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REPORT

OF

THE AUDITOR-GENERAL

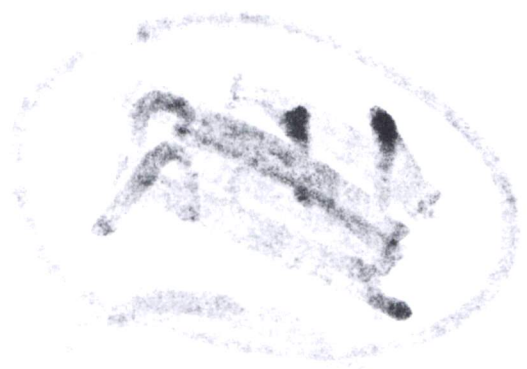
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RECEIVER OF REVENUE  
REVENUE STATEMENTS

FOR THE YEAR ENDED  
30 JUNE, 2025

COUNTY GOVERNMENT OF KIRINYAGA



PH

OFFICE OF THE AUDITOR GENERAL  
NYERI REGIONAL OFFICE  
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**COUNTY REVENUE FUND**

*County Government of Kirinyaga*

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2025**

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



*County Government of Kirinyaga  
County Revenue Fund  
Annual Report and Financial Statements For the financial year ended 30<sup>th</sup> June 2025*

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County Government of Kirinyaga  
County Revenue Fund  
*Annual Report and Financial Statements For the financial year ended 30<sup>th</sup> June 2025*

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**1. Acronyms and Definition of Key Terms**

**a. Acronyms**

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

**b. Definition of Key Terms**

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

## 2. Key Entity Information and Management

### a) Background information

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

### b) Key Management Team

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

No.	Designation	Name
1.	CECM Finance and Economic planning	- Jackline Wanjiku Njogu
2.	C.O Finance	- Edward Nyaga Njagi
3.	Ag Director Accounting Services/Finance	-Raphael Mwaura

### c) Fiduciary Management

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

No.	Designation	Name
1.	CECM Finance and Economic Planning	- Jackline Wanjiku Njogu
2.	Accounting Officer in charge of Finance	- Edward Nyaga Njagi
3.	Ag Director Accounting Services/Finance	-Raphael Mwaura

### d) Fiduciary Oversight Arrangements

The County Government of Kirinyaga consists of two Arms of Government with one mainly undertaking the oversight role namely the County Assembly of Kirinyaga. The activities are checked by the activities of several committees instituted mainly by the County Assembly. The Finance committee is mandated to ensure that the public resources in the county are applied prudently for the activities that were meant for in the County. Additionally, the members of the County Assembly are representatives of the region all over the County and consequently are able to verify the optimal resource management of the county.

*County Government of Kirinyaga*

*County Revenue Fund*

*Annual Report and Financial Statements For the financial year ended 30<sup>th</sup> June 2025*

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The County has a functional Internal Audit Office which oversees the day-to-day financial management of the County. They assure sound internal controls are adhered to. There is an audit committee in place which has an oversight role on the county executive. They make their independent recommendations based on internal and external audit reports. External audit is done by Office of Auditor General after the end of each financial year. The final external audit report is deliberated by the Senate, Public Account Committee and County Assembly Finance and Budget committee.

County Government of Kirinyaga

County Revenue Fund

*Annual Report and Financial Statements For the financial year ended 30<sup>th</sup> June 2025*

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**e) County Headquarters**

P.O. Box 260 Kutus

Kutus Town, Nyangata ward, Mwea Sub County.

KIRINYAGA, KENYA

**f) County Executive Contacts**

Telephone: (254) 0720 803 286

E-mail: [cofinance@kirinyaga.go.ke](mailto:cofinance@kirinyaga.go.ke)

Website: [www.kirinyaga.go.ke](http://www.kirinyaga.go.ke)

**g) County Bankers**

Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

**NAIROBI, KENYA**

**h) Independent Auditor**

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

**NAIROBI, KENYA**

**i) Principal Legal Adviser**

The County Attorney

P.O. Box 260 Kutus.

Kutus Town, Nyangata ward, Mwea Sub County.

KIRINYAGA, KENYA.

### **3. Statement by the CECM Finance**

In recent years, the County has registered a consistent improvement in own source revenue collection with the year under review recording Ksh. 414,101,425 as compared to Ksh. 650,111,170 and Ksh. 596,779,790 collected during the two preceding financial years. With budgeted revenues at KShs. 668 Million and Kshs 550 Million for each of the two preceding years, the County achieved 109% and 118% and culminating with a decent 127% in the year under review. The major attributes to tremendous rise in revenue collection was the implementation of the Facility Improvement Fund (FIF) in the health department, mapping out of key revenue streams in the County and relentless follow up and enforcement measures.

