

GOVERNMENT OF NAIROBI CITY COUNTY



THE NAIROBI CITY COUNTY ASSEMBLY

OFFICE OF THE CLERK

(SECOND SESSION)



NCCA/TJ/PL/2023(53)

PAPER LAID

SUBJECT: REPORT OF COMMITTEE

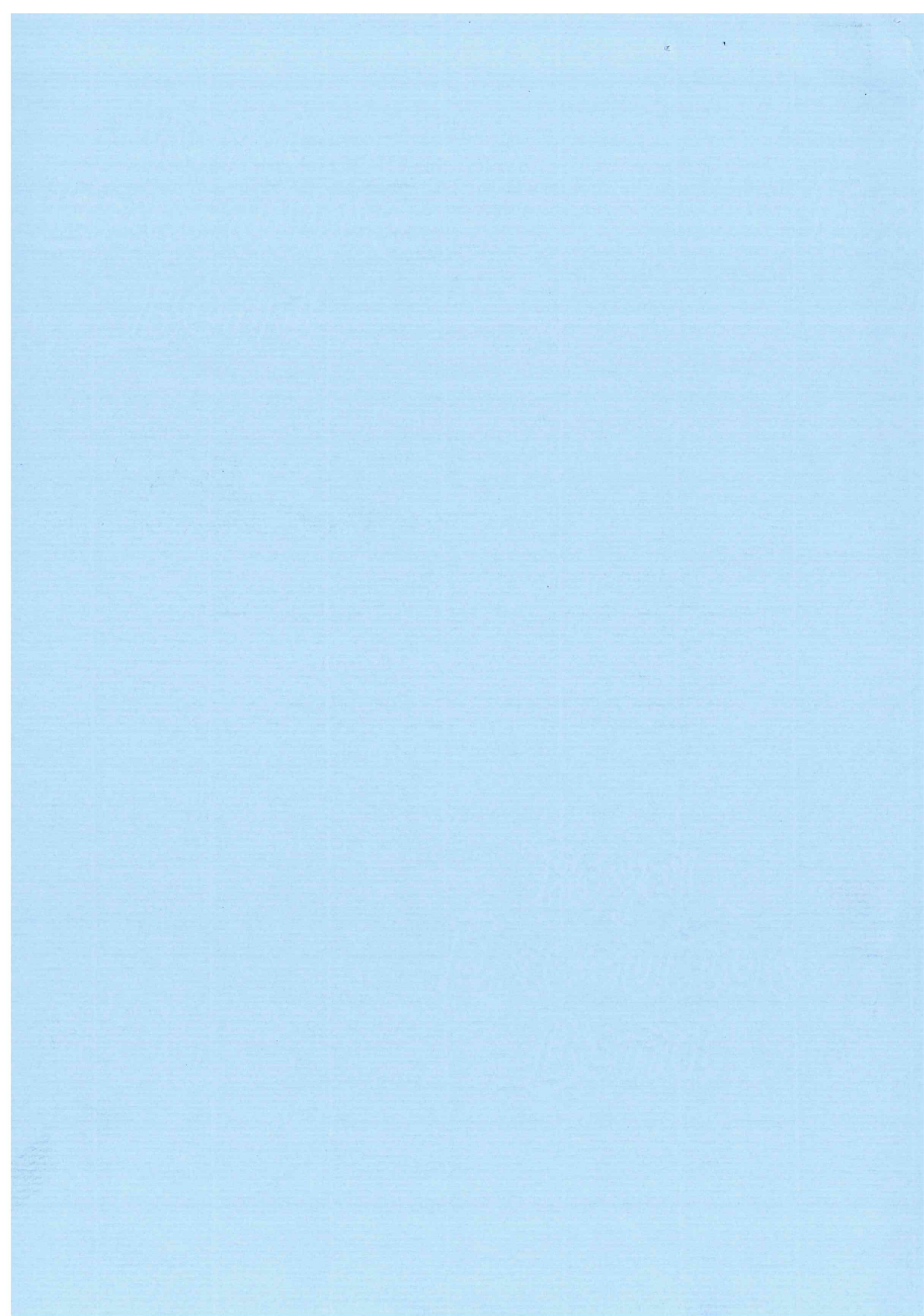
Pursuant to Standing Order 196, I beg to lay the following Paper on the Table of this Assembly, today Thursday 22<sup>nd</sup> June 2023.

— THE REPORT OF THE SELECT COMMITTEE ON PUBLIC ACCOUNTS ON THE CONSIDERATION OF THE REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF NAIROBI CITY COUNTY ASSEMBLY SERVICE BOARD CAR LOAN SCHEME FUND FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2018.

