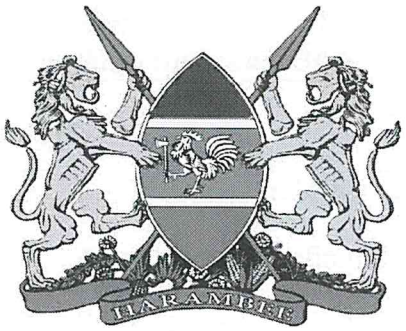




OFFICE OF THE
CONTROLLER OF BUDGET
RECEIVED
LAIKIPIA COUNTY
Date.....

OFFICE OF THE CONTROLLER
OF BUDGET
REGISTRY
15 OCT 2026
COPY
TIME:.....
P. O. Box 35616 - 00100, NAIROBI

RECEIVER OF REVENUE

(County Government of Laikipia)

QUARTERLY REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH SEPTEMBER,2026.

Transitional Financial Statements /Prepared in accordance with the Accrual Basis of Accounting Method Under International Public Sector Accounting Standards (IPSAS)

3. Who we are

(a) Background information

The receiver of revenue is under the Department of Finance, County Treasury and Economic Planning. At the County Executive Committee level, the receiver of revenue is represented by the County Executive Committee Member for Finance and Economic Planning, who is responsible for the general policy and strategic direction of the receiver of revenue. The receiver of revenue is designated as a receiver on by the County Executive Committee Member for Finance, in accordance with section 157 of the PFM Act.

(b) Principal activities

The receiver of revenue collects revenue and remits it to the County Revenue Fund (CRF) and, in respect of hospital fees, to the Facility Improvement Fund (FIF), a county fund separate from the CRF. Revenue is collected and administered through the Laikipia County Revenue Board (LCRB).

(c) Key Management Team

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

No.	Designation	Name
1.	CEC member -Finance	Samuel W. Gachigi
2.	Chief Officer, Finance	Daniel K. Ngumi
3	Chief Executive Officer	Elijah K. Karundo
4	Director, Accounting Services	Caleb Wanjohi
5	Head of Finance	Ann N. Kinyua
6	Head of Procurement	Teresa Kagure
7	Head of ICT	Charles Githinji
8	Head of Human Resources	Eunice Gacheba
9	Head of Administration	Elizabeth Gathoni.

(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

(e) Entity Headquarters

P.O. Box 1271-10400

LCRB Offices

County Government of Laikipia, Annex Offices

Nanyuki, KENYA

(f) Entity Contacts

Telephone: (+254) 757 701 850

E-mail: lcrb@laikipia.go.ke

Website: www.laikipiarevenue.co.ke

(g) Entity Auditor

Office of The Auditor General

Anniversary Towers, University Way

P. O. Box 30084

GPO 00100

Nairobi, Kenya

(h) Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000-00200
Nairobi

Co-operative Bank
P.O. Box 1463-10400
Nanyuki, Kenya

(i) County Attorney

P.O. Box 1271-10400
Laikipia County, Kenya

4. Foreword By the CECM Finance and Economic Planning.

I am honored to present the Laikipia County Receiver of Revenue Quarterly Report and Financial Statements for the fiscal year 2026/2027, quarter ended 30th September 2026. These statements have been prepared in accordance with the Public Finance Management Act, 2012 and adhere to the format prescribed by the Public Sector Accounting Standards Board (PSASB). In line with section 168 of the PFM Act, they will be submitted within the stipulated 15 days after the end of the quarter.

In adherence to Section 149 of the PFM Act, 2012, we affirm that the County Government of Laikipia is committed to exemplary public accountability by ensuring efficient, effective and transparent revenue collections. These quarterly and annual reports are critical tools for communicating Laikipia County's operational and financial performance to our stakeholders, facilitating informed decision-making and ensuring accountability for our public resources. The Laikipia County Revenue Board remains steadfast in fulfilling its responsibilities under the Public Finance Management Act, 2012 by diligently preparing and submitting financial statements that accurately represent our county's financial position.

Kenya's economy has continued to show resilience. According to the Kenya National Bureau of Statistics (KNBS), real GDP grew by 5.3 per cent in the first quarter of 2026, compared with 4.9 per cent in the corresponding quarter of 2025, with all sectors recording positive growth; the economy grew by 4.6 per cent in 2025. Easing borrowing costs and growth in services, construction and manufacturing have supported business activity, although global uncertainty remains a risk to the outlook. These national trends influence our county's economic performance and revenue collection capacity.

In FY 2025/2026 Laikipia County recorded its highest own source revenue collection to date, collecting over Kshs 1.365 billion against a target of Kshs 1.35 billion.

For the fiscal year 2026/2027, we have set a target of Kshs 1,500,000,000 for own source revenue. I am pleased to report that in the 1st quarter we collected Kshs 174,076,645, representing a realization rate of 11.61% of our target, compared with Kshs 236,397,974 collected in the 1st quarter of FY 2025/2026. Further, the ROR transferred to the CRF and the FIF an amount of Kshs 72,963,206 and Kshs 100,281,267 respectively.