The major sources of owns source revenue for the County are:

- Single Business Permits
- Property Rates
- Advertisement Charges
- Subletting Fees
- Conservancy Charges
- Liquor Licence Fees
- Public Health Charges
- Hospital/Medical Services Charges

The County deployed diverse strategies to realize these results as outlined hereunder:

1. Entrenching automation of entire revenue streams to eliminate leakages, evasion and promote efficiency, certainty and accountability.
2. Promotion and adoption of Revenue collection service as a central and core function in all County Departments spearheaded by H.E the Governor, the CECM's and Chief Officers of respective Departments.
3. Introduction of target-based performances on Revenue Collections from all streams with a regular reporting, evaluation and monitoring from all collection centres and collaborations on field inspection with teams formed from all departments.
4. Restructuring of the Finance Department by introduction of a Chief Officer designate in line with Section 157 of the Public Finance Management Act (PFM Act) requirements for a

Receiver of Revenue and further recruitment of Senior Sub-County Revenue Administrators to coordinate Revenue activities at the sub-counties and towns therein.

5. Advertisement, weight and measures, street parking, bus park fee

With the above performance on collections the County has been able to fund the County projects, programmes and activities and ensure optimal service delivery. During the period the County disbursed Kshs. 836,439,994 to the County Revenue Fund (CRF) and other County Funds.

The County intends to continue with full automation of all revenue collections and have further introduced an e-citizen's public portal to ensure sustainable compliance and efficient response to the County's Revenue demand notices.

There is remarkable reduction of cash transactions involving collectors by introduction of multiple payment platforms for clients to pay directly to the County as follows:

- Direct Bank Credits with integration to our Revenue Management System to auto receipt to minimize client's movements and eliminate cash transactions.
- Mpesa (mobile money transfer) by use of the:
  - a. Paybill platform
  - b. An STK push facility
  - c. USSD Code

In the year under review the County experienced sluggish economic uptake as a result Global and National economic down turns, civil unrest and political instability experienced countrywide greatly stifling trading activities within the County.

Going forward the County is on a good pedestal to entrench sustainable revenue collection systems and further explore and exploit other revenue potential sources to finance its activities budgeted from Own Source Revenue (OSR).



.....  
**JACQUELINE WANJIKU NJOGU**  
**CECM Finance and Economic Planning**  
**County Government of Kirinyaga**

**4. Management Discussion and Analysis**

The Exchequer releases for the period ended 30th June 2025 was Ksh 5,882,890,697 against a budget allocation of Ksh 6,067,236,543 . Transfers from other government agencies namely Road Maintenance Levy amounted to Kshs 67,262,744. Other grants namely Primary Health Care(DANIDA), Kenya Urban Support Program, Sagana Industrial Park, National Agricultural Value Chain Development Project and Financing locally Led climate programme amounted to Ksh 276,395,402. During the period the County disbursed Kshs. 836,439,994 to the County Revenue Fund (CRF) and other County Funds. Transfers made from the County Revenue Fund to the County Executive Recurrent account amounted to Ksh 3,820,436,741 and Ksh 1,255,493,749 to the County Executive Development account .Transfers made from the County Revenue Fund to the County Assembly Recurrent account amounted to Ksh 744,021,501 and Ksh 49,558,977 to the Assembly Development account .Transfers made from the County Revenue Fund to other government agencies amounted to Ksh 797,019,455

This was a net increase in cash of Ksh . 36,241,124

## **5. Overview of the County Revenue Fund Operations**

### **a) Background**

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

### **b) Receipts into the County Revenue Fund**

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

### **c) Transfers from the County Revenue Fund**

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

### **d) Financial Reporting requirements**

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

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



**JACQUELINE WANJIKU NJOGU**  
**CEC Member – Finance and Economic Planning**  
**County Government of Kirinyaga**

## 6. Statement of Management Responsibility

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

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

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

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

### Approval of the Financial Statements

The County Revenue Fund's financial statements were approved and signed on 5/11/2025.

