due to CRF	18	9,262,865	6,876,526
Payables-Due to other accounts (Hospital)	19	22,906,400	-
Total Financial Liabilities		32,169,265	6,876,526

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 18/08/2025 and signed by:


Name: Mohamed Hassan Hussein
County Receiver of Revenue


Name: Jibril Omar Musa
Head of Revenue Reporting
ICPAK M/No: 15104

*Receiver of Revenue
County Government of Wajir
Revenue Statements for the year Ended 30th June 2025*

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

	Note	2024/2025
		Kshs
Operating Activities		
Receipts		
Cess		52,667,393
Land Rent		3,647,312
Single/Business Permits		8,580,890
Public Health Service Fees		3,563,909
Physical Planning and Development		2,937,880
Conservancy Administration		524,300
Miscellaneous		6,601
Property Rent		5,508,946
Market Fees		840,200
Advertising		404,030
Hospital Fees		235,606,696
Hire Of County Assets		11,314,965
Cost Sharing		3,625,535
Total Receipts		329,228,657
Payments		
Disbursements To CRF		93,611,263
Other transfers- Hospitals(FIF)		235,606,696
Bank charges		16,385
Total Payments		329,234,344
Net Cash from operating Activities		(5,687)
Cash and Cash Equivalent as at 1 st July 2024		275,212
Cash and Cash Equivalent as at 30th June 2025		269,525

Receiver of Revenue
County Government of Wajir
Revenue Statements for the Year Ended 30th June 2025

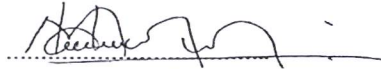
10. Statement of Comparison of budget vs Actual Amounts for the Period Ended 30th June 2025

Receipts	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*100
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
County Own Source Revenue						
Stock Auction fees	7,160,950	-	7,160,950	6,274,200	886,750	88%
Stock Export fees	1,328,940	-	1,328,940	2,787,600	-1,458,660	210%
Slaughter fees	2,693,100	-	2,693,100	2,772,770	-79,670	103%
Arabic Gum	50,000	-	50,000	28,800	21,200	58%
Miraa Cess	35,926,900	-	35,926,900	37,145,293	-1,218,393	103%
Single Business Permit(SBP)	9,844,140	-	9,844,140	9,468,890	375,250	96%
Septic Tank	388,000	-	388,000	188,000	200,000	48%
Conservancy	448,000	-	448,000	336,300	111,700	75%
Land Rent	4,437,112	-	4,437,112	4,995,150	-558,038	113%
House Rent	5,584,781	-	5,584,781	6,171,446	-586,665	111%
Survey fees	1,530,000	-	1,530,000	2,000,000	-470,000	131%
pegging fees/site visit	150,760	-	150,760	90,880	59,880	60%
Stall rent	575,200	-	575,200	575,000	200	100%
Building Materials	4,018,500	-	4,018,500	4,430,400	-411,900	110%
Market gate fees(fresh produce)	307,000	-	307,000	840,200	-533,200	274%
Scrap metal	45,000	-	45,000	74,800	-29,800	166%
Cereals	2,398,550	-	2,398,550	1,926,300	472,250	80%
Hire of County Assets	9,326,685	-	9,326,685	11,314,965	-1,988,280	121%
Cost sharing	1,800,000	-	1,800,000	3,625,535	-1,825,535	201%
Medical Certificate	338,432	-	338,432	670,439	-332,007	198%
Wayleave	1,026,000	-	1,026,000	813,000	213,000	79%
School registration	68,000	-	68,000	34,000	34,000	50%

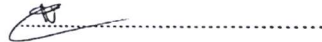
*Receiver of Revenue
County Government of Wajir
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Advertisement	400,000	-	400,000	404,030	-4,030	101%
Veterinary department	152,400	-	152,400	120,700	31,700	79%
Miscellaneous	1,550	-	1,550	6,601	-5,051	426%
Facility Improvement Fund (FIF)						
Public Health Facilities level 4 & 5	166,600,000	-	166,600,000	179,143,205	-12,543,205	108%
Public Health Facilities (level 2 & 3)	13,400,000	-	13,400,000	79,369,891	-65,969,891	592%
Total County Own Source Revenue	270,000,000		270,000,000	355,608,395	-85,608,395	132%