While this target remains challenging given the current economic climate, we believe it is attainable through:

(i) Further refinement and expansion of our automated revenue collection systems;

(ii) Enhanced compliance measures, especially in underperforming areas such as land rates, supported by the Laikipia County Finance Act, 2026;

(iii) Public education on the importance of revenue contribution;

(iv) Exploration of new revenue streams aligned with our county's resilient economic sectors;

(v) Strengthened partnerships with the private sector to boost economic activities; and

(vi) Continuous capacity building of our revenue collection team.

We recognize the untapped potential in our revenue streams and are committed to implementing innovative strategies to bridge the gap between our current performance and our target. By leveraging technology, enhancing compliance measures and fostering a culture of fiscal responsibility among our residents and businesses, we aim to maximise our revenue collection despite the challenging economic environment. The County Government of Laikipia remains focused on navigating these challenging times while laying the groundwork for future prosperity for all our residents.



.....

Name: Samuel W. Gachigi

CECM Finance and Economic Planning

County Government of Laikipia

Date: 12/10/2026

5. Financial Performance Overview

Section A: Revenue Performance

The Laikipia County Revenue Board's target for own source revenue for the 1st quarter of FY 2026/2027 is Kshs1,500,000,000. During the quarter ended 30th September 2026, the Board collected Kshs 174,076,645, representing 11.61% of the target. The comparative analysis for the corresponding quarter of the previous year and the current quarter indicates a decrease in revenue performance from Kshs 236,397,974 (Q1 FY 2025/2026) to Kshs 174,076,645 (Q1 FY 2026/2027), a change of -26.36%, as depicted below.

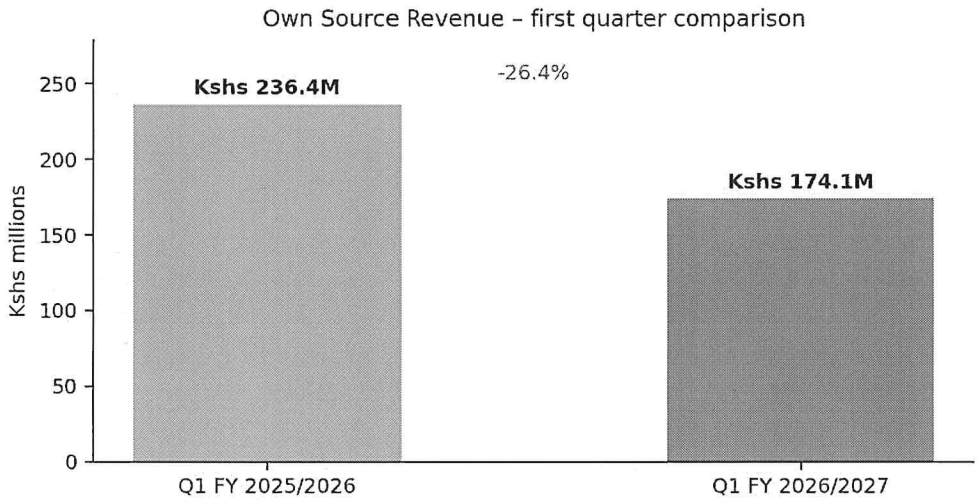


Chart 1: Own Source Revenue Performance – Q1 FY 2025/2026 and Q1 FY 2026/2027

The Board's strategy continues to focus on widening the revenue base through a higher compliance rate rather than increasing fees and charges. Performance is supported by the expansion of the tax base; automation of revenue collection processes that has facilitated cashless revenue administration; collaboration between the revenue board and other departments in revenue collection; expansion of the staff establishment and building of staff competencies and ethics; elaborate data collection and objective setting of revenue targets; an autonomous revenue board; a sectoral approach to stakeholder engagement; and enhanced service delivery.

Table 1: Own Source Revenue by Stream – Target versus Actual, Quarter Ended 30th September 2026

Revenue stream	Annual target (Kshs)	Q1 actual (Kshs)	% realisation of annual target	% share of Q1 collections
Hospital Fees	700,750,000	100,281,267	14.31	57.61
Cess	120,918,103	19,042,907	15.75	10.94
Parking Fees	77,993,036	7,958,888	10.20	4.57
Physical Planning and Development	60,547,979	7,171,310	11.84	4.12
Single/Business Permits	105,530,096	6,900,391	6.54	3.96
Administration Control Fees and Charges	51,588,689	6,469,825	12.54	3.72
Property Rent	35,539,706	5,965,500	16.79	3.43
Land Rates	140,004,746	5,484,825	3.92	3.15
Park Fees	40,741,601	3,495,026	8.58	2.01
Education Fees	30,000,000	3,201,433	10.67	1.84
Conservancy Administration	40,891,536	2,728,800	6.67	1.57
Advertising	30,891,536	2,710,793	8.78	1.56
Market Fees	30,563,116	1,864,010	6.10	1.07
Public Health Service Fees	31,956,741	796,850	2.49	0.46
Hire of County Assets	2,083,115	4,820	0.23	0.00
Total Own Source Revenue	**1,500,000,000**	**174,076,645**	**11.61**	**100.00**

Hospital fees remained the largest contributor, bringing in Kshs 100.28 million (57.6% of Q1 collections), followed by cess at Kshs 19.04 million (10.9%), parking fees at Kshs 7.96 million (4.6%), physical planning and development at Kshs 7.17 million (4.1%) and single business permits at Kshs 6.90 million (4.0%). Measured against a straight-line quarterly benchmark of 25% of the annual target, no stream reached the benchmark: the best performers were property rent (16.79%), cess (15.75%) and hospital fees (14.31%), while public health service fees (2.49%), land rates (3.92%) and hire of county assets (0.23%) were the weakest. Hospital fees were Kshs 70.83 million (41.4%) lower than in Q1 FY 2025/2026, which more than offset the combined gains on the other streams.