Signature \_\_\_\_\_

Name: Edward Nyaga Njagi

Chief Officer Finance /Accounting Officer

County Government of Kirinyaga

# REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke  
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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 KIRINYAGA**

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### **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 transitional IPSAS Revenue Statements of Receiver of Revenue - County Government of Kirinyaga set out on pages 1 to 26, which comprise of the statement of financial position as at 30 June, 2025 and the statement of revenue and

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*Report of the Auditor-General on Receiver of Revenue - Revenue Statements for the year ended 30 June, 2025 - County Government of Kirinyaga*

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS revenue statements present fairly, in all material respects, the financial position of Receiver of Revenue - County Government of Kirinyaga as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the County Government Act, 2012, the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Presentation of Revenue Statements**

Review of the revenue statements presented for audit revealed the following anomalies;

- i. The opening balance in the statement of financial position reflects an amount of Kshs.2,446,327 in respect to payables due to County Revenue Fund (CRF). However, review of the previous financial statements revealed that as at 30 June, 2024, the Receiver of Revenue disclosed an amount Kshs.24,737,694 as balance due for disbursement resulting in unreconciled variance of Kshs.22,291,367. In addition, the closing balance of cash and cash equivalents from the previous year was amounting to Kshs.24,737,694 whereas the opening statement reflects an amount of Kshs.2,446,327.
- ii. The statement of revenue and disbursements reflects an amount of Kshs.397,228,171 as disbursements to CRF. However, the County Revenue Fund (CRF) financial statement reflects Kshs.244,201,893 and Kshs.169,899,532 as receipts from non-exchange Own Source Revenue and Exchange Own Source Revenue respectively both totalling Kshs.414,101,425 resulting in unexplained variance of Kshs.16,873,254.

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

#### **2. Failure to Invoice Single Business Permits and Liquor Licenses**

The statement of revenue and disbursements and as disclosed in Note 8 to the financial statements reflects an amount of Kshs.93,871,685 in respect of single business permits. In addition, Note 10 to the financial statements reflects an amount of Kshs.62,392,513 in respect of administration control fees which includes an amount of Kshs.51,446,500 in respect to liquor licenses. However, Management did not provide evidence of invoicing of businesses operating in the County in respect to single business permits and liquor licenses. It was therefore not possible to determine the total amount of revenue accrued

from business permits and liquor licencing, and the level of compliance to the County Finance Act.

In the circumstances, the accuracy and completeness of revenue from single business permits and liquor licenses could not be confirmed.

### **3. Failure to Collect Outstanding Land Rates Arrears**

The statement of revenue and disbursements reflects an amount of Kshs.33,397,804 in respect of land rates. Review of the previous year's financial statement revealed that a total of Kshs.597,463,743 of land rates was outstanding as at 30 June, 2024. However, Management did not provide details of the amount that was received in the year under review in respect to previous year's arrears.

In addition, the Receiver of Revenue did not report to the Receiver of Revenue Committee Member of Finance and Economic Planning, the difficulties encountered during the audit of revenue collection as required by Regulation 63(2) of the Public Finance Management (County Governments) Regulations, 2015.

In the circumstances, the accuracy and completeness of amount of Kshs.33,397,804 in respect of land rates could not be confirmed.

### **4. Inadequacies in Disclosures of Transitional IPSAS Financial Statements**

During the financial year 2024/2025, the Receiver of Revenue prepared financial statements in accordance with the accrual basis of accounting under the International Public Sector Accounting Standards (IPSAS). This was a shift from cash basis of accounting. The Public Sector Accounting Standards Board allowed a three-year transition period to fully adopt accrual basis of accounting. IPSAS 33 explicitly requires an entity that utilizes any transition exemptions to clearly disclose the transition provisions that it has applied. However, the Receiver of Revenue did not disclose the specific transitional provisions and measures being taken towards full compliance with IPSAS Accrual. In addition, Note 2 to the financial statements indicated that the accounting policies adopted have been consistently applied to all the years presented whereas this was the first year under the transition from cash basis to accrual basis reporting.

Failure to disclose transitional provisions may be misleading to the users of the financial statements.

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 Kirinyaga 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 amounts reflects Kshs.850,866,920 as total actual receipts from Own Source Revenue against a budget of Kshs.668,000,000 resulting in over-realization of revenue by Kshs.182,866,920. However, analysis of

receipts by revenue stream revealed that Management did not meet revenue targets in respect of nine (9) revenue streams. The records indicated that nine (9) revenue streams had an actual collection of Kshs.344,021,070 against a budget of Kshs.419,951,000 resulting in unrealized revenue of Kshs.75,929,930.

