



COUNTY GOVERNMENT OF MARSABIT

QUARTERLY REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

MARCH 31, 2023

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

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

TABLE OF CONTENTS

| | |
|--|----|
| KEY ENTITY INFORMATION AND MANAGEMENT | 2 |
| FORWARD BY THE CECM FOR FINANCE AND ECONOMIC PLANNING | 5 |
| STATEMENT OF MANAGEMENT RESPONSIBILITIES | 7 |
| STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD ENDED 31 ST MARCH, 2023..... | 9 |
| 22. STATEMENT OF ASSETS AND LIABILITIES AS AT 31 ST MARCH, 2023..... | 11 |
| 23. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 ST MARCH, 2023 ... | 12 |
| 24. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED | 14 |
| 25. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT | 16 |
| 26. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT | 18 |
| 27. SIGNIFICANT ACCOUNTING POLICIES..... | 20 |
| 28. NOTES TO THE FINANCIAL STATEMENTS | 28 |
| 9. OTHER IMPORTANT DISCLOSURES | 47 |
| 10. ANNEXES..... | 49 |

KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

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

(b) Key Management

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

- Office of the Governor
- Department of Finance and Economic Planning
- Department of Agriculture, Livestock and Fisheries
- County Public Service Board
- Department of Education, Youth, Sports and Skills Development
- Department of Health Services
- Department of Administration and ICT
- Department of Lands and Urban Planning and Development
- Department of Roads, Transport and Public Works
- Department of Water, Environment and Natural Resources
- Department of Trade, Industry and Enterprise Development
- Department of Tourism, Culture and Social Services

(c) Fiduciary Management

The key management personnel who held office during the financial period ended 30th September 2022 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 | Malicha Boru Wario |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

| No. | Designation | Name |
|------------|---|-----------------------------|
| 2. | Accounting Officer-Finance and Economic Planning Department | Wario Jirmo Harsama |
| 3. | Accounting Officer-Executive Department | Geoffrey Godana |
| 4. | Accounting Officer- Administration and ICT Department | Orge Gillabaji |
| 5. | Accounting Officer- Agriculture, Livestock and Fisheries Department | Boru Agah |
| 6. | Accounting Officer –Roads, Transport, Public Works and Housing Department | Adan Bashir |
| 7. | Accounting Officer- Health Department | Tache Elema |
| 8. | Accounting Officer- Water, Environment and Natural Resources Department | Boru Sharamo |
| 9. | Accounting Officer- Education, Youth and Skills Development Department | Jillo Ibrae |
| 10. | Accounting Officer- Lands and Urban Planning Department | Osman Mohamed |
| 11. | Accounting Officer- Tourism and Culture Department | Anna Maria |
| 12. | Accounting Officer-Trade and Industry Department | Peter Leruk |
| 13. | Director-Accounting services | CPA Shalle Ibrahim Shalle |
| 14. | Director-Revenue | Bonaya Wario Doko |
| 15. | Director-Finance | CPA Simon Khobes Siblet |
| 16. | Director Internal Audit | CPA Bonaya Doti |
| 17. | Director-Procurement | Mr. Francis Kariuki Kamendi |

(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.

a) County Executive Headquarters

P.O. Box 384 - 60500
County Headquarters
Marsabit - Isiolo Highway
Marsabit, Kenya.

b) County Executive Contacts

Telephone: (254)708852046
E-mail: info@treasury.marsabit.go.ke
Website: www.marsabit.go.ke

c) 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 COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

Marsabit, Kenya

3. Co-operative Bank
Marsabit Branch
4. Equity Bank
Marsabit Branch

d) Independent Auditors

Auditor-General

Office of The Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

NAIROBI, KENYA

e) Principal Legal Adviser

The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

City Square 00200

NAIROBI, KENYA

FORWARD BY THE CECM FOR FINANCE AND ECONOMIC PLANNING

I am pleased to present the financial report for the County Government of Marsabit for the third quarter of the financial year 2022/23 that ended on March 31, 2023. 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.

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

Financial statements are critical in ensuring accountability of public funds and in 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 (through equitable share of revenue with the national government), own source revenue and grants and donations. The collection of own source revenue is in line with Article 175(b) of the Constitution.

By the end of the third quarter of the financial year 2022-2023, the County Government of Marsabit had received a cumulative sum of **Kshs 4,184,277,314** as equitable share, Kshs 113,633,927 as conditional grants and generated a sum of Kshs 104,515,927 from county's own sources of revenue. In addition, the County's cumulative expenditure by the end of quarter three was **Kshs 4,373,219,938** which comprises Kshs 2,000,346,253 being payment for County employees' salaries and wages, Kshs 872,398,013 being a recurrent expenditure on County Executive's operations and maintenance, Kshs 1,080,595,709 being an expenditure on the County Executive's development vote and a transfer of Kshs 419,879,963 to County Assembly of Marsabit as part of their budgetary allocation for the financial year under consideration.

.....
County Executive Committee Member
County Government of Marsabit

STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The County Executive Committee (CEC) member for Finance and Economic planning of the County Government is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the period ended March 31, 2023. 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 o accepts responsibility for the County Government's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The CEC member for Finance 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 March 31, 2023, 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
Reports and Financial Statements
For the period ended March 31, 2023

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 Government's financial statements were approved and signed by the CEC member for finance on _____ 2023

Name:

County Executive Committee member – Finance

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD ENDED 31ST MARCH, 2023

| | | Period ended | Comparative Period |
|--|--------------|----------------------|---------------------------|
| | | March 31 2023 | |
| | Notes | KShs | KShs |
| RECEIPTS | | | |
| Exchequer releases | 1 | 4,184,277,314 | 4,839,207,684 |
| Proceeds from Domestic and Foreign Grants | 2 | 110,226,440 | 2,500,000 |
| Transfers from Other Government Entities | 3 | - | - |
| Proceeds from Domestic Borrowings | 4 | - | - |
| Proceeds from Foreign Borrowings | 5 | - | - |
| Proceeds from Sale of Assets | 6 | - | - |
| Reimbursements and Refunds | 7 | - | - |
| Returns of Equity Holdings | 8 | - | - |
| County Own Generated Receipts | 9 | 113,633,927 | 79,670,942 |
| Returned CRF issues | 10 | 2,667 | 42,212 |
| TOTAL RECEIPTS | | 4,408,140,348 | 4,921,420,837 |
| PAYMENTS | | | |
| Compensation of Employees | 11 | 2,000,346,253 | 2,377,882,819 |
| Use of goods and services | 12 | 651,285,724 | 535,364,002 |
| Subsidies | 13 | - | - |
| Transfers to Other Government Units | 14 | 576,879,963 | |
| Other grants and transfers | 15 | 914,169,531 | 617,843,722 |
| Social Security Benefits | 16 | 13,464,831 | 673,514,503 |
| Acquisition of Assets | 17 | 217,073,636 | 1,551,512 |
| Finance Costs, including Loan Interest | 18 | - | - |
| Repayment of principal on Domestic and Foreign borrowing | 19 | - | - |
| Other Payments | 20 | - | - |
| TOTAL PAYMENTS | | 4,373,219,938 | 5,282,050,113 |
| SURPLUS/DEFICIT | | 34,920,410 | -360,629,275 |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2023 and signed by:

Chief Officer
Name:
ICPAK Member Number:

Head of Accounting Services
Name:
ICPAK Member Number:

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

18. STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2023

| | | Period ended March 31, 2023 | Prior year audited |
|--|--------------|--|-------------------------------|
| | Notes | KShs | KShs |
| FINANCIAL ASSETS | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances | 21A | 130,826,714 | 427,386,802 |
| Cash Balances | 21B | - | - |
| Total Cash and cash equivalents | | 130,826,714 | 427,386,802 |
| Accounts Receivables | 22 | 37,916,393 | 43,479,040 |
| TOTAL FINANCIAL ASSETS | | 168,743,107 | 470,865,842 |
| FINANCIAL LIABILITIES | | | |
| Accounts Payables | 23 | 11,045,714 | 50,931,716 |
| NET FINANCIAL ASSETS | | 157,697,393 | 419,934,126 |
| REPRESENTED BY | | | |
| Fund balance b/fwd | 24 | 122,776,984 | 780,563,402 |
| Prior year adjustments | 25 | | |
| Surplus/Deficit for the period | | 34,920,410 | -360,629,275 |
| NET FINANCIAL POSITION | | 157,697,393 | 419,934,126 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2023 and signed by:

Chief Officer Finance
Name:
ICPAK Member Number

Head of Accounting Services
Name:
ICPAK Member Number:

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

19. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31ST MARCH, 2023

| | Notes | Period ended March 31, 2023 | Prior year audited |
|---|-------|-----------------------------|-----------------------|
| | | KShs | KShs |
| Receipts from operating income | | | |
| Exchequer Releases | 1 | 4,184,277,314 | 4,839,207,684 |
| Proceeds from Domestic and Foreign Grants | 2 | 110,226,440 | 2,500,000 |
| Transfers from Other Government Entities | 3 | - | |
| Reimbursements and Refunds | 7 | - | - |
| Returns of Equity Holdings | 8 | - | - |
| County Own Generated Receipts | 9 | 113,633,927 | 79,670,942 |
| Returned CRF issues | 10 | 2,667 | 42,212 |
| Payments for operating expenses | | - | |
| Compensation of Employees | 11 | -2,000,346,253 | -2,377,882,819 |
| Use of goods and services | 12 | -651,285,724 | -535,364,002 |
| Subsidies | 13 | - | - |
| Transfers to Other Government Units | 14 | -576,879,963 | -617,843,722 |
| Other grants and transfers | 15 | -914,169,531 | -673,514,503 |
| Social Security Benefits | 16 | -13,464,831 | -1,551,512 |
| Finance Costs, including Loan Interest | 18 | - | - |
| Other Payments | 20 | - | - |
| | | | |
| Adjusted for: | | | |
| Decrease/(Increase) in Accounts Receivable | 26 | -37,916,393 | -43,479,040 |
| Increase/(Decrease) in Accounts Payable | 27 | -28,802,395 | -2,505,380 |
| Other Adjustments-Prior year Adjustments | 25 | | |
| Net cash flow from operating activities | | 185,275,257 | 669,279,859 |
| CASHFLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds from Sale of Assets | 6 | - | - |
| Acquisition of Assets | 17 | -217,073,636 | -1,075,893,554 |
| Net cash flows from Investing Activities | | -217,073,636 | -1,075,893,554 |
| CASHFLOW FROM BORROWING ACTIVITIES | | | |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

| | Notes | Period ended March 31, 2023 | Prior year audited |
|---|-------|-----------------------------|---------------------|
| | | KShs | KShs |
| Proceeds from Domestic Borrowings | 4 | - | - |
| Proceeds from Foreign Borrowings | 5 | - | - |
| Repayment of principal on Domestic and Foreign borrowing | 19 | - | - |
| Net cash flow from financing activities | | - | - |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | -31,798,379 | -406,613,695 |
| Cash and cash equivalents at BEGINNING of the year | 21 | 162,625,093 | 834,000,498 |
| Cash and cash equivalents at END of the period | 24 | 130,826,714 | 427,386,802 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on _____ 2023 and signed by:

Chief Officer Finance

Name:

ICPAK Member Number

Head of Accounting Services

Name:

ICPAK Member Number

MARSABIT COUNTY GOVERNMENT
Consolidated Reports and Financial Statements
For the period ended March 31, 2023

20. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

| Receipt/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis * | % of Utilization |
|--|------------------------|--------------------|----------------------|-------------------------------------|-------------------------|
| | a | b | C=(a+b) | d | d/c |
| | Kshs | Kshs | Kshs | Kshs | % |
| RECEIPTS | | | | | |
| Exchequer releases | 5,457,753,023 | - | 5,457,753,023 | 4,096,599,118 | 75% |
| Proceeds from Domestic and Foreign Grants | 184,745,535 | - | 184,745,535 | 154,478,204 | 84% |
| Transfers from Other Government Entities | | - | | - | - |
| Proceeds from Domestic Borrowings | - | - | - | - | - |
| Proceeds from Foreign Borrowings | - | - | - | - | - |
| Proceeds from Sale of Assets | - | - | - | - | - |
| Reimbursements and Refunds | - | - | - | - | - |
| Returns of Equity Holdings | - | - | - | - | - |
| County Own Generated Receipts | 127,500,000 | - | 127,500,000 | 113,633,927 | 89% |
| Returned CRF issues | 485,017,984 | - | 485,017,984 | 45,993,837 | 9% |
| TOTAL | 6,255,016,542 | - | 6,255,016,542 | 4,401,587,086 | 70% |
| PAYMENTS | | | | | |
| Compensation of Employees | 2,201,809,283 | - | 2,201,809,283 | 2,000,346,253 | 91% |
| Use of goods and services | 691,766,602 | - | 691,766,602 | 651,285,724 | 94% |
| Subsidies | - | - | - | - | - |
| Transfers to Other Government Units | 1,562,676,323 | - | 1,562,676,323 | 576,879,963 | 37% |
| Other grants and transfers | 967,933,975 | - | 967,933,975 | 914,169,531 | 94% |
| Social Security Benefits | 22,299,386 | - | 22,299,386 | 13,464,831 | - |
| Acquisition of Assets | 1,178,022,041 | - | 1,178,022,041 | 217,073,636 | 18% |
| Finance Costs, including Loan Interest | | - | | | |
| Repayment of principal on Domestic and Foreign borrowing | - | - | - | - | - |
| Other Payments | - | - | - | - | - |
| TOTAL | 6,624,507,611 | - | 6,624,507,611 | 4,373,219,938 | 66% |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period *ended March 31, 2023*

The entity financial statements were approved on _____ 2023 and signed by:

Chief Officer

Name:

ICPAK Member Number

Head of Accounting Services

Name:

ICPAK Member Number

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

21. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

| Receipt/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis* | % of Utilization |
|---|------------------------|--------------------|----------------------|------------------------------------|-------------------------|
| | a | b | C=(a+b) | d | d/c |
| | Kshs | Kshs | Kshs | Kshs | |
| RECEIPTS | | | | | |
| Exchequer releases | 3,636,497,247 | - | 3,636,497,247 | 3,193,398,493 | 88% |
| Proceeds from Domestic and Foreign Grants | - | - | - | - | - |
| Transfers from Other Government Entities | - | - | - | - | - |
| Proceeds from Domestic Borrowings | - | - | - | - | - |
| Proceeds from Foreign Borrowings | - | - | - | - | - |
| Proceeds from Sale of Assets | - | - | - | - | - |
| Reimbursements and Refunds | - | - | - | - | - |
| Returns of Equity Holdings | - | - | - | - | - |
| County Own Generated Receipts | 127,500,000 | - | 127,500,000 | 113,633,927 | 89% |
| Returned CRF issues | - | - | - | - | - |
| TOTAL | 3,763,997,247 | - | 3,763,997,247 | 3,297,914,420 | 88% |
| PAYMENTS | | | | | |
| Compensation of Employees | 2,201,809,283 | - | 2,201,809,283 | 2,000,346,253 | 91% |
| Use of goods and services | 637,954,102 | - | 637,954,102 | 593,051,182 | 93% |
| Subsidies | - | - | - | - | - |
| Transfers to Other Government Units | 783,122,247 | - | 783,122,247 | 576,879,963 | 74% |
| Other grants and transfers | 86,655,000 | - | 86,655,000 | 106,000,000 | 122% |
| Social Security Benefits | 22,299,386 | - | 22,299,386 | 13,464,831 | 60% |
| Acquisition of Assets | 32,157,229 | - | 32,157,229 | 2,882,000 | 9% |
| Finance Costs, including Loan Interest | - | - | - | - | - |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period *ended March 31, 2023*

| Receipt/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis* | % of Utilization |
|--|------------------------|--------------------|----------------------|------------------------------------|-------------------------|
| | a | b | C=(a+b) | d | d/c |
| | Kshs | Kshs | Kshs | Kshs | |
| Repayment of principal on Domestic and Foreign borrowing | - | - | - | - | - |
| Other Payments | - | - | - | - | - |
| TOTAL | 3,763,997,247 | - | 3,763,997,247 | 3,292,624,229 | 87% |

The entity financial statements were approved on _____ 2023 and signed by:

Chief Officer

Name:

ICPAK Member Number:

Head of Accounting Services

Name:

ICPAK Member Number:

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

22. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

| Receipt/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | % of Utilization |
|--|------------------------|--------------------|----------------------|-----------------------------------|-------------------------|
| | a | b | C=(a+b) | d | d/c |
| | Kshs | Kshs | Kshs | Kshs | |
| RECEIPTS | - | - | - | - | - |
| Exchequer releases | 1,821,255,776 | - | 1,821,255,776 | 903,200,625 | 50% |
| Proceeds from Domestic and Foreign Grants | - | - | - | - | - |
| Transfers from Other Government Entities | 554,236,604 | - | 554,236,604 | 154,478,204 | 28% |
| Proceeds from Domestic Borrowings | - | - | - | - | - |
| Proceeds from Foreign Borrowings | - | - | - | - | - |
| Proceeds from Sale of Assets | - | - | - | - | - |
| Reimbursements and Refunds | - | - | - | - | - |
| Returns of Equity Holdings | - | - | - | - | - |
| County Own Generated Receipts | - | - | - | - | - |
| Returned CRF issues | 485,017,984 | - | 485,017,984 | 45,993,837 | 9% |
| TOTAL | 2,860,510,364 | - | 2,860,510,364 | 1,103,672,666 | 39% |
| PAYMENTS | - | - | - | - | - |
| Compensation of Employees | - | - | - | - | - |
| Use of goods and services | 53,812,500 | - | 53,812,500 | 58,234,542 | 108% |
| Subsidies | - | - | - | - | - |
| Transfers to Other Government Units | 779,554,076 | - | 779,554,076 | - | 0% |
| Other grants and transfers | 881,278,975 | - | 881,278,975 | 808,169,531 | 92% |
| Social Security Benefits | - | - | - | - | - |
| Acquisition of Assets | 1,145,864,813 | - | 1,145,864,813 | 214,191,636 | 19% |
| Finance Costs, including Loan Interest | - | - | - | - | - |
| Repayment of principal on Domestic and Foreign borrowing | - | - | - | - | - |
| Other Payments | - | - | - | - | - |
| TOTAL | 2,860,510,364 | - | 2,860,510,364 | 1,080,595,709 | 38% |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

The entity financial statements were approved on _____ 2023 and signed by:

Chief Officer

Name:

ICPAK Member Number

Head of Accounting Services

Name:

ICPAK Member Number

23. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Cash-basis IPSAS financial reporting under the cash basis of accounting, as prescribed by the PSASB and set out in the accounting policy notes below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The receivables and payables are disclosed in the Statement of Assets and Liabilities.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the entity all values are rounded to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the quarters presented.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB.

2. Reporting entity

The financial statements are for the Marsabit County Government. The financial statements encompass the reporting entity as specified under section 166 of the PFM Act 2012.

3. Recognition of receipts and payments

a) Recognition of receipts

The County Government recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Government.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Transfers from the Exchequer

Transfer from Exchequer is recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

ii) External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Donations and grants

Grants and donations shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary. In case of grant/donation in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice.

Proceeds from borrowing

Borrowing includes Treasury bill, treasury bonds, corporate bonds; sovereign bonds and external loans acquired by the entity or any other debt the County Government may take on will be treated on cash basis and recognized as receipts during the quarter of receipt.

Undrawn external assistance

These are loans and grants at reporting date as specified in a binding agreement and relate to funding for projects currently under development where conditions have been satisfied or their ongoing satisfaction is highly likely and the project is anticipated to continue to completion. During the quarter ended 31st March, 2023, there were no instances of non-

MARSABIT COUNTY GOVERNMENT

Reports and Financial Statements

For the period *ended March 31, 2023*

compliance with terms and conditions which have resulted in cancellation of external assistance loans.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

iii) County Own Generated Receipts

These include Appropriation-in-Aid and relates to receipts such as trade licences, cess, fees, property income among others generated by the County Government from its citizenry. These are recognised in the financial statements the time associated cash is received.

iv) Returns to CRF Issues

These relate to unspent balances in the development, recurrent and deposit accounts at the end of the quarter which are returned to the County Revenue Fund (CRF) and appropriated through a supplementary budget to enable the County to spend funds. These funds are recognised once appropriated through a supplementary budget process.

b) Recognition of payments

The entity recognises all payments when the event occurs and the related cash has actually been paid out by the entity.

i) Compensation of employees

Salaries and Wages, Allowances, Statutory Contribution for employees are recognized in the period when the compensation is paid.

ii) Use of goods and services

Goods and services are recognized as payments in the period when the goods/services are consumed and paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

iii) Interest on borrowing

Borrowing costs that include interest are recognized as payment in the period in which they incurred and paid for.

iv) Repayment of borrowing (principal amount)

The repayment of principal amount of borrowing is recognized as payment in the period in which the repayment is made. The stock of debt is disclosed as an annexure to the County consolidated financial statements.

v) Acquisition of fixed assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the consolidated financial statements.