Challenges encountered and mitigating measures

The main challenges encountered in revenue collection during the quarter, and the measures taken to mitigate them, are as follows:

(i) Seasonality of collections: land rates and single business permits are largely paid in the first quarter of the calendar year (January to March), which falls outside the first quarter of the financial year, while cess and market fees are affected by seasonal farm produce volumes. Mitigation: early billing and reminders, public sensitisation and targeted enforcement ahead of the peak payment periods.

(ii) Land rate arrears: a significant share of billed land rates remains uncollected (Appendices 1 and 2). During the quarter, the County Government intensified recovery measures to enhance compliance. This included issuance of demand notices and final reminders to all defaulters, stakeholder engagement forums, and reconciliation of ratepayers' accounts. Further, a county-wide enforcement operation exercise is ongoing, targeting chronic defaulters. In collaboration with the County legal department, the County has commenced legal action against non-compliant ratepayers, including taking them to court to enforce payment and recover outstanding arrears.

(iii) Concentration of collections in a few revenue streams, notably hospital fees, which accounted for the largest share of collections in the corresponding quarter of the previous year. Mitigation: continued exploration of new revenue streams and expansion of the tax base.

(iv) Decline in hospital fee collections: hospital fees were Kshs 70.83 million (41.4%) lower than in the corresponding quarter of FY 2025/2026.

Section B: Entity's compliance with statutory requirements

The Board did not have any material financial statutory and other financial obligations in the period under review. A pragmatic approach towards settlement of all statutory deductions as a priority is the basis of this. Nothing has come to the attention of the Receiver of Revenue to indicate that the fund will not remain a going concern for at least the next twelve months from the date of this statement.

Section C: Key projects and investment decisions the entity is planning/implementing

The Board has many revenue streams and has managed to maximise revenue collection under multiple streams. For that reason, we remain very optimistic and focused on achieving our target.

Section D: Major risks facing the entity

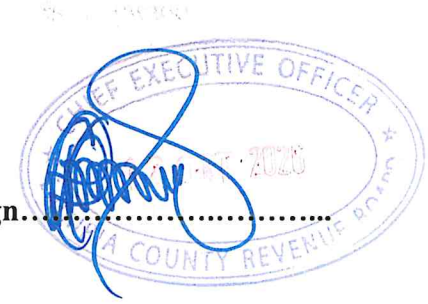
The Board is accountable for the risk management process and system of internal control. The Receiver of Revenue is mandated by the CEC Finance to monitor the risk management process and systems of internal control over the collection and disbursement of revenue. The Board has developed a tariff and pricing policy and a Revenue Enhancement Strategy (FY 2025/2026 – 2026/2027).

Section E: Material arrears in statutory/financial obligations

The Board had no material arrears in statutory or financial obligations as at 30th September 2026. Revenue arrears owed to the County (land rates and property rent) are disclosed in Appendix 1. We recognise that material issues can directly or indirectly impact our ability to create long-term value for our customers, employees, stakeholders and society at large.

Section F: Governance issues

During the period under review, there were no governance issues reported.



Sign.....

Name: Elijah Kamunya Karundo.

Designation: County Receiver of Revenue.

Date:12/10/2026.

6. Statement of the Receiver of Revenue's responsibilities

Section 158 (3) of the Public Finance Management Act, 2012 requires that, at the end of each Quarter, a receiver of revenue for a county government shall prepare an account in respect of the revenue collected, received and recovered by the receiver during that financial period.

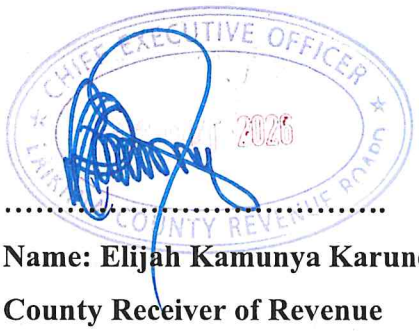
The Receiver of Revenue is responsible for the preparation and presentation of the *receiver of revenue account*, which gives a true and fair view of the state of affairs of the *receiver of revenue* for and as at the end of the Quarter ended on 30th September, 2026. This responsibility includes:
(i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period.
(ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the statement of assets and liabilities of the entity.
(iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud.
(iv) safeguarding the assets of the entity.
(v) selecting and applying appropriate accounting policies, and
(vi) making accounting estimates that are reasonable in the circumstances.

The Receiver of Revenue in charge accepts responsibility for the *entity's receiver of revenue* accounts, which have been prepared on the Accrual Basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Receiver of Revenue is of the opinion that the *entity's receiver of revenue* account gives a true and fair view of the state of the *entity's receiver of revenue* transactions during the financial period ended 30th September, 2026, and of the *entity's* statement of assets and liabilities as at that date. The Receiver of Revenue further confirms the completeness of the accounting records maintained, which have been relied upon in the preparation of the *Receiver of Revenue account* as well as the adequacy of the systems of internal financial control.