The County Receiver of revenue's financial statements were approved on 18/08/2025 and signed by:



Name: Mohamed Hassan Hussein
County Receiver of Revenue

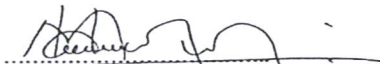


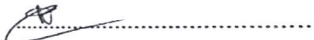
Name: Jibril Omar Musa
Head of Revenue Reporting
ICPAK M/No: 15104

*Receiver of Revenue
County Government of Wajir
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10. Statement of Arrears of Revenue as at 30th June 2025

Classification Of Receipts	Balance as at The beginning of the current year (1st 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 rent	1,496,474	644,312	1,347,838	2,200,000	Issuance of demand letters, direct follow-ups	Moderate to High – Property owners typically settle arrears after reminders
Single business permits	4,033,318	-	888,000	4,921,318	Renewal notices, enforcement through license suspension, follow-up visits	Moderate – Small businesses often comply to maintain permit validity
House and stall rent	1,071,522	437,000	1,237,500	1,872,022	Monthly tenant reminders, issuance of default notices, instalment payment options	Moderate – Some tenants face payment difficulties; partial recovery expected
Hospital Fees	-	-	22,906,400	22,906,400	Issuance of system invoices, direct follow-ups	Moderate to High –SHA settles arrears.
Total Arrears	6,601,314	1,081,312	26,379,738	31,899,740		


Name: Mohamed Hassan Hussein
County Receiver of Revenue


Name: Jibril Omar Musa
Head of Revenue Reporting
ICPAK M/No: 15104

11. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

The revenue statements have been prepared on the accrual basis following the standard chart of accounts. The accrual basis of accounting recognises transactions and events when incurred.

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

The revenue statements have been prepared on the accrual basis following the standard chart of accounts. The accrual basis of accounting recognises transactions and events when incurred.

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

Elements Recognized

The following specific elements of the financial statements have been recognized under the transitional Accrual Basis of Accounting during the transition period ending 30th June 2025:

- Statement of Financial Position: All major asset and liability categories have been recognized, including Cash and Cash Equivalents, Receivables from non-exchange transactions, Receivables from exchange transactions, Payables due to CRF, and Payables due to other accounts (Hospital).
- Statement of Revenue and Disbursements: All revenues from non-exchange transactions and revenues from exchange transactions have been recognized on an accrual basis. Disbursements to the County Revenue Fund (CRF) and other accounts have also been recognized.

Elements Not Recognized (Transitional Exemptions Utilized)

The County Receiver of Revenue has taken advantage of the transitional exemptions permitted under IPSAS 33 by not yet recognizing the following elements in the financial statements for the period ended 30th June 2025.

- a) Property, Plant, and Equipment (PPE) / Capital Assets- the County Receiver of Revenue is utilizing the transitional exemption regarding the initial recognition and measurement of PPE. The process of compiling a complete fixed asset register and assigning fair values for historical assets is ongoing.
- b) Intangible Assets- the County Receiver of Revenue is utilizing the transitional exemption regarding the initial recognition and measurement of Intangible Assets.
- c) Inventory- the County Receiver of Revenue is utilizing the transitional exemption regarding the initial recognition and measurement of Inventory.

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

The revenue statements have been prepared on the accrual basis following the standard chart of accounts. The accrual basis of accounting recognises transactions and events only when incurred by the Revenue Department.

*Receiver of Revenue
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Revenue Statements for the Year Ended 30th June 2025*

2. Recognition of Receipts

The Wajir County Receiver of Revenue recognises all receipts from the various sources when the related transactions have been exchanged by the entity.

3. Budget

The budget is developed on the same accounting basis (accrual basis), the same accounts classification basis, and for the same period as the financial statements. The County Executive's budget was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on 29th June 2024 for the period 1st July 2024 to 30 June 2025 as required by law. There were two number of 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.

4. 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.

