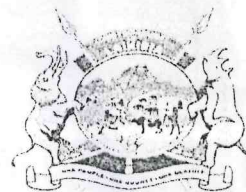


COUNTY GOVERNMENT OF LAIKIPIA

THE COUNTY TREASURY



County Headquarters
Government Road, Opposite DCCs Office
P.O. Box 131-20321
Nanyuki, Kenya

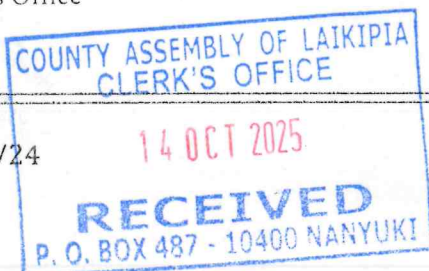
Tel:
Email: info@laikipia.go.ke
Website: www.laikipia.go.ke

Ref: CGL/CEC.F/CASS/VOL.I/24

14 OCT 2025

Date: 13th October, 2025

The Clerk
County Assembly of Laikipia



RE: SUBMISSION OF 1ST QUARTER REPORTS AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30th SEPTEMBER, 2025

Pursuant to Public Finance Management Act 2012 section 166 (4) which stipulates that: -Not later than one month after the end of each quarter, the County Treasury shall: -

- (a) consolidate the quarterly reports and submit them to the county assembly;
- (b) deliver copies to the Controller of Budget, National Treasury and the Commission on Revenue Allocation

In compliance to the above regulation, the County Executive of Laikipia hereby submits the quarterly reports and financial statements for the period ended 30th September, 2025 for the FY 2025/2026.

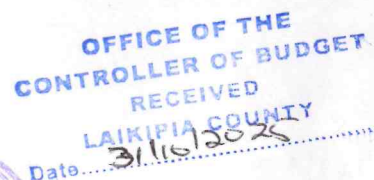
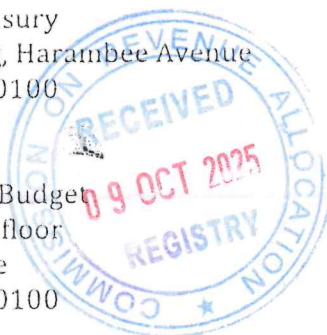
Thanks in advance.

Samuel W. Gachigi
CECM- Finance, County Planning & Enterprise Development
COUNTY GOVERNMENT OF LAIKIPIA



CC
The National Treasury
Treasury Building, Harambee Avenue
P.O. Box 30007-00100
NAIROBI

The Controller of Budget
BIMA House, 12th floor
Harambee Avenue
P.O. Box 35616-00100
NAIROBI



Commission on Revenue Allocation
14 Riverside Drive, Grosvenor Suite 2nd floor
PO Box 1310-00200
NAIROBI



**COUNTY GOVERNMENT OF LAIKIPIA
(EXECUTIVE)**

**QUARTERLY REPORT AND FINANCIAL
STATEMENTS**



**FOR THE PERIOD ENDED SEPTEMBER 30TH
2025**

Transitional IPSAS Financial Statements



County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th 2025

Table of Contents	Page
1. <i>ACRONYMS AND DEFINITION OF KEY TERMS</i>	ii
2. <i>KEY ENTITY INFORMATION AND MANAGEMENT</i>	iii
3. <i>FOREWORD BY CECM FINANCE AND ECONOMIC PLANNING</i>	x
4. <i>MANAGEMENT DISCUSSION AND ANALYSIS</i>	xv
5. <i>STATEMENT OF MANAGEMENT RESPONSIBILITIES</i>	xviii
6. <i>STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30TH SEPTEMBER 2025</i>	20
7. <i>STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30TH 2025</i>	21
8. <i>STATEMENT OF CHANGES IN NET ASSETS FOR THE PERIOD ENDED SEPTEMBER 30TH 2025</i>	22
9. <i>STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30TH 2025</i> 23	
10. <i>STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED SEPTEMBER 30TH 2025</i>	24
11. <i>NOTES TO THE FINANCIAL STATEMENTS</i>	26
12. <i>APPENDICES</i>	46

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th,2025.

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.

Laikipia County is one of the 47 Counties in the Republic of Kenya within the Rift Valley Region. “Laikipia” is a Maasai word equivalent to vast plains reflecting the large highland plateau. It borders 7 counties namely Samburu, Isiolo, Meru, Nyeri, Nyandarua, Nakuru and Baringo to the West. It covers an area of, 9532.2 km² and is ranked as the 15th largest county in the country by land size and has a population of 518,560 as per the 2019 Kenya Population and Housing Census. The County is cosmopolitan with about 23 communities.

Laikipia County comprises of 6 administrative sub counties namely Laikipia East, Laikipia North, Laikipia West, Laikipia Central, Nyahururu and Kirima. The County consists of three constituencies namely Laikipia East, Laikipia North and Laikipia West. The County headquarters is Rumuruti in Laikipia West Sub County.

The County is largely rural in settlement and a member of the Central Region Economic Bloc (CEREB) and Frontier Counties Development Council.

The main economic activities in the county include ranching, crop farming, beef and dairy farming, tourism and trade. Major tourist attractions in Laikipia include; wildlife, the unique Maa speaking cultural practices, and the Thomson Falls. Its proximity to Mt. Kenya, Meru National Park, Aberdare ranges and Samburu game parks have equally boosted tourism within the county through provision of hospitality services.