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

Approval of the Revenue Statements

The revenue statements were approved and signed by the Receiver of Revenue on 12th October 2026.



.....

Name: Elijah Kamunya Karundo.

County Receiver of Revenue

7. Statement of Revenue and Disbursements for the Period Ended 30th September, 2026

Description	Note	Period ended Sep 2026	Comparative period
		Kshs	Kshs
Revenue from non-exchange transactions			
Cess	5	19,042,907.00	13,779,102.50
Land Rates	6	2,115,397.00	-
Single/Business Permits	7	6,900,391.00	4,057,700.00
Conservancy Administration	8	2,728,800.00	912,776.00
Administration Control Fees and Charges	9	6,469,825.00	5,788,266.00
Public Health Service Fees	11	796,850.00	1,071,642.82
Physical Planning and Development	12	7,171,310.00	3,576,289.00
Total Revenue from non-exchange transactions		**45,225,480.00**	**29,185,776.32**
Revenue from exchange transactions			
Property Rent	14	7,750,551.00	6,550,161.00
Parking Fees	15	7,958,888.00	12,466,825.00
Market Fees	16	1,864,010.00	5,462,430.00
Advertising	17	2,710,793.00	2,233,235.00
Hospital Fees	18	100,281,266.85	171,110,458.00
Hire of County Assets	19	4,820.00	-
Park Fees	21	3,495,026.00	3,887,635.00
Education fees	36	3,201,433.00	3,133,146.01
Total Revenue from exchange transactions		**127,266,787.85**	**204,843,890.01**
Total Revenues (a)		**172,492,267.85**	**234,029,666.33**
Disbursements			
Bank Charges	23	61,190.00	81,472.35
Disbursements To CRF	24	72,963,206.00	62,946,159.30
Disbursement to other County Fund(s)	25	100,281,266.85	171,110,458.00
Waivers and exemptions	26	-	-

Total Disbursements and other charges (b)		**173,305,662.85**	**234,138,089.65**
Other gains/(losses)			
Gain/losses on foreign exchange transactions	29		
Increase Dues to County Revenue Fund		**- 813,395.00**	**- 108,423.33**

These revenue statements were approved on 12th October 2026 and signed by:

.....

Name: Elijah Kamunya Karundo

Designation: Chief Executive Officer

.....

Name; Ann Njoki Kinyua.

Designation; Head of Finance.

ICPAK No. 24979

8. Statement of Financial Position as at 30th September, 2026.

Description	Note	Period as at Sep 2026	Comparative Period
		Kshs	Kshs
Cash and Cash Equivalents	30	2,649,304.68	1,878,323.63
Receivables from non-Exchange transactions	31	1,024,706,546.00	1,028,075,974.00
Receivables from Exchange transactions	32	305,344,436.00	303,559,385.00
Total Current Assets		**1,332,700,286.68**	**1,333,513,682.63**
Total Assets		**1,332,700,286.68**	**1,333,513,682.63**
Financial Liabilities			
Payables-Due to CRF	33	1,033,473,995.68	1,034,287,390.58
Payables-Due to other County Fund(s)	34	299,226,291.00	299,226,291.00
Revenue received in advance	35	-	-
Total Financial Liabilities		**1,332,700,286.68**	**1,333,513,681.58**

The entity's financial statements were approved on 12th October 2026 and signed by:

.....

Name: Elijah Kamunya Karundo

County Receiver of Revenue

.....

Name: Ann Njoki Kinyua

Head of Finance

ICPAK M/No: 24979

9. Statement of Cash Flows for the Period Ended 30th September, 2026.

Description	Note	Period ended Sep 2026	Comparative Period Period
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Cess		19,042,907.00	13,779,102.50
Land Rate		5,484,825.00	4,589,411.50
Single/Business Permits		6,900,391.00	4,057,700.00
Property Rent		5,965,500.00	4,329,057.00
Conservancy Administration		2,728,800.00	912,776.00
Administration Control Fees and Charges		6,469,825.00	5,788,266.00
Public Health Service Fees		796,850.00	1,071,642.82
Physical Planning and Development		7,171,310.00	3,576,289.00
Parking Fees		7,958,888.00	12,466,825.00
Market Fees		1,864,010.00	5,462,430.00
Advertising		2,710,793.00	2,233,235.00
Hospital Fees		100,281,266.85	171,110,458.00
Hire of County Assets		4,820.00	-
Park Fees		3,495,026.00	3,887,635.00
Education fees		3,201,433.00	3,133,146.01
Total Receipts		174,076,644.85	236,397,973.83
Payments			
Disbursements To CRF		72,963,206.00	64,956,055.00
Disbursement To other County fund(s) - FIF		100,281,266.85	171,110,458.00
Bank charges		61,190.00	81,472.35
Total Payments		173,305,662.85	236,147,985.35
Net Cash Flows from/ (used in) Operating Activities		770,982.00	249,988.47
Cash and cash equivalents at Period Start	**30**	**1,878,323.63**	**1,759,907.60**