4. In-kind contributions

In-kind contributions are donations that are made to the *entity* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *entity* includes such value in the statement of receipts and payments both as

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

receipts and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. 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 quarter.

Restriction on cash

Restricted cash represents amounts that are limited /restricted from being used to settle a liability for at least twelve months after the reporting period. This cash is limited for direct use as required by stipulation.

Amounts maintained in deposit bank accounts are restricted for use in refunding third party deposits. As at XX 202x, this amounted to Kshs xxx compared to Kshs xxx in prior period as indicated on note xxx. There were no other restrictions on cash during the quarter.

6. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial quarter is treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted and prescribed by the Public Sector Accounting Standards Board. Other liabilities including pending bills are disclosed in the financial statements.

8. Non-current assets

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the entity fixed asset register a summary of which is provided as a memorandum to these financial statements.

9. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial quarter arising from contracted goods or services during the quarter or in past quarters. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the *entity* at the end of the quarter.

10. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *entity's* budget

MARSABIT COUNTY GOVERNMENT

Reports and Financial Statements

For the period ended March 31, 2023

was approved as required by Law and as detailed in the County Revenue Allocation Act. The original budget was approved by the County Assembly on xxx for the period 1st July 202x to 30 June 202x as required by law. There was xxx number of supplementary budgets passed in the quarter. A high-level assessment of the *entity's* actual performance against the comparable budget for the financial quarter under review has been included in these financial statements.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Related party transactions

Related party transactions involve cash and in kind transactions with the National Government, National Government entities and County Government entities

MARSABIT COUNTY GOVERNMENT
Consolidated Reports and Financial Statements
For the period ended March 31, 2023

24. NOTES TO THE FINANCIAL STATEMENTS

1 EXCHQUER RELEASES

| | Period ended March 31st, 2023 | Comparative Period |
|--|---|---------------------------|
| | KShs | KShs |
| Total Exchequer Releases for quarter 1 | 1,200,705,663 | 1,200,705,666 |
| Total Exchequer Releases for quarter 2 | 1,200,705,665 | 1,819,251,009 |
| Total Exchequer Releases for quarter 3 | 1,782,865,986 | 1,819,251,009 |
| Total Exchequer Releases for quarter 4 | | |
| Total | 4,184,277,314 | 4,839,207,684 |

1A. Equitable Share

| | Period ended March 31st, 2023 | Comparative Period |
|-------------------------------------|---|---------------------------|
| | KShs | KShs |
| Total Equitable Share for quarter 1 | 1,200,705,663 | 1,200,705,666 |
| Total Equitable Share for quarter 2 | 1,200,705,665 | 1,819,251,009 |
| Total Equitable Share for quarter 3 | 1,782,865,986 | 1,819,251,009 |
| Total Equitable Share for quarter 4 | | |
| Total | 4,184,277,314 | 4,839,207,684 |

1B: Level 5 Hospitals Allocation

| Description | Period ended March 31st, 2023 | Comparative Period |
|---------------------------------|---|---------------------------|
| | KShs | KShs |
| Transfers for level 5 hospitals | - | - |
| Total | - | - |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 PROCEEDS FROM DOMESTIC AND FOREIGN GRANTS

| Description | Period ended March 31 st , 2023 | Comparative Period |
|--|---|--------------------|
| | KShs | KShs |
| Proceeds from Domestic and foreign grants received through exchequer | | |
| DANIDA - Universal Healthcare in Devolved Units Programme | - | - |
| World Bank – THUSCP | - | - |
| National Agricultural & Rural Inclusive Growth Project (NARIGP) | - | - |
| Kenya Devolution Support Programme | - | - |
| Youth Polytechnic support grant | - | - |
| Abolishment of user fees in health centres and dispensaries | - | - |
| Kenya Urban Support Programme | - | - |
| Agriculture Sector Development Support Project (ASDSP) | 7,156,508 | 2,500,000 |
| Health Sector Support Project (HSSP) | 55,194,559 | |
| Kenya Climate Smart Agriculture Project (KCSAP) | 36,875,373 | - |
| Emergency Locust Project | 11,000,000 | |
| County Climate Institutional Support | 55,194,559 | |
| Sub total | 110,226,440 | 2,500,000 |
| Proceeds from domestic and foreign grants received directly by the county | - | - |
| Covid-19 Donations | - | - |
| Others | - | - |
| Sub total | - | - |
| Grand Total | 110,226,440 | 2,500,000 |

(Include a brief explanation on grants received, from whom and for what purpose)

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

| Description | Period ended March 31 st , 2023 | Comparative Period |
|---|---|-----------------------|
| | KShs | KShs |
| Transfers from Central Government entities | | |
| Road maintenance levy fund | - | - |
| Covid-19 Fund | - | - |
| (insert name of budget agency) | - | - |
| (insert name of budget agency) | - | - |
| Transfers from Counties | - | - |
| (insert name of budget agency) | - | - |
| TOTAL | - | - |

(Give a brief description of what the transfers relate to and from whom they were received)

4 PROCEEDS FROM DOMESTIC BORROWINGS

| | Period ended March 31 st , 2023 | Comparative Period |
|---|---|-----------------------|
| | KShs | KShs |
| Borrowing within General Government | - | - |
| Borrowing from Monetary Authorities (Central Bank) | - | - |
| Other Domestic Depository Corporations (Commercial Banks) | - | - |
| Borrowing from Other Domestic Financial Institutions | - | - |
| Borrowing from Other Domestic Creditors | - | - |
| Domestic Currency and Domestic Deposits | - | - |
| Total | - | - |

(Give a brief description of the nature and sources of borrowings including any assets pledged as security)

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 PROCEEDS FROM FOREIGN BORROWINGS

| | Period ended March 31st,2023 | Comparative Period |
|---|--|---------------------------|
| | KShs | KShs |
| Foreign Borrowing – Drawdowns Through Exchequer | - | - |
| Foreign Borrowing - Direct Payments | - | - |
| Foreign Currency and Foreign Deposits | - | - |
| Total | - | - |

(Give a brief explanation relating to sources of funds, interest charged and terms of repayment)

6 PROCEEDS FROM SALE OF ASSETS

| | Period ended March 31st,2023 | Comparative Period |
|---|--|---------------------------|
| | KShs | KShs |
| Receipts from the Sale of Buildings | | |
| Receipts from Sale of Vehicles and Transport Equipment | - | - |
| Receipts from Sale of Plant Machinery and Equipment | - | - |
| Receipts from Sale of Certified Seeds and Breeding Stock | - | - |
| Receipts from Sale of Strategic Reserves Stocks | - | - |
| Receipts from Sale of Inventories, Stocks and Commodities | - | - |
| Disposal and Sales of Non-Produced Assets | - | - |
| Total | - | - |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 REIMBURSEMENTS AND REFUNDS

| | Period ended March 31st, 2023 | Comparative Period |
|--|---|---------------------------|
| | KShs | KShs |
| Refund from World Food Programme (WFP) | - | - |
| Reimbursement of Audit Fees | - | - |
| Reimbursement on Messing Charges (UNICEF) | - | - |
| Reimbursement from World Bank – ECD | - | - |
| Reimbursement from Individuals & Private Organisations | - | - |
| Reimbursement from Local Government Authorities | - | - |
| Reimbursement from Statutory Organisations | - | - |
| Reimbursement within Central Government | - | - |
| Reimbursement Using Bonds | - | - |
| Total | - | - |