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

Our vision: *The greatest county with the best quality of life*

Our mission: *To enable every household in Laikipia to lead a prosperous life*

Our core values:

- *People-centeredness*
- *Equity*
- *Accountability*
- *Efficiency*
- *Professionalism*
- *Integrity*
- *Innovativeness*
- *Passion*

b) Key Management team



H.E. JOSHUA IRUNGU, EGH.
GOVERNOR – COUNTY GOVERNMENT OF LAIKIPIA



H.E. REUBEN KAMURI
DEPUTY GOVERNOR – COUNTY GOVERNMENT OF LAIKIPIA

CABINET: COUNTY GOVERNMENT OF LAIKIPIA



County Secretary
Koinange Wahome



Samuel Gachigi
Finance, County Planning and
Development



Purity Kendi
County Coordinator, Admin-
istration, TCT & Public Service



Dennis Kasoo
Agriculture, Livestock and
Fisheries



Stephen Kisorio
Education, Youth and Sports



Albert Taiti
Health



Leah Njeri
Water, Environment, Natural
Resources and Climate Change



Martin Nabos
Infrastructure, Lands, Public
Works and Urban Development

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025

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

- Office of the Governor
- Administration, Devolution, County Coordination & Public Service Management
- Finance, Economic Planning & County Development
- Health Services
- Agriculture, Livestock, Mechanization & Cooperatives Development
- Roads, Public Works, Lands, Housing, Energy & Urban Planning
- Education, Youth, Sports & Social Services
- Water & Sanitation, Environment, Natural Resources & Climate Change

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 Finance, County Treasury and Economic Planning	Samuel. Wachira
2	Accounting officer - Finance, County Treasury and Economic Planning	Daniel Ngumi
3	Accounting Officer - Administration Devolution & County Coordination	Burje Mohamed
4	Accounting officer –Public Service management, Public participation E-governance & Public Communication	Michael Kemboi
5	Accounting Officer - Health and Medical Services	Dr Timothy Panga
6	Accounting Officer - Crop Production, Irrigation Development & Mechanisation	Elizabeth Wangari
9	Accounting Officer –Livestock, Fisheries, Cooperatives & Veterinary Services	Mary Gichuru
10	Accounting Officer – Gender, Sports, Youth Affairs, Culture & Social Services	Kenneth Kibaara
11	Accounting Officer – Education, Vocational Training & Library Services	Jecinta Segetet
12	Accounting Officer - Water, Sanitation & Climate Change	Abraham Lemanyishoe
13	Accounting officer - Rangeland management & Natural Resources	Stephen Lopian
14	Accounting Officer - Lands, Housing, Energy & Urban Planning	John Gichuki
15	Accounting Officer - Roads, Public Works & Transport	Eng. Peter Macharia
16	Accounting Officer - Trade, Enterprise and Co-operative Development	Samuel Njuki

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025

No.	Designation	Name
No.	County Treasury Members	Name
1.	CECM Finance, County Treasury and Economic Planning	Samuel. Wachira
2.	CO Finance, County Treasury and Economic Planning	Daniel Ngumi
3.	Director Accounting Services	Caleb Mwangi
4.	Ag. Head of Budget Supplies	Julius Kingori
5.	Head of Internal Audit	Mary Wachiuri
6.	Director Economic Planning	Joseph Ndegwa
7.	Head of Supply Chain Management	Josephine Njoki
8.	Ag. Head of Debt, Assets & portfolio	Francis karani

d) Fiduciary Oversight Arrangements

County Assembly of Laikipia
County Executive Committee
Laikipia County Executive Audit Committee
Senate Public Accounts Committee
Office of the Controller of Budget.
Office of the Auditor-General
Development Partners Oversight

e) Entity Headquarters

P.O. Box 131- 20321
County Headquarter
Government Road, Opposite DCC's Office
Rumuruti, Kenya

f) Entity Contacts

Telephone: +254 740031031
E-mail: reports.treasury@laikipia.go.ke
Website: www.laikipia.go.ke

g) Entity Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000, City Square 00200
Nairobi, Kenya
2. Kenya Commercial Bank
Nairobi, Kenya
3. Co-operative Bank
Nairobi, Kenya
4. Equity Bank
Nairobi, Kenya

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025

5. Family Bank
Nairobi, Kenya
6. ABSA Bank
Nairobi, Kenya
7. National Bank
Nairobi, Kenya

h) Independent Auditors

Office of the Auditor General
Anniversary Towers, University Way
Tel ISDN NO. +254-020-3214000
oag@oagkenya.go.ke
Fax +254-20-311482
P.O. Box 30084 0100
Nairobi.

i) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

j) County Legal Adviser

County Attorney
P.O. Box 1271 - 10400
Nanyuki, Kenya

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025

3. FOREWORD BY CECM FINANCE, COUNTY TREASURY AND ECONOMIC PLANNING.

It gives me great pleasure to present the County Government of Laikipia Executive Quarterly Reports & Financial Statements for the Period ended 30th September, 2025.

These Financial Statements have been prepared in line with the PFM Act 2012 and are in line with the format prescribed by The Public Sector Accounting Standards Board. Section 166 (4) of The PFM Act requires that these statements be submitted to The County Assembly and copies be submitted to The National Treasury, Office of the Controller of Budget and The Commission of Revenue Allocation within one month after end of each period. Pursuant to the PFM Act 2012 Section 149, I confirm that there was accountability to the County Assembly in ensuring that the resources of the county government were authorized and lawfully utilized in an effective, efficient, economical and transparent manner.

Quarterly Reports & Financial Statements play a critical role in communicating to its readers (stake holders) the operational, financial performance, position & cash flow situation of the county Executive for decision making and accountability of public resources. The County Executive is therefore alive to the afore mentioned responsibility and is committed to and as guided by the Public Finance Management Act of 2012, exhaustively, preparing and submitting financial statements that reflect a true and fair view of the state of affairs of the county Executive.

The County Executive is committed to ensuring transparency by relaying performance on key indicators to the public. This will be realized through publishing and publicising of financial and non-financial reports as required by the Constitution and the PFM Act 2012.

In discharging its mandate to the residents of Laikipia County as espoused in the 4th Schedule of the Kenya Constitution 2010, the County Executive is guided by the applicable National and County Laws. Specifically, the County Governments Act of 2012 informs the county governance structure.

The County is headed by The Governor, who is responsible for its general policy and strategic direction and is accountable to the County Assembly and Senate Public Accounts Committee. County Governments consist of two arms namely, the County Assembly and the County Executive.

The County Assembly is the legislative authority of county laws, general oversight of the County Government and representation of the people is vested on County Assembly. It consists of 21 Members of County Assembly (MCAs) and the Speaker. The County Executive is the executive arm and comprises of the Governor, the Deputy Governor, the County Secretary and the 7 County Executive Committee Members (CECMs) for the 7 departments.

