

REPUBLIC OF KENYA

GOVERNMENT OF MAKUENI COUNTY



COUNTY TREASURY

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Makueni County
P.O. Box 78-90300
MAKUENI

Ref: GMC/FIN/ASS.36/ VOL18(42)

Date: 15th October, 2025

Makueni County Assembly,
P.O Box 572-90300,
MAKUENI.



RE: SUBMISSION OF MAKUENI COUNTY EXECUTIVE QUARTELY REPORT AND FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30TH 2025.

Pursuant to Section 166 of the Public Finance Management Act, 2012 we hereby submit **Quarterly Report and Financial Statements** for the Makueni County Executive for the period ended 30th September, 2025.

Yours Sincerely,

MAKUENI COUNTY GOVERNMENT
EXECUTIVE COMMITTEE MEMBER
FINANCE & PLANNING

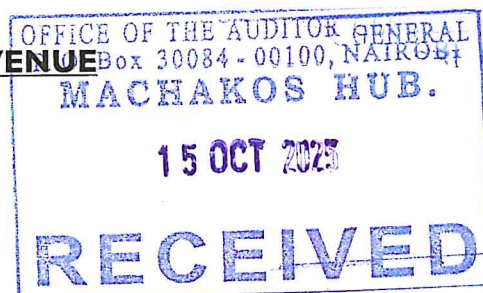
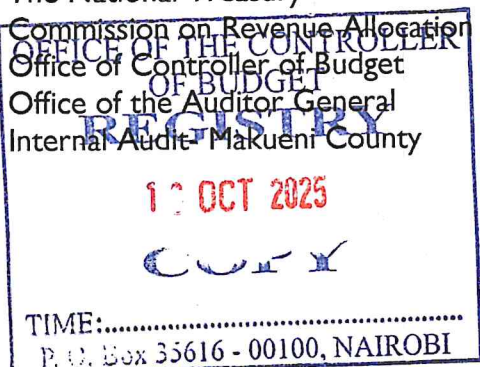


DAMARIS MUMO KAVOI

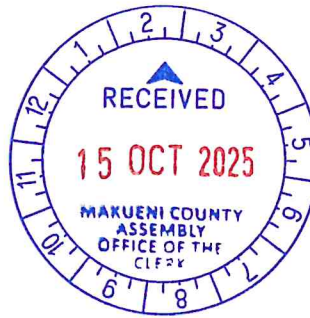
CECM - FINANCE, PLANNING, BUDGET & REVENUE

Cc.

1. The National Treasury
2. Commission on Revenue Allocation
3. Office of the Controller of Budget
4. Office of the Auditor General
5. Internal Audit - Makueni County



Received by:
Internal Audit
16/10/2025



Makueni County Executive

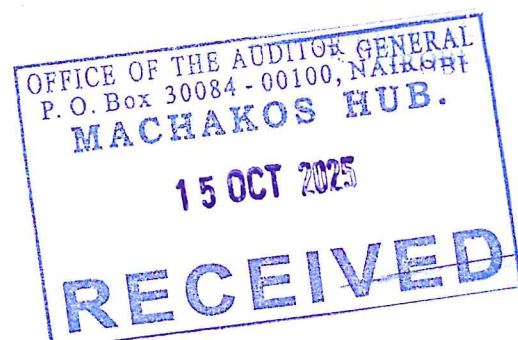
Makueni County Government

QUARTERLY REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 2025



Transitional IPSAS Financial Statements Under International Public Sector Accounting Standards (IPSAS)



Makueni County Executive

Quarterly Report and Financial Statements for the Period ended September 30, 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- Members of Management directly entrusted with the responsibility of financial resources of the organisation.

Comparative Year- Means the prior period.

2. Key Entity Information and Management

a) Background information.

The County Executive of Makueni is established under the Constitution of Kenya, 2010, specifically Articles 176 to 183, and operates in accordance with the County Governments Act, 2012, and the Public Finance Management Act, 2012. It constitutes the executive arm of the Makueni County Government. It is headed by Governor **H.E Mutula Kilonzo Jnr**, who is responsible for the general policy and strategic direction of the County.

Principal Activities

The County Executive is responsible for:

- Implementing county legislation and national legislation to the extent that it applies within the county.
- Managing and coordinating county administration and departments.
- Preparing and executing the county's annual budget and development plans.
- Promoting social and economic development and ensuring effective service delivery.
- Maintaining sound financial management and accountability in line with the PFM Act and related regulations.

Vision

"A Prosperous, Value-Based County with a High Quality of Life for All Citizens."

Mission

"To Provide Transformative Leadership and Promote Sustainable Socio-Economic Development through Effective Service Delivery, Innovation, and Citizen Participation."

Core Values

- Integrity and Accountability
- Transparency
- Equity and Inclusiveness
- Professionalism
- Innovation and Excellence
- Teamwork and Commitment
- Public Participation

The County Executive is comprised of the following departments:

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

Makueni County Executive

Quarterly Report and Financial Statements for the Period ended September 30, 2025

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

b) Key Management team

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

No.	Designation	Name
1.	Governor	H.E Mutula Kilonzo Jnr. CBS
2.	Deputy Governor	H.E Lucy Mulili
3.	County Secretary	Dr. Justine Kyambi
4.	CECM – Department of Agriculture, Irrigation, Livestock, Fisheries & Cooperative Development	Ms. Elizabeth Ndunge Muli

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

c) Fiduciary Management

The key management personnel who held office during the period ended 30th September, 2025 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	CECM- Department of Finance, Planning, Budget & Revenue	CPA. Damaris Mumo Kavoi
2.	Accounting Officer- Financial Services	CPA John Nthuka Nguni
3.	Accounting Officer- Socio-Economic Planning, Budget, Revenue, Monitoring and Evaluation	Boniface Musyoki Mutua
4.	Accounting Officer- Environment, Natural Resources, Mining and Climate Change	Dr. Geoffrey Ngovi Muthoka
5.	Accounting Officer – Office of the Governor	Felistus Kamene Mutune
6.	Accounting Officer- Public Service Management	Catherine Syombua Katuti
7.	Accounting Officer- Education and Internship	Irene Nduku Makau
8.	Accounting Officer- Agriculture and Irrigation	Dr. Victoria Kyalo
9.	Accounting Officer- Energy	Naomi Nthambi

Makueni County Executive**Quarterly Report and Financial Statements for the Period ended September 30, 2025**

No.	Designation	Name
10.	Accounting Officer- Devolution, Public Participation, County Administration & Special Programs	Daniel Mutuku Ndolo
11.	Accounting Officer- Trade, Marketing, Industry, Culture and Tourism	Dr. Jossylyn Nzilani Mutua
12.	Accounting Officer- Health Services	Dr. Geoffrey Ngovi Muthoka
13.	Accounting Officer- Water and Sanitation	Eng. David Maithya Makau
14.	Accounting Officer- Lands, Urban Planning and Development	Jackson Charo Daudi
15.	Accounting Officer- Livestock and Fisheries	Japheth Mutuku Kiminza
16.	Accounting Officer- Gender, Children, Youth, Sports and Social service	Nicholis Mutisya Mutua
17.	Accounting Officer- Information, Communication and Technology	Irene Nduku Makau
18.	CEO/Secretary- Makueni County Public Service Board	CS Redempta Kavindu
19.	Ag. Director Accounting Services	CPA Sylvia Mbevi
20.	Ag. Director Supply Chain Management	CM Fidel Muema

d) Fiduciary Oversight Arrangements

- ***Makueni County Assembly-** Performed its mandate in legislation and oversight arrangements to the County Executive through assembly business and different committees like approval of annual/supplementary budgets and Appropriation Bills/Acts, review and recommendations of Auditor General reports on reports and financial statements, oversight of county projects, review and recommendations of periodic reports and financial statements, adoption of various reports amongst others.*
- ***Office of Controller of Budget (OCOB)-** Provided the required guidelines in budget execution, processed and approved fund requisitions and provided oversight in budget implementation and performed budget implementation oversight.*
- ***The National Treasury (TNT)-** Processed exchequer funds, provided technical support especially on IFMIS, capacity training on e-GP and issued circulars to guide on the new quarterly accrual-based financial reporting templates and end of year procedures.*
- ***Public Sector Accounting Standards Board (PSASB)-** Developed and disseminated the Annual and quarterly accrual- based financial reporting templates, trained on the Cash-Accrual transition.*
- ***Commission on Revenue Allocation (CRA)-** The institution provided support in revenue allocation through recommendation on the Basis for Equitable Sharing of Revenue between the National and County Governments*
- ***Office of the Auditor General-** Carried out the FY 2024/25 financial audit and FY 2024/25 compliance audit to check and report on the prudent use of resources entrusted to the Makueni County Executive.*
- ***Development Partners-** They provided both funding and technical support to the development, implementation and monitoring of country-owned sector policies and strategies through the national government inform of conditional grants during the quarter.*
- ***Makueni County Audit Committee-** It reviewed the internal audit reports and ensured corrective actions were taken to safeguard the internal controls of the County's financial operations to ensure proper public financial management.*

e) County Executive Headquarters

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

f) County Executive Contacts

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

g) County Executive Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000

Makueni County Executive

Quarterly Report and Financial Statements for the Period ended September 30, 2025

City Square 00200
NAIROBI, KENYA

Kenya Commercial Bank
Wote Town
WOTE – MAKUENI, KENYA

Cooperative Bank
Wote Town
WOTE – MAKUENI, KENYA

Family Bank Limited
Wote Town
WOTE – MAKUENI, KENYA

Equity Bank Limited
Wote Town
WOTE – MAKUENI, KENYA

h) Independent Auditor

Auditor-General
Office of The Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
NAIROBI, KENYA

i) Principal Legal Adviser

The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
NAIROBI, KENYA

j) County Attorney

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

3. Foreword by CECM Finance, Planning, Budget and Revenue

It gives me great pleasure to present the Financial Statements of the County Executive of Makueni for the Quarter ended 30th September, 2025. These statements have been prepared in accordance with the Public Finance Management Act, 2012, the County Governments Act, 2012, and the Public Sector Accounting Standards Board (PSASB) guidelines, thereby reflecting our unwavering commitment to sound financial management, accountability, and transparency in the use of public resources.