Cash and cash equivalents at Period End	**30**	**2,649,305.63**	**2,009,896.08**

10. Statement of Comparison of Budget and Actual Amounts for Period Ended 30th September, 2026

Receipts	Original Targets	Adjustments	Final Targets	Actual On Comparable Basis	Budget Realization Difference	% of Realization
	A	B	C=(A+B)	D	E=(C-D)	F=D/C*100
	Kshs	**Kshs**	**Kshs**	**Kshs**	**Kshs**	**Kshs**
County Own Source Revenue						
Cess	120,918,103	-	120,918,103	19,042,907	101,875,196	
Land Rate	140,004,746	-	140,004,746	5,484,825	134,519,921	
Single/Business Permits	105,530,096	-	105,530,096	6,900,391	98,629,705	
Property Rent	35,539,706	-	35,539,706	5,965,500	29,574,206	
Parking Fees	77,993,036	-	77,993,036	7,958,888	70,034,148	
Market Fees	30,563,116	-	30,563,116	1,864,010	28,699,106	
Advertising	30,891,536	-	30,891,536	2,710,793	28,180,743	
Hospital Fees	700,750,000	-	700,750,000	100,281,267	600,468,733	
Public Health Service Fees	31,956,741	-	31,956,741	796,850	31,159,891	
Physical Planning and Development	60,547,979	-	60,547,979	7,171,310	53,376,669	
Hire of County Assets	2,083,115	-	2,083,115	4,820	2,078,295	
Conservancy Administration	40,891,536	-	40,891,536	2,728,800	38,162,736	
Administration Control Fees and Charges	51,588,689	-	51,588,689	6,469,825	45,118,864	
Park Fees	40,741,601	-	40,741,601	3,495,026	37,246,575	
Education fees	30,000,000	-	30,000,000	3,201,433	26,798,567	
Total County Own Source Revenue	**1,500,000,000**	**-**	**1,500,000,000**	**174,076,645**	**1,325,923,355**	**-**

Other Receipts	-	-	-	-	-	-
Total Other Receipts	-	-	-	-	-	-
Total Receipts	1,500,000,000	-	1,500,000,000	174,076,645	1,325,923,355	-
Disbursements						
Disbursements to CRF	799,000,000		799,000,000	72,963,206	726,036,794	
Disbursements to other County Fund(s)	700,750,000		700,750,000	100,281,267	600,468,733	
Bank Charges	250,000		250,000	61,190	188,810	
Total Disbursements and other charges	**1,500,000,000**	**-**	**1,500,000,000**	**173,305,663**	**1,326,694,337**	**-**
Surplus				**770,982**		

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	770,982
3	Add: cash and cash equivalents at the beginning of the period (1st July 2026)	1,878,324
4	Basis, timing and presentation differences (budget and cash flow statement are both on a cash basis)	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	**2,649,306**

Reasons for under/over realisation:

(a) Cess and market fees realised 15.75% and 6.10% respectively, affected by seasonal farm produce volumes.

(b) Land rates and property rent realised 3.92% and 16.79% respectively, because of the timing of payments, which falls in the third quarter of the financial year (January to March).

(c) Single business permits realised 6.54%, as most permits are paid at the beginning of the calendar year.

(d) No stream was over-realised. Other streams realised hospital fees 14.31%, parking fees 10.20%, physical planning and development 11.84%, administration control fees 12.54%, education fees 10.67%, advertising 8.78%, park fees 8.58%, conservancy administration 6.67%, public health service fees 2.49% and hire of county assets 0.23% of their annual targets.

Seasonality and First Quarter Effect: The first quarter is traditionally low for revenue collection as most businesses and clients renew licenses and make major payments towards the second and third quarters,

The prevailing harsh economic conditions reduced the disposable income and compliance levels among rate payers and business community.

There were no adjustments between the original and final budget; hence no reallocations arise under IPSAS 24. The County Receiver of revenue's financial statements were approved on 12th October 2026 and signed by:



.....

Name: Elijah Kamunya Karundo

County Receiver of Revenue

ICPAK M/No: 8207



.....

Name: Ann Njoki Kinyua.

Head of Finance.

ICPAK M/No: 24979.

11. Notes to the Financial Statements

1. General Information

Laikipia County Receiver of Revenue was appointed by the CEC member of Finance of Laikipia County Government in accordance with section 157 of the PFM Act. The Entity's principal activity is to collect revenue and remit it to the County Revenue Fund (CRF), and to other county funds where applicable, as outlined in the appointment letter and section 157 of the PFM Act.

2. Statement of Compliance and Basis of Preparation

Under the historical cost basis, assets are recorded at the amount of cash or cash equivalents paid, or the fair value of the consideration given to acquire them at the time of acquisition, plus directly attributable transaction costs. Liabilities are recorded at the amount of consideration received to assume the obligation, less transaction costs incurred when the liability was assumed.

For those assets and liabilities measured at fair value, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, the Entity uses market-to-observable data to the extent possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the Entity using valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs (e.g., by use of the market comparable approach that reflects recent transaction prices for similar items, or discounted cash flow analysis). Inputs used are consistent with the characteristics of the asset or liability that market participants would take into account.