In the circumstances, the under-realization of revenue may have negatively impacted on service delivery to the public.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of 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 years' audit reports, issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance, respectively. However, review of the status during audit of the Receiver of Revenue in 2024/2025 revealed that two matters remained unresolved. These are unsupported statement of arrears of revenue amounts and the under-utilization of Kamweti Animal Training Centre (ATC) Facilities.

### **Other Information**

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

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

My opinion on the 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. Delay in Transfer of Revenue Received into the County Revenue Fund**

The review of the transactions in County's revenue collection account at Kenya Commercial Bank during the year revealed that as at 30 April, 2025, the Receiver of Revenue had transferred funds to the County Revenue Fund only once yet the revenue collection account had a balance of Kshs.32,839,375 at the end of the year. Management did not explain why the balance was not promptly transferred to the County Revenue Fund as required by Regulation (81)(1) and (2) of Public Finance Management (County Governments) Regulations, 2015 which provides that receivers of revenue shall promptly deposit into the County Exchequer Account all receipts due to the County Revenue Fund and that the receivers of revenue shall promptly pay the revenue received into the County Revenue Fund, as soon as possible and in any case not later than five (5) working days after receipt thereof.

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

#### **2. Failure to Provide Financial Statements for Kirinyaga County Health Facility Improvement Fund**

The County Executive of Kirinyaga established a Fund known as Kirinyaga County Health Facilities Improvement Fund through Kirinyaga County Health Facilities Improvement Fund Act, 2023. However, Management did not provide annual report and financial statements for the financial year ended 30 June, 2025 for audit review. This was contrary to Section 116 (7) of the Public Finance Management Act, 2012 which provides that the Administrator of a County Public Fund shall prepare accounts for the Fund for each financial Year and not later than three (3) months after the end of each financial year, submit financial statements relating to those accounts to the Auditor-General; and present the financial statements to the County Assembly.

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Lack of a Risk Management Policy**

The Receiver of Revenue did not have in place a risk management policy to provide a framework for detecting and preventing fraud during the year under review. There was also no formal documented process to help in timely detection and prevention of fraud contrary to Regulation 158 of the Public Finance Management (County Governments) Regulations 2015.

In the circumstances, the effectiveness of internal controls in relation to detection and prevention of fraud in the Receiver of Revenue could not be confirmed.

#### **2. Lack of Valuation Roll**

During the year under review, the County did not maintain a valuation roll which was supposed to map out property owners and the annual rates that each should pay. Without a valuation roll, it was not possible to determine the owners and location of property and respective applicable rates as a basis for revenue collection.

Without a valuation roll, the Receiver of Revenue may not have a basis for enforcement and collection of land rates. The County may also be losing revenue due to application of incorrect rates.

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**

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 of Revenue's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the 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 (ISSAI). 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**

**09 December, 2025**

*Receiver Of Revenue  
County Government Of Kirinyaga  
Revenue Statements for the Period Ended 30<sup>th</sup> June 2025*

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

	Note	FY 2024/2025
		Kshs
<b>Revenue from non-exchange transactions</b>		
Cess	6	21,248,508
Land Rates	7	33,397,804
Single/Business Permits	8	93,871,685
Conservancy Administration	9	12,040,030
Administration Control Fees and Charges	10	62,392,513
Other Fines, Penalties, And Forfeiture Fees	11	253,600
Public Health Service Fees	12	38,751,000
Physical Planning and Development	13	24,642,921
Donations/Grants Not Received Through CRF	14	-
<b>Total Revenue from non-exchange transactions</b>		<b>286,598,061</b>
<b>Revenue from exchange transactions</b>		
Parking Fees	15	50,488,667
Market Fees	16	29,207,755
Property Rent	17	16,528,000
Advertising	18	26,228,000
Hospital Fees	19	432,520,555
Hire of County Assets	20	36,000
Sale of assets	21	-
Park Fees	22	-
Miscellaneous receipts	23	11,643,182
<b>Total Revenue from exchange transactions</b>		<b>566,652,159</b>
<b>Total Revenues (a)</b>		<b>853,250,220</b>
<b>Disbursements</b>		
Disbursements To CRF	24	(397,228,171)
Disbursements to another County Fund (Kirinyaga County Agricultural Institutions Revolving Fund & FIF)	25	(439,192,362)
Bank charges	26	(19,461)
Waivers and exemptions	27	(-)

County Government of Kirinyaga

County Revenue Fund

Annual Report and Financial Statements For the financial year ended 30<sup>th</sup> June 2025