During the reporting period, the County Executive continued to implement its development agenda guided by the Makueni County Integrated Development Plan (CIDP 2023–2027) and the Annual Development Plan (ADP). Our focus remained on strengthening service delivery, promoting sustainable economic growth, and ensuring prudent management of public funds.

Despite fiscal pressures arising from delayed exchequer releases, increasing operational demands, and emerging development priorities, the County Treasury maintained firm expenditure controls and enhanced revenue mobilization through automation, enforcement, and citizen engagement. This disciplined approach has enabled the County Government to deliver essential services, complete key infrastructure projects, and support community-driven development initiatives across all sub-counties.

A significant milestone during the year was the continued transition to Accrual Accounting in line with the PSASB Roadmap. This shift demonstrates our commitment to aligning with international public sector accounting standards (IPSAS) and improving the quality, reliability, and completeness of financial information for decision-making and accountability. The County Treasury has progressively built staff capacity, strengthened internal controls, and automated financial processes to support this transformation.

We recognize that financial stewardship is not merely a statutory requirement but a moral responsibility to the citizens of Makueni County who entrust us with public resources. The County Executive remains steadfast in enhancing fiscal discipline, deepening transparency, and promoting public participation in budgeting and planning.

I take this opportunity to thank all County Departments, Chief Officers, Accountants, and the entire Treasury team for their dedication in ensuring the timely and accurate preparation of these financial statements. I also extend my appreciation to the Office of the Auditor-General and other oversight institutions for their continued guidance and partnership in upholding financial integrity.

As we move forward, we remain committed to strengthening public financial management systems, accelerating the accrual accounting transition, and leveraging data-driven decision-making to achieve efficient, transparent, and accountable governance for the people of Makueni County.

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

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

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

b) Budget performance against actual amounts.

The budget performance analysis compares the approved budget against the actual revenue and expenditure. The FY 2025/2026 budget is funded from Three main sources: Equitable Share from the National Government, Own-Source Revenues, Conditional Allocations, and Grants

Overall Budget Performance

The County had an approved budget of Ksh 11.54 billion, out of which Ksh 1.31 billion was spent in quarter one, representing an absorption rate of 11%. This indicates underutilization of funds by Ksh mainly attributed to delays in procurement, low development budget absorption and delays in exchequer revenue.

Revenue Performance

The total revenue target is Ksh 11.58 billion. Actual revenue collected in the period under review was Ksh 1.68 billion, translating to 15% performance. This is as indicated in the table below;

Table: Revenue Performance by source

Revenue Source	FY 2025/26 Approved Budget	Actuals as of September 30, 2025	Balance	Performance (%)
Equitable Share	8,866,423,364	1,440,378,070	7,426,045,294	16%
Conditional Allocations, Loans and Grants	1,175,684,263	-	1,175,684,263	0%

County Own Generated Revenue	1,500,000,000	240,045,833	1,259,954,167	16%
Total	11,542,107,627	1,680,423,903	9,861,683,724	15%

Expenditure Performance by Economic Classification

Out of the allocation of Ksh 6.77 billion for recurrent expenditure, actual spending was Ksh 1.21 billion, representing 18% absorption. The high performance was mainly driven by personnel emoluments. No major Development activities completed during the first quarter of the financial year.

The expenditure performance is indicated in the table below;

Table: Expenditure by economic classification**Table 1**

Economic Item	FY 2025/26 Approved Sup. Budget	Actuals as of September 30, 2025	Balance	Absorption (%)
Personnel Emoluments	4,655,289,818	1,092,252,675	3,563,037,143	23%
Operation & Maintenance	2,115,028,086	120,934,597	1,994,093,489	6%
Recurrent	6,770,317,904	1,213,187,272	5,557,130,632	18%
Development (Capital Expenditure)	3,874,158,408	9,164,753	3,864,993,655	0%
Total Executive	10,644,476,312	1,222,352,025	9,422,124,287	11%
County Assembly	897,631,315	83,138,941	814,492,374	9%
Total Budget	11,542,107,627	1,305,490,966	10,236,616,661	11%

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

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

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

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

Makueni County Executive

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Office of the County Secretary focused on capacity building by providing promotional and career growth courses to address various training needs. The county enrolled all its 3800 staff in insurance cover and cascaded performance contracts. To gather feedback and enhance workplace morale, a

Makueni County Executive

Quarterly Report and Financial Statements for the Period ended September 30, 2025

comprehensive institutional skills gap analysis was conducted, along with an employee satisfaction survey.

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

d) Comment on each of the County flagship projects and how they have been achieved.

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

Table: FY 2025/2026 Flagship Projects and programmes

No.	Department	Ward	Project/Programme Name	FY 2025/26 Budget Estimates
1	Agriculture	All wards	IDA (World Bank) Credit National Agricultural Value Chain Development Project (NAVCDP)+Matching fund	236,250,000
2	Agriculture	All wards	Agriculture extension programme	18,000,000
3	Devolution	HQ	IDA (World Bank)-Second Kenya Devolution Support Program-Service Delivery and Investment Grant-(Level 2 Grant) ((KDSP)	352,500,000
4	Devolution	HQ	IDA (World Bank)-Second Kenya Devolution Support Program-Institutional Grant-Level 1 Grant((KDSP)+Matching fund	47,500,000
5	Emali-Sultan Municipality	HQ	IDA (World Bank Credit: Kenya Urban Support Project (KUSP)- Urban Development Grant (UDG)	20,083,771
6	Lands	HQ	IDA (World Bank) Credit Financing Locally-Led Climate Action (FLLoCA) Program, County Climate Resilience Investment (CCRI) Grant +Matching fund	230,746,435
7	Lands	HQ	IDA (World Bank) Credit: Kenya Urban Support Project (KUSP)-Urban Institutional Grant (UIG)	35,000,000
8	Trade	Kilungu	Construction of Nunguni Modern Market - Kilungu Ward	50,000,000
9	Transport	All wards	Roads Maintenance Fuel Levy	146,891,738
10	Transport	HQ	Rural Electrification Programme - REREC Matching grant	30,000,000
11	Transport	Ilima	Construction of Kithioni drift	15,000,000
12	Transport	Nguu/Masumba	Construction of Kitende Drift	14,000,000
13	Water	Kiimakiu/Kalan zoni	Water Treatment & Distribution of Katilini Earth Dam Water Project	30,230,000

No.	Department	Ward	Project/Programme Name	FY 2025/26 Budget Estimates
14	Water	Kisau/Kiteta	Distribution of Kinze Water Project/Mbumbuni Scheme	12,770,750
15	Water	Makindu	Construction of Drift, Sump, Pumping Systems, and distribution in Ngakaa Dam in partnership with NDMA	15,000,000
16	Water	Nguu/Masumba	Construction and distribution of water from Mweini Concrete dam	13,738,597
17	Water	Kisau/Kiteta	Distribution of Kyala Earth Dam Water Project	12,000,000
18	Water	Wote/Nziu	Wote Town Improvement Project - Distribution of Kwa Kitungu Water Project	10,000,000
19	Wote Municipality	Wote/Nziu	Purchase of Wote Bus park land	40,000,000
20	Wote Municipality	HQ	IDA (World Bank) credit: Kenya Urban Support Project (KUSP) - Urban Development Grant (UDG)	20,083,771

e) Comment on value-for-money achievements

The County Government in FY 2025/26 prioritizes on the delivery of development projects in a cost-efficient, high-quality, and sustainable manner. All projects were aligned to County Vision 2025, the 2023–2027 County Integrated Development Plan (CIDP III), the 2024/25 County Annual Development Plan (CADP) to ensure coherence in planning and implementation.

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

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

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

- 1. Completion of high-impact water projects** through last-mile connectivity and irrigation expansion, reducing per-unit costs while maximizing household coverage. Examples include the **Ndukuma Water Project (Ksh. 15M)**, **Kwa-Kakui Earth Dam Rehabilitation (Ksh. 16M)**, **Wautu Kyangaati Water Project (Ksh. 15.5M)**, and the ongoing **Mulima Water Project (Ksh. 40M)**. In addition, several FLLoCA-funded water projects such as **Kinze Water Project**, **Ilovoto Water Project**, and **Kiangini/Kikuu Water Enhancement Project** were successfully

completed, significantly improving household and agricultural water supply across multiple wards.