(Give a brief description on what the refunds relate to)

8 RETURNS OF EQUITY HOLDINGS

| | Period ended March 31st, 2023 | Comparative Period |
|---|---|---------------------------|
| | KShs | KShs |
| Returns of Equity Holdings in Domestic Organisations | - | - |
| Returns of Equity Holdings in International Organisations | - | - |
| Total | - | - |

(State briefly from which entities dividends or interest is derived from)

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9 COUNTY OWN GENERATED RECEIPTS

| | Period ended March 31st, 2023 | Comparative Period |
|---------------------------------------|---|---------------------------|
| | KShs | KShs |
| Market Charges | 1,074,023 | 1,612,282 |
| Livestock Charges | 9,901,203 | 10,294,641 |
| Land Transaction Charges | 1,308,427 | 1,544,984 |
| Royalties | 859,350 | 1,134,900 |
| Plan Approvals | - | - |
| Slaughter | 241,150 | 366,260 |
| Scrap Metal | 68,510 | 92,790 |
| Cement | - | - |
| Single business permit | 6,517,850 | 5,267,250 |
| Produce | 18,012,541 | 7,120,596 |
| Miscellaneous charges | 9,480,348 | 2,730,926 |
| Fish Cess | 735,900 | |
| Advertisements/Promotion | 1,871,600 | - |
| Liquor Licence | 553,000 | 421,000 |
| Public health | 334,300 | 2,164,130 |
| Hospital | 59,285,777 | 43,203,251 |
| Agricultural Mechanisation Services | - | - |
| Veterinary- Meat Inspection | 86,014 | 258,020 |
| Lease/Rental of Infrastructure Assets | 3,303,934 | 3,459,912 |
| Other miscellaneous receipts | - | - |
| Total | 113,633,927 | 79,670,942 |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 RETURNED CRF ISSUES

| | Period ended March 31st, 2023 | Comparative Period |
|---------------------------------|---|---------------------------|
| | KShs | KShs |
| Equity Bank-County Assembly | - | 18,542 |
| CBK Recurrent-County Assembly | 2,667 | 23,669 |
| CBK Development-County Assembly | - | 1 |
| Total | 2,667 | 42,212 |

(State what the refunds relate to and when they were appropriated for use)

11 COMPENSATION OF EMPLOYEES

| | Period ended March 31st, 2023 | Comparative Period |
|---|---|---------------------------|
| | KShs | KShs |
| Basic salaries of permanent employees | 1,930,079,135 | 2,263,674,501 |
| Basic wages of temporary employees | 48,145,709 | 42,350,185 |
| Personal allowances paid as part of salary | 22,121,409 | 56,483,153 |
| Personal allowances paid as reimbursements | - | - |
| Personal allowances provided in kind | - | - |
| Employer Contribution to compulsory National Social Schemes | - | - |
| Employer Contribution to Compulsory National health Insurance Schemes | - | - |
| Pension and other social security contributions | - | 15,374,980 |
| Social benefit schemes outside government | - | - |
| Other personnel payments | - | - |
| Total | 2,000,346,253 | 2,377,882,819 |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12 USE OF GOODS AND SERVICES

| | Period ended March 31st, 2023 | Comparative Period |
|--|---|---------------------------|
| | KShs | KShs |
| Utilities, supplies and services | 9,543,861 | 3,376,912 |
| Communication, supplies and services | 5,264,650 | 932,500 |
| Domestic travel and subsistence | 100,783,083 | 85,141,344 |
| Foreign travel and subsistence | 9,983,800 | 4,491,500 |
| Printing, advertising and information supplies & services | 30,554,100 | 33,282,130 |
| Rentals of produced assets | 22,146,000 | 23,172,700 |
| Training expenses | 49,115,895 | 91,970,260 |
| Hospitality supplies and services | 53,942,408 | 45,122,200 |
| Insurance costs | 8,146,389 | 8,000,000 |
| Specialized materials and services | 64,240,242 | 77,204,701 |
| Office and general supplies and services | 28,715,226 | 12,371,667 |
| Fuel, oil and lubricants | 54,139,200 | 37,419,544 |
| Other operating expenses | 167,017,161 | 82,595,038 |
| Routine maintenance – vehicles and other transport equipment | 37,932,744 | 18,055,998 |
| Routine maintenance – other assets | 9,760,965 | 12,227,508 |
| Total | 651,285,724 | 535,364,002 |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 SUBSIDIES

| Description | Period ended March 31 st ,2023 | Comparative Period |
|----------------------------------|---|--------------------|
| | KShs | KShs |
| Subsidies to Public Corporations | | |
| <i>See list attached</i> | - | - |
| (insert name) | - | - |
| Subsidies to Private Enterprises | - | - |
| <i>See list attached</i> | - | - |
| (insert name) | - | - |

(Give explanation of the nature of subsidies and the kind of services that have been subsidised)

14 TRANSFER TO OTHER GOVERNMENT ENTITIES

| Description | Period ended March 31 st ,2023 | Comparative Period |
|--|---|--------------------|
| | KShs | KShs |
| Transfers to County Government entities | | |
| Emergency Fund | 117,000,000 | 130,000,000 |
| Transfers to County Assembly | 419,879,963 | 487,843,722 |
| County Executive Mortgage Fund | 40,000,000 | - |
| TOTAL | 576,879,963 | 617,843,722 |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15 OTHER GRANTS AND OTHER PAYMENTS

| | Period ended March 31st, 2023 | Comparative Period |
|--|---|---------------------------|
| | KShs | KShs |
| Scholarships and other educational benefits | 100,000,000 | 100,000,000 |
| Emergency relief and refugee assistance | 634,545,551 | 634,545,551 |
| Subsidies to small businesses, cooperatives, and self employed | - | - |
| Other current transfers, grants | - | 221,356,003 |
| Other capital grants and transfers | 179,623,980 | 57,141,100 |
| Urban Institutional Grant Transfer | - | - |
| Urban Development Grant Transfer | - | - |
| Kenya Climate Smart Agriculture Transfer | - | - |
| Total | 914,169,531 | 673,514,503 |

16 SOCIAL SECURITY BENEFITS

| | Period ended March 31st, 2023 | Comparative Period |
|--|---|---------------------------|
| | KShs | KShs |
| Government pension and retirement benefits | 13,464,831 | 1,551,512 |
| Social security benefits | - | - |
| Employer Social Benefits | - | - |
| Total | 13,464,831 | 1,551,512 |

(Explain where the benefits are remitted and who the beneficiaries are)