**9. Statement of Financial Position as at 30<sup>th</sup> June 2025**

Description	Note	FY 2024/2025	Opening Statement 1st July 2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash equivalents	15	171,409,574	135,168,450
Receivables from Non-Exchange Transactions	16	16,873,253	-
Receivables from Exchange Transactions	17	-	-
<b>Total Current Assets</b>		<b>188,282,827</b>	<b>135,168,450</b>
<b>Total Assets (A)</b>		<b>188,282,827</b>	<b>135,168,450</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable	18	8,427,859	-
<b>Total Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Total Liabilities (B)</b>		<b>8,427,859</b>	<b>-</b>
<b>Net Assets(A-B)</b>		<b>179,854,968</b>	<b>135,168,450</b>
<b>Represented by:</b>			
Accumulated Surplus		179,854,968	135,168,450
<b>Net Assets</b>		<b>179,854,968</b>	<b>135,168,450</b>

.....  
Name: Edward Nyaga Njagi

Chief Officer - Finance

Date:5/11/2025

.....  
Name: Raphael Mwaura

Ag Director Accounting Services

ICPAK Member No. 9972

Date:5/11/2025

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

Description	Accumulated Surplus
As at July 1, 2024	135,168,450
Surplus/ deficit for the Period	44,686,518
Additions during the Period	-
As at June 30, 2025	179,854,968

County Government of Kirinyaga

County Revenue Fund

Annual Report and Financial Statements For the financial year ended 30<sup>th</sup> June 2025

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

		<i>FY 2024/2025</i>
	Notes	Kshs
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Exchequer releases		5,882,890,697
Transfers from other government agencies		67,262,744
Other grants		276,395,402
Return to CRF from County Entities		78,994,532
Own Source Revenue		397,228,172
<b>Total receipts</b>		<b>6,702,771,547</b>
<b>Payments</b>		
Transfers to County Executive (operating activities)		5,075,930,490
Transfers to County Assembly (operating activities)		793,580,478
Other transfers		797,019,455
<b>Total Payments</b>		<b>6,666,530,423</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>36,241,124</b>
<b>Cash flows from investing activities</b>		-
<b>Net cash flows from/(used in) investing activities</b>		-
<b>Cash flows from financing activities</b>		
<b>Net cash flows from from/(used in) financing Activities</b>		-
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>		<b>36,241,124</b>
Cash and cash equivalents at 1 July	15	135,168,450
<b>Cash and cash equivalents at 30 June 2025</b>	15	<b>171,409,574</b>

County Government of Kirinyaga  
 County Revenue Fund  
 Annual Report and Financial Statements For the financial year ended 30<sup>th</sup> June 2025

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

Receipt/Payments	Original Budget	Adjustments	Final Budget	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	
<b>Revenue</b>						
Exchequer releases	6,067,236,543	(184,345,846)	5,882,890,697	5,882,890,697	-	100%
Transfers from other government agencies	231,554,333	-	231,554,333	67,262,744	164,291,589	29%
Other grants	611,056,719	250,301,500	861,358,219	276,395,402	584,962,817	32%
Return to CRF	519,319,345	(237,408,200)	281,911,145	78,994,532	202,916,613	28%
Own Source Revenue	650,000,000	18,000,000	668,000,000	397,228,172	270,771,828	59%
<b>Total Revenue</b>	<b>8,079,166,940</b>	<b>(153,452,546)</b>	<b>7,925,714,394</b>	<b>6,702,771,547</b>	<b>1,222,942,847</b>	<b>85%</b>
<b>Expenses</b>						
Transfers to County Executive	6,384,104,306	(358,795,258)	6,025,309,048	5,075,930,490	949,378,558	84%
Transfers to County Assembly	852,451,582	(44,958,787)	807,492,795	793,580,478	13,912,317	98%
Other transfers	842,611,052	250,301,500	1,092,912,551	797,019,455	295,893,097	73%
<b>Total Payments</b>	<b>8,079,166,940</b>	<b>(153,452,545)</b>	<b>7,925,714,394</b>	<b>6,666,530,423</b>	<b>1,259,183,972</b>	<b>84%</b>
<b>Surplus/Deficit</b>				<b>36,241,124</b>		

***Budget Notes***

1. The difference between the original budget and the final budget is due to the supplementary budget done for the year 2024/2025.
2. The realization difference from transfers to other government agencies is because Kirinyaga county did not receive money from the national government allocation for Community Health promoters project and Road maintenance Fuel levy.
3. The budget realization difference for other grants is because we did not receive the full amounts for KDSP, KWASH, ABDP and NAVCDP.
4. The budget realization difference for own source revenue is due to the fact that amounts collected for hospital fees were not remitted to the CRF account but were considered in the original budget.