2. **Agricultural mechanization and value chain support** under the **National Agricultural Value Chain Development Project (NAVCDP)**, complemented by the commissioning of **30 Ward SACCOs**. This intervention promoted farmer cooperatives, enhanced access to affordable inputs, and facilitated market linkages driving down unit costs while boosting productivity and farmer incomes.
3. **Upgrading of health facilities and automation of health services**, with the **Mbooni Family Hospital (Ksh. 57.7M)** progressing steadily and the successful completion of the **Automation of Health Services (CIHMIS Phase II, Ksh. 20.7M)**. These investments reduced inefficiencies, improved patient record management, and enhanced access to primary and universal health coverage at lower operational costs.
4. **Enhanced project sustainability**, as completed projects were handed over to **Project Sustainability Committees (PSCs)**. These committees ensured effective community ownership, proper utilization, and long-term maintenance, thereby reducing recurrent maintenance costs to the County Government and strengthening resilience of public investments

f) Implementation challenges of strategic objectives

Several cross-cutting challenges were experienced during the implementation of the County's strategic objectives in the FY 2024/25 and Quarter 1 of FY 2025/26 including the following: -

- **Funding and Budget Constraints:** The delayed release of funds from the National Treasury significantly hindered the timely implementation of programs and projects.
- **Conditional Allocations, loans and grants,** - The County received Kshs. 319,989,343.00 of the conditional allocation against the expected Kshs. 607,277,601.00 accounting for 53%. Additionally, the disbursements were made late making it impossible to implement the programmes and projects and hence low development absorption rates. During Q1 no conditional grant funds were received.
- **High poverty levels at 39.1%** increased the dependency level reducing the amount available towards development.
- **Vandalism of Projects:** Deliberate destruction, damage, and theft of public infrastructure undermined essential services such as water supply, sanitation, and education. The repair of vandalized assets diverted resources and attention from other critical development projects, significantly impeding overall progress.
- **Low Synergy among departments** – Low adoption of one government approach in implementation of the County projects limited the synergy benefits associated with it.
- **Human Resource Constraints:** The county struggled with inadequate staffing levels in key sectors due to limits on staff salaries and a growing population demanding high-quality public services. The ongoing loss of staff through natural attrition, combined with weak succession planning and insufficient funding for staff training, further exacerbated challenges in service delivery.
- **Climate Change-** Effects of climate change including drought and unpredictable weather conditions affected efforts to address food security and the cost of living in the County

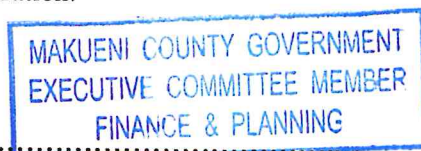
- **Unforeseen risks** such as fluctuating fuel prices or material costs, disrupted project schedules and budgets. These external factors introduced unpredictability, thereby affecting project management and execution.

g) Key risk management strategies applied by the County Executive

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

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

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



CECM Finance Planning Budget and Revenue

County Government of Makueni

4. Management Discussion and Analysis

Operational Performance

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

The County Governments' operations are guided by various plans that outline the development approach for a specific period. These plans include the CIDP, ADP, County Fiscal Strategy Paper, County Budget Review and Outlook.

The County Government's budget for the Financial Year 2025/26 is KShs. 11,542,107,627. The revenue framework is primarily anchored on three sources: the equitable share from the National Government amounting to KShs. 8,866,423,364 (77%), conditional allocations comprising loans and grants totaling KShs. 1,175,684,263 (10%), and Own Source Revenue estimated at KShs. 1,500,000,000 (13%).

Out of the total budget, KShs. 10,644,476,312 has been allocated to the County Executive, while the County Assembly will receive KShs. 897,631,315. In terms of expenditure priorities, 34% of the budget is dedicated to development programs, 45% to personnel emoluments, and 21% to operations and maintenance.

The FY 2025/26 development agenda is themed "**Stimulating local economies for shared prosperity**" and highlights the importance of local economic actors in both farm and non-farm enterprises, including institutions within our rural communities. The main focus on local economies will be driven by Agriculture, Land, Water, Trade, and Local livelihoods, specific to each Ward. To achieve the aspired development outcomes, the following objectives will be pursued:

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

FY 2025/26 sector priority areas

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

Sector	Priority Areas
Water, Sanitation, Environment, and Natural Resources	The last mile water infrastructure development targets the connection of an additional 1,000 HHs per ward (30,000 HHs in the County) to clean and safe water. • Implementation of the last-mile water infrastructure initiative, connecting the water source to the end user. • The initiative targets one project per ward in the FY 2025/26. • Irrigation development- Establishing and rehabilitating existing irrigation schemes • Climate change initiatives. • Landscape restoration, environmental conservation, and management
Agriculture and Rural Development	• Implementation of the Value Chain agricultural development approach to ensure the sector supports the county agenda on food and nutrition security. • In the FY 2025/26, seven value chains will be promoted, namely: Fruits (Mango, Avocado, Citrus), Cereal, Dairy, Chicken, Industrial crops, Meat, and Apiculture. • Cooperative management and development: Strengthening the cooperative movement as a tool for economic growth and rural development • Strengthen Agriculture Extension Services
Transport, Infrastructure, Public Works, Energy, and ICT	• Upgrading urban road infrastructure • Maintenance of the critical county road network and opening of strategic road links to agriculturally-rich zones • Enhance access to the electricity grid in rural and urban areas through the REREC Matching grant • Mainstreaming renewable energy to county government projects
Health Services	• Upgrading and equipping of health facilities to enhance service delivery • Health care financing, including mobilization for SHA/SHIF registrations to increase uptake and Medical Health Services Fees (AIA Allocation) • Strengthen the operations of the Community Health Promoters (CHPs)
Social Protection, Education, and Recreation	• Youth Empowerment- through Youth KCB Matching grant • Construction of ECDEs and CTTI infrastructure • Youth talent and sports development by supporting Supa Cup and KYISA competitions. • Support for the elderly and PWDs • Enhance Youth participation in economic activities in the County Youth empowerment and entrepreneurship programmes, including <i>Ajira kwa vijana</i> and support to youth groups.
General Economic and Commercial Affairs	• Trade development and promotion • Market Infrastructure improvement and maintenance of Market centres

Makueni County Executive

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Sector	Priority Areas
Lands and Urban Development	• Land Security of tenure remains a challenge in Makueni County. The government budgets to solve the problem through a land succession programme at the Ward level • Emali Sultan Municipality Spatial plan to guide the development
Devolution	• Resource Mobilization-Intensifying efforts to increase Own Source Revenue (OSR) by 7% from Kshs 1.4 billion in 2024/25 to Kshs 1.5 billion in FY 2025/26

b) Entity's compliance with statutory requirements

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

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

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

c) Major risks facing the County.

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

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

d) Material arrears in statutory and other financial obligations.

The County Government of Makueni has been deliberate in ensuring compliance to statutory obligations. These include payment of PAYE, NHIF, NSSF, contributions to Pension Schemes, payroll deductions and all other emerging obligations. The County through the payroll management unit ensures that all staff obligations are timely included in their monthly deductions. Local

arrangements have been done with the local banks to ensure that staff salary and the other short-term obligations are done in time even in the event where the exchequer has delayed.

The County Government has been working on meeting its financial obligations. As at September 30, 2025, the accounts payable carried forward from FY 2023/24 of Kshs. 659,802,429 were reduced to Ksh. 284,873,420 including a balance of Kshs 39,417,551 owed to LAPFUND which is to be paid in a 3-year period. The revenue challenge and delays in exchequers leads to delayed settlement of financial obligations.

e) Review of the economy and sector

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

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

f) Future developments

The County in the FY 2024/26 is continuing in the adoption of the transitional accrual basis financial statements preparation which in three years will be in full adoption. This bridges the gap that existed from the use of Cash basis of accounting like the accountability of pending bills and asset management.

5. Statement of Management Responsibilities

Section 166 of the Public Finance Management Act, 2012 requires that, at the end of each quarter, the County Treasury shall prepare financial statements for all County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The County Executive Committee (CEC) member for Finance, Planning, Budget and Revenue is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the period ended -, 20-. 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 government; (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 government; (v) selecting and applying appropriate accounting policies; and (vi) Making accounting estimates that are reasonable in the circumstances.

The CEC member for Finance, Planning, Budget and Revenue accepts responsibility for the County Government's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for Finance, Planning, Budget and Revenue is of the opinion that the County Government's financial statements gives a true and fair view of the state of the County Government's transactions during the period ended 30th September, 2025, and of its financial position as at that date.

The CEC member for Finance, Planning, Budget and Revenue further confirms the completeness of the accounting records maintained for the County Government which have been relied upon in the preparation of the financial statements as well as the adequacy of the systems of internal financial control.

The CEC member for Finance, Planning, Budget and Revenue confirms that the County Government has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Government's funds received during the quarter were used for the eligible purposes for which they were intended and were properly accounted for. Further, the CEC member for Finance, Planning, Budget and Revenue confirms that the County Government'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 Executive's Financial Statements were approved and signed by the CECM for Finance, Planning, Budget and Revenue on 15th October, 2025.