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17 ACQUISITION OF ASSETS

| <u>Non- Financial Assets</u> | Period ended March 31st, 2023 | Comparative Period |
|---|---|---------------------------|
| | KShs | KShs |
| Purchase of Buildings | - | - |
| Construction of Buildings | 20,976,466 | 231,410,637 |
| Refurbishment of Buildings | - | - |
| Construction of Roads | - | 61,540,000 |
| Construction and Civil Works | 37,118,198 | 164,783,838 |
| Overhaul and Refurbishment of Construction and Civil Works | | - |
| Purchase of Vehicles and Other Transport Equipment | - | 20,000,000 |
| Overhaul of Vehicles and Other Transport Equipment | - | - |
| Purchase of Household Furniture and Institutional Equipment | - | 1,800,000 |
| Purchase of Office Furniture and General Equipment | - | - |
| Purchase of Specialized Plant, Equipment and Machinery | - | 10,718,972 |
| Rehabilitation and Renovation of Plant, Machinery and Equip. | - | |
| Purchase of Certified Seeds, Breeding Stock and Live Animals | 982,000 | |
| Research, Studies, Project Preparation, Design & Supervision | 29,994,700 | 21,868,100 |
| Rehabilitation of Civil Works | | |
| Acquisition of Strategic Stocks and commodities | - | - |
| Acquisition of Land | - | - |
| Acquisition of Intangible Assets | - | - |
| Domestic Payables from previous financial Year | 128,002,272 | 563,772,007 |
| Total acquisition of non- financial assets | 217,073,636 | 1,075,893,554 |
| | - | - |
| <u>Financial Assets</u> | - | - |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period *ended March 31, 2023*

| <u>Non- Financial Assets</u> | Period ended March 31st ,2023 | Comparative Period |
|--|---|---------------------------|
| Domestic Public Non-Financial Enterprises | - | - |
| Domestic Public Financial Institutions | - | - |
| Total acquisition of financial assets | - | - |
| Total acquisition of assets | 217,073,636 | 1,075,893,554 |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

18 FINANCE COSTS, INCLUDING LOAN INTEREST

| | Period ended March 31st, 2023 | Comparative Period |
|---|---|---------------------------|
| | KShs | KShs |
| Bank Charges | - | - |
| Interest Payments on Foreign Borrowings | - | - |
| Interest Payments on Guaranteed Debt Taken over by Govt | - | - |
| Interest on Domestic Borrowings (Non-Govt) | - | - |
| Interest on Borrowings from Other Government Units | - | - |
| Total | - | - |

19 REPAYMENT OF PRINCIPAL ON DOMESTIC LENDING AND ON-LENDING

| | Period ended March 31st, 2023 | Comparative Period |
|--|---|---------------------------|
| | KShs | KShs |
| Repayments on Borrowings from Domestic | - | - |
| Principal Repayments on Guaranteed Debt Taken over by Government | - | - |
| Repayments on Borrowings from Other Domestic Creditors | - | - |
| Repayment of Principal from Foreign Lending & On – Lending | - | - |
| Total | - | - |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

20 OTHER PAYMENTS

| | Period ended March 31st,2023 | Comparative Period |
|----------------------------|--|---------------------------|
| | KShs | KShs |
| Budget Reserves | - | - |
| Civil Contingency Reserves | - | - |
| Other payments | - | - |
| | - | - |

(Provide explanation as to what each component of other expenses relate to)

21 CASH AND BANK BALANCES

21A. BANK BALANCES

| Name of Bank, Account Name & currency | Account Number | Indicate whether Rec, Dev, Dep e.t.c | Period ended March 31st,2023 | Comparative Period |
|--|-----------------------|---|--|---------------------------|
| | | | KShs | KShs |
| Central Bank of Kenya, County Revenue Fund | 1000170824 | CRF | 36,133,140 | 91,522,704 |
| Central Bank Fuel Levy | 1000299134 | Development | 161,903 | 66,286,567 |
| Central Bank of Kenya, Development | 1000170514 | Development | 64,793 | 14,585,918 |
| Central Bank of Kenya, Recurrent | 1000170492 | Recurrent | 38,998,312 | 33,901,104 |
| Central Bank of Kenya, World Bank/Danida | 1000274328 | Development | 11,964,232 | 20,413,018 |
| Central Bank of Kenya, Village Polytechnic Project | 1000367377 | Development | 1,159,347 | 1,159,347 |
| Central Bank of Kenya, Agriculture Sector Development Support Project | 1000367393 | Development | - | - |
| Central Bank of Kenya, Kenya Climate Smart Agriculture | 1000367385 | Development | 15,729 | 59,515,729 |
| Central Bank of Kenya, Emergency Locust Response Account no.1000530081 | | | - | |
| Central Bank of Kenya ,Kenya Devolution Support Project | 1000454318 | Development | 7,184,483 | 7,184,483 |
| Central Bank of Kenya,Covid-19 | 1000470143 | Development | 9,766 | 9,766 |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

| | | | | |
|--|--------------------|-------------|--------------------|--------------------|
| Drought Resilience | 1000512288 | Development | 15,000,000 | |
| Central Bank of Kenya, Food and Agriculture Organisation | 1000375744 | Development | - | - |
| Co-operative Bank, Marsabit Branch | 0114155131110 0 | Deposit | 11,045,714 | 50,931,716 |
| Kenya Commercial Bank-Local Revenue, Marsabit Branch | 1140751484 | Revenue | 2,404,373 | 21,684,792 |
| Kenya Commercial Bank-Recurrent, Marsabit Branch | 1140789724 | Recurrent | 1,499,730 | 2,143,196 |
| Kenya Commercial Bank-Development, Marsabit Branch | 1162178345 | Development | 2,373,789 | 51,309,061 |
| KCB Marsabit Free Maternity Health Care Services- | 1145056148 | Recurrent | 390,061 | 194,520 |
| KCB Marsabit District Health Care Fund | 1102656240 | Recurrent | 215,701 | 254,158 |
| KCB Moyale Sub-County Health | 1153997037 | Recurrent | 224,009 | 200,209 |
| KCB Moyale Sub-County Referral Hospital | 1154715086 | Recurrent | 1,359,384 | 2,198,267 |
| KCB North-Horr Sub-County | 1153926040 | Recurrent | 158,515 | 1,684,711 |
| Equity Bank Marsabit Municipal Revenue | 1010280501019 | Revenue | 463,733 | 2,207,538 |
| Total | | | 130,826,714 | 427,386,802 |

***Amount should be as per amount in the cash book**

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

21B: CASH IN HAND

| | Period ended March 31st, 2023 | Comparative Period |
|--|---|---------------------------|
| | KShs | KShs |
| Cash in Hand – Held in domestic currency | - | - |
| Cash in Hand – Held in foreign currency | - | - |
| Total | - | - |

Cash in hand should also be analysed as follows:

| | Period ended March 31st, 2023 | Comparative Period |
|--------------|---|---------------------------|
| | KShs | KShs |
| Location 1 | - | - |
| Location 2 | - | - |
| Total | - | - |

[Provide cash count certificates for each]

22 ACCOUNTS RECEIVABLE

| <i>Description</i> | Period ended March 31st, 2023 | Comparative Period |
|---------------------|---|---------------------------|
| | KShs | KShs |
| Government Imprests | 37,916,393 | 43,479,040 |
| Salary Advance | - | - |
| Clearance accounts | - | - |
| Total | 37,916,393 | 43,479,040 |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