### **13. Notes to the Financial Statements**

#### **1. General Information**

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

#### **2. Statement of compliance and basis of preparation**

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

These Financial Statements were authorized for issue by the Accounting officer on 5/11/2025.

#### **Basis of preparation**

##### **Reporting entity**

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

##### **Revenues**

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

##### **Expenses**

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

### 3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 46 Measurement	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 47- Revenue	<p><b>Applicable 1<sup>st</sup> January 2026</b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 48- Transfer Expenses	<p><b>Applicable 1<sup>st</sup> January 2026</b></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>State the expected impact of the standard to the Entity if relevant</i></p>
IPSAS 49: Retirement Benefit Plans	<p><b>Applicable 1<sup>st</sup> January 2026</b></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
IPSAS 50: Exploration For	<p><b>Applicable 1<sup>st</sup> January 2027</b></p> <p>The objective of this Standard is to specify the financial reporting for the</p>

County Government of Kirinyaga

County Revenue Fund

Annual Report and Financial Statements For the financial year ended 30<sup>th</sup> June 2025

Standard	Effective date and impact:
& Evaluation of Mineral Resources	exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

*iii) Early adoption of standards*

The Entity did not early – adopt any new or amended standards in the financial year 2024/2025.

#### **4. Significant Accounting Policies**

##### **a) Revenue recognition**

###### **i. Revenue from non-exchange transactions**

###### **Revenue Transfers**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

###### **ii. Revenue from exchange transactions**

###### **Own Source Revenue**

##### **b) Budget information**

The original budget for FY 2024/2025 was approved by the County Assembly on May 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget. The Entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements.

##### **c) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The Kirinyaga County Revenue Fund does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Kirinyaga County Revenue Fund financial statements.* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

## **Financial assets**

### **Classification of financial assets**

The Fund classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the fund's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

### **Subsequent measurement**

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

### **Amortized cost**

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

### **Fair value through net assets/ equity**

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through surplus or deficit**

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

**Trade and other receivables**

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

**Impairment**

The Fund assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

**Financial liabilities**

**Classification**

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

**d) Cash and cash equivalents**

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

**e) Events after the reporting period**

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

**f) Currency**

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

**5. Significant judgments and sources of estimation uncertainty**

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

State all judgements, estimates and assumptions made if any.

**6. Exchequer releases**

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

Description	FY 2024/2025 Kshs.
Equitable Share	5,882,890,697
<b>Total</b>	<b>5,882,890,697</b>

**7. Transfers from other government agencies\*\***

Description	FY 2024/2025 Kshs.
Road Maintenance Levy	67,262,744
<b>Total</b>	<b>67,262,744</b>

**8. Other grants\*\***

Description	FY 2024/2025 Kshs.
DANIDA Grant -Primary Health care in devolved context -Ministry of Health	6,532,500
Sagana Agro Industrial Park	186,000,001
Kenya Urban Support Program	32,309,300
IDA World Bank National Agricultural Value Chain Development Project (NAVCDP) -State Department of Crop Development	43,125,742
(IDA) World Bank Credit-Financing locally Led climate programme (FFLoCA)1 CCIS Grant State Department of Environment	8,427,859
<b>Total</b>	<b>276,395,402</b>

**9. Return to CRF from County Entities**

Description	FY 2024/2025 Kshs.
Recurrent Account ( <i>County Executive</i> )	30,636,050
Development Account ( <i>County Executive</i> )	4.90
Recurrent Account ( <i>County Assembly</i> )	5.80
Development Account ( <i>County Assembly</i> )	0.5
Kirinyaga County Climate Action Plan Account	78,963,839
Kirinyaga County Sagana Agro Industrial park	46
<b>Total</b>	<b>78,994,532</b>

**10. Non-Exchange Own Source Revenue**

Description	FY 2024/2025 Kshs.
Cess	12,721,361
Land rate	33,397,804
Single/Business permits	93,287,585
Public health service fees	38,751,000
Physical planning and development	24,642,921
Conservancy administration	11,040,030
Cooperative audit	490,350
Quarries Cess	1,241,600
Property rates	5,784,889
Group Registration	384,100
Fire Compliance	5,587,000
Receivables	16,873,253
<b>Total</b>	<b>244,201,893</b>