CPA Damaris Mumo Kavo

CECM – Finance, Planning, Budget and Revenue

Makueni County Executive

Quarterly Report and Financial Statements for the Period ended September 30, 2025

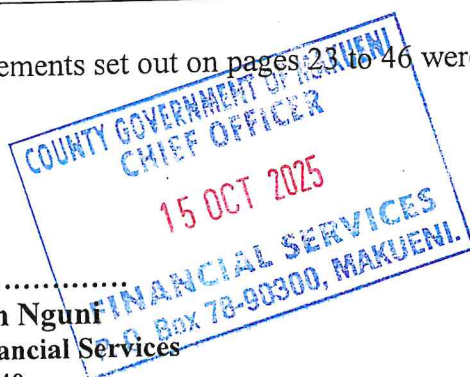
6. Statement of Financial Performance for the Period Ended September 30, 2025

Table 2

Description	Notes	Period ended Sep 30	Comparitive Period
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from CRF	5	1,239,316,828	602,384,788
Miscellaneous Revenue	6	-	
Revenue from exchange transactions			
Other income	7	-	
Total revenue		1,239,316,828	602,384,788
Expenses			
Employee costs	8	717,198,839	352,279,298
Use of goods and services	9	121,228,913	180,816,158
Transfers to other Government Entities	10	60,755,857	21,865,158
Depreciation and amortization expense	11	24,041,648	24,041,648
Other Grants and Subsidies	12	140,000	1,336,000
Finance costs	13	-	-
Social Benefits	14	978,600	-
Total expenses		924,343,856	580,338,262
Gain/(loss) on sale of assets	15	-	-
Gain/Loss on Foreign Exchange	16	-	-
Gain/Loss on fair value of investments	17	-	-
Impairment loss	18	-	-
Surplus/Deficit for the year		314,972,972	22,046,526
Taxation	19	-	
Net Surplus/(Deficit)		314,972,972	22,046,526

The Financial Statements set out on pages 23 to 46 were signed by:

.....
Name: CPA John Nguni
Chief Officer-Financial Services
ICPAK M/No. 3440



.....
Name: CPA Sylvia Mbevi
Director Accounting Services /CFO
ICPAK M/No. 16462

7. Statement of Financial Position as at September 30, 2025

Description	Notes	Sep 2025	Opening Statement 1 st July 2024	Audited Prior Year
		Kshs	Kshs	
Assets				
Current Assets				
Cash and Cash equivalents	20	309,734,317	314,301,392	284,677,990
Receivables from Exchange Transactions	21(a)	-	-	-
Receivables from Non-Exchange Transactions	22	-	-	-
Inventories	23	-	-	-
Current portion of investments	25	-	-	-
Prepaid Expenses	24	45,030,457	95,424,904	108,016,033
Total Current Assets		354,764,774	409,726,296	392,694,024
Non-Current Assets				
Receivables from Exchange Transactions	21(b)	-	-	-
Non- Current portion of investments	25	-	-	-
Property, Plant and Equipment	26	420,553,390	47,620,788	444,595,038
Right of Use Assets	27	-	-	-
Intangible Assets	28	-	-	-
Investment Property	29	-	-	-
Biological Assets	30	-	-	-
Tangible Natural Resources	31	-	-	-
Total Non- Current Assets		420,553,390	47,620,788	444,595,038
Total Assets (A)		775,318,165	457,347,084	837,289,062
Liabilities				
Current Liabilities				
Trade and Other Payables	32	416,213,036	803,222,821	793,156,905
Refundable deposits and prepayments	33	-	-	-
Current Provision	34	-	-	-
Lease Liabilities	35	-	-	-
Deferred Income	36	-	-	-
Employee Benefit Obligation	37	-	-	-
Current Portion of Borrowings	38	-	-	-
Total Current Liabilities		416,213,036	803,222,821	793,156,905

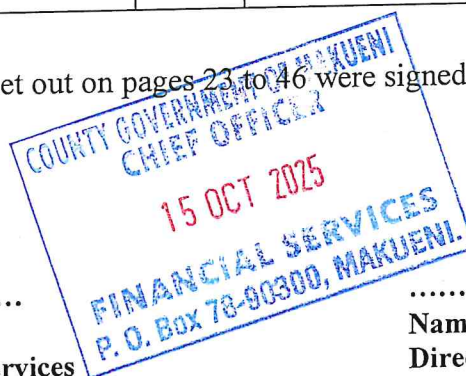
Makueni County Executive

Quarterly Report and Financial Statements for the Period ended September 30, 2025

Description	Notes	Sep 2025	Opening Statement 1 st July 2024	Audited Prior Year
		Kshs	Kshs	
Non-Current Liabilities				
Non-Current Provisions	34	-	-	-
Lease Liabilities	35	-	-	-
Deferred Income	36	-	-	-
Non-Current Employee Benefit Obligation	37	-	-	-
Borrowings – Non-Current Portion	38	-	-	-
Social Benefit Liability	39	-	-	-
Service Concession Liability	40	-	-	-
Total Non- Current Liabilities		-	-	-
Total Liabilities (B)		416,213,036	803,222,821	793,156,905
Net Assets (A-B)		359,105,129	(345,875,737)	44,132,157
Represented by:				
Reserves		-	-	-
Accumulated Surplus		359,105,129	(345,875,737)	44,132,157
Capital Fund		-	-	-
Net Assets		359,105,129	(345,875,737)	44,132,157

The Financial Statements set out on pages 23 to 46 were signed by:

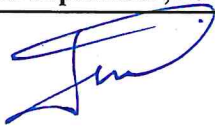
.....
Name: CPA John Nguni
Chief Officer-Financial Services
ICPAK M/No. 3440



.....
Name: CPA Sylvia Mbevi
Director Accounting Services /CFO
ICPAK M/No. 16462

8. Statement of Changes in Net Assets for the Period Ended September 30, 2025

Description	Accumulated Surplus	Reserves	Capital Fund	Total
As at July 1, 2024	(345,875,737)	-	-	(345,875,737)
Surplus/ deficit for the period	390,045,434			390,045,434
Returns to CRF	(25,494)			(25,494)
Prior Year Adjustments	(12,047)			(12,047)
As at 30 Jun 2025	44,132,157	-	-	44,132,157
Adjustments:				
Recognition of assets	-	-	-	-
Recognition of liabilities	-	-	-	-
As at 1st July 2025	44,132,157	-	-	44,132,157
As at July 1, 2025	44,132,157	-	-	44,132,157
Surplus/ deficit for the period	314,972,972			314,972,972
Returns to CRF (Previous Year)	-			-
Revaluation Reserves	-			-
As at 30th September, 2025	359,105,129	-	-	359,105,129



Makueni County Executive

Quarterly Report and Financial Statements for the Period ended September 30, 2025

9. Statement of Cash Flows for the Period ended September 30, 2025

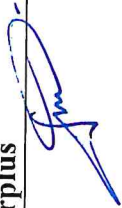
Description	Notes	Period ended Sep 2025	Comparative Period
		Kshs	
Cash flows from operating activities			
Receipts			
Transfers from CRF		1,239,316,828	602,384,788
Miscellaneous Revenue		-	
Other income		-	
Total receipts		1,239,316,828	602,384,788
Payments			
Employee costs		1,092,147,675	352,279,298
Use of goods and services		58,223,509	186,521,432
Transfers to other Government Entities		60,755,857	21,865,158
Other Grants and Subsidies		140,000	1,336,000
Finance costs		-	
Social Benefit		978,600	
Total payments		1,212,245,641	562,001,888
Net cash flows from/(used in) operating activities	41	27,071,187	40,382,900
Cash flows from investing activities			
Purchase of PPE		-	
Purchase Intangible assets		-	
Proceeds from sale of PPE		-	
Proceeds from sale of Biological Assets		-	
Purchase of investments		-	
Retentions Withheld		-	
Retentions Paid		(2,014,861)	
Sale of investments		-	
Net cash flows from/(used in) investing activities		(2,014,861)	-
Cash flows from financing activities			
Returns to CRF		-	
Proceeds from borrowings		-	
Repayment of borrowings		-	
Net cash flows from financing Activities		-	
Net increase/(decrease) in cash &		25,056,327	40,382,900
Cash equivalents			
Cash and cash equivalents as at Period Start	20	284,677,990	314,301,392
Cash and cash equivalents as at Period End	20	309,734,317	354,684,292

Quarterly Report and Financial Statements for the Period ended September 30, 2025

10. Statement of Comparison of Budget and Actual Amounts for the Period Ended September 30, 2025

A) Recurrent and Development budgets Combined

Receipts/Payments Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget carry overs (Special Purpose A/c)	-	-	-	151,323,515	(151,323,515)	100%
Receipts						
Transfers from the CRF	10,644,476,312	-	10,644,476,312	1,239,316,828	9,405,159,484	12%
Other receipts	-	-	-	-	-	0%
Total Receipts	10,644,476,312	-	10,644,476,312	1,390,640,343	9,253,835,969	13%
Payments						
Compensation of employees	4,655,289,818	-	4,655,289,818	1,092,147,675	3,563,142,143	23%
Use of goods and services	2,115,028,086	-	2,115,028,086	58,223,509	2,056,804,577	3%
Subsidies	-	-	-	-	-	0%
Transfers to other government units	788,960,700	-	788,960,700	60,755,857	728,204,843	8%
Other grants and transfers	109,708,030	-	109,708,030	140,000	109,568,030	0%
Social security benefits	224,985,958	-	224,985,958	978,600	224,007,358	0%
Acquisition of assets	2,750,503,720	-	2,750,503,720	-	2,750,503,720	0%
Finance costs, including loan interest	-	-	-	-	-	0%
Repayment of principal on borrowings	-	-	-	-	-	0%
Other payments	-	-	-	-	-	0%
Total	10,644,476,312	-	10,644,476,312	1,212,245,641	9,432,230,671	11%
Surplus	-	-	-	178,394,702		



Reconciliation table

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	178,394,702
1	Retention Payments	(2,014,861)
2	Opening Balance of Retentions	133,354,475
	Closing Cash and Cash Equivalent as per the statement of Cash flows	309,734,317

11. Notes to the Financial Statements

1. General Information

- Entity is established by and derives its authority and accountability from The Constitution of Kenya/Act 2010. The Entity is domiciled in Kenya and its principal activities are -.