Fair values are categorized into three levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

- **Level 1** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities that the Entity can access at the measurement date.
- **Level 2** fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- **Level 3** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data
- The Entity's accounting policy is to recognize transfers between levels of the fair value hierarchy at the end of the reporting period during which the change occurred. This policy is consistently applied to transfers into and out of each level.

a) Use of Estimates

The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the Entity's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

3. Adoption of New and Revised Standards

i) ***New and amended standards and interpretations in issue and effective in the year ending 30 June 2027.***

Standard	Effective date and impact:
IPSAS 43 Leases	***Applicable 1st January 2025*** The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	***Applicable 1st January 2025*** The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45- Property Plant and Equipment	***Applicable 1st January 2025*** The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified

Standard	Effective date and impact:
	existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46 Measurement	***Applicable 1st January 2025*** The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value.
IPSAS 47- Revenue	***Applicable 1st January 2026*** This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an MDA shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48- Transfer Expenses	***Applicable 1st January 2026*** The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow

Standard	Effective date and impact:
	arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49- Retirement Benefit Plans	***Applicable 1st January 2026*** The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.

ii) New and amended standards and interpretations in issue but not yet effective in the year ending 30 June 2027.

Standard	Effective date and impact:
IPSAS 50: Exploration For & Evaluation of Mineral Resources	***Applicable 1st January 2027*** The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.
IPSAS 51: Tangible	***Applicable 1st January 2028***

Standard	Effective date and impact:
Natural Resources Held For Conservation	The objective of this standard is to establish the principles that an entity shall apply to report relevant information to users of financial statements about the nature, amounts, timing, and uncertainties arising from tangible natural resources held for conservation. A tangible natural resource held for conservation is a naturally occurring tangible asset that is managed to prevent its degradation.
IPSASB SRS 1: Climate Related Disclosures	***Applicable 1st January 2028*** This standard provides principles for an entity to address climate-related risks and opportunities arising from an entity's activities and operations. The standard provides disclosures on governance, strategy, risk management, and metrics and targets.

iii) Early adoption of standards

The Entity did not early-adopt any new or amended standards in the financial year.

4. Significant Accounting Policies

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

i) Revenue Without Binding Arrangement

Fees, taxes, fines and charges

The Receiver of Revenue recognises revenue from taxes, fines and penalties when the taxable event occurs and it is probable that economic benefits will flow to the Entity in a reliably measurable amount; if the inflow carries enforceable obligations that meet the definition of a liability, revenue is recognised when (or as) those obligations are satisfied, otherwise it is recognised immediately. Revenue from non-binding arrangements such as unconditional grants, donations and bequests is recognised when the Entity has a right to receive the resources, inflow is probable and measurable, and no enforceable obligations exist where such obligations are present, revenue is recognised when (or as) they are satisfied. All revenue is measured at the increase in the Entity's net assets, being the consideration received or receivable. If the revenue arises from the county's sovereign power to tax, levy, or penalise with no direct reciprocal service, it is Without Binding (non-exchange).

ii) Revenue With Binding Arrangements

Rendering of services

The Receiver of Revenue recognises revenue from the rendering of services when (or as) the performance obligations in a binding arrangement are satisfied. Where the outcome of the transaction can be estimated reliably and the obligation is satisfied over time, revenue is recognised by measuring progress towards complete satisfaction of the obligation the Entity uses an input method based on labour hours incurred to date as a percentage of total estimated labour hours. Where the outcome cannot be measured reliably, revenue is recognised only to the extent of the costs incurred that are expected to be recovered. If the county provides a specific good or service in return for the revenue, it is a binding arrangement.

Notes to the Financial Statements

6. Cess

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Farm produce	6,918,832	3,126,255
Quarrying	5,455,905	6,083,700
Livestock	3,765,370	2,295,410
Log cess	-	-
Slaughter fees	2,902,800	2,273,738
Total	**19,042,907**	**13,779,103**

7. Land rates

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Land rates – current year	2,115,397	-
Land penalties and interest	-	-
Arrears	-	-
Total	**2,115,397**	-

Land rates revenue of Kshs 2,115,397 is the amount billed in the period, being cash collected of Kshs 5,484,825 less the Kshs 3,369,428 reduction in the land rates receivable. Cash received from land rates during the period is shown in the Statement of Cash Flows.

8. Conservancy Administration

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Refuse disposal fees	466,024	-
Dumpsite fees	912,776	-
Sewerage fees	1,350,000	912,776
Total	**2,728,800**	**912,776**

9. Other Fines, Penalties and Forfeitures

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Impounding fees	-	-
Total	-	-

10. Donations and Grants Not Received Through CRF

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Donations	-	-
Grants	-	-
Total	-	-

11. Property Rent

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
County housing	7,750,551	6,550,161
Total	**7,750,551**	**6,550,161**

Property rent is recognised on billing; cash received during the period was Kshs 5,965,500.

12. Parking Fees

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Street parking fees	5,395,960	2,952,547
Monthly toll/sticker fees	400,000	657,801
Reserved parking	1,752,677	4,752,677
Bus park fees	410,251	4,103,800
Total	**7,958,888**	**12,466,825**

13. Market Fees

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Market entry fees	1,864,010	5,462,430
Total	**1,864,010**	**5,462,430**

14. Advertising

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Branding	-	2,233,235
Billboard advertising	2,444,769	-
Tent advertising	266,024	-
Total	**2,710,793**	**2,233,235**

15. Hospital Fees

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Nanyuki Teaching & Referral Hospital	43,117,043	78,268,492
Nyahururu County & Referral Hospital	41,696,070	89,560,294
Rumuruti Sub-County Hospital	5,711,075	3,169,105
Kimanjo Sub-County Hospital	255,011	36,226
Ndindika Sub-County Hospital	6,111,893	-
Doldol Sub-County Hospital	-	76,341
Lamuria Sub-County Hospital	3,390,175	-
Total	**100,281,267**	**171,110,458**

Hospital fees collected are remitted to the Facility Improvement Fund (FIF) (Note 27).

