

Issued 30th September 2024



(Marsabit County Executive)

Marsabit County Government

QUARTERLY REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30

2024

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

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MARSABIT COUNTY GOVERNMENT
Quarterly Report and Financial Statements
for the Period ended Sept 30, 2024.

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms.

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the organisation.

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)

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2. Key Entity Information and Management

(County Executive's)

a) Background information.

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:

No.	Department	Major Responsibility
1.	Finance and Economic Planning	Management of County Treasury and Planning
2.	Agriculture and Livestock and Fisheries	Overseeing County Agriculture, animal husbandry and Fish farming
3.	Office of the governor	Management of County affairs.
4.	Water, Environment & Natural Resources	Enhancing availability and access to potable water Reduce environmental degradation through conservation, protecting and managing of environment for present and future generation
5.	Lands Energy, Housing & Urban Development	Improve Management and administration of land Improve solid and liquid waste management Improve access to affordable, reliable, secure and climate friendly energy services Improve housing infrastructure
6.	Trade, Tourism, Industry & Cooperative Development	Trade promotion and development Cooperative societies registration and development Cottage industries and industrial parks development and promotion Tourism promotion and development
7.	Roads, Public Works & Transport	Improving road network infrastructure Improving transport mobility
8.	Education, Skills Development, Youth & Sports	Improving access to quality ECD Education Improving access to quality technical and vocational training Reduce unemployment rate among Youth
9.	Culture, Gender & Social Services	Improving, promoting, preserving and celebrating the county cultural heritage Promoting gender equality Increasing access to social services
10.	Health Services	Improving access to quality curative and rehabilitative services.

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No.	Department	Major Responsibility
11.	County Public Service Board	Enhancing Public Service Delivery
12.	Public Service and Administration	Public service delivery systems and coordination of county affairs Public participation and civic education Integration, peace building and disaster management

b) Key Management team

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

No.	Designation	Name
1.	Office of the Governor	H.E Hon. Mohamud Mohamed. Ali
2.	Department of Finance and Economic Planning	Adan Guyo Kanano
3.	Department of Agriculture, Livestock and Fisheries	Hussein Ali
4.	County Public Service Board	Ambrose Lchokwe
5.	Department of Education, Youth, Sports and Skills Development	Ambaro Abdullahi
6.	Department of Health Services	Malicha Boru Wario
7.	Department of Administration and ICT	Armara Galwab
8.	Department of Lands and Urban Planning and Development	Amina Challa
9.	Department of Roads, Transport and Public Works	Guyo Guracha
10.	Department of Water, Environment and Natural Resources	Grace Galmo
11.	Department of Tourism, Trade, Industry and Enterprise Development	Adan Hirbo
12.	Department of Culture and Social Services	Jeremy Ledany

c) Fiduciary Management

The key management personnel who held office during the financial Period ended 30th Sep 2024 and who had direct fiduciary responsibility were: *(Include all the accounting officers of departments within the County)*

No.	Designation	Name
1.	CECM Finance and Economic Planning	Hon. Adan Guyo Kanano

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No.	Designation	Name
2.	Accounting Officer-Finance	Boru Dulacha Duba
3.	Accounting Officer- Economic Planning and Budget	Ahmed Intallo Yusuf
4.	Accounting Officer Revenue and Resource Mobilization	Wolde Weisa
5.	Accounting Officer-Executive Department	Geoffrey Godana
6.	Accounting Officer- Food Security and Crop Development	Ms. Orge Guyo Baji
7.	Accounting Officer Livestock and Veterinary Services	Alamin Adan
8.	Accounting Officer Fisheries Development	Ms. Kula Phabbi
9.	Accounting Officer Education	Ms. Qabale Adhi Bulbul
10.	Accounting Officer Skills, Development and Vocational Training	Ms. Guyatu Wakalla
11.	Accounting Officer Youth and Sports	Adan Ali Osman
12.	Accounting Officer Medical Health Services	Dr. Arero Halkano
13.	Accounting Officer Public Health Services	Omar Boko Mohamed
14.	Accounting Officer ICT, Communication and Results Delivery	Eng. Mohamed Tache
15.	Accounting Officer Public Service and Devolved Units	Roba Qotto
16.	Accounting Officer Partner Coordination, Disaster management and Cohesion	Tache Elema
17.	Accounting Officer- Lands and Energy	Galm Guyo Rogicha
18.	Accounting Officer- Urban Development and Housing	Kazali Abdirizaq Bulle
19.	Accounting Officer –Roads and Transport	Dr. Rikoi Hitler
20.	Accounting Officer –Public Works	Ms. Anamaria Qalla Denge
21.	Accounting Officer- Water Services	Roba Galma Halakhe
22.	Accounting Officer- Environment and Climate Change	Abdullahi Sheikh Ismail
23.	Accounting Officer Natural Resources, Forestry and Wildlife	Pauline Marheni
24.	Accounting Officer-Trade and Cooperative Development	Mahad Mohamed Dida
25.	Accounting Officer Culture, Gender and Social Services	Samuella Lolokuru
26.	Accounting Officer-Tourism	Guyo Ali Adano
27.	Director-Accounting services	CPA Bonaya Doti Sora
28.	Director-Revenue	CPA Shalle Ibrahim Shalle
29.	Director-Finance	CPA Dabasso Bonaya Adano

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No.	Designation	Name
30.	Director Internal Audit	CPA Simon Sibilet Khobes
31.	Director-Procurement	Mr. Francis Kariuki Kamendi

MARSABIT COUNTY GOVERNMENT

Quarterly Report and Financial Statements for the Period ended Sep 30, 2024.

d) Fiduciary Oversight Arrangements

Audit and finance committee activities

The county Government of Marsabit has established an Internal Audit Committee pursuant to Section 155(5) of the PFM Act 2012.