*(Chairperson, Select Committee on Public Accounts)*

Copies to:  
The Speaker  
The Clerk  
Hansard Editor  
Hansard Reporters  
The Press

*Papers laid on 22<sup>nd</sup> June 2023  
by Hon. Mwaure dge, MCA.  
[Signature]  
22/6/2023*





GOVERNMENT OF NAIROBI CITY COUNTY



THE NAIROBI CITY COUNTY ASSEMBLY

THIRD ASSEMBLY  
(SECOND SESSION)

22<sup>nd</sup> June 2023


NOTICE OF MOTION

Subject: Adoption of report

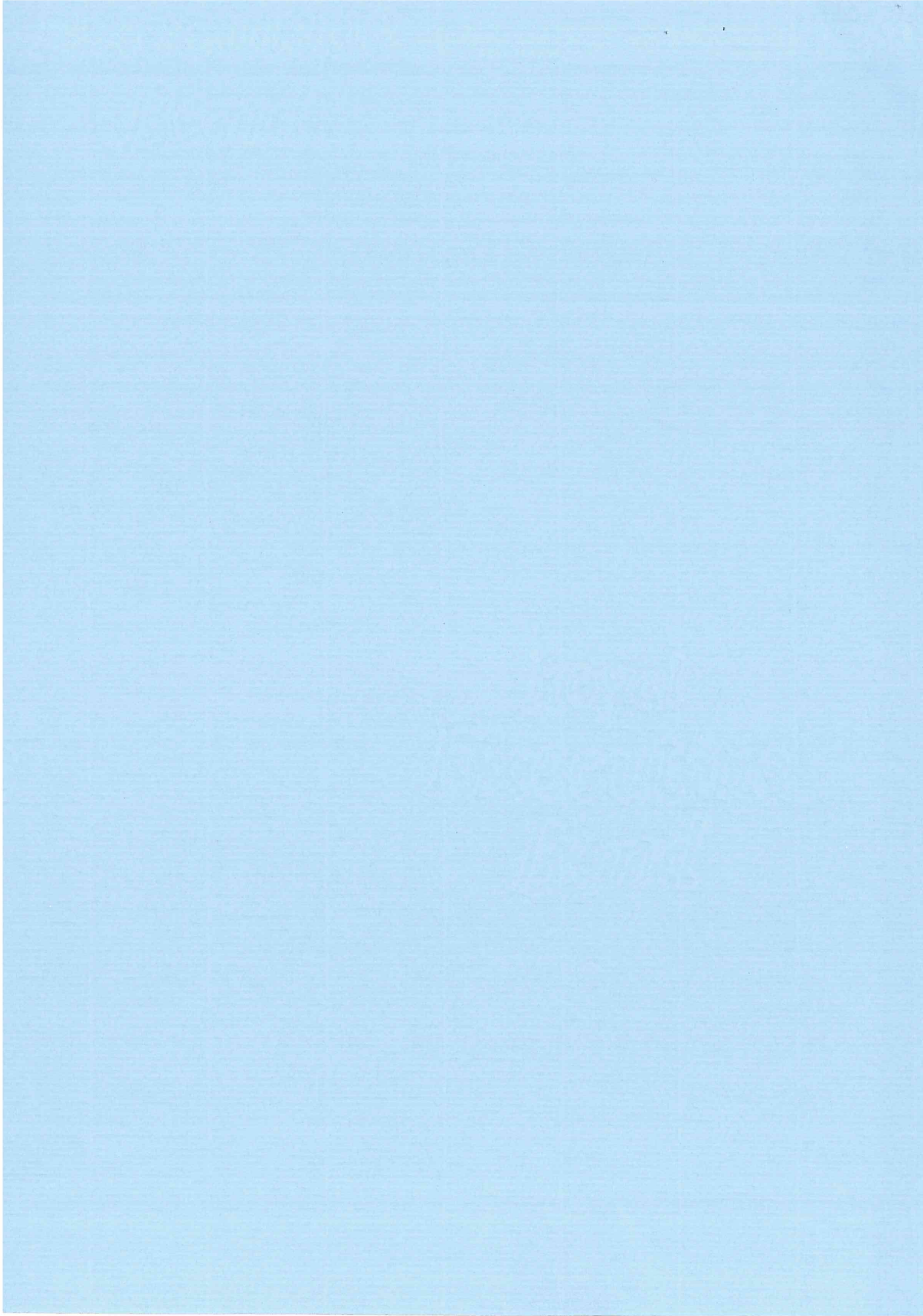
Hon. Speaker, I beg to give notice of the following motion:-

- THAT, this Assembly adopts THE REPORT OF THE SELECT COMMITTEE ON PUBLIC ACCOUNTS ON THE CONSIDERATION OF THE REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF NAIROBI CITY COUNTY ASSEMBLY SERVICE BOARD CAR LOAN SCHEME FUND FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2018, laid on the table of the Assembly today, Thursday, 22<sup>nd</sup> June 2023.