2. Statement of Compliance and Basis of Preparation Statement of Compliance

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

Guiding note during the transition period:

Makueni County Executive has taken advantage of the transitional provisions under IPSAS 33 and therefore these 2nd/ years financial statements are transitional financial statements and the following elements of the financial statements have not been recognized as the entity has taken advantage of the transition provisions outlined in IPSAS 33.

These financial statements were authorised for issue by the accounting officer on 15th October, 2025

Basis of Preparation

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period. These financial statements have been prepared on an accrual basis unless otherwise specified (for example, the Statement of Cash Flows). Under an accrual basis, revenues are recognised when rights to assets are earned or levied rather than when cash is received, and expenses are recognised when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Entity. The accounting policies adopted have been consistently applied to all the years presented.

Quarterly Report and Financial Statements for the Period ended September 30, 2025

Notes to the financial statements **Significant Accounting Policies**

Reporting period

The reporting period for these financial statements is for the period ended -x.

Critical accounting judgments

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

Recognition of revenue

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

Recognition of non-exchange expenses and liabilities

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

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

Purpose and nature of financial instruments

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

Notes to the financial statements
Significant Accounting Policies

Climate change obligations

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

Physical assets

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

Quarterly Report and Financial Statements for the Period ended September 30, 2025

3. Summary of Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Entity and can be measured reliably. Recurrent grants are recognized in the statement of financial performance. Development/Capital grants are recognized in the statement of financial performance after meeting revenue recognition criteria. Conditional grants are recognized as revenue upon fulfilment of the set conditions.

ii. Revenue from exchange transactions

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

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

Rental income

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

b) Budget information

The original budget for FY 2025/26 was approved by the County Assembly on 24th June, 2025. The Entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements.

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

basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial cash flows has been presented under section - of these financial statements.

c) Investment property

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

d) Property, plant and equipment

Recognition and Measurement

The Entity's Property, Plant, and Equipment (PPE) are tangible items held for use in the production or supply of goods and services, for rental to others, or for administrative purposes, and are expected to be used for more than one reporting period.

An item of PPE is recognized as an asset if, and only if:

- It's **probable** that the future economic benefits or service potential associated with the item will flow to the ministry.
- The cost or fair value of the item can be measured **reliably**.

Items acquired through non-exchange transactions (e.g., donations) are measured at their **deemed cost**, which is the fair value at the date of acquisition. For all other acquisitions, initial measurement is at **cost**, which includes all expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The entity has adopted the **Historical cost model** for the subsequent measurement of its PPE. Under this model, after initial recognition, an asset is carried at its cost less any accumulated depreciation and accumulated impairment losses.

Depreciation and Impairment

The entity applies the **straight-line method** of depreciation, as it best reflects the pattern of the asset's consumption of its future economic benefits or service potential. Depreciation begins when the asset is available for use and ceases at the earlier of the date the asset is classified as held for sale or the date of derecognition. The depreciable amount is the cost of the asset less its residual value. The residual value and the useful life of an asset are reviewed at least at each annual reporting date. The table below indicates the various classes of assets and the depreciation rates.

Quarterly Report and Financial Statements for the Period ended September 30, 2025

PPE Item	Depreciation Rate
Land	
Buildings	2-10%
Motor vehicles	10-16.67%
Infrastructure assets	2-20%
Furniture and fittings	12.5%
Computers & ICT Equipment	33.3%
Heritage Assets	
Work in progress (WIP)	
Service concession assets	

Impairment The entity assesses at each reporting date whether there is any indication that an asset may be impaired. If an indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognized immediately in the statement of financial performance.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of financial performance.

e) Right-of-Use (ROU) Assets

A right-of-use asset represents the entity's right to use an underlying leased asset over the lease term. At the commencement date of a lease, the entity recognises a right-of-use asset and a lease liability, except for short-term leases and leases of low-value assets as allowed under IPSAS 45.

Recognition

The entity recognises a right-of-use asset at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises:

- The amount of the initial lease liability;
- Any lease payments made at or before the commencement date, less any lease incentives received;
- Any initial direct costs incurred; and
- An estimate of the costs to be incurred in dismantling and removing the underlying asset or restoring the site.

Measurement

Right-of-use assets are initially measured at cost. After initial recognition, right-of-use assets are measured using the cost model, where the asset is carried at: Cost less accumulated depreciation, and Any accumulated impairment losses. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Depreciation of right-of-use assets is charged to expenditure in accordance with the entity's depreciation policy applicable to owned assets of the same class. Right-of-use assets are assessed for impairment in accordance with IPSAS 21 – Impairment of Non-Cash-Generating Assets or IPSAS 26 – Impairment of Cash-Generating Assets, as applicable.

f) Lease Liability

The lease liability is measured at the present value of lease payments that are not paid at that date. The lease payments have been discounted using the interest rate implicit in the lease, and the rate can be readily determined. If the rate cannot be readily determined, the entity uses the incremental borrowing rate.

Subsequently, the lease liability is measured at amortized cost using the effective interest method and reduced by lease payments. Interest expense is recognized in the statement of financial performance.

g) Tangible Natural Resources

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

Quarterly Report and Financial Statements for the Period ended September 30, 2025

h) Intangible assets

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

i) Non-Current Assets Held for Sale and Discontinued Operations

Non-current assets or disposal groups are classified as held for sale when their carrying amount is expected to be recovered through sale rather than continued use. They are measured at the lower of carrying amount and fair value less costs to sell and have been presented separately in the Statement of Financial Position. Depreciation has ceased for the assets classified as held for sale.

The assets classified as held for sale have met the following required criteria: management has made a commitment to sell, the asset is actively being marketed for sale at a reasonable price, the sale will be completed within one year of the classification date, an active program to find a buyer has been initiated, and there are no significant changes to the plan that might impact the sale.

Discontinued operations are the major components that have been disposed of or are held for sale. Their results have been presented separately in the Statement of Financial Performance.

j) Research and development costs

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

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

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

k) Financial instruments

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

i. Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortized cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is 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.

Quarterly Report and Financial Statements for the Period ended September 30, 2025

Notes to the financial statements Significant Accounting Policies

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Notes to the financial statements
Significant Accounting Policies

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in Note -.

ii) financial liabilities

Classification

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

1) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

Quarterly Report and Financial Statements for the Period ended September 30, 2025

Notes to the financial statements

Significant Accounting Policies

m) Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

n) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and/or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the needs of society as a whole. The MDA recognises a social benefit as an expense for the social benefits scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the MDA will incur in fulfilling the present obligations represented by the liability.

o)Contingent liabilities

The Entity does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

p) Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

q). Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements. (*Entity to state the reserves maintained and appropriate policies adopted*).

r) Changes in accounting policies and estimates

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

s) Employee benefits

Retirement benefit plans

The Entity provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

t) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

u) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

v) Related parties

The County Executive regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise *the Governor, Deputy governor, County Secretary, County Executive Committee Members and Chief Officers.*

Quarterly Report and Financial Statements for the Period ended September 30, 2025

w) Service concession arrangements.

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

x) 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.

y) Biological Assets

All biological assets (including those acquired biological assets through a non-exchange transaction) are measured at fair value less costs to sell unless fair value cannot be measured reliably. Agricultural produce is measured at fair value at the point of harvest less costs to sell.

Any change in the fair value of biological assets during a period is reported in surplus or deficit

z) Comparative figures

In preparing these financial statements, the entity has elected to apply paragraph 79 of IPSAS 33, which allows for the election by an entity to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position and an opening statement of financial position as at the time of first time adoption of the accrual basis of accounting.

4. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note -. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Quarterly Report and Financial Statements for the Period ended September 30, 2025
Notes to the financial statements (continued)

5. Transfers from CRF

Nature of Transfer	Amount recognized to Statement of financial performance.	Amount deferred under deferred income.	Total transfers for Period ended Sep 2025	Comparative Period
	Kshs	Kshs	Kshs	Kshs
Recurrent	1,224,113,702	-	1,224,113,702	555,287,860
Development	-	-	-	2,643,636
Special purpose transfers	15,203,126	-	15,203,126	44,453,292
Total	1,239,316,828	-	1,239,316,828	602,384,788

6. Miscellaneous Revenue

Nature of Revenue	Sep 2025	Comparative Period
	Kshs	Kshs
In kind grants and donations	-	-
Refunds & Reimbursements	-	-
Revenues not classified anywhere else	-	-
Total	-	-

7. Other Incomes

Description	Sep 2025	Comparative Period
	Kshs	Kshs
Insurance recoveries	-	-
Sale of tender documents	-	-
Services concession income	-	-
Other incomes not specified elsewhere	-	-
Total other income	-	Kshs

8. Employee Costs

Description	Sep 2025	Comparative Period
	Kshs	Kshs
Basic salaries of permanent employees	717,198,839	352,279,298
Basic wages of temporary employees	-	-

Quarterly Report and Financial Statements for the Period ended September 30, 2025

Personal allowances – part of salary	-	-
Pension and other social security contributions	-	-
Employer contributions to compulsory national social security schemes	-	-
Employer contributions to compulsory national health insurance schemes	-	-
Employer contribution to compulsory housing scheme	-	-
Other social benefit schemes	-	-
Other personnel costs	-	-
Total	717,198,839	352,279,298

9. Use of Goods and Services

Description	Sep 2025	Comparative Period
	Kshs	Kshs
Utilities, supplies and services	-	15,822,788
Communication, supplies and services	207,000	78,000
Domestic travel and subsistence	8,070,368	7,600,335
Foreign travel and subsistence	-	-
Printing, advertising, and information supplies & services	-	-
Rentals of produced assets	110,400	269,528
Training expenses	-	225,983
Hospitality supplies and services	665,750	694,853
Insurance costs	62,875,176	-
Specialized materials and services	-	66,252,790
Other operating expenses <i>including bank Charges</i>	38,730,540	82,717,260
Office and general supplies and services	-	20,214
Fuel Oil and Lubricants	10,050,000	5,359,327
Routine maintenance – vehicles and other transport equipment	519,679	1,775,080
Routine maintenance – other assets	-	-
Total	121,228,913	180,816,158

10. Transfers to Other Government Entities

Description	Sep 2025 20-	Comparative Period
	Kshs	Kshs
Transfers to other County Government entities	60,755,857	21,865,158
Transfers to self-reporting projects	-	-

Quarterly Report and Financial Statements for the Period ended September 30, 2025

Transfers to car loan and mortgage schemes	-	-
Others (specify)	-	-
Total	60,755,857	21,865,158

11. Depreciation and Amortization Expense

Description	Sep 2025	Comparative Period
	Kshs	Kshs
Property, plant and equipment	24,041,648	24,041,648
Intangible assets	-	-
Investment property carried at cost	-	-
Total	24,041,648	24,041,648

12. Other Grants and Subsidies

Description	Sep 2025	Comparative Period
	Kshs	Kshs
Membership dues and subscriptions to international organizations	-	-
Scholarships and other educational benefits	140,000	1,336,000
Emergency relief and refugee assistance	-	-
Grants to small businesses, cooperatives, and self employed	-	-
Subsidies to Public entities	-	-
Subsidies to Private entities	-	-
Total Grants and Subsidies	140,000	1,336,000

13. Finance Costs

Description	Sep 2025	Comparative Period
	Kshs	Kshs
Interest Payments on Guaranteed Debt Taken over by Govt	-	-
Interest on Domestic Borrowings (Non-Govt)	-	-
Interest on Borrowings from Other Government Units	-	-
Interest on bank overdrafts	-	-
Interest on loans from commercial banks	-	-
Total finance costs	-	-

Borrowing costs that relate to interest expense on acquisition of non- current assets and do not qualify for Capitalisation as per IPSAS 5: on borrowing costs should be included under this note.)

14. Social Benefits

Description	Sep 2025	Comparative Period
	Kshs	Kshs
Transfers to the elderly	-	-
Transfers to orphans	-	-
Transfers to the physically challenged	-	-
<i>In kind Payments</i>	978,600	-
Total social benefit expenses	978,600	-

15. Gain/Loss on Sale of Assets

Description	Sep 2025	Comparative Period
	Kshs	Kshs
Property, plant and equipment	-	-
Intangible assets	-	-
Other assets not capitalised	-	-
Total gain on sale of assets	-	-

16. Gain/Loss on Foreign Exchange

Description	Sep 2025	Comparative Period
	Kshs	Kshs
Gain or loss on foreign exchange transactions	-	-
Gain or loss on balances in foreign exchanges	-	-
Total	-	-

17. Gain/Loss on Fair Value Investments

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Description	Sep 2025	Comparative Period
	Kshs	Kshs
Investments at Fair Value	-	-
Total Gain	-	-

18. Impairment Loss

Description	Sep 2025	Comparative Period
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Total Impairment Loss	-	-

19. Taxation

Description	Sep 2025	Comparative Period
	Kshs	Kshs
Current income tax charge	-	-
Tax charged on rental income	-	-
Tax charged on interest income	-	-
Original and reversal of temporary differences	-	-
Income tax expense reported in the statement of financial performance	-	-

20. Cash and Cash Equivalents

Table 3

Description	Period ended Sep 2025	FY 2024/25 1 st July 2024
	Kshs	Kshs
Recurrent Accounts	6,032,815	-
Development Accounts	-	-
Deposits Accounts	131,339,615	133,354,475
Special Purpose Accounts	172,361,888	151,323,515
Total	309,734,317	284,677,990

(a) Detailed Analysis of the Cash and Cash Equivalents

		Period ended Sep/Dec/March/June 20-	Opening Statement 1 st July 20-
Financial Institution	Account number	Kshs	Kshs
Recurrent Accounts			
CBK, Makueni County Recurrent Ac- Kshs	1000170557	6,032,815	-
CBK, Sultan Hamud Municipal OP AC	1000740981	-	
Development Accounts			

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CBK, Makueni County Development Ac- Kshs	1000170573	-	-
CBK, Sultan Hamud Municipal Dev AC	1000740997	-	-
Deposits Accounts			
CBK, Makueni County Deposit Ac - Kshs	1000238119	131,339,615	133,354,475
Special Purpose Accounts			
CBK, Makueni County Emergency Fund Ac - Kshs	1000268255	3,670,903	3,670,903
CBK, Makueni County Road Maint Levy Fund - Kshs	1000251697	89	89
CBK, Makueni County Special Purpose - Kshs	1000333464	-	-
CBK, Makueni County National Agriculture And Rural Growth Inclusive Project - Kshs	1000365471	-	-
CBK, Makueni County Village Polytechnics Project - Kshs	1000367407	1	1
CBK, Makueni County Urban Institutional Grants - Kshs	1000372109	1,215	1,215
CBK, Wote Municipality Urban Dev Gr - Kshs	1000372117	1,289	1,289
CBK, Makueni County Kenya Devolution Support Programme - Kshs	1000372125	5,246	5,246
CBK, Makueni County Ideas Led Grant Account - Kshs	1000393308	-	-
CBK, Makueni County Nutrition International Proj Ac - Kshs	1000446056	4,975,138	4,975,138
CBK, Makueni County Covid 19 Grants Ac - Kshs	1000455497	16,547,338	16,547,338
CBK, Makueni County Hivos Project Account - Kshs	1000472391	1,707	1,707
CBK, Makueni County Primary Health Care - Kshs	1000555718	16	16
CBK, Makueni County Climate Change Fund Ac - Kshs	1000654368	132,158,945	126,120,572
CBK, Makueni County Climate Resilience Investment Grant Ac - Kshs	1000654384	-	-
CBK, Makueni County National Agricultural Value Chain Ac - Kshs	1000696745	1	1
CBK, Makueni County Community Health Project Ac - Kshs	1000743131	-	-
CBK, Makueni County Kenya Dev Supp AC II	1000745018	15,000,000	-
Other operating commercial accounts (Specify)			
<i>Cash on Hand</i>			
Total		309,734,317	284,677,990

Quarterly Report and Financial Statements for the Period ended September 30, 2025

21. Receivables from Exchange Transactions

Description	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
	Kshs	Kshs	Kshs
Total receivables			
Other exchange debtors (<i>Specify</i>)	-	-	-
Less: impairment allowance	-	-	-
Total receivables	-	-	-
a) Current receivables	-	-	-
b) Non-current receivables	-	-	-
Total Receivables (a+b)	-	-	-

i) Ageing analysis for Receivables from exchange transactions

Description	Sep 2025		Opening Statement 1 st July 2024		FY 2024/25	
	Kshs		Kshs			
	Current Period ended Sep/Dec/Ma rch/June 20-	% of the total	Opening Balance	% of the total	Audit ed Prior Year	% of the total
Less than 1 year	-	%	-	%	-	%
Between 1- 2 years	-	%	-	%	-	%
Between 2-3 years	-	%	-	%	-	%
Over 3 years	-	%	-	%	-	%
Total (a+b)	-	%	-	%	-	%

ii) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

Impairment allowance	Sep 2025	FY 2024/25
	Kshs	Kshs
At the beginning of the period.	-	-
Additional allowance during the period	-	-
Recovered during the period	-	-
Written off during the period.	-	-
At the end of the period.	-	-

Notes to the Financial Statements (Continued)

22. Receivables from Non-Exchange Transactions

Description	Sep 2025		Opening Statement 1 st July 2024		FY 2024/25	
	Kshs		Kshs			
Receivables	-		-		Kshs	
Other debtors (non-exchange transactions)	-		-		-	
Less: impairment allowance	-		-		-	
Total receivables	-		-		-	
Ageing Analysis- Receivables from non-exchange transactions	Insert Current FY	% of the total	Opening Balance	% of the total	Audit ed Prior Year	% of the total
Less than 1 year	-	%	-	%	-	%
Between 1-2 years	-	%	-	%	-	%
Over 3 years	-	%	-	%	-	%
Total	-	%	-	%	-	%