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025

The County Government of Laikipia has formulated the following statutory committees and boards

1. Laikipia County Audit Committee

The inaugural Audit Committee was constituted in April 2018 as required by the PFM Regulations 2015. The committee is guided by an Audit Charter that was approved in September 2018. The committee is currently being reconstituted after the lapse of term of the previous one.

2. Laikipia County Public Service Board

Laikipia County Public Service Board was established by The Laikipia County Public Service Board Act September 2014. The board members are;

No.	Names	Designation
1.	Macharia Gakiri	Chairperson
2.	Josphat Lodi Lekamario	Secretary
3.	Veronica Wangui Gakenga	Member
4.	Dr. Macho Naomi Watetu	Member
5.	Jackson Ekai Lopkei	Member
6.	Jackson Kimutai Chumo	Member

Other boards and committees formulated by Laikipia County Government are;

- i. Laikipia County Revenue Board (LCRB)
- ii. Laikipia County Development Authority (LCDA)
- iii. Laikipia County Enterprise Fund Board
- iv. Laikipia County Co-operative Fund Board
- v. County Alcoholic Drinks Regulation Committee
- vi. The County Budget and Economic Forum
- vii. County Environmental Committee
- viii. Nanyuki Teaching & Referral Hospital Board
- ix. Nyahururu Referral Hospital Board
- x. Rumuruti Municipality Board
- xi. Nanyuki Municipality Board
- xii. Laikipia County Assets Leasing Fund Committee

Budget Performance

The below table illustrate the budget performance for the period ended 30th September, 2025

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025

Table 1; Budget realisation for the period ended 30th September, 2025

Receipt Item	Final Budget	Actual on Comparable Basis	Budget Realization Difference	% of Utilization
	A	B	C= A-B	D = B/A
	Kshs	Kshs	Kshs	%
Opening Balances – non-refundable accounts	-	396,794,462	(396,794,462)	-
Exchequer Transfers	8,057,137,326	430,420,395	7,626,716,931	5%
Total	8,057,137,326	827,214,857	7,229,922,469	10%

Table 2; Budget Utilization for the period ended 30th September 2025

Sectors	Total Budget	Total Expenditure	Balance	Total Budget (%)
County Administration, Public Service and Office of The Governor	4,127,745,094	387,156,777	3,740,588,317	9
Finance, Economic Planning and The County Treasury	720,222,450	6,257,423	713,965,027	1
Health and Sanitation	840,013,752	-	840,013,752	-
Agriculture Livestock and Fisheries	360,051,852	71,012,240	289,039,612	20
Infrastructure and Public Works	1,023,421,666	-	1,023,421,666	-
Education	216,334,686	-	216,334,686	-
Youth and Sports	19,494,405	-	19,494,405	-
Trade, Tourism and Enterprise Development	148,198,216	-	148,198,216	-
Water	373,490,269	-	373,490,269	-
Rumuruti Municipality	56,028,938	-	56,028,938	-
Nyahururu Municipality	6,000,000	-	6,000,000	-
Nanyuki Municipality	166,135,998	-	166,135,998	-
County Assembly	534,000,000	-	534,000,000	-
Total	8,057,137,326	464,426,440	7,630,013,895	6

Transition from Cash to Accrual Accounting

In FY 2024/2025, The national government through the Cabinet approved the transition of Ministries, Departments and Agencies of the National Government and County governments from cash to Accrual basis of accounting with effect from 1st July 2024. In line with the national treasury guidelines recommending the constitution of a steering committee on the transition and the following members have been appointed as the members of the committee.

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025

S/NO		Designation	Position in the Committee
1	Samuel Wachira	CECM- Finance, County Treasury and Economic Planning	Chair person
2	Daniel Ngumi	CO- Finance, County Treasury and Economic Planning	Convener
3	Dr. Timothy Panga	CO - Laikipia Health and Medical Services	Member
4	Kenneth Irumbi	CO - Gender, Sports, Youth affairs, Culture and Social Services.	Member
5	Eng. Macharia Peter	CO - Roads, Transport and Public Works	Member
6	Samuel Abram	CO - Water, Sanitation & Climate Change.	Member
7	Samuel Njuki	CO- Trade, Enterprise and Co-operative Development	Member
8	Burje Mohamed	CO - Administration, Devolution, County Coordination and ICT	Member
9	Michael Kemboi	CO - Public Service management, public participation E-governance & Public Communications	Member
10	Jecinta Segetet	CO Education, Vocational Training & Library Services	Member
11	Elizabeth Wangari	CO Crop Production, Irrigation Development & Agriculture Mechanisation	Member
12	Mary Gichuru	CO Livestock, Fisheries, Veterinary Services & Cooperatives Development.	Member
13	Stephen Lapian	CO - Environment, Natural Resources, Tourism and Wildlife	Member
14	John Mwangi	CO - Lands, Physical Planning, Housing and Energy	Member
15	Caleb Mwangi	Director Accounting Services	Project Coordinator
16	Mishek Gacheru	Assistant Director - Financial Reporting	Secretariat
17	Samuel Methu	Assistant Director Accounting Services	Secretariat

Conclusion

I wish to pass my sincere gratitude to H.E the Governor and the Deputy Governor for their stewardship of the county government during the period. Under your leadership Laikipia County has benefited from a citizen centred, development oriented and inclusive governance. Secondly, I wish to thank the County Executive Committee Members, the Accounting Officers and the entire Laikipia County Staff for their commitment, dedication, hard work and teamwork in ensuring service delivery to the people of Laikipia County. Further, I would also like to thank the entire County Assembly led by the able leadership of the Speaker and the Clerk to the County Assembly for their legislative and oversight role.

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025

Finally, my sincere appreciation goes to all the citizens of Laikipia County for their continuous engagement with the County Government to ensure efficient service delivery and value for money in all our undertakings.