5. Revenue in Arrears

This relates to revenue earned and is yet to be received or collected by the receiver of revenue. These arrears are disclosed under the statement of arrears as required under the PFM Act, 2012 Section 165 (2) (b) which is a memorandum statement.

6. 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.

7. Comparative Figures

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

8. Subsequent Events

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

12. Notes to the Financial Statements

1. Cess

Description	2024/ 2025 Ksh
Stock Auction	6,274,200
Stock Export	2,787,600
Miraa Cess	37,145,293
Arabic Gum	28,800
Cereal cess	1,926,300
Building Materials	4,430,400
Scrap Metals	74,800
Total	52,667,393

2. Land rent

Description	2024/ 2025 Ksh
Land rent	4,995,150
Total	4,995,150

3. Single /Business Permits

Description	2024/ 2025 Ksh
Annual Business permit fees	9,468,890
Total	9,468,890

4. Public Health Service Fees

Description	2024/ 2025 Ksh
Slaughter Fees	2,772,770
Medical Certificates	670,439
Veterinary-Meat inspection and Movement Permit	120,700
Total	3,563,909

5. Physical Planning and Development

Description	2024/ 2025 Ksh
Survey fees	2,000,000
Pegging Fees/Site visit	90,880
School Land registration	34,000
Wayleave	813,000
Total	2,937,880

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6. Conservancy Administration

Description	2024/ 2025 Ksh
Sanitation fees	336,300
Sewerage fees (Exhauster Service)	188,000
Total	524,300

7. Miscellaneous

Description	2024/ 2025 Ksh
Miscellaneous	6,601
Total	6,601

8. Property Rent

Description	2024/ 2025 Ksh
County Housing/stalls	6,384,346
Stall rent	362,100
TOTAL	6,746,446

9. Market Fees

Description	2024/ 2025 Ksh
Market entry fees	840,200
Total	840,200

10. Advertisement

Description	2024/ 2025 Ksh
Advertisement	404,030
Total	404,030

11. Hospital Fees

Description	2024/ 2025 Ksh
Level 4 hospitals	179,143,205
Level 2 and 3 hospitals	79,369,891
Total	258,513,096

12. Hire of County Assets

Description	2024/ 2025 Kshs
Agricultural Mechanisation Services (AMS)	11,314,965
Total	11,314,965

Receiver of Revenue
County Government of Wajir
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13. Cost Sharing

	2024/2025 Kshs
Cost Sharing	3,625,535
Total	3,625,535

14. Bank Charges

Description	2024/2025 Kshs
Bank Charges & commissions	16,385
Total	16,385

15. Cash and Cash Equivalents

Name of Bank, Account No. & currency	Amount	Exc. rate (if in foreign currency)	2024/2025 Kshs	Opening Statement 1 st July 2024
KCB, 1140752820	Ksh	N/A	269,525	275,212
Total	-	-	269,525	275,212

16. Receivables from non-exchange transactions

Description	2024/2025 Kshs	Opening Statement 1 st July 2024
	Kshs	Kshs
Receivables		
Land Rent	2,200,000	1,496,474
Single/Business Permits	4,921,318	4,033,318
Sub total	7,121,318	5,529,792
Less impairment Allowance	-	-
Total Current Receivables	7,121,318	5,529,792

Ageing analysis for Receivables from Non-exchange transactions

Description	2024/2025 Kshs		Opening Statement 1 st July 2024	
	Current FY Kshs	% of the total	Opening Balance Kshs	% of the total
Less than 1 year	2,235,838	31%	-	100%
Between 1- 2 years	4,885,480	69%	5,529,792	-
Total (a+b)	7,121,318		5,529,792	

*Receiver of Revenue
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17. Receivables from exchange transactions

Description	2024/2025	Opening Statement
	Kshs	1 st July 2024
	Kshs	Kshs
Total receivables		
Property Rent	1,872,022	1,071,522
Hospital Fees	22,906,400	-
Less: impairment allowance	-	-
Total receivables	24,778,422	1,071,522

Ageing analysis for total receivables in exchange transactions

Description	2024/2025		Opening Statement 1 st July 2024	
	Current FY	% of the total	Comparative FY	% of the total
	Kshs		Kshs	
Less than 1 year	23,706,900	98%	1,071,522	100%
Between 1- 2 years	1,071,522	2%	-	-
Total (a+b)	24,778,422		1,071,522	