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

Description	Period ended Sep/Dec/March/June 20-	Audit ed Prior Year
	KShs	Kshs
At the beginning of the period	-	-
Additional provisions during the period	-	-
Recovered during the period	-	-
Written off during the period	-	-
At the end of the period	-	-

23. Inventories

Description	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
	Kshs	Kshs	Kshs
Spare parts	-	-	-
Goods held for distribution	-	-	-
Less: allowance for impairment	-	-	-
Total	-	-	-

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Detailed disclosure on inventories

	Sep 2025	Audited FY 2024/25
	Kshs	Kshs
Opening balance	-	-
Additional Inventory in the Period	-	-
Inventory expensed in the period	-	-
Write-downs in the period	-	-
Others specify	-	-
Closing balance	-	-

24. Prepaid Expenses

Description	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
	Kshs	Kshs	Kshs
Rent	-	-	110,400.00
Insurance Premiums	45,030,457	-	107,905,633
Subscription fees	-	-	-
Electricity	-	-	-
Other Prepayments	-	-	-
Total	45,030,457	-	108,016,033

25. Investments

Description	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
	Kshs	Kshs	Kshs
a) Investment in Treasury bills and bonds			
Financial institution			
CBK	-	-	-
CBK	-	-	-
Sub- total	-	-	-
b) Investment with Financial Institutions/ Banks			
Bank x	-	-	-
Bank y	-	-	-
Sub- total	-	-	-
c) Equity investments (specify)			
Equity/ shares in Entity -	-	-	-
Sub- total	-	-	-
Grand total	-	-	-

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Analysed as:			
Current portion of Investment	-	-	-
Non-current portion of investment	-	-	-

d) Movement of Equity Investments

	<i>Sep 2025</i>	<i>FY 2024/25</i>
	Kshs	Kshs
At the beginning of the period	-	-
Purchase of investments in the period	-	-
Sale of investments during the period	-	-
Increase /(decrease) in fair value of investments	-	-
At the end of the period	-	-

e) Shareholding in other entities

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

Name of Entity where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding		Current period	<i>Opening Statement 1st July 20-</i>	<i>Audited Prior Year</i>
	%	%	%	Kshs	Kshs	Kshs	Kshs
Entity A	-	-	-	-	-	-	-
Entity B	-	-	-	-	-	-	-
Entity C	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

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Notes to the financial statements (continued)

26. Property, Plant, and Equipment

Description	Land	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	General Equipment	Total
Depreciation Rate		2-10%	10-16.67%	2-20%	12.50%	33.30%	12.50%	
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2025	1,000,000	257,818,664	16,690,707	131,139,649	983,870	15,337,587	45,666,209	468,636,686
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
As At 30 Sep 2025	1,000,000	257,818,664	16,690,707	131,139,649	983,870	15,337,587	45,666,209	468,636,686
Depreciation And Impairment								
Opening Bal as 1 st July 2025	-	(5,156,373)	(2,043,434)	(6,023,177)	(122,984)	(4,757,275)	(5,938,406)	(24,041,648)
Depreciation charge for the period/year	-	(5,156,373)	(2,043,434)	(6,023,177)	(122,984)	(4,757,275)	(5,938,406)	(24,041,648)
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As At 30 Sep 2025	-	(10,312,747)	(4,086,868)	(12,046,353)	(245,967)	(9,514,550)	(11,876,811)	(48,083,295)
Net Book Values								
Opening Bal as 1 st July 2025	1,000,000	252,662,291	14,647,273	125,116,473	860,886	10,580,312	39,727,804	444,595,038
As At 30 Sep 2025	1,000,000	247,505,918	12,603,839	119,093,296	737,902	5,823,037	33,789,398	420,553,390

Notes to the Financial Statements (Continued)

Valuation

Land and buildings/ Equipment (be specific) were valued by in line with the National Assets and Liabilities Management Policy and Guidelines (Issued 30th June 2020). These amounts were adopted on -.

25 (b) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Table 4

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	1,000,000	-	1,000,000
Buildings	257,818,664	(10,312,747)	247,505,918
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	16,690,707	(4,086,868)	12,603,839
Computers And Related Equipment	15,337,587	(9,514,550)	5,823,037
Other Equipment	45,666,209	(5,938,406)	39,727,804
Infrastructure assets	131,139,649	(6,023,177)	125,116,473
Office Equipment, Furniture, And Fittings	983,870	(245,967)	737,902
Total	468,636,686	(36,121,713)	432,514,973

Property plant and Equipment includes the following assets that are fully depreciated:

	Cost or valuation	Normal annual depreciation charge
Plant and Machinery	-	-
Motor Vehicles including Motorcycles	-	-
Computers and Related Equipment	-	-
Office Equipment, Furniture And Fittings	-	-
Total	-	-

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Notes to the Financial Statements (Continued)

27. Right-of-use assets

	<i>Buildings</i>	<i>Motor vehicles</i>	<i>Plant and equipment</i>	<i>Total</i>
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 20-	-	-	-	-
Additions	-	-	-	-
As at 30 th June	-	-	-	-
As at 30 th June June	-	-	-	-
Recognition of Assets	-	-	-	-
As at 1 st July 20-	-	-	-	-
As at 1 st July 20-	-	-	-	-
Additions	-	-	-	-
As at Sept/Dec/Mar/June	-	-	-	-
Accumulated Depreciation				
As at 1 July 20-	-	-	-	-
Charge for the year	-	-	-	-
As at 30 Sept/Dec/ March/June 20-	-	-	-	-
Carrying Amount				
As at 1 st July 20-	-	-	-	-
A at 30th June 20-	-	-	-	-
As at July 20	-	-	-	-
As at 30 Sept/Dec/ March/June 20-	-	-	-	-

28. Intangible Assets

	Indefinite life	Definite life	Work in Progress	Total
Description	N/A	X%	N/A	
Rate				
Cost/Value At the 30th June	-	-	-	-
Additions	-	-	-	-
Transfers	-	-	-	-
Disposal	-	-	-	-
Cost/Value At 30th of June	-	-	-	-
Amortization and impairment				
At 1st July 20-		-	-	-

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Amortization charge for the period		-	-	-
Disposal		-		
At the end of the period		-	-	-
Impairment loss	-	-	-	-
At end of the period	-	-	-	-
NBV at	-	-	-	-

29. Investment Property

Description	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
	Kshs	Kshs	Kshs
At beginning of the period	-	-	-
Additions	-	-	-
Disposal during the year	-	-	-
Depreciation	-	-	-
Impairment	-	-	-
At end of the period	-	-	-

30. Biological Assets

Description	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
	Kshs	Kshs	Kshs
Trees in a plantation forest	-	-	-
Animals: Dairy cattle, pigs, sheep	-	-	-
Fruit Trees	-	-	-
Total	-	-	-

31. Tangible Natural Resources

	Sub- soil assets	Water	Wildlife	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 20-	-	-	-	-
Additions	-	-	-	-
As at 30 Sep	-	-	-	-

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Accumulated Depreciation				
As at 1 July 20-	-	-	-	-
Charge for the year	-	-	-	-
As at 30 Sep-	-	-	-	-
Carrying Amount				
As at 30 Sep	=	=	=	=

32. Trade and Other Payables

Description	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
	Kshs	Kshs	Kshs
Trade payables	284,873,421	-	284,853,594
Payments received in advance	-	-	-
Employee payables	0	-	374,948,836
Third-party payments	-	-	-
Other payables	131,339,615	-	133,354,475
Total trade and other payables	416,213,036	-	793,156,905

33. Refundable Deposits and Prepayments

Description	Sep 2025		Opening Statement 1 st July 2024		FY 2024/25	
	Kshs		Kshs		Kshs	
Customer deposits	-		-		-	
Prepayments	-		-		-	
Other deposits	-		-		-	
Total deposits	-		-		-	
Ageing analysis: (Refundable deposits)	Period ended Sep/Dec/ March/June 20-	% of the Total	Opening Balance	% of the Total	Audited Prior Year	% of the Total
Under one year	-	%	-	%	-	%
1-2 years	-	%	-	%	-	%
2-3 years	-	%	-	%	-	%
Over 3 years	-	%	-	%	-	%
Total	-		-		-	

34. Provisions

Description	Leave provision	Gratuity Provision	Other provision	Total
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	Kshs	Kshs	Kshs	Kshs
Opening bal 1 st July	-	-	-	-
Additional provisions	-	-	-	-
Provision utilised	-	-	-	-
Change due to discount and time value for money	-	-	-	-
As at 30 th June 20-	-	-	-	-
Opening bal 1 st July	-	-	-	-
Additional provisions	-	-	-	-
Provision utilised	-	-	-	-
Change due to discount and time value for money	-	-	-	-
As At Sept/Dec/Mar/June	-	-	-	-
Current Provisions	-	-	-	-
Non-current Provisions	-	-	-	-

35. Lease Liability

Description	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
	Kshs	Kshs	Kshs
At the start of the period	-	-	-
Discount interest on lease liability	-	-	-
Paid during the year	-	-	-
At end of the period	-	-	-

36. Deferred Income

Description	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
	Kshs	Kshs	Kshs
National Government	-	-	-
International Funders	-	-	-
Public Contributions and Donations	-	-	-
Total Deferred Income	-	-	-

The deferred income movement is as follows:

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	National government	International funders	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance Brought Forward	-	-	-	-
Additions for the Period	-	-	-	-
Transfers To Capital Fund	-	-	-	-
Transfers To Income Statement	-	-	-	-
Other Transfers	-	-	-	-
Balance Carried Forward	-	-	-	-

Analysed as:

	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
Description			
Current	-	-	-
Non- Current	-	-	-
Total	-	-	-

37. Employee Benefit Obligations

	Defined benefit plan	Post-employment medical benefits	Other Benefits	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
Description	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-	-
Total Employee Benefits Obligation	-	-	-	-	-	-

Retirement benefit Asset/ Liability (Applicable to Pensions)

The Entity operates a defined benefit scheme for all full-time employees from July 1, 20-. The scheme is administered by - while - are the custodians of the scheme. The scheme is based on - percentage of salary of an employee at the time of retirement.