County Public Investment and Accounts Committee

- Examine accounts showing appropriation by the county Assembly to meet public expenditure.
- Examine reports, accounts & working of the county public investments.
- Examine whether the affairs of the county public investment are managed with sound financial or business principles.

County Budget and Appropriation Committee

- Investigate, inquire in to and report all the matters related to budget
- Discuss and review the estimate and make recommendations to the County Assembly
- Examine the County Budget Policy Statements
- Examine Bills related to the County Budget, including appropriation bills
- Evaluate own source revenue estimates
- Evaluate economic and budgetary policies and programmes with direct budget outlays.

e) County Executive Headquarters

P.O. Box 384 - 60500

County Headquarters

Marsabit - Isiolo Highway

Marsabit, Kenya.

f) County Executive Contacts

Telephone: (254)708852046

E-mail: info@treasury.marsabit.go.ke

Website: www.marsabit.go.ke

g) County Executive Bankers

1. Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

NAIROBI, KENYA

2. Kenya Commercial Bank

Marsabit Branch

P.O Box 83 – 60500

Marsabit, Kenya

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3. Co-operative Bank
Marsabit Branch

4. Equity Bank
Marsabit Branch

4. Co-operative Bank
Marsabit Branch

5. Equity Bank
Marsabit Branch

h) Independent Auditors

Auditor-General

Office of The Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

NAIROBI, KENYA

i) Principal Legal Adviser

The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

City Square 00200

NAIROBI, KENYA

j) County Attorney

Mrs. Flevia Kwamboka Gekone...

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MARSABIT COUNTY GOVERNMENT

Quarterly Report and Financial Statements for the Period ended Sep 30, 2024.

3. Foreword by CECM Finance and Economic Planning

I am pleased to present the financial report for the County Government of Marsabit for the first quarter of the financial year 2024/2025 that ended on September 30, 2024.

This quarterly report is in line with the Public Finance Management Act (PFM), 2012. Section 166(1) of the Act stipulates that an accounting officer of a county government entity shall prepare a report for each quarter of the financial year in respect to the entity.

The quarterly reports are then to be submitted to the County Assembly not later than one month after the end of the quarter according to Section 166(4) (a) of the Act and (b) copies as well delivered to the Controller of Budget, National Treasury, Commission on Revenue Allocation. These financial statements have been prepared in line with this Act.

Financial statements are critical in ensuring accountability and transparency in usage and utilisation of public funds by public entities. In addition to this, timely financial reporting by adhering to the PFM Act does play a role in accountability.

Counties have three main sources of revenue: exchequer issues (through equitable share of revenue with the national government), own source revenue collections and conditional grants and donations. The collection of own source revenue is in line with Article 175(b) of the Constitution.

During this quarter the County received approvals from the office of the Controller of Budget to transfer funds from the County Revenue Fund for its operations. In this regard, there was cumulative transfers of Kshs 736.2 million during this period to pay for recurrent and development expenditure, which included County personnel emoluments and other operations and maintenance.

Additionally, the cumulative expenditure by the end of quarter 1 amounted to Kshs 736.1 million comprising recurrent expenditure of Kshs 641.5 million, (being funds utilised for County employees' salaries and wages as wells as payment for County's operations and maintenance activities/programmes) and development expenditure of Kshs 94.6 million.

The County remains committed to fulfill its fiscal responsibilities on usage of public funds to the benefit of all residents of the County. There are measures to ensure prudent resource management with every cent spent with the intention to achieve the goals as set out in the County.

I am further pleased to report that some of the major flagship projects are complete or nearing completion and these included the County upgrade of Moyale town road to bitumen which is expected

MARSABIT COUNTY GOVERNMENT

Quarterly Report and Financial Statements for the Period ended Sep 30, 2024.

to spur economic activities. The County also completed an administration block and classes at Marsabit Kenya Medical Training College.

The County is also almost completing Sololo level IV hospital that will be game changer in access to health services.

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CECM Finance and Economic Planning

County Government of Marsabit.

MARSABIT COUNTY GOVERNMENT

Quarterly Report and Financial Statements for the Period ended Sep 30, 2024.

4. Management Discussion and Analysis

Marsabit County is one of the counties formed under Article 176 of the Constitution of Kenya, 2010, as part of devolution that came into effect following the promulgation of the Constitution.

Article 202 of the Constitution of Kenya, 2010, states that revenue raised nationally shall be shared equitably among the national and county governments.

This revenue is shared according to a formula determined by the Commission on Revenue Allocation which is discussed and passed by Parliament as the Division of Revenue Bill.

As public entities, counties are bound by the Public Finance Management (Act), 2012, which stipulates the usage of public funds and reporting of the same in the spirit of accountability.

These are the financial statements for the quarter ended September 30, 2024.

There is a need for the county to improve further collections from Own Source Revenue which has as much potential for financing the county as equitable share from the exchequer.

Low-hanging fruit in this pursuit is developing infrastructure in the county such as roads, markets, water, and sewerage which would make the county attractive to investors.