16. Hire Of County Assets

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Hire of County stadia	4,500	-
Library fees	320	-
Total	**4,820**	**-**

17. Sale of assets.

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Receipts from sale of vehicles and transport equipment	-	-
Receipts from sale of plant, machinery and equipment	-	-
Total	**-**	**-**

18. Park Fees

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Park entry fees	3,495,026	3,887,635
Total	**3,495,026**	**3,887,635**

19. Single /Business Permits

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Business permit application fees	182,700	156,000
Annual business permit fees	6,515,891	3,876,000
Business permit penalties and interest	201,800	25,700
Business permit fees arrears	-	-
Total	6,900,391	4,057,700

20. Administration Control Fees and Charges

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Weights and measures	201,800	201,800
Fire services	191,100	190,000
Liquor licences	5,676,925	2,122,300
Application fees	400,000	113,731
Plot subdivision fees	-	3,160,435
Total	6,469,825	5,788,266

21. Public Health Service Fees

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Public health permits	796,850	1,049,243
Burial fees	-	22,400
Total	796,850	1,071,643

22. Physical Planning and Development

Description	**Period ended Sep 2026 (Kshs)**	**Comparative period (Kshs)**
Building plans approval	7,107,120	3,576,289
Search fees	64,190	-
Total	**7,171,310**	**3,576,289**

23. Donations and Grants Not Received Through CRF

Description	**Period ended Sep 2026 (Kshs)**	**Comparative period (Kshs)**
Donations	-	-
Grants	-	-
Total	-	-

24. Miscellaneous Revenues

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Dividends	-	-
Interest	-	-
Commissions	-	-
Total	**-**	**-**

25. Bank Charges.

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Bank charges and commissions	61,190	81,472
Total	**61,190**	**81,472**

26. Disbursements to CRF

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Quarter 1	72,963,206	62,946,159
Quarter 2	-	-
Quarter 3	-	-
Quarter 4	-	-
Total	**72,963,206**	**62,946,159**

27. Disbursement to other County Fund(s)

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Quarter 1– Facility Improvement Fund (hospital fees)	100,281,267	171,110,458
Quarter 2	-	-
Quarter 3	-	-
Quarter 4	-	-
Total	**100,281,267**	**171,110,458**

28. Waivers and Exemptions

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Penalties	-	-
Interest	-	-
Total	-	-

29. Bad debts written off.

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Bad debts written off	-	-
Total	-	-

30. Provision for bad debts

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Provision for bad debts	-	-
Total	-	-

31. Gains/Losses on foreign exchanges

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Gains/losses on foreign exchange transactions	-	-
Total	-	-

32. Cash and Cash Equivalents

Name of bank, account no. and currency (Kshs)	Period ended Sep 2026 (Kshs)	Comparative: 30th June 2026 (Kshs)
Co-operative Bank A/c No. 01141366378700	769,055	1,323,226
Co-operative Bank A/c No. 01129369599800	11,396	1,255
Co-operative Bank A/c No. 01129368995000	14,398	501,215
Co-operative Bank A/c No. 01129369635000	935,676	31,624
Co-operative Bank A/c No. 01129369634800	890,787	12,482
Co-operative Bank A/c No. 01129369622000	4,202	1,061
Co-operative Bank A/c No. 01129369599900	4,130	1,989
Co-operative Bank A/c No. 01129369621700	4,854	2,143
Co-operative Bank A/c No. 01129369602100	-479	324
Co-operative Bank A/c No. 01129368995100	4,255	1,114
Co-operative Bank A/c No. 01129369600000	11,031	1,891
Total	**2,649,305**	**1,878,324**

33. Receivables Without Binding Arrangement.

Description	Period ended Sep 2026	Comparative Period
	Kshs	Kshs
Receivables		
Land Rate B/f	1,028,075,974.00	729,036,257.00
Land Rate paid	- 3,369,428.00	405,890,138.00
Land Rate for the year		- 75,114,638.00
Sub total		**- 31,735,783.00**
Less impairment Allowance		
Total Current Receivables	**1,024,706,546.00**	**1,028,075,974.00**

Receivables without binding arrangements relate to land rates billed and not yet collected as at the reporting date.

Ageing analysis for Receivables Without Binding Arrangement

Description	Period ended Sep 2026		Prior Year	
	Current FY	% of the total	Opening Balance	% of the total
	Kshs		Kshs	
Less than 1 year	375,928,268	36.69%	375,928,268	36.57%
Between 1- 2 years	229,093,884	22.36%	229,093,884	22.28%
Between 2-3 years	133,649,877	13.04%	133,649,877	13.00%
Over 3 years	286,034,517	27.91%	289,403,945	28.15%
Total (a+b)	**1,024,706,546**	**100.00%**	**1,028,075,974**	**100.00%**

b) Reconciliation of Receivables Without Binding Arrangements.