**11. Exchange Own Source Revenue**

Description	FY 2024/2025
	Kshs.
Parking fees	23,514,967
Market fees	29,207,755
Bus Park	26,973,700
Advertising	25,228,000
House Rents	3,780,900
Weights and Measures	4,359,013
Stalls rent	3,194,700
Commission by payroll	1,582,657
Coffee Licences	611,340
Liquor Licence	51,446,500
<b>Total</b>	<b>169,899,532</b>

**12. Transfers to County Executive**

Description	FY 2024/2025
	Kshs.
Recurrent Account	3,820,436,741
Development Account	1,255,493,749
<b>Total</b>	<b>5,075,930,490</b>

**13. Transfers to County Assembly**

Description	FY 2024/2025
	Kshs.
Recurrent Account	744,021,501
Development Account	49,558,977
<b>Total</b>	<b>793,580,478</b>

County Government of Kirinyaga

County Revenue Fund

Annual Report and Financial Statements For the financial year ended 30<sup>th</sup> June 2025

**14. Other Transfers**

Description	FY 2024/2025
	Kshs.
Financing locally Led climate programme (FFLoCA)	178,797,925
Financing locally Led climate programme (FFLoCA) payables	8,427,859
National Agricultural Value Chain Development Project (NAVCDP)	53,625,742
Sagana Agro Industrial Park(County Aggregation and Industrial Park)	509,517,988
Kenya Urban Support Program	32,309,300
Kenya Devolution Support Program 2	9,000,000
DANIDA Grant -Primary Health care in devolved context -Ministry of Health	13,768,500
<b>Total</b>	<b>805,447,314</b>

**15. Cash and Cash equivalents**

Description	FY 2024/2025	Opening Statement 1st July 2024
	Kshs.	Kshs.
County Exchequer Account - (CBK Account number 1000170433)	171,409,574	135,168,450
<b>Total</b>	<b>171,409,574</b>	<b>135,168,450</b>

County Government of Kirinyaga

County Revenue Fund

Annual Report and Financial Statements For the financial year ended 30<sup>th</sup> June 2025

**16. Receivables from Non-Exchange Transactions**

Description	FY 2024/2025	Opening Statement 1st July 2024
	Kshs	Kshs
Receivables	16,873,253	-
Other non-exchange debtors ( <i>Specify</i> )	-	-
Less: impairment allowance	-	-
<b>Net receivables</b>	<b>16,873,253</b>	-

**17. Receivables from Exchange Transactions**

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

**18. Accounts Payable**

Description	FY 2024/2025	Opening Statement 1st July 2024
	Kshs	Kshs
Payables to County Executive	-	-
Payables to County Assembly	-	-
Other transfers	8,427,859	-
<b>Total Accounts Payable</b>	<b>8,427,859</b>	-

County Government of Kirinyaga

County Revenue Fund

Annual Report and Financial Statements For the financial year ended 30<sup>th</sup> June 2025

Notes to the financial statements

**19. Disclosure of Balances in Revenue Collection Accounts**

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

Name of Bank, Account No. & currency	Exc. rate (if in foreign currency)	FY 2024/2025	Opening Statement 1 <sup>st</sup> July 2024
		Kshs	Kshs
Sub County Revenue-Coop Bank 01141489581000	Kshs	3,822,471	233,645
Equity Collection Account 0420260844601	Kshs	9,370,321	1,734,282
Kirinyaga County Revenue Account-KCB 1140758497	Kshs	3,680,461	474,659
Kamweti Demonstration Fund-KCB 1104075997	Kshs	-	3,741
<b>Total</b>		<b>16,873,253</b>	<b>2,446,327</b>

**14. Appendices**

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
N/A	N/A	N/A	N/A	N/A



.....  
Name: Edward Nyaga Njagi  
Chief Officer Finance  
ICPAK Member No: 23268  
Date:5/11/2025

County Government of Kirinyaga

County Revenue Fund

Annual Report and Financial Statements For the financial year ended 30<sup>th</sup> June 2025

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

Period 2024	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
Equitable Share	894,335,890	1,800,729,928	899,130,094	2,288,694,785	5,882,890,697
DANIDA - Universal Healthcare in Devolved Units Programme	-	-	-	6,532,500	6,532,500
Road Maintenance Levy	-	-	-	67,262,744	67,262,744
IDA World Bank National Agricultural Value Chain Development Project (NAVCDP) -State Department of Crop Development	-	-	-	43,125,742	43,125,742
(IDA) World Bank Credit-Financing locally Led climate programme (FFLoCA)I CCIS Grant State Department of Environment	-	-	-	8,427,859	8,427,859
Kenya Urban Support Programme	-	-	-	32,309,300	32,309,300
Sagana industrial park	52,631,580	-	-	186,000,001	238,631,581
<b>Total</b>	<b>946,967,470</b>	<b>1,800,729,928</b>	<b>899,130,094</b>	<b>2,632,352,931</b>	<b>6,279,180,423</b>