During the quarter, the county received Ksh 1.28 billion from the exchequer as equitable share and collected Ksh 31.7,Million as Own Source Revenue. The target for Own Source Revenue for the period was Ksh56 Million.

An amnesty to non-compliant individuals in the county also managed to boost the revenue. This is part of the county's efforts to improve compliance and revenue collection.

It is expected that as the national economic conditions improve, looking at the downward trend of the inflation rate and the expected ease of interest rate, then collections at the county will improve as well.

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The county's development focus during the period was on health, education, water, and sanitation. Ksh 1,572,683,198 was appropriated towards development in the period.

This is to enhance the construction of hospitals, the tarmacking of roads, improvement of civil works, construction and rehabilitation of markets to ease trade in the county.

MARSABIT COUNTY GOVERNMENT

Quarterly Report and Financial Statements for the Period ended Sep 30, 2024.

5. Statement of Management Responsibilities

Section 166 of the Public Finance Management Act, 2012 requires that, at the end of each quarter, the Marsabit County Treasury shall prepare financial statements for all Marsabit 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 Marsabit 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 September 30, 2024. 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 September 30, 2024, 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.

MARSABIT COUNTY GOVERNMENT

Quarterly Report and Financial Statements for the Period ended Sep 30, 2024.

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. 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 Governments’s financial statements were approved and signed by the CECM for Finance on _____ 2024.

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CECM – Finance and Economic Planning

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Quarterly Report and Financial Statements
for the Period ended Sept 30, 2024.

6. Statement of Financial Performance for the Period Ended Sep 2024

Description	Notes	Period ended Sep 30 2024
		Kshs
Revenue from non-exchange transactions		
Transfers from CRF	5	736,206,458
Miscellaneous Revenue	6	-
Revenue from exchange transactions		
Other income	7	-
Total revenue		736,206,458
Expenses		
Employee costs	8	768,021,801
Use of goods and services	9	110,739,308
Transfers to other Government Entities	10	-
Depreciation and amortization expense	11	4,999,070
Other Grants and Subsidies	12	-
Finance costs	13	-
Social Benefits	14	-
Total expenses		883,760,179
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		(147,553,721)
Taxation	19	-
Net Surplus/Deficit		(147,553,721)

MARSABIT COUNTY GOVERNMENT

Quarterly Report and Financial Statements for the Period ended Sep 30, 2024.

The Financial Statements set out on pages 1 to 2 were signed by:

.....

Name: Boru Dulacha Duba

Chief Officer, Finance

.....

Name: Bonaya Doti Sora

Director Accounting Services

ICPAK M/No.....

Sep -This relates to transactions undertaken from 1st July to 30th September.
Dec* - This relates to transactions undertaken from 1st July to 31st December.
March*- This relates to transactions undertaken from 1st July to 31st March.
June* - This relates to transactions undertaken from 1st July to 30th June
Comparative period relates to prior year same period of the report.

(Paragraph 79 of IPSAS 33 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 adoption of the accrual basis of accounting. In preparing this financial reporting template, this election has been made, and therefore, there are no comparatives in the first year of transition.)

MARSABIT COUNTY GOVERNMENT
Quarterly Report and Financial Statements
for the Period ended Sept 30, 2024.

7. Statement of Financial Position as at Sep 30 2024

Description	Notes	Period ended Sep 2024	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	20	376,085,411	380,854,297
Receivables from Exchange Transactions	21(a)	-	-
Receivables from Non-Exchange Transactions	22	-	-
Inventories	23	-	-
Current portion of investments	24	-	-
Total Current Assets		376,085,411	380,854,297
Non-Current Assets			
Receivables from Exchange Transactions	21(b)	-	-
Non- Current portion of investments	24	-	-
Property, Plant and Equipment	25	826,386,437	831,385,507
Right of Use Assets	26	-	-
Intangible Assets	27	-	-
Investment Property	28	-	-
Biological Assets	29	-	-
Tangible Natural Resources	30	-	-
Total Non- Current Assets		826,386,437	831,385,507
Total Assets (A)		1,202,471,848	1,212,239,804
Liabilities			
Current Liabilities			
Trade and Other Payables	31	979,866,535	837,274,018
Refundable deposits and prepayments	32	61,648,704	61,648,704
Current Provision	33	-	-
Lease Liabilities	34	-	-
Deferred Income	35	-	-
Employee Benefit Obligation	36	-	-
Current Portion of Borrowings	37	-	-
Total Current Liabilities		1,041,515,239	898,922,722

MARSABIT COUNTY GOVERNMENT

Quarterly Report and Financial Statements for the Period ended Sep 30, 2024.

Description	Notes	Period ended Sep 2024	Opening Statement 1st July 2024
		Kshs	Kshs
Non-Current Liabilities			
Non-Current Provisions	33	-	-
Lease Liabilities	34	-	-
Deferred Income	35	-	-
Non-Current Employee Benefit Obligation	36	-	-
Borrowings – Non-Current Portion	37	-	-
Service Concession Liability	38	-	-
Total Non- Current Liabilities		-	-
Total Liabilities (B)		1,041,515,239	898,922,722
Net Assets (A-B)		160,956,609	313,317,082
Represented by:			
Reserves		-	-
Accumulated Surplus		160,956,609	313,317,082
Capital Fund		-	-
Net Assets		160,956,609	313,317,082

The financial statements set out on pages 3 to 4 were signed by:

.....
Name: Boru Dulacha Duba
Chief Officer Finance

.....
Name: Bonaya Doti Sora
Director Accounting Services
ICPAK M/No.....