Wachira Gachigi
CECM Finance, County Treasury and Economic Planning
Laikipia County Government



County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025

MANAGEMENT DISCUSSION AND ANALYSIS

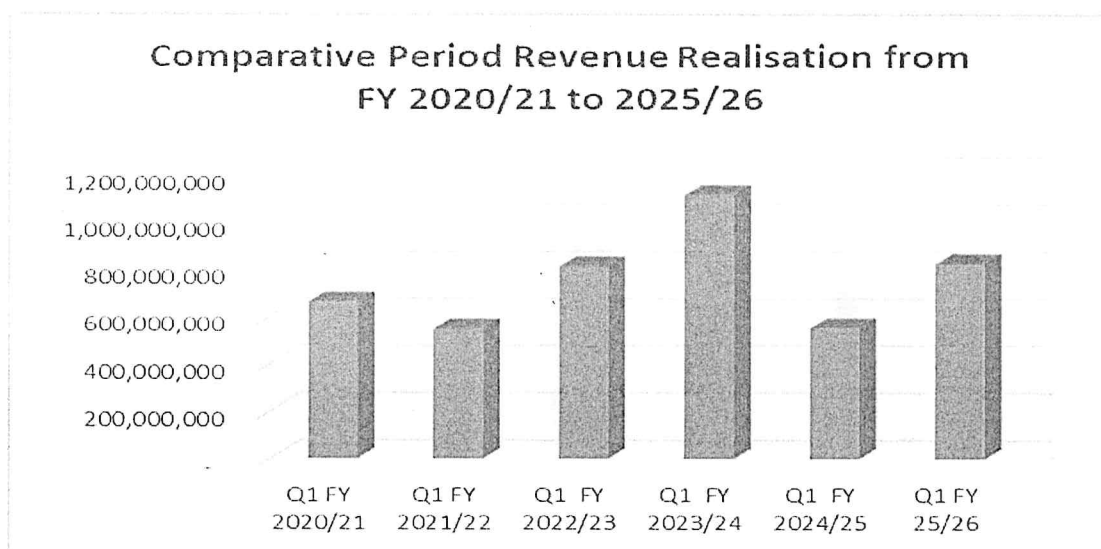
FINANCIAL PERFORMANCE

1. Revenue

In the period ended 30th September, 2025, the County realized Kshs 430,420,395 as its revenue representing 8%. Below we present the comparative actual revenue realisation across 5 financial years.

Table 3: Analysis of Comparative Period Revenue Realisation from FY 2020/21 to 2025/26

Receipt item	Q1 FY 2020/21	Q1 FY 2021/22	Q1 FY 2022/23	Q1 FY 2023/24	Q1 FY 2024/25	Q1 FY 25/26
Transfers From CRF	415,218,772	385,805,024	783,412,853	1,091,787,228	425,840,144	430,420,395
Opening Balances	20,810,227	166,495,542	20,209,242	27,307,146	130,025,635	396,794,462
Other Receipts	229,834,793	-	12,000,000	-	-	-
Total Revenue Realisation	665,863,792	552,300,566	815,622,095	1,119,094,374	555,865,779	827,214,857



2 Payments

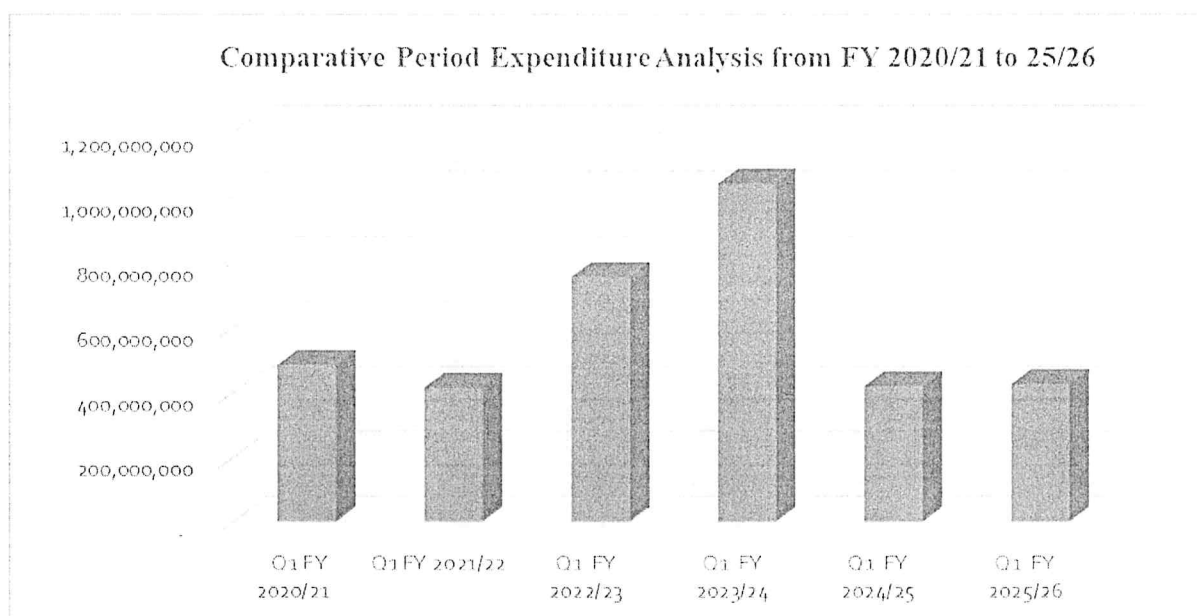
The PFM Act of 2012 provides for management of public funds and gives guidelines on planning, budgeting and execution of public funds. Laikipia County Executive adhered to these guidelines when implementing the budget.

The County Executive attained 6% budget utilization as at the end of the period ended 30th September, 2025, of the FY 2025/26. The comparative analysis across the past 6 financial years is further illustrated in the below table:

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025

Table 5: Comparative Period Expenditure Analysis from FY 2020/21 to 2025/26

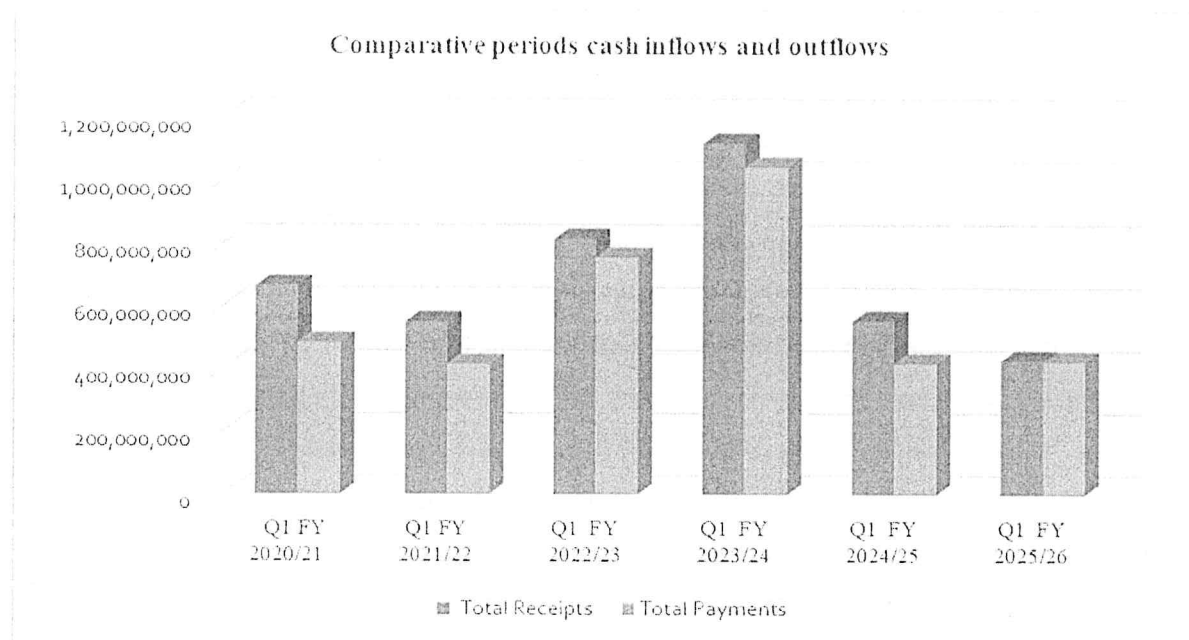
PAYMENTS	Q1 FY 2020/21	Q1 FY 2021/22	Q1 FY 2022/23	Q1 FY 2023/24	Q1 FY 2024/25	Q1 FY 2025/26
Compensation of Employees	257,386,235	260,855,614	705,186,732	629,602,389	285,664,209	387,156,777
Use of goods and services	106,080,732	73,719,817	33,780,420	252,905,563	100,839,709	-
Transfers to Other Government Entities	84,872,471	40,483,598	17,390,238	92,099,164	33,699,298	77,935,463
Other grants and transfers	-	740,000	-	-	-	-
Acquisition of Assets	22,921,703	37,238,785	-	68,140,047	-	-
Other Payments	14,719,202	3,588,366	-	-	-	-
TOTAL PAYMENTS	485,980,343	416,626,180	756,357,390	1,042,747,163	420,203,216	464,426,440



County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025

Table 6; Comparative period cash inflows and outflows from FY 2020/21 to FY 2024/25

Receipts/Payments	Q1 FY 2020/21	Q1 FY 2021/22	Q1 FY 2022/23	Q1 FY 2023/24	Q1 FY 2024/25	Q1 FY 2025/26
Total Receipts	665,863,792	552,300,566	815,622,095	1,119,094,374	555,865,779	430,420,395
Total Payments	485,980,343	416,626,180	756,357,390	1,042,747,163	420,203,216	427,123,431



Further details on realisation and utilization of revenues and expenditure are elaborated under the statement of budget verses actual.

4. 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 and Economic planning of the County Government 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 30th September, 2025. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the county 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 and Economic planning accepts responsibility for the County Government's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for Finance and Economic Planning 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 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 and Economic planning 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.

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025

Further, the CEC member for finance 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 on 13th October 2025.



Wachira Gachigi
CECM Finance, County Treasury and Economic Planning
Laikipia County Government



County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th 2025.

5. STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30TH
SEPTEMBER 2025

Description	Notes	Period ended September, 2025	Period ended September, 2024
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from CRF	5	430,420,395	425,840,144
Total revenue		430,420,395	425,840,144
Expenses			
Employee costs	6	775,420,915	835,731,652
Use of goods and services	7	-	104,799,397
Transfers to other Government Entities	8	77,935,463	38,129,640
Depreciation and amortization expense	9	134,682,143	-
Total expenses		988,038,521	978,660,689
Surplus/Deficit for the year		(557,618,126)	(552,820,545)
Taxation		-	-
Net Deficit		(557,618,126)	(552,820,545)

The Financial Statements set out on pages 20 to 25 were signed by:




Name: Daniel Ngumi
Chief Officer - Finance &
County Treasury

ICPAK Member No: 8207




Name: Caleb Mwangi
Director Accounting Services

ICPAK Member No: 10187



Name: Mishek M. Gacheru
Asst. Director FRU

ICPAK Member No: 26623

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements
for the Period ended December 31st 2024.

6. STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30TH 2025

Description	Notes	Period ended September, 2025	As at 30th June, 2025
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	11	355,674,467	396,794,462
Receivables from Non-Exchange Transactions	12	-	-
Total Current Assets		355,674,467	396,794,462
Non-Current Assets			
Property, Plant and Equipment	13	35,644,304,580	35,778,986,723
Total Non- Current Assets		35,644,304,580	35,778,986,723
Total Assets (A)		35,999,979,046	36,175,781,185
Liabilities			
Current Liabilities			
Trade and Other Payables	14	2,400,545,162	1,935,664,585
Refundable deposits and prepayments	15	15,570,058	15,470,058
Total Current Liabilities		2,416,115,219	1,951,134,642
Non-Current Liabilities			
Non-Current Employee Benefit Obligation		-	-
Total Non- Current Liabilities		-	-
Total Liabilities (B)		2,416,115,219	1,951,134,642
Net Assets (A-B)		33,583,863,827	34,224,646,543
Represented by:			
Reserves		-	-
Accumulated Surplus		33,583,863,827	34,224,646,543
Capital Fund		-	-
Net Assets		33,583,863,827	34,224,646,543

The Financial Statements set out on pages 20 to 25 were signed by:




Name: Daniel Ngumi
Chief Officer - Finance & County
Treasury
ICPAK Member No: 8207




Name: Caleb Mwangi
Director Accounting Services
ICPAK Member No: 10187



Name: Mishek M. Gacheru
Asst. Director FRU
ICPAK Member No: 26623

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements
for the Period ended December 31st 2024.