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

**(a) Non-Exchange own source revenue**

Period 2024/2025	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
Cess	3,478,011	2,522,820	3,287,950	3,432,580	12,721,361
Land rate	8,529,200	8,239,300	8,785,100	7,844,204	33,397,804
Single/Business permits	23,983,444	23,076,968	23,192,315	23,034,858	93,287,585
Public health service fees	9,360,900	9,924,400	11,017,600	8,448,100	38,751,000
Physical planning and development	7,946,450	6,958,450	5,778,365	3,959,656	24,642,921
Conservancy administration	2,132,580	471,920	6,848,110	1,587,420	11,040,030
Cooperative audit	129,900	124,200	127,750	108,500	490,350
Quarries Cess	365,000	339,300	285,400	251,900	1,241,600
Property rates	2,203,243	1,382,952	1,250,000	948,694	5,784,889
Group Registration	126,000	90,400	74,600	93,100	384,100
Fire Compliance	1,362,500	1,428,560	1,848,110	947,830	5,587,000
<b>Total</b>	<b>59,617,228</b>	<b>54,559,270</b>	<b>62,495,300</b>	<b>50,656,842</b>	<b>227,328,640</b>

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**(b) Exchange own source revenue**

Period 2024	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
Parking fees	5,004,352	5,224,160	5,690,195	7,596,260	23,514,967
Market fees	8,640,092	7,157,843	7,402,809	6007011	29,207,755
Bus Park	7,028,500	5,484,550	3,824,250	10,636,400	26,973,700
Advertising	6,327,500	6,273,500	6,877,117	5,749,883	25,228,000
House Rents	1,935,400	696,600	910,700	238,200	3,780,900
Weights and Measures	1,339,013	999,400	1,248,400	772,200	4,359,013
Stalls rent	834,000	750,700	737,500	872,500	3,194,700
Commission by payroll	392,653	396,895	394,990	398,119	1,582,657
Coffee Licences	136,337	161,200	188,500	125,303	611,340
Liquor Licence	12,119,000	12,427,000	12,217,000	14,683,500	51,446,500
<b>Total</b>	<b>43,756,847</b>	<b>39,571,848</b>	<b>39,491,461</b>	<b>47,079,376</b>	<b>169,899,532</b>

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**Appendix 4: Analysis of Transfers from the County Revenue Fund**

Period -2024	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
County Executive -Rec	288,799,501	1,208,347,026	824,676,073	1,498,614,141	3,820,436,741
County Executive -Dev	201,810,258	199,448,707	174,232,889	680,001,895	1,255,493,749
County Assembly -Rec	26,016,182	272,495,891	216,322,179	229,187,249	744,021,501
County Assembly -Dev	-	19,780,269	9,371,950	20,406,758	49,558,977
Sagana industrial park	54,131,580	-	65,258,197	390,128,211	509,517,988
Financing locally Led climate programme	11,000,000	122,557,925	45,240,000	-	178,797,925
Kenya Devolution Support Program 2	-	-	-	9,000,000	9,000,000
Kenya Urban Support Program	-	-	-	32,309,300	32,309,300
NAVCDP	-	-	10,500,000	43,125,742	53,625,742
DANIDA	-	-	6,532,500	7,236,000	13,768,500
<b>Total</b>	<b>581,757,521</b>	<b>1,822,629,818</b>	<b>1,352,133,788</b>	<b>2,910,009,296</b>	<b>6,666,530,423</b>

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**Appendix 5: Trial Balance for County Revenue Fund**

**TRIAL BALANCE AS AT 30<sup>TH</sup> JUNE 2025**

DETAILS	DEBIT	CREDIT
Exchequer releases		5,882,890,697
Transfers from other government agencies		67,262,744
Other grants		276,395,402
Own Source Revenue		414,101,425
Return to CRF issues		78,994,532
Transfers to County Executive	5,075,930,490	
Transfers to County Assembly	793,580,478	
Other Transfers	805,447,314	
CRF Bank Account	44,686,518	
<b>TOTAL</b>	<b>6,719,644,800</b>	<b>6,719,644,800</b>