MARSABIT COUNTY GOVERNMENT
Quarterly Report and Financial Statements
for the Period ended Sept 30, 2024.

8. Statement of Changes in Net Assets for the Period Ended Sep 30 2024

Description	Accumulated Surplus	Reserves	Capital Fund	Total
As at 30 th June 2024 (cash basis)	319,205,593	-	-	319,205,593
Adjustments: (to recognize assets and liabilities)	(5,888,511)	-	-	(5,888,511)
As at July 1, 2024	313,317,082	-	-	313,317,082
Surplus/ deficit for the period	(147,553,721)	-	-	(147,553,721)
Returns to CRF	(4,806,752)	-		(4,806,752)
Additions during the period	-	-	-	-
Other changes (specify)	-	-	-	-
As at 30 Sep , 2024	160,956,609	-	-	160,956,609

Note:

- 1. For items that are not common in the financial statements, the Entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.*
- 2. Entities have liberty to add additional reserves as appropriate. For all reserves presented provide the nature and purpose.*

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Quarterly Report and Financial Statements
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9. Statement of Cash Flows for the Period ended Sep 30 2024

Description	Notes	Period ended Sep 2024
		Kshs
Cash flows from operating activities		
Receipts		
Transfers from CRF		736,206,458
Miscellaneous Revenue		-
Other income		-
Total receipts		736,206,458
Payments		
Employee costs		530,777,084
Use of goods and services		205,391,508
Transfers to other Government Entities		-
Other Grants and Subsidies		-
Finance costs		-
Social Benefits		-
Total payments		736,168,592
Net cash flows from/(used in) operating activities	39	37,866
Cash flows from investing activities		
Purchase of PPE		-
Purchase Intangible assets		-
Proceeds from sale of PPE		-
Proceeds from sale of Biological Assets		-
Purchase of investments		-
Sale of investments		-
Net cash flows from/(used in) investing activities		-
Cash flows from financing activities		
Returns to CRF		(4,806,752)
Proceeds from borrowings		-
Repayment of borrowings		-
Net cash flows from financing Activities		(4,806,752)

MARSABIT COUNTY GOVERNMENT**Quarterly Report and Financial Statements for the Period ended Sep 30, 2024.**

Description	Notes	Period ended Sep 2024
		Kshs
Net increase/(decrease) in cash & Cash equivalents		(4,768,886)
Cash and cash equivalents as at Period Start	20	380,854,297
Cash and cash equivalents as at Period End	20	376,085,411

(PSASB has now prescribed the direct method of cashflow presentation for all entities under the IPSAS Accrual basis of accounting)

MARSABIT COUNTY GOVERNMENT
Quarterly Report and Financial Statements
for the Period ended Sept 30, 2024.

10. Statement of Comparison of Budget and Actual Amounts for the Period Ended 30 Sep 2024

A) Recurrent and Development budgets Combined

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)	314,398,841	-	314,398,841	-	314,398,841	0%
Transfers from CRF	7,918,336,846	-	7,918,336,846	736,206,458	7,182,130,388	9%
Miscellaneous Revenue	110,000,000	-	110,000,000	-	110,000,000	0%
Other income	-	-	-	-	-	-
Total revenues	8,342,735,687	-	8,342,735,687	736,206,458	7,606,529,229	9%
Expenses						
Employee costs	3,358,208,592		3,358,208,592	530,777,084	2,827,431,508	16%
Use of goods and services	1,507,574,010		1,507,574,010	205,391,508	1,302,182,502	14%
Transfers to other Government Entities	-					-
Other Grants and Subsidies	1,553,167,475		1,553,167,475	-	1,553,167,475	0%
Finance costs						-
Social Benefits	11,230,000		11,230,000	-	11,230,000	0%
Capital items						-
Acquisition of PPE	1,912,555,610		1,912,555,610	-	1,912,555,610	0%
Acquisition of Intangible assets						-
Purchase of investments						-
Repayment of borrowings						-
Totalexpenses Development	1,912,555,610	-	1,912,555,610	-	1,912,555,610	0%
Total Expenses	8,342,735,687	-	8,342,735,687	736,168,592	7,606,567,095	9%
Surplus/ deficit	-	-	-	37,866	(37,866)	

MARSABIT COUNTY GOVERNMENT

Quarterly Report and Financial Statements for the Period ended Sep 30, 2024.

Reconciliation table

	<i>Operating</i>	<i>Financing</i>	<i>Investing</i>	<i>total</i>
<i>Actual amounts on comparable basis presented in the budget and actual comparative statement</i>				
<i>Basis difference</i>				
<i>Timing differences</i>				
<i>Entity differences</i>				
<i>Classification differences</i>				
<i>Actual in the statement of cashflows</i>				

Budget Notes

1. Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (IPSAS 24.14).
2. Provide an explanation of changes between original and final budget indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29).
3. Where the total of actual on comparable basis does not tie to the statement of financial performance totals due to differences in accounting basis, classification, entity and timing differences provide a reconciliation.