22 A. BREAKDOWN OF ACCOUNTS RECEIVABLE

| <i>Breakdown of imprest and salary advance per department</i> | Period ended March 31st ,2023 | Comparative Period |
|---|--------------------------------------|---------------------------|
| <i>imprest</i> | KShs | KShs |
| Department xx | - | - |
| Department xx | - | - |
| Department xx | - | - |
| <i>Sub-Total</i> | - | - |
| <i>Salary advance</i> | - | - |
| Department xx | - | - |
| Department xx | - | - |
| <i>Sub-Total</i> | - | - |
| <i>Grand Total</i> | - | - |

**See Annex XXXX for a detailed analysis of the outstanding imprests and salary advance*

23. ACCOUNTS PAYABLE

| | Period ended March 31st ,2023 | Comparative Period |
|------------------|--------------------------------------|---------------------------|
| | KShs | KShs |
| Deposits | 11,045,714 | 50,931,716 |
| Retention monies | - | - |
| Total | 11,045,714 | 50,931,716 |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

24. FUND BALANCE BROUGHT FORWARD

| | Period ended July 1st ,2022 | Comparative Period |
|----------------------|---|---------------------------|
| | KShs | KShs |
| Bank accounts | 162,625,093 | 834,000,498 |
| Cash in hand | | |
| Accounts Receivables | | |
| Accounts Payables | -39,848,109 | -53,437,096 |
| Total | 122,776,984 | 780,563,402 |

25 PRIOR PERIOD QUARTER ADJUSTMENTS -

| | Balance b/f FY 2021/2022 as per audited financial statements | Adjustments during the year relating to prior periods | Adjusted ** Balance b/f FY 2020/2021 |
|---------------------------------|---|--|---|
| Description of the error | Kshs | Kshs | Kshs |
| Bank account Balances | - | - | - |
| Cash in hand | - | - | - |
| Accounts Payables | - | - | - |
| Receivables | - | - | - |
| Others (<i>specify</i>) | - | - | - |
| | - | - | - |

**** (The adjusted balances are not carried down on the face of the financial statement. Entity to provide disclosure on the adjusted amounts) (Explain whether the prior year relates to errors noted in prior year, changes in estimates or accounting policy. Provide explanations for the prior year adjustments made their nature and effect on the fund balance of the entity).**

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

26. CHANGES IN RECEIVABLE

| Description | Period ended September 30 th ,2022 | 2021-2022 audited |
|---|---|----------------------|
| | KShs | KShs |
| Opening Account Receivables as at 1 st July 2022 | - | - |
| Closing Account Receivables as at 30 th September 2022 | - | - |
| Change in Account Receivables | - | - |

27. CHANGES IN ACCOUNTS PAYABLES

| Description | Period ended September 30 th ,2022 | 2021-2022 audited |
|---|---|----------------------|
| | Kshs | Kshs |
| Opening Accounts Payables as at 1 st July 2022 | - | - |
| Closing Accounts payables as at 30 th September 2022 | - | - |
| Change in Accounts payables | - | - |

9. OTHER IMPORTANT DISCLOSURES

1: PENDING ACCOUNTS PAYABLE

| | Balance b/f For year 2021/2022 | Additions for the period | Paid during the period | Balance c/f In the period |
|-----------------------------|---|-------------------------------------|-----------------------------------|--------------------------------------|
| Description | Kshs | Kshs | Kshs | Kshs |
| Construction of buildings | - | - | - | - |
| Construction of civil works | - | - | - | - |
| Supply of goods | - | - | - | - |
| Supply of services | - | - | - | - |
| Total | - | - | - | - |

2: PENDING STAFF PAYABLES

| | Balance b/f For year 2021/2022 | Additions for the period | Paid during the period | Balance c/f In the period |
|-----------------------|---|-------------------------------------|-----------------------------------|--------------------------------------|
| Description | Kshs | Kshs | Kshs | Kshs |
| Senior management | - | - | - | - |
| Middle management | - | - | - | - |
| Unionisable employees | - | - | - | - |
| Others | - | - | - | - |
| Total | - | - | - | - |

This relates to pending payments in relation to staff salaries, wages, NHIF, PAYE and NSSF

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

OTHER IMPORTANT DISCLOSURES (Continued)

3: OTHER PENDING PAYABLES

| | Balance b/f For year 2021/2022 | Additions for the period | Paid during the period | Balance c/f In the period |
|---|---|-------------------------------------|-----------------------------------|--------------------------------------|
| Description | Kshs | Kshs | Kshs | Kshs |
| Amounts due to National Government entities | - | - | - | - |
| Amounts due to County Government entities | - | - | - | - |
| Amounts due to third parties | - | - | - | - |
| Total | - | - | - | - |

(Provide explanations for the prior quarter adjustments made, their nature and effect on the fund balance of the County)

4. DISCLOSURE OF BALANCES IN REVENUE COLLECTION ACCOUNTS

County Government Own source revenue is recognized in the financial statements when it has been swiped to CRF. Revenue collection account balances need to be disclosed at the end of the reporting period as below. Revenue collection accounts should be swept to CRF on reporting dates.

| Name of Bank, Account No. & currency | Amount in bank account currency* | Ex. rate (if in foreign currency) | Period ended Sep*/Dec*/March*/June* 20xx-2022 | 20xx-20xx audited |
|---|---|--|--|--------------------------|
| | | | KShs | KShs |
| <i>Name of Bank, Account No. & currency</i> | xxx | xxx | xxx | xxx |
| <i>Name of Bank, Account No. & currency</i> | xxx | xxx | xxx | xxx |
| <i>Name of Bank, Account No. & currency</i> | xxx | xxx | xxx | xxx |
| KCB A/c 01100 Kshs Account | xxx | xxx | xxx | xxx |
| Total | | | xxx | xxx |

MARSABIT COUNTY GOVERNMENT
Consolidated Reports and Financial Statements
For the period ended March 31, 2023

10. ANNEXES

ANNEX 1 – BREAKDOWN OF RECEIPTS AND PAYMENTS PER QUARTER

| | Sep | Dec | Mar | Jun | Cumulative | Comparative |
|---|------|------|------|------|------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Amount | Prior period |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| RECEIPTS | | | | | | |
| Tax Receipts | - | - | - | - | - | - |
| Social Security Contributions | - | - | - | - | - | - |
| Proceeds from Domestic and Foreign Grants | - | - | - | - | - | - |
| Exchequer releases | - | - | - | - | - | - |
| Transfers from Other Government Entities | - | - | - | - | - | - |
| Proceeds from Domestic Borrowings | - | - | - | - | - | - |
| Proceeds from Foreign Borrowings | - | - | - | - | - | - |
| Proceeds from Sale of Assets | - | - | - | - | - | - |
| Reimbursements and Refunds | - | - | - | - | - | - |
| Returns of Equity Holdings | - | - | - | - | - | - |
| Other Receipts | - | - | - | - | - | - |
| TOTAL RECEIPTS | - | - | - | - | - | - |
| PAYMENTS | | | | | | |
| Compensation of Employees | - | - | - | - | - | - |
| Use of goods and services | - | - | - | - | - | - |
| Subsidies | - | - | - | - | - | - |
| Transfers to Other Government Units | - | - | - | - | - | - |
| Other grants and transfers | - | - | - | - | - | - |
| Social Security Benefits | - | - | - | - | - | - |
| Acquisition of Assets | - | - | - | - | - | - |
| Finance Costs, including Loan Interest | - | - | - | - | - | - |