18. Payables- Due To CRF

Payables	2024/2025	Opening Statement 1 st
	Kshs	July 2024
	Kshs	Kshs
Amount collected yet to be disbursed to CRF	269,525	275,212
Amount billed and yet to be collected for disbursement to CRF	8,993,340	6,601,314
Total Due to CRF	9,262,865	6,876,526

Movement Disclosure on Dues to CRF

Description	Amount
	Kshs
Opening Dues to CRF	275,212
Increase in Dues to CRF	2,386,339
Closing Dues to CRF	2,661,551

19. Payables- Due To Hospitals

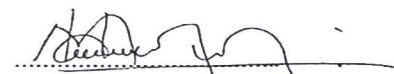
Payables	2024/2025 Kshs	Opening Statement 1st July 2024 Kshs
Amount collected yet to be disbursed to Hospitals	-	-
Amount billed and yet to be collected for disbursement to Hospitals	22,906,400	-
Total Due to Hospitals	22,906,400	-

20. 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:
1.	Collection of Revenue Without a Finance Act.	Finance act in place.	Resolved.	31 st December 2024
2.	Delay in Transfer of Receipts to County Revenue Fund.	The County will comply with the requirement of the regulation.	Resolved.	31st December 2024
3.	Lack of Quarterly Revenue statements.	The County will comply with the requirement.	Resolved.	31st March 2025
Other Matter:				
1.	Under-collection of revenue.	Collections of revenue have improved in subsequent year.	Resolved.	31st December 2024
2.	Unresolved prior year matters	Resolving prior year Audit issues is on-going	Resolved.	31st December 2024
Report on Effectiveness of Internal Controls, Risk Management and Governance:				
1.	Anomalies in M-pesa Pay bill Collection Account.	Resolving the query is on-going.	Not resolved.	31st December 2025



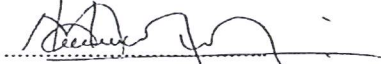
Name: Mohamed Hassan Hussein
County Receiver of Revenue
Date: 18/08/2025

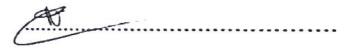


Name: Jibril Omar Musa
Head of Revenue Reporting
ICPAK M/No: 15104

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

Classification Of Receipts (Indicate As Applicable)	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 rent	1,496,474	644,312	1,347,838	2,200,000	Issuance of demand letters, direct follow-ups	Moderate to High – Property owners typically settle arrears after reminders
Single/Business Permits	4,033,318	-	888,000	4,921,318	Renewal notices, enforcement through license suspension, follow-up visits	Moderate – Small businesses often comply to maintain permit validity
Property Rent	1,071,522	437,000	1,237,500	1,872,022	Monthly tenant reminders, issuance of default notices, instalment payment options	Moderate – Some tenants face payment difficulties; partial recovery expected
Hospital Fees	-	-	22,906,400	22,906,400	Issuance of system invoices, direct follow-ups	Moderate to High –SHA settles arrears.
Total Arrears	<u>6,601,314</u>	<u>1,081,312</u>	<u>26,379,738</u>	<u>31,899,740</u>		


 Name: Mohamed Hassan Hussein
 County Receiver of Revenue
 Date: 18/08/2025


 Name: Jibril Omar Musa
 Head of Revenue Reporting
 ICPAK M/No: 15104

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County Government of Wajir
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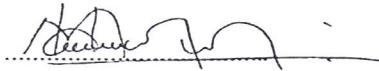
Appendix 3: Ageing Analysis of Revenue in Arrears

Description (indicate as applicable)	Less than 1 year	Between 1-2 years
Land rent	1,347,838	852,162
Single/business permits	888,000	4,033,318
Property rent	1,237,500	1071522
Hospital fees	22,906,400	-
Total	26,379,738	5,957,002

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

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
None	N/A	N/A	N/A	N/A

(PFMACT section 165 subsection 4, 5)



Name: Mohamed Hassan Hussein
County Receiver of Revenue
Date: 18/08/2025