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

11. Notes to the Financial Statements

1. General Information

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

2. Statement of Compliance and Basis of Preparation

Statement of Compliance

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

Guiding note during the transition period:

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS), or the entity has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1st/ 2nd/ 3rd/ years financial statements are transitional financial statements and the following elements of the financial statements have not been recognised as the entity has taken advantage of the transition provisions outlined in IPSAS 33. (entity to state the transitional provisions it has applied and the steps being towards full compliance with IPSAS Accrual).

These financial statements were authorised for issue by the accounting officer on 31/10/2024.

Basis of Preparation

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

MARSABIT COUNTY GOVERNMENT

Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements

Significant Accounting Policies

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

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

Recognition of non-exchange expenses and liabilities

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

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

Purpose and nature of financial instruments

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

Notes to the financial statements
Significant Accounting Policies

Climate change obligations

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

Physical assets

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

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements
Significant Accounting Policies

3. Summary of Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Transfers from other government entities

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

ii. Revenue from exchange transactions

Interest income

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

Dividends

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

Rental income

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

b) Budget information

The original budget for FY 2024/25 was approved by the County Assembly on xxxx. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Entity recorded additional appropriations of xxxx on the 2024/25 budget following the governing body's approval. The Entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements.

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements
Significant Accounting Policies

Budget information (continued)

The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial cash flows has been presented under section xxx 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 an *xx*-year period. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

d) Property, plant and equipment

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 Entity 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

Notes to the financial statements

Significant Accounting Policies

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

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements
Significant Accounting Policies

g) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Entity. 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 Entity 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 Entity 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 Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

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

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

Notes to the financial statements
Significant Accounting Policies

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

i. Financial assets

Classification of financial assets

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

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

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements
Significant Accounting Policies

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Notes to the financial statements
Significant Accounting Policies

Impairment

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

ii) financial liabilities

Classification

The entity 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 *Entity*.

MARSABIT COUNTY GOVERNMENT
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Notes to the financial statements
Significant Accounting Policies

l) Provisions

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

m) Contingent liabilities

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

n) Contingent assets

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

o) Nature and purpose of reserves

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

p) Changes in accounting policies and estimates

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

Notes to the financial statements

Significant Accounting Policies

q) Employee benefits

Retirement benefit plans

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

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 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 *Entity* regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the *Entity*, or vice versa. Members of key management are regarded as related parties and comprise *the Governor, Deputy governor, County Secretary, County Executive Committee Members and Chief Officers, Speaker of the county assembly and, Clerk of the county Assembly, Directors and senior managers.* (*Entity to amend accordingly*)

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements
Significant Accounting Policies

u) Service concession arrangements.

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

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

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 Sep 30, 2024.

4. Significant Judgments and Sources of Estimation Uncertainty

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

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements
Significant Accounting Policies

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xx. 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.

(include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

5. Transfers from CRF

Nature of Transfer	Amount recognized to Statement of financial performance.	Amount deferred under deferred income.	Total transfers for Period ended Sep 2024
	Kshs	Kshs	Kshs
Recurrent	641,554,258	-	641,554,258
Development	94,652,200	-	94,652,200
Special purpose transfers	-	-	-
Total	736,206,458	-	736,206,458

(Explain the purpose of funding)

6. Miscellaneous Revenue

Nature of Revenue	For the period ended Sep 2024
	Kshs
In kind grants and donations	
Refunds & Reimbursements	
Revenues not classified anywhere else	
Total	

(Provide brief explanation for this revenue)

7. Other Incomes

Description	Period ended Sep 2024
	Kshs
Insurance recoveries	
Sale of tender documents	
Services concession income	
Other incomes not specified elsewhere	
Total other income	

(NB: All income should be classified as far as possible in the relevant classes and other income should be used to recognise income not elsewhere classified).

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

8. Employee Costs

Description	<i>Period ended Sep 2024</i>
	Kshs
Basic salaries of permanent employees	756,244,279
Basic wages of temporary employees	11,777,522
Personal allowances – part of salary	
Pension and other social security contributions	
Employer contributions to compulsory national social security schemes	
Employer contributions to compulsory national health insurance schemes	
Other social benefit schemes	
Other personnel costs	
Employee costs	768,021,801

* Other employee related costs- please provide a brief explanation for these costs

9. Use of Goods and Services

Description	<i>Period ended Sep 2024</i>
	Kshs
Utilities, supplies and services	5,838,602
Communication, supplies and services	
Domestic travel and subsistence	
Foreign travel and subsistence	
Printing, advertising, and information supplies & services	1,500,000
Rentals of produced assets	12,600,000
Training expenses	10,953,677
Hospitality supplies and services	21,110,150
Insurance costs	
Specialized materials and services	33,696,530
Other operating expenses <i>including bank Charges</i>	12,871,200
Office and general supplies and services	7,213,000
Fuel Oil and Lubricants	4,326,150
Routine maintenance – vehicles and other transport equipment	
Routine maintenance – other assets	
Research, Studies, Project Preparation, Design & Supervision	630,000
Total	110,739,308

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

10. Transfers to Other Government Entities

Description	<i>Period ended Sep 2024</i>
	Kshs
Transfers to other County Government entities	
Transfers to self-reporting projects	
Transfers to car loan and mortgage schemes	
Others (specify)	
Total	

11. Depreciation and Amortization Expense

Description	<i>Period ended Sep 2024</i>
	Kshs
Property, plant and equipment	4,999,070
Intangible assets	
Investment property carried at cost	
Total	4,999,070