7. STATEMENT OF CHANGES IN NET ASSETS FOR THE PERIOD ENDED SEPTEMBER
30TH 2025

Description	Accumulated Surplus	Reserves	Capital Fund	Total
As at June 30, 2024 (cash basis)	130,025,635	-	-	130,025,635
Adjustments: (to recognize assets and liabilities)	33,453,699,648	-	-	33,453,699,648
As at July 1, 2024	33,583,725,283	-	-	33,583,725,283
Surplus/ deficit for the period	641,080,458			641,080,458
Returns to CRF	(159,199)			(159,199)
Additions during the period		-	-	-
Other changes (specify)		-	-	-
As at June 30, 2025	34,224,646,543	-	-	34,224,646,543
As at July 1, 2025	34,224,646,543	-	-	34,224,646,543
Adjustments: (to recognize assets and liabilities)	-	-	-	-
Surplus/ deficit for the period	(557,618,126)	-	-	(557,618,126)
Prior Year Adjustment (Salary payable)	(76,050,640)			(76,050,640)
Returns to CRF	(7,113,950)			(7,113,950)
Additions during the period	-	-	-	-
Other changes (specify)		-	-	-
As at Sept 30, 2025	33,583,863,827	-	-	33,583,863,827

8. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30TH 2025

Description	Notes	Period ended Sep 2025	FY 2024/2025
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from CRF		430,420,395	5,973,584,517
Miscellaneous Revenue		-	-
Other income		-	-
Total receipts		430,420,395	5,973,584,517
Payments			
Employee costs		386,490,977	3,306,021,821
Use of goods and services		-	1,440,950,001
Transfers to other Government Entities		77,935,463	418,357,457
Other Grants and Subsidies		-	95,640,692
Total payments		464,426,440	5,260,969,972
Net cash flows from/(used in) operating activities		(34,006,045)	712,614,545
Cash flows from investing activities			
Purchase of PPE		-	(452,276,104)
Purchase Intangible assets		-	-
Proceeds from sale of PPE		-	-
Proceeds from sale of Biological Assets		-	-
Purchase of investments		-	-
Sale of investments		-	-
Net cash flows from/(used in) investing activities		-	(452,276,104)
Cash flows from financing activities			
Returns to CRF		(7,113,950)	(159,199)
Net cash flows from financing Activities		(7,113,950)	(159,199)
Net increase/(decrease) in cash & Cash equivalents		(41,119,995)	260,179,243
Cash and cash equivalents as at Period Start		396,794,462	136,615,219
Cash and cash equivalents as at Period End		355,674,467	396,794,462

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025.

9. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED SEPTEMBER

30TH 2025

Revenue/expense 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 *100
Revenues						
Opening balance (Non-refundable special purpose accounts)	-	-	-	396,794,462	(396,794,462)	-
Transfers from CRF	8,057,137,326	-	8,057,137,326	430,420,395	7,626,716,931	5%
Total revenues	8,057,137,326	-	8,057,137,326	827,214,857	7,229,922,469	10%
Expenses						
Employee costs	3,350,000,000	-	3,350,000,000	386,490,977	3,000,812,032	10%
Use of goods and services	1,600,263,336	-	1,600,263,336	-	1,562,960,327	2%
Transfers to other Government Entities	1,164,907,431	-	1,164,907,431	77,935,463	1,086,971,968	7%
Other Grants and Subsidies	275,851,804	-	275,851,804	-	275,851,804	-
Budgetary Reserve	402,174,310	-	402,174,310	-	402,174,310	-
Total	6,793,196,881	-	6,793,196,881	464,426,440	6,328,770,441	7%
Capital items						
Acquisition of PPE	1,253,440,445	-	1,253,440,445	-	1,253,440,445	-
Acquisition of Intangible assets	10,500,000	-	10,500,000	-	10,500,000	-
Purchase of investments	-	-	-	-	-	-
Repayment of borrowings	-	-	-	-	-	-
Total expenses Development	1,263,940,445	-	1,263,940,445	-	1,263,940,445	-
Total Expenses	8,057,137,326	-	8,057,137,326	464,426,440	7,592,710,886	6%
Surplus/ deficit	-	-	-	362,788,417		

Budget Notes***Under-realisation of the revenue budget was due to:***

- *Transfers from the National Treasury for the month of September 2025 amounting to Kshs 579,795,940 and Government Agencies amounting to Kshs 294,739,352 for the period had not been realised during the period.*

Under-Utilisation of the Expenditure budget was due to:

- *Under-utilisation of expenditure budget for all the expenditure categories was due to the under realisation of revenue as explained above.*

RECONCILIATION STATEMENT BETWEEN THE ACTUALS IN THE STATEMENT OF BUDGET VS ACTUALS & THE STATEMENT OF CASH FLOWS

	Operating	Financing	Investing	Total
<i>Actual amounts on comparable basis presented in the budget and actual comparative statement</i>	362,788,417	-	-	362,788,417
<i>Basis difference</i>	-	-	-	-
<i>Timing differences</i>	-	-	-	-
<i>Entity differences</i>	-	-	-	-
<i>Classification differences</i>	(7,113,950)	-	-	(7,113,950)
<i>Actual in the statement of cash flows</i>	355,674,467	-	-	355,674,467

The figure Kshs. 7,113,950 relates to the returns to CRF at the beginning of the period.

10. NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Laikipia County Executive is established by and derives its authority and accountability from The Constitution of Kenya 2010. The County Executive is domiciled in Kenya and its principal activities are as set out in the 4th Schedule of the Constitution of Kenya 2010.

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. The County Executive has opted to take advantage of the transitional provisions under IPSAS 33 and therefore these Quarterly Financial statements of the 1st financial year are transitional financial statements. Therefore, some Non-Financial Assets and liabilities have not been recognised as the County Executive has taken advantage of the transitional provisions outlined in IPSAS 33.

These financial statements were authorised for issue by the accounting officer on 13th 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 County Executive. The accounting policies adopted have been consistently applied to all the years presented.

Critical accounting judgements

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

Recognition of revenue

County Government of Laikipia (Executive)

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

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

The County Executive 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 County Executive 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 County Executive policy objectives and targets. Where a policy choice gives rise to an obligation that exists independently of the County Executive future actions, expenses (and other related liabilities) are recognized for that policy.