MARSABIT COUNTY GOVERNMENT

Reports and Financial Statements

For the period ended March 31, 2023

| | Sep | Dec | Mar | Jun | Cumulative | Comparative |
|--|------|------|------|------|------------|--------------|
| | Q1 | Q2 | Q3 | Q4 | Amount | Prior period |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Repayment of principal on Domestic and Foreign borrowing | - | - | - | - | - | - |
| Other Payments | - | - | - | - | - | - |
| TOTAL PAYMENTS | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| SURPLUS/DEFICIT | - | - | - | - | - | - |

MARSABIT COUNTY GOVERNMENT
Consolidated Reports and Financial Statements
For the period ended March 31, 2023

ANNEX 2 - ANALYSIS OF TRANSFERS FROM THE EXCHEQUER

| | Quarter 1 (Kshs) | Quarter 2 (Kshs) | Quarter 3 (Kshs) | Quarter 4 (Kshs) | Total (Kshs) |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------------------|
| Equitable Share | | | | | |
| Level 5 Hospitals | | | | | |
| DANIDA - Universal Healthcare in Devolved Units Programme | | | | | |
| World Bank – THUSCP | | | | | |
| National Agricultural & Rural Inclusive Growth Project (NARIGP) | | | | | |
| Kenya Devolution Support Programme | | | | | |
| Youth Polytechnic support grant | | | | | |
| Abolishment of user fees in health centres and dispensaries | | | | | |
| Kenya Urban Support Programme | | | | | |
| Agriculture Sector Development Support Project (ASDSP) | | | | | |
| Kenya Climate Smart Agriculture Project (KCSAP) | | | | | |
| Water and Sanitation Development Project | | | | | |
| Construction of County Headquarters | | | | | |
| Total | | | | | |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period *ended March 31, 2023*

ANNEX 3 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

| Supplier of Goods or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance for the period | Outstanding Balance prior year audited | Comments |
|--------------------------------------|------------------------|------------------------|----------------------------|---|---|-----------------|
| | A | B | C | d=a-c | | |
| Construction of buildings | | | | | | |
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| Sub-Total | | | | | | |
| Construction of civil works | | | | | | |
| 4. | | | | | | |
| 5. | | | | | | |
| 6. | | | | | | |
| Sub-Total | | | | | | |
| Supply of goods | | | | | | |
| 7. | | | | | | |
| 8. | | | | | | |
| 9. | | | | | | |
| Sub-Total | | | | | | |
| Supply of services | | | | | | |
| 10. | | | | | | |
| 11. | | | | | | |
| 12. | | | | | | |
| Sub-Total | | | | | | |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period *ended March 31, 2023*

| Supplier of Goods or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance for the period | Outstanding Balance prior year audited | Comments |
|--------------------------------------|------------------------|------------------------|----------------------------|---|---|-----------------|
| Grand Total | | | | | | |

MARSABIT COUNTY GOVERNMENT
Consolidated Reports and Financial Statements
For the period ended March 31, 2023

ANNEX 4 - ANALYSIS OF STAFF PENDING PAYABLES

| Name of Staff | Job Group | Original Amount | Date Payable Contracted | Amount Paid To-Date | Outstanding Balance for the period | Outstanding Balance prior year audited | Comments |
|------------------------------|-----------|-----------------|-------------------------|---------------------|------------------------------------|--|----------|
| | | a | b | c | d=a-c | | |
| Senior Management | | | | | | | |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |
| Sub-Total | | | | | | | |
| Middle Management | | | | | | | |
| 4. | | | | | | | |
| 5. | | | | | | | |
| 6. | | | | | | | |
| Sub-Total | | | | | | | |
| Unionisable Employees | | | | | | | |
| 7. | | | | | | | |
| 8. | | | | | | | |
| 9. | | | | | | | |
| Sub-Total | | | | | | | |
| Others (specify) | | | | | | | |
| 10. | | | | | | | |
| 11. | | | | | | | |
| 12. | | | | | | | |
| Sub-Total | | | | | | | |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period *ended March 31, 2023*

| Name of Staff | Job Group | Original Amount | Date Payable Contracted | Amount Paid To-Date | Outstanding Balance for the period | Outstanding Balance prior year audited | Comments |
|----------------------|------------------|------------------------|--------------------------------|----------------------------|---|---|-----------------|
| Grand Total | | | | | | | |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

ANNEX 5- ANALYSIS OF OTHER PENDING PAYABLES

| Name | Brief Transaction Description | Original Amount | Date Payable Contracted | Amount Paid To-Date | Outstanding Balance for the period | Outstanding Balance prior year audited | Comments |
|--|--------------------------------------|------------------------|--------------------------------|----------------------------|---|---|-----------------|
| | | a | b | c | d=a-c | | |
| Amounts due to National Govt Entities | | | | | | | |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |
| Sub-Total | | | | | | | |
| Amounts due to County Govt Entities | | | | | | | |
| 4. | | | | | | | |
| 5. | | | | | | | |
| 6. | | | | | | | |
| Sub-Total | | | | | | | |
| Amounts due to Third Parties | | | | | | | |
| 7. | | | | | | | |
| 8. | | | | | | | |
| 9. | | | | | | | |
| Sub-Total | | | | | | | |
| Others (specify) | | | | | | | |
| 10. | | | | | | | |
| 11. | | | | | | | |
| 12. | | | | | | | |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period *ended March 31, 2023*

| Name | Brief Transaction Description | Original Amount | Date Payable Contracted | Amount Paid To-Date | Outstanding Balance for the period | Outstanding Balance prior year audited | Comments |
|--------------------|--------------------------------------|------------------------|--------------------------------|----------------------------|---|---|-----------------|
| Sub-Total | | | | | | | |
| Grand Total | | | | | | | |

MARSABIT COUNTY GOVERNMENT
Reports and Financial Statements
For the period ended March 31, 2023

ANNEX 6 – NON- CURRENT ASSETS REGISTER

| Asset class | Historical Cost b/f (Kshs) 20xx/20xx | Additions during the period (Kshs) | Disposals during the period (Kshs) | Transfers in/(out) during the period | Historical Cost c/f (Kshs) 20xx/20xx |
|--|---|---|---|---|---|
| Land | | | | | |
| Buildings and structures | | | | | |
| Transport equipment | | | | | |
| Office equipment, furniture and fittings | | | | | |
| ICT Equipment | | | | | |
| Machinery and Equipment | | | | | |
| Biological assets | | | | | |
| Infrastructure Assets- Roads, Rails | | | | | |
| Heritage and cultural assets | | | | | |
| Intangible assets | | | | | |
| Work in Progress | | | | | |
| Total | | | | | |

NB: The balance as at the end of the quarter is the cumulative cost of all assets bought and inherited by the County Government. Additions during the quarter should tie to note 18 on acquisition of assets during the quarter.

MARSABIT COUNTY GOVERNMENT
Consolidated Reports and Financial Statements
For the period ended March 31, 2023

ANNEX 7 – BANK RECONCILIATION/FO 30 REPORT

(Attach FO 30 Report from IFMIS)