(Provide brief explanation expenditure variations compared same period in the previous year)

12. Other Grants and Subsidies

Description	<i>Period ended Sep 2024</i>
	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	
Subsidies to Public entities	
Subsidies to Private entities	
Total Grants and Subsidies	

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

13. Finance Costs

Description	<i>Period ended</i> <i>Sep 2024</i>
	Kshs
Interest Payments on Guaranteed Debt Taken over by Govt	
Interest on Domestic Borrowings (Non-Govt)	
Interest on Borrowings from Other Government Units	
Interest on bank overdrafts	
Interest on loans from commercial banks	
Total finance costs	

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

14. Social Benefits

Description	<i>Period ended</i> <i>Sep 2024</i>
	Kshs
Transfers to the elderly	
Transfers to orphans	
Transfers to the physically challenged	
<i>Add any other category</i>	
Total social benefit expenses	

15. Gain/Loss on Sale of Assets

Description	<i>Period ended</i> <i>Sep 2024</i>
	Kshs
Property, plant and equipment	
Intangible assets	
Other assets not capitalised	
Total gain on sale of assets	

16. Gain/Loss on Foreign Exchange

Description	<i>Period ended</i> <i>Sep 2024</i>
	Kshs
Gain or loss on foreign exchange transactions	
Gain or loss on balances in foreign exchanges	
Total	

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

17. Gain/Loss on Fair Value Investments

Description	<i>Period ended Sep 2024</i>
	Kshs
Investments at Fair Value	
Total Gain	

18. Impairment Loss

Description	<i>Period ended Sep 2024</i>
	Kshs
Property, Plant and Equipment	
Intangible Assets	
Total Impairment Loss	

19. Taxation

Description	<i>Period ended Sep 2024</i>
	Kshs
Current income tax charge	
Tax charged on rental income	
Tax charged on interest income	
Original and reversal of temporary differences	
Income tax expense reported in the statement of financial performance	

20. Cash and Cash Equivalents

Description	<i>Period ended Sep 2024</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Recurrent Account	37,866	3,297
Development Account	-	4,803,455
Deposits Account	61,648,704	61,648,704
Special Purpose Accounts	314,398,841	314,398,841
Other operating commercial accounts (<i>Specify</i>)	-	-
Total	376,085,411	380,854,297

(The amount should agree with the closing and opening balances as included in the statement of cash flows)

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

(a) Detailed Analysis of the Cash and Cash Equivalents

		<i>Period ended Sep 2024</i>	<i>Opening Statement 1st July 2024</i>
Financial Institution	Account number	Kshs	Kshs
Recurrent Accounts			
Central Bank of Kenya, Recurrent	1000170492	37,866	3,297
Development Accounts			
Central Bank of Kenya, Development	1000170514	-	4,803,455
Deposits Accounts			
Co-operative Bank, Marsabit Branch	01141551311100	61,648,704	61,648,704
Special Purpose Accounts			
Central Bank Fuel Levy Account	1000299134	30,323,806	30,323,806
Central Bank of Kenya, World Bank/Danida	1000274328	6,986	6,986
Central Bank of Kenya, Village Polytechnic Project	1000367377	555,347	555,347
Central Bank of Kenya, Agriculture Sector Development Support Project	1000367393	-	-
Central Bank of Kenya, Kenya Climate Smart Agriculture	1000367385	15,729	15,729
Central Bank of Kenya, Kenya Devolution Support Project	1000454318	184,483	184,483
Central Bank of Kenya, Covid-19	1000470143	9,766	9,766
Central Bank of Kenya, Emergency Locust Response	1000530081	1	1
Central Bank of Kenya, Drought Resilience	1000512288	145,038,663	145,038,663
Central Bank of Kenya, Climate Change Fund	1000506587	127,721,671	127,721,671
Primary health care	1000574054	433,785	433,785
Aggregate and industrial park	1000739177	10,108,606	10,108,606
Other operating commercial accounts (Specify)			
<i>Cash on Hand</i>			
Total		376,085,411	380,854,297

21. Receivables from Exchange Transactions

MARSABIT COUNTY GOVERNMENT

Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Description	Period ended Sep 2024	Opening Statement 1 st July 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)		

i) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

Impairment allowance	Period ended Sep 2024
	Kshs
At the beginning of the period.	
Additional allowance during the period	
Recovered during the period	
Written off during the period.	
At the end of the period.	

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the Financial Statements (Continued)

22. Receivables from Non-Exchange Transactions

Description	Period ended Sep 2024	Opening Statement 1 st July 2024
	Kshs	Kshs
Other debtors (non-exchange transactions)		
Less: impairment allowance		
Total receivables from non-exchange transactions		

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

Description	Period ended Sep 2024
	KShs
At the beginning of the period	
Additional provisions during the period	
Recovered during the period	
Written off during the period	
At the end of the period	

23. Inventories

Description	Period ended Sep 2024	Opening Statement 1st July 2024
	Kshs	Kshs
Spare parts		
Goods held for distribution		
Less: allowance for impairment		
Total		