Purpose and nature of financial instruments

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

Climate change obligations

Kenya's current National Determined Contribution (NDC) to deliver on the goals of the Paris Agreement sets a headline target of a 32 per cent emission reduction by 2030 relative to the business-as-usual scenario of 143 MtCO₂eq. The County Executive'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 County Executive as a result of a past event. The primary reason for holding property, plant and equipment and other assets is for their service potential rather than their ability to generate cash flows. Because of the types of services provided, a significant proportion of assets used by public sector entities including roads, national parks, heritage buildings etc. are specialized in nature. There may be a limited market for such assets and so judgement is required on measurement. Judgment is also required whether assets are held for commercial purposes or public benefit purposes.

3. 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 County Executive 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 County Executive's right to receive payments is established.

Rental income

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

b) Budget information

The original budget for FY 2024/25 was approved by the County Assembly on 28th June 2025. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the County Executive upon receiving the respective approvals in order to conclude the final budget. Accordingly, the County Assembly passed a supplementary budget for the County government during the period. The County Executive'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 the Statement of Comparison of Budget & Actual Amounts 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 the periods. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-

recognition. Transfers are made to or from investment property only when there is a change in use.

d) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the County Executive recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value

e) Right of use asset

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

f) Tangible Natural Resources

The County Executive 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 County Executive; the County Executive 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 County Executive 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. A County Executive 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.

g) Leases

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

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) Research and development costs

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

The technical feasibility of completing the asset so that the asset will be available for use or sale;

Its intention to complete and its ability to use or sell the asset;

How the asset will generate future economic benefits or service potential;

The availability of resources to complete the asset;

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.

j) 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 County Executive 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 County Executive and a financial liability or equity instrument of another entity. At initial recognition, the County Executive 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 County Executive 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

County Government of Laikipia (Executive)

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

the County Executive's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless the County Executive has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

The County Executive 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 County Executive recognizes a loss allowance for such losses at each reporting date.

ii) Financial liabilities

Classification

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

k) 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 County Executive.

l) Provisions

Provisions are recognized when the County Executive 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 County Executive 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.

m) Contingent liabilities

The County Executive 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.

n) Contingent assets

The County Executive 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 County Executive 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.

o) Nature and purpose of reserves

The County Executive creates and maintains reserves in terms of specific requirements

p) Changes in accounting policies and estimates

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

q) Employee benefits

Retirement benefit plans

The County Executive 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.

r) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at

County Government of Laikipia (Executive)

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

the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

s) 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.

t) 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 County Executive, 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, Directors and senior managers.

u) Service concession arrangements.

The County Executive 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 County Executive 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 County Executive also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

v) 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.

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025.

Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

w) Comparative figures

In preparing these financial statements, the County Executive 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.

x) Subsequent events

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

4. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the County Executive'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 County Executive 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 County Executive. 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:

County Government of Laikipia (Executive)

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

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

Provisions

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

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025.

5. TRANSFERS FROM CRF

Nature of Transfer	Amount recognized to Statement of financial performance.	Amount deferred under deferred income.	Total transfers for Period ended September, 2025	Total transfers for Period ended September, 2024
	Kshs	Kshs	Kshs	Kshs
Recurrent	419,973,712	-	419,973,712	398,182,585
Development	-	-	-	16,657,559
Special Purpose Transfers	10,446,683	-	10,446,683	11,000,000
Total	430,420,395	-	430,420,395	425,840,144

6. EMPLOYEE COST

Description	Period ended	Period ended
	Sep-25	Sep-24
	Kshs	Kshs
Basic salaries of permanent employees	660,722,643	718,352,774
Basic wages of temporary employees	-	117,378,878
Employee costs	660,722,643	835,731,652

7. USE OF GOODS AND SERVICES

Description	Period ended September 2025	Period ended September 2024
	Kshs	Kshs
Utilities, supplies and services	-	3,558,254
Communication, supplies and services	-	-
Domestic travel and subsistence	-	5,287,689
Foreign travel and subsistence	-	-
Printing, advertising, and information supplies & services	-	2,000,000
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	-	3,264,000
Insurance costs	-	79,391,499
Specialized materials and services	-	2,399,022
Other operating expenses <i>including bank Charges</i>	-	474,200
Office and general supplies and services	-	589,320
Fuel Oil and Lubricants	-	7,785,414
Routine maintenance – vehicles and other transport equipment	-	50,000
Routine maintenance – other assets	-	-
Total	-	104,799,397

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025.

8. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	Period ended September 2025	Period ended September 2024
	Kshs	Kshs
Transfers to other County Government entities	71,678,040	38,129,640
Transfers to self-reporting projects	6,257,423	-
Transfers to car loan and mortgage schemes	-	-
Others (specify)	-	-
Total	77,935,463	38,129,640

9. DEPRECIATION AND AMORTIZATION EXPENSE

Description	Period ended September 2025	Period ended September 2024
	Kshs	Kshs
Property, plant and equipment	134,682,143	-
Intangible assets	-	-
Investment property carried at cost	-	-
Total	134,682,143	-

10. OTHER GRANTS AND SUBSIDIES

Description	Period ended September 2025	Period ended September 2024
	Kshs	Kshs
Membership dues and subscriptions to international organizations	-	-
Scholarships and other educational benefits	-	-
Emergency relief and refugee assistance	-	-
Grants to small businesses, cooperatives, and self employed	-	-
Total Grants and Subsidies	-	-

11. CASH AND CASH EQUIVALENTS

Description	Period ended September 2025	Period ended September 2024
	Kshs	Kshs
Recurrent Account	39,080,385	2,264,917
Development Account	4,849,034	4,849,034
Special Purpose Accounts	296,274,990	374,210,453
Deposit Account	15,470,058	15,470,058
Total	355,674,467	396,794,462

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025.