An actuarial valuation to fulfil the financial reporting disclosure requirements of IPSAS 39 was carried out as at - June - by - actuarial valuers On this basis the present value of the defined benefit obligation

and the related current service cost and past service cost were measured using the Projected Unit Credit Method. The principal assumptions used for the purposes of valuation are as follows:

	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
Discount Rates	x%	x%	x%
Future Salary Increases	x%	x%	x%
Future Pension Increases	x%	x%	x%
Mortality (Pre- Retirement)	x%	x%	x%
Mortality (Post- Retirement)	x%	x%	x%
Withdrawals	-%	-%	-%
Ill Health	-%	-%	-%
Retirement	- years	- years	- years

Recognition of Retirement Benefit Asset/ Liability

a) Amounts recognised under other gains/ Losses in the statement of Financial Performance:

	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
Description	Kshs	Kshs	Kshs
The return on defined plan assets	-	-	-
Actuarial gains/ losses arising from changes in demographic assumptions	-	-	-
Actuarial gains/ losses arising from changes in financial assumptions	-	-	-
Actuarial gains and losses arising from experience adjustments	-	-	-
Others (specify)	-	-	-
Adjustments for restrictions on the defined benefit asset	-	-	-
Remeasurement of the net defined benefit liability (asset)	-	-	-

Makueni County Executive

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Notes to the financial statements (continued)

b) Amounts recognised in the Statement of Financial Position

	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
Description	Kshs	Kshs	Kshs
Present value of defined benefit obligations(a)	-	-	-
Fair value of plan assets(b)	-	-	-
Funded status(=a-b)	-	-	-
Restrictions on asset recognised	-	-	-
Others	-	-	-
Net asset or liability arising from defined benefit obligation	-	-	-

The Entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at KShs. - per employee per month. Other than NSSF the Entity also has a defined contribution scheme operated by - Pension Fund. Employees contribute -% while employers contribute -% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

38. Borrowings

Description	Period ended Sep/Dec/ March/June 20-	Opening Statement 1 st July 20-	Audited Prior Year
a) External borrowings			
Balance at beginning of the period	-	-	-
External borrowings during the period	-	-	-
Repayments of during the period	-	-	-
Balance at end of the period	-	-	-
b) Domestic borrowings			
Balance at beginning of the period	-	-	-
Domestic borrowings during the period	-	-	-
Repayments during the period	-	-	-
Balance at end of the Period	-	-	-
Balance at end of the period- domestic and	-	-	-

External borrowings c = (a+b)			
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The analyses of both external and domestic borrowings are as follows:

	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
	Kshs	Kshs	Kshs
External Borrowings			
Dollar denominated loan from 'X organisation'	-	-	-
Sterling Pound denominated loan from 'Y Organisation'	-	-	-
Euro denominated loan from Z Organisation'	-	-	-
Domestic Borrowings			
Kenya Shilling loan from KCB	-	-	-
Kenya Shilling loan from ABSA	-	-	-
Kenya Shilling loan from Consolidated Bank	-	-	-
Total balance at end of the period	-	-	-

	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
Description	Kshs	Kshs	Kshs
Short term borrowings (current portion)	-	-	-
Long term borrowings	-	-	-
Total	-	-	-

39. Social Benefit Liability

	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
Description	Kshs	Kshs	Kshs
Health social benefit scheme	-	-	-
Unemployment social benefit scheme	-	-	-
Orphaned and vulnerable benefit scheme	-	-	-
Elderly social benefit scheme	-	-	-
Disability social benefits	-	-	-
Total	-	-	-

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Current social benefits	-	-	-
Non- current social benefits	-	-	-
Total (tie to totals above)	-	-	-

40. Service Concession Arrangements Liability

Description	Sep 2025	Opening Statement 1 st July 2024	FY 2024/25
	Kshs	Kshs	Kshs
Fair value of service concession assets recognized under PPE	-	-	-
Accumulated depreciation to date	-	-	-
Net carrying amount	=	=	=
Service concession liability at beginning of the period	-	-	-
Service concession revenue recognized	-	-	-
Service concession liability at end of the period	=	=	=

Notes to the financial statements (continued)

41. Cash Generated from Operations

	Sep 2025	FY 2024/25
		Kshs
Surplus for the year before tax	314,972,972	-
Adjusted for:		
Depreciation	24,041,648	-
Non-cash grants received	-	-
Contributed assets	-	-
Impairment	-	-
Gains and losses on disposal of assets	-	-
Contribution to provisions	-	-
Contribution to impairment allowance	-	-
Working capital adjustments		
Increase in inventory	-	-
Increase in receivables	-	-
Increase in deferred income	-	-
Increase in Prepaid expenses	62,985,576	
Increase in payables	(374,929,009)	-
Increase in payments received in advance	-	-
Net cash flow from operating activities	27,071,187	-

42. Segment Information

Not applicable

Makueni County Executive

Quarterly Report and Financial Statements for the Period ended September 30, 2025

Notes to the financial statements (continued)

43. Contingent Assets and Contingent Liabilities

Contingent Assets

	<i>Sep 2025</i>	<i>FY 2024/25</i>
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	-	-
Assets Arising from Determination Of Court Cases	-	-
Reimbursable Indemnities and Guarantees	-	-
Receivables From Other Government Entities	-	-
Others (Specify)	-	-
Total	-	-

Contingent Liabilities

	<i>Sep 2025</i>	<i>FY 2024/25</i>
	Kshs	Kshs
Contingent Liabilities	-	-
Court Case - against the Entity	-	-
Bank Guarantees in Favour of Subsidiary	-	-
Contingent Liabilities arising from Contracts Including PPPs	-	-
Others (Specify)	-	-
Total	-	-

Notes to the financial statements (continued)

44. Capital Commitments

Capital Commitments	<i>Sep 2025</i>	<i>FY 2024/25</i>
	Kshs	
Authorised for	-	-
Authorised and Contracted for	-	-
Total	-	-

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments may be those that have been authorised by the board but at the end of the year had not been contracted or those already contracted for and ongoing)

45. Events after the Reporting Period

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

46. Ultimate And Holding Entity

The Entity ultimate parent is the Government of Kenya.

47. Currency

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

Makueni County Executive

Quarterly Report and Financial Statements for the Period ended September 30, 2025

12. Appendices

Appendix I: Statement of Financial Performance for Each Quarter

Description	Notes	Quarter 1 Kshs	Quarter 2 Kshs	Quarter 3 Kshs	Quarter 4 Kshs	Cumulative** Kshs
Revenue from non-exchange transactions						
Transfers from CRF	5	1,239,316,828	-	-	-	1,239,316,828
Miscellaneous Revenue	6	-	-	-	-	-
Revenue from exchange transactions						
Other income	7	-	-	-	-	-
Total revenue		1,239,316,828	-	-	-	1,239,316,828
Expenses						
Employee costs	8	717,198,839	-	-	-	717,198,839
Use of goods and services	9	121,228,913	-	-	-	121,228,913
Transfers to other Government Entities	10	60,755,857	-	-	-	60,755,857
Depreciation and amortization expense	11	24,041,648	-	-	-	24,041,648
Other Grants and Subsidies	12	140,000	-	-	-	140,000
Finance costs	13	-	-	-	-	-
Social Benefits	14	978,600	-	-	-	978,600
Total expenses		924,343,856	-	-	-	924,343,856
Gain/(loss) on sale of assets	15	-	-	-	-	-
Gain/Loss on Foreign Exchange	16	-	-	-	-	-
Gain/Loss on fair value of investments	17	-	-	-	-	-
Impairment loss	18	-	-	-	-	-
Surplus/Deficit for the year		314,972,972	-	-	-	314,972,972
Taxation	19	-	-	-	-	-
Net Surplus/Deficit		314,972,972	-	-	-	314,972,972

Makueni County Executive

Quarterly Report and Financial Statements for the Period ended September 30, 2025

Appendix II: Trial Balance

Trial Balance Report			
Account Description	Debit (Kshs.)	Credit (Kshs.)	
Transfers from CRF	-	1,239,316,828	
Employee costs	717,198,839	-	
Use of goods and services	121,228,913	-	
Transfers to other Government Entities	60,755,857	-	
Depreciation and amortization expense (for the period)	24,041,648	-	
Other Grants and Subsidies	140,000	-	
Social Benefits	978,600	-	
Cash and Cash equivalents	309,734,317	-	
Prepaid Expenses	45,030,457	-	
Property, Plant and Equipment	420,553,390	-	
Trade and Other Payables	-	416,213,036	
Accumulated Surplus/Deficit (opening)	-	44,132,157	
Returns to CRF	-	-	
Total	1,699,662,021	1,699,662,021	