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

24. Investments

Description	Period ended Sep 2024	Opening Statement 1st July 2024
	Kshs	Kshs
a) Investment in Treasury bills and bonds		
Financial institution		
CBK		
CBK		
Sub- total		
b) Investment with Financial Institutions/ Banks		
Bank x		
Bank y		
Sub- total		
c) Equity investments (specify)		
Equity/ shares in Entity xxx		
Sub- total		
Grand total		
Analysed as:		
Current portion of Investment		
Non-current portion of investment		

d) Movement of Equity Investments

	Period ended Sep 2024
	Kshs
At the beginning of the period	
Purchase of investments in the period	
Sale of investments during the period	
Increase /(decrease) in fair value of investments	
At the end of the period	

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

e) Shareholding in other entities

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

Name of Entity where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding		Current period	<i>Opening Statement 1st July 2024</i>
	%	%	%	Kshs	Kshs	Kshs
Entity A						
Entity B						
Entity C						

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

25. Property, Plant, and Equipment

	Land	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Heritage assets	Work in progress	Service concession assets	Total
Depreciation Rate		2%	16.67%	2%	12.50%	12.50%	33.30%			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2024		182,495,633	999,980	619,582,547	3,289,335	23,818,012	1,200,000			831,385,507
Additions										
Disposals										
Transfer/Adjustments										
As At 30 Sep 2024		182,495,633	999,980	619,582,547	3,289,335	23,818,012	1,200,000			831,385,507
Depreciation And Impairment										
Depreciation for the period		912,478	41,674	3,097,913	102,792	744,313	99,900			4,999,070
Disposals			-	-	-	-				
Impairment										
Transfer/Adjustment										
As At 30 Sep 2024		912,478	41,674	3,097,913	102,792	744,313	99,900			4,999,070
Net Book Values										
Opening Bal as at 1st July 2024		182,495,633	999,980	619,582,547	3,289,335	23,818,012	1,200,000			831,385,507
As At 30 Sep 2024		181,583,155	958,306	616,484,634	3,186,543	23,073,699	1,100,100			826,386,437

The statement does not contain comparatives, as the entity has taken advantage of IPSAS 33 provisions on presentation for the first year of transition.

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the Financial Statements (Continued)

Valuation

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

25 (b) Property, Plant and Equipment at Cost

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

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land			
Buildings			
Plant And Machinery			
Motor Vehicles, Including Motorcycles			
Computers And Related Equipment			
Office Equipment, Furniture, And Fittings			
Total			

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

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

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the Financial Statements (Continued)

26. Right-of-use assets

	<i>Buildings</i>	<i>Motor vehicles</i>	<i>Plant and equipment</i>	<i>Total</i>
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 2024				
Additions				
As at 30 Sept 2024				
Accumulated Depreciation				
As at 1 July 2024				
Charge for the year				
As at 30 Sept 2024				
Carrying Amount				
As at 30 Sept 2024				

27. Intangible Assets

Description	Period ended Sep 2024
	KShs
Cost/Opening balance at the beginning of the /Period	
Additions	
Disposal	
At end of the Period	
Additions–internal development	
Disposal	
At end of the Period	
Amortization and impairment	
At beginning of the Period	
Amortization	
At end of the Period	
Impairment loss	
At end of the Period	
NBV	

Notes to the financial statements (continued)

28. Investment Property

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Description	<i>Period ended Sep 2024</i>
	Kshs
Cost/Opening balance at the beginning of the period	
Additions	
Disposal during the period	
Depreciation	
Impairment	
At end of the period	

(This note applies to investment property held at cost. For investment property held at fair value, changes in fair value should go through the statement of financial performance).

29. Biological Assets

Description	<i>Period ended Sep 2024</i>	<i>Period ended July 2024</i>
	Kshs	Kshs
Specify		
Specify		
Total		

30. Tangible Natural Resources

	Sub- soil assets	Water	Wildlife	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 2024				
Additions				
As at 30 Sept 2024				
Accumulated Depreciation				
As at 1 July 2024				
Charge for the year				
As at 30 Sept 2024				
Carrying Amount				
As at 30 Sept 2024				

Notes to the financial statements (continued)

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

31. Trade and Other Payables

Description	Period ended Sep2024	Opening Statement 1 st July 224
	Kshs	Kshs
Trade payables	465,214,807	559,867,007
Payments received in advance		
Employee payables	514,651,728	277,407,011
Third-party payments		
Other payables		
Total trade and other payables	979,866,535	837,274,018.00

32. Refundable Deposits and Prepayments

Description	Period ended Sep2024	Opening Statement 1 st July 2024
	Kshs	Kshs
Customer deposits	61,648,704	61,648,704
Prepayments		
Other deposits		
Total deposits		

33. Provisions

Description	Leave provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
Balance b/f				
Additional provisions				
Provision utilised				
Change due to discount and time value for money				
Total provisions period end				
Current Provisions				
Non-Current Provisions				

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

34. Lease Liabilities

Description	Period ended Sep2024	Opening Statement 1st July 2024
	Kshs	Kshs
Balance at the beginning of the period		
Discount interest on lease liability		
Paid during the period		
At end of the period		

35. Deferred Income

Description	Period ended Sep2024	Opening Statement 1st July 2024
	Kshs	Kshs
National Government		
International Funders		
Public Contributions and Donations		
Total Deferred Income		

(Provide brief explanation)

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

The deferred income movement is as follows:

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

Analysed as:

Description	Amount
Current	
Non- Current	
Total	

36. Employee Benefit Obligations

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

Retirement benefit Asset/ Liability (Applicable to Pensions)

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

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

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

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

Notes to the financial statements (continued)