Movement in receivables	Period ended Sep 2026	Prior Year
		Kshs
At the beginning of the period	1,028,075,974	729,036,257
Additions (billing) during the period	2,115,397	405,890,138
Collected during the period	(5,484,825)	(75,114,638)
Written off during the period	-	(31,735,783)
At the end of the period	**1,024,706,546**	**1,028,075,974**

The Entity applies the expected credit loss model in IPSAS 41. No impairment allowance has been recognised as at 30th September 2026 (30th June 2026).

34. Receivables With Binding Arrangement

Description	Period ended Sep 2026	Prior Year
	Kshs	Kshs
Total receivables		
Hospital fees receivable	299,226,291	299,226,291
Housing / property rent	6,118,145	4,333,094
Total receivables	**305,344,436**	**303,559,385**

Ageing analysis for Receivables with Binding Arrangement

Description	Period ended Sep 2026		Prior Year	
	Current FY	% of the total	Opening: 30th June 2026	% of the total
	Kshs		Kshs	
Less than 1 year	98,818,367	32.36%	91,067,816	30.00%
Between 1- 2 years	121,423,754	39.77%	121,423,754	40.00%
Between 2-3 years	85,102,315	27.87%	91,067,815	30.00%
Over 3 years	-	0.00%	-	0.00%
Total (a+b)	305,344,436	100.00%	303,559,385	100.00%

Reconciliation for Impairment Allowance on Receivables with Binding Arrangement

Movement in receivables	**Period ended Sep 2026**
At the beginning of the period	303,559,385
Additions (billing) during the period	7,750,551
Collected during the period	(5,965,500)
At the end of the period	**305,344,436**

35. Payables- Due To CRF

Payables	Period ended Sep 2026	Prior Year
	Kshs	Kshs
Amount collected yet to be disbursed to CRF	2,649,305	1,878,323
Amount billed but not collected yet	1,030,824,691	1,032,409,068
Total due CRF	**1,033,473,996**	**1,034,287,391**

36. Payables- Due To F.I.F

Payables	Period ended Sep 2026	Prior Year
	Kshs	Kshs
Amount collected yet to be disbursed to other County fund(s)	-	-
Amount billed and yet to be collected for disbursement to other County fund(s)	299,226,291	299,226,291
Total Due to other County Funds	**299,226,291**	**299,226,291**

37. Revenue received in advance

Description	Period ended Sep 2026	Prior Year
	Kshs	Kshs
Land rates / property rent	-	-
Total	-	-

38. Education Fees

Description	Period ended Sep 2026 (Kshs)	Comparative period (Kshs)
Marmanet Vocational Training Centre	52,000	3,944
Muhotetu Vocational Training Centre	10,000	8,145
Nanyuki Vocational Training Centre	1,219,353	1,435,558
Nyahururu Vocational Training Centre	1,022,280	1,635,898
Rumuruti Vocational Training Centre	20,000	10,402
Salama Vocational Training Centre	60,000	2,077
Tigithi Vocational Training Centre	501,800	402
Wiyumiririe Vocational Training Centre	-	32,400
Ol Moran Vocational Training Centre	110,000	876
Sipili Vocational Training Centre	206,000	3,444
Total	**3,201,433**	**3,133,146**

12. Appendices

Appendix 1: Statement of Arrears of Revenue As at 30th September 2026

Classification Of Receipts	Balance as at the beginning of the current year (1st July 2026) A	Arrears received during the Period. B	Additions in arrears for the current Period to 30th September, 2026 C	Total arrears as at 30th September, 2026 D=A+(B)+C	Measures taken to recover the arrears	Assessment to the recoverability of arrears
Land Rates	1,028,075,974	(5,484,825)	2,115,397	1,024,706,546		
Property Rent	4,333,094	(5,965,500)	7,750,551	6,118,145		
Hospital Fees	299,226,291	-	-	299,226,291		
Total arrears	**1,331,635,359**	**(11,450,325)**	**9,865,948**	**1,330,050,982**		



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Name: Elijah Kamunya Karundo.

County Receiver of Revenue



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Name: Ann Njoki Kinyua

Head of Finance.

ICPAK M/No;24979.

Appendix 2: Ageing Analysis of Revenue in Arrears.

Description (indicate as applicable)	Less than 1 year	Between 1-2 years	Between 2-3 years	Over 3 years	Total
Land Rates	375,928,268	229,093,884	133,649,877	286,034,517	1,024,706,546
Property Rent	6,118,145	-	-	-	6,118,145
Hospital Fees	92,700,222	121,423,754	85,102,315	-	299,226,291
Total	**474,746,635**	**350,517,638**	**218,752,192**	**286,034,517**	**1,330,050,982**

Appendix 3: A Report of Waivers and Variations of Fees or charges granted by the Receiver of Revenue during the year.

S/No	Name of person / organisation benefitting from waiver/ variation	Year in which waiver/ variation relates	Amount of variation/ waiver (fee or charge)	Reasons for waiver/ variation	The law in terms of which the variation/waiver was granted
	No waiver				



Name; Elijah Kamunya Karundo

County Receiver of Revenue