Detailed Analysis of the Cash and Cash Equivalents

		Period ended September 2025	Period ended June 2025
Financial Institution	Account number	Kshs	Kshs
Recurrent Accounts Total		39,080,385	2,264,917
Laikipia County Recurrent Account	1000171208	39,080,385	2,264,917
Laikipia County Health FIF Account	1000392959	-	-
Development Accounts Total		4,849,034	4,849,034
Laikipia County Development Account	1000171162	4,849,034	4,849,034
Special Purpose Accounts		296,274,990	374,210,453
Laikipia County Urban Institution Grant Account	100414235	-	-
Laikipia County Roads Maintenance Levy Fund Account	1000285842	80,873,179	80,873,179
Laikipia County Health Services Account -	1000285858	16,290	16,290
Laikipia County Ideas-Led Account	1000363312	-	-
Laikipia County Kenya Climate Smart Agriculture Project Account	1000367717	0	0.35
Laikipia County Village Polytechnic Project	1000368896	26,097	26,097
Laikipia County Agricultural Sector Development Support Program Account	1000372087	-	-
Laikipia County Kenya Urban Support Program	1000372141	32,309,301	32,309,301
Laikipia County Kenya Devolution Support Program	1000418451	3,043	3,043
Laikipia County Kenya Devolution Support Program	1000427728	286,323	286,323
Laikipia County Emergency Fund	1000451181	32,925,420	39,182,843
Laikipia County Climate Change Fund	1000546786	99,709,184	99,709,184
Laikipia County Primary Health Care	1000574046	56,929	56,929
Laikipia County Industrial Park acc	1000744707	50,000,000	50,000,000
Laikipia County Food System Resilience	1000737767	15,585	71,027,825
Laikipia County KE Devolution S P II	1000745387	53,640	719,440
Laikipia County Deposit Total		15,470,058	15,470,058
Laikipia County Deposit	1000285834	15,470,058	15,470,058
Total		355,674,467	396,794,462

12. RECEIVABLES FROM NON- EXCHANGE TRANSACTIONS

Description	Period ended September 2025	Period ended September 2024
	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)	-	-

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025.

13. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Motor vehicles	Plants & Machinery	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Medical/Office Equipment	Work In Progress	Total
Depreciation Rate	0%	2%	10%	20%	2%	12.50%	30.00%	30.00%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	32,166,169,839	3,156,256,882	149,176,603	110,173,957	76,479,357	17,966,050	20,645,533	82,118,502	-	35,778,986,723
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
As At 30th June 2025	32,166,169,839	3,156,256,882	149,176,603	110,173,957	76,479,357	17,966,050	20,645,533	82,118,502	-	35,778,986,723
Depreciation and Impairment										
Depreciation	-	63,125,138	14,917,660	22,034,791	1,529,587	2,245,756	6,193,660	24,635,551	-	134,682,143
Impairment	-	-	-	-	-	-	-	-	-	-
As At 30th July 2025	-	63,125,138	14,917,660	22,034,791	1,529,587	2,245,756	6,193,660	24,635,551	-	134,682,143
Net Book Values										
Opening Bal as at 1 st July 2024	32,166,169,839	3,156,256,882	149,176,603	110,173,957	76,479,357	17,966,050	20,645,533	82,118,502	-	35,778,986,723
As At 30th, September 2025	32,166,169,839	3,093,131,744	134,258,942	88,139,166	74,949,770	15,720,293	14,451,873	57,482,952	-	35,644,304,580

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025.

13 (b) PROPERTY, PLANT AND EQUIPMENT AT COST

PPE Category	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	32,166,169,839	-	32,166,169,839
Buildings	3,156,256,882	63,125,138	3,093,131,744
Motor Vehicles, Including Motorcycles	110,173,957	22,034,791	88,139,166
Plant And Machinery	149,176,603	14,917,660	134,258,942
Infrastructure assets	20,645,533	6,193,660	14,451,873
Furniture and fittings	76,479,357	1,529,587	74,949,770
Computers & ICT Equipment	17,966,050	2,245,756	15,720,293
Medical/Office Equipment	82,118,502	24,635,551	57,482,952
Work in progress	-	-	-
Total	35,778,986,723	134,682,143	35,644,304,580

14. TRADE AND OTHER PAYABLES

Description	Period ended September 2025	Period ended September 2024
	Kshs	Kshs
Trade payables	1,786,228,172	1,671,529,901
Payments received in advance	-	-
Employee payables	614,316,990	264,134,683
Third-party payments	-	-
Other payables	-	-
Total trade and other payables	2,400,545,162	1,935,664,585

15. REFUNDABLE DEPOSITS AND PREPAYMENTS

Description	Period ended September 2025	Period ended September 2024
	Kshs	Kshs
Customer deposits	15,570,058	15,470,058
Prepayments	-	-
Other deposits	-	-
Total deposits	15,570,058	15,470,058

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025.

16. CASH GENERATED FROM OPERATIONS

	Period ended September 2025
Surplus for the year before tax	(557,618,126)
Adjusted for:	
Depreciation	134,682,143
Working capital adjustments	
Increase in Payables	
Increase in payables	464,980,577
Prior Year Adjustment	(76,050,640)
Net cash flow from operating activities	(34,006,045)

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

17. Events after the Reporting Period

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

18. Ultimate and Holding Entity

The County Executive's ultimate parent is the Government of Kenya.

19. Currency

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

County Government of Laikipia (Executive)
Quarterly Report and Financial Statements for the Period ended September 30th, 2025.

11. APPENDICES

APPENDIX I: STATEMENT OF FINANCIAL PERFORMANCE FOR EACH QUARTER

Description	Notes	Quarter 1	Total
		Kshs	Kshs
Revenue from non-exchange transactions			
Transfers from CRF	5	430,420,395	430,420,395
Miscellaneous Revenue	6	-	-
Revenue from exchange transactions			
Other income	7	-	-
Total revenue		430,420,395	430,420,395
Expenses			
Employee costs	8	775,420,915	775,420,915
Use of goods and services	9	-	-
Transfers to other Government Entities	10	77,935,463	77,935,463
Depreciation and amortization expense	11	134,682,143	134,682,143
Other Grants and Subsidies	12	-	-
Finance costs	13	-	-
Social Benefits	14	-	-
Total expenses		988,038,521	988,038,521
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		(557,618,126)	(557,618,126)
Taxation	19	-	-
Net Surplus/Deficit		(557,618,126)	(557,618,126)