	Period ended Sep 2024	Opening Statement 1st July 2024
Discount Rates		
Future Salary Increases		
Future Pension Increases		
Mortality (Pre- Retirement)		
Mortality (Post- Retirement)		
Withdrawals		
Ill Health		
Retirement		

Recognition of Retirement Benefit Asset/ Liability

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

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

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

b) Amounts recognised in the Statement of Financial Position

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

The Entity also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The Entity's obligation under the scheme is limited to specific contributions legislated from time to time and is currently at KShs.1080 per employee per month. Other than NSSF the Entity also has a defined contribution scheme operated by Laptrust and Lapfund Pension Fund. Employees contribute 12% while employers contribute 15% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

37. Borrowings

Description	Period ended Sep 2024
a) External borrowings	
Balance at beginning of the period	
External borrowings during the period	
Repayments of during the period	
Balance at end of the period	
b) Domestic borrowings	
Balance at beginning of the period	
Domestic borrowings during the period	
Repayments during the period	
Balance at end of the Period	
Balance at end of the period- domestic and External borrowings c = (a+b)	

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

The analyses of both external and domestic borrowings are as follows:

	Period ended Sep 2024	Opening Statement 1st July 2024
	Kshs	Kshs
External Borrowings		
Dollar Denominated Loan From ‘X Organisation’		
Sterling Pound Denominated Loan From ‘Y Organisation’		
Euro Denominated Loan from Z Organisation’		
Domestic Borrowings		
Kenya Shilling Loan From KCB		
Kenya Shilling Loan from Barclays Bank		
Kenya Shilling Loan from Consolidated Bank		
Total /Balance at end of The Period		

Description	Period ended Sep 2024	Opening Statement 1st July 2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)		
Long Term Borrowings		
Total		

(NB: the total of this statement should tie to note 35 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed).

38. Service Concession Arrangements Liability

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

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

39. Cash Generated from Operations

	Period ended Sep 2024
Surplus for the year before tax	(147,553,721)
Adjusted for:	
Depreciation	4,999,070
Non-cash grants received	
Contributed assets	
Impairment	
Gains and losses on disposal of assets	
Contribution to provisions	
Contribution to impairment allowance	
Working capital adjustments	(142,554,651)
Increase in inventory	
Increase in receivables	
Increase in deferred income	
Increase in payables	142,592,517
Increase in payments received in advance	
Net cash flow from operating activities	37,866

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

Receivables from non-exchange transactions				
Bank balances				
Total				

(NB: The totals column should tie to the individual elements of credit risk disclosed in the Entity's statement of financial position)

40. Segment Information

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an Entity to present segmental information of each geographic region or department to enable users understand the Entity's performance and allocation of resources to different segments)

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

41. Contingent Assets and Contingent Liabilities

Contingent Assets

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

(Give details)

Contingent Liabilities

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

(Give details)

MARSABIT COUNTY GOVERNMENT
Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Notes to the financial statements (continued)

42. Capital Commitments

Capital Commitments	<i>Period ended Sep2024</i>
	Kshs
Authorised for	
Authorised and Contracted for	
Total	

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

43. Events after the Reporting Period

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

44. Ultimate And Holding Entity

The Entity ultimate parent is the Government of Kenya.

45. Currency

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

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Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

12. Appendices

Appendix I: Statement of Financial Performance for Each Quarter

Description	Notes	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cumulative**
		Kshs	Kshs	Kshs	Kshs	Kshs
Revenue from non-exchange transactions						
Transfers from other governments entities	7	736,206,458				736,206,458
Levies, Fines and penalties	8					
Public contributions and donations	9					
Property taxes revenue						
Licenses, Fees, and permits	10					
		736,206,458				736,206,458
Revenue from exchange transactions						
Rendering of services	11					
Sale of goods	12					
Rental revenue from facilities and equipment	13					
Finance income - external investments	14					
Agency fees						
Other income	15					
Total revenue		736,206,458				736,206,458
Expenses						
Use of goods and services	16	768,021,801				768,021,801
Employee costs	17	110,739,308				110,739,308
Remuneration of directors	18					
Depreciation and amortization expense	19	4,999,070				4,999,070
Repairs and maintenance	20					
Contracted services	21					
Grants and subsidies	22					

MARSABIT COUNTY GOVERNMENT

Quarterly Reports and Financial Statements For the Period ended Sep 30, 2024.

Description	Notes	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cumulative**
		Kshs	Kshs	Kshs	Kshs	Kshs
Finance costs	23					
Total expenses		883,760,179				883,760,179
Other gains/(losses)						
Gain on sale of assets	24					
Gain on foreign exchange transactions	25					
Unrealized gain on fair value of investments	26					
Impairment loss	27					
Surplus before tax		(147,553,721)				(147,553,721)
Taxation	28					
Surplus/(deficit) for the period		(147,553,721)				(147,553,721)

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Appendix II: Transfers from Other Government Entities

Name of the Entity Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/ Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized			Total Transfers during the Period
					Deferred Income	Receivables	Others - must be specific	
	12-Aug-24	Recurrent	13,153,682					13,153,682
	12-Aug-24	Recurrent	264,253,330					264,253,330
	16-Aug-24	Recurrent	253,370,072					253,370,072
	10-Sep-24	Recurrent	54,640,066					54,640,066
	10-Sep-24	Recurrent	56,137,108					56,137,108
	9-Sep-24	Development	94,652,200					94,652,200
			736,206,458					736,206,458