(Chairperson, Select Committee on Public Accounts)

Notice issued on 22<sup>nd</sup> June 2023 by  
Hon. George Mwangi, MEX.  
  
22/6/23

NCCA  
APPROVED  
★ 22 JUN 2023 ★  
Sign: HON. SPEAKER  



NAIROBI CITY COUNTY GOVERNMENT



NAIROBI CITY COUNTY ASSEMBLY

THIRD ASSEMBLY – SECOND SESSION

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THE REPORT OF THE SELECT COMMITTEE ON PUBLIC ACCOUNTS

ON

THE CONSIDERATION OF THE REPORT OF THE AUDITOR-GENERAL ON THE  
FINANCIAL STATEMENTS OF NAIROBI CITY COUNTY ASSEMBLY SERVICE  
BOARD CAR LOAN SCHEME FUND FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2018

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*Papers laid on the table of the  
Assembly on 23rd June, 2023.  
by Hon. Cde Mwangi, MA.  
22/6/23.*

Clerks Chambers  
Nairobi City County Assembly  
City Hall Buildings  
NAIROBI

JUNE, 2023

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## 1.0. PREFACE

Hon. Speaker,

On behalf of the Public Accounts Committee (PAC) and pursuant to the provision of Standing Order 196(6), it is my pleasant privilege and honour to present to this Assembly this report of the Public Accounts Committee on the consideration of the *“Report of the Auditor General on the Financial Statements of Nairobi City County Assembly Service Board Car Loan Scheme Fund for the year ended 30<sup>th</sup> June, 2018”*.

### 1.1. Mandate of the Public Accounts Committee

The Public Accounts Committee derives its mandate from Standing Order 203 (2) of the Nairobi City County Assembly, which provides that:-

*“The Public Accounts Committee shall be responsible for the examination of the accounts showing the appropriations of the sum voted by the County Assembly to meet the public expenditure and of such other accounts laid before the County Assembly as the Committee may think fit”.*

The primary mandate of the Committee is therefore to oversight the expenditure of public funds by Nairobi City County entities, to ensure value for money and adherence to government financial regulations and procedures. The Committee further aims at ensuring that Nairobi City County public funds are prudently and efficiently utilized. The Committee executes its mandate on the basis of annual and special audit reports prepared by the Kenya National Audit Office (KENAO).

Article 229 (8) of the Constitution provides that within three months after receiving the report of the Auditor General, Parliament or the **County Assembly** shall debate and consider the report and take appropriate action. It is on this basis that this report has been produced by the Committee for consideration and adoption by the County Assembly.

### 1.2. Guiding principles

In the execution of its mandate, the Committee is guided by core constitutional and statutory principles on public finance management, as well as established customs, traditions, practices and usages. These principles include the following:-

### (a) Constitutional Principles on Public Finance

Article 201 enacts fundamental principles aimed at guiding all aspects of public finance in the Republic. It states that the principles are, *inter alia*, *openness and accountability, including public participation in financial matters; public money shall be used in a prudent and responsible way; and financial management shall be responsible, and fiscal reporting shall be clear*. The Committee places high regard on these principles, among others, and has been guided by them in the entire process that has led to this report.

### (b) Direct Personal Liability

Article 226(5) of the Constitution is unequivocal that: - *“If the holder of a public office, including a political office, directs or approves the use of public funds contrary to law or instructions, the person is liable for any loss arising from that use and shall make good the loss, whether the person remains the holder of the office or not”*. Consequently Section 203(1) of the PFM Act, 2012 enacts that: - *“A public Officer is personally liable for any loss sustained by a county government that is attributable to-*

- (a) the fraudulent or corrupt conduct, or negligence, of the officer; or*
- (b) the officer’s having done any act prohibited by sections 196, 197 and 198”*

The Committee considers this Constitutional and legal provisions as the basis for holding Accounting Officers and other Public Officers directly and personally liable for any loss of public funds that may occur under their watch.

### 1.3. Obligations of the Accounting Officer

Article 226(2) of the Constitution provides, *inter alia*, that: *“the Accounting Officer of a national public entity is accountable to the National Assembly for its financial management, and the Accounting Officer of a county public entity is accountable to the County Assembly for its financial management”*. Subsequently, Section 149(1) of the Public Finance Management (PFM) Act, 2012 provides that: *“An accounting officer is accountable to the County Assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is—*

- (a) lawful and authorized; and*
- (b) Effective, efficient, economical and transparent.”*

These provisions obligate the Clerk of the County Assembly who is the Accounting Officer and the administrator of fund to appear before the Public Accounts Committee to respond to audit queries raised by the Auditor General.



#### 1.4. Committee Membership

The Committee comprises of the following members:-

1. **Hon. Chege Mwaura, MCA** - Chairperson
2. **Hon. Kennedy Odhiambo Oyugi** - Vice-Chairperson
3. Hon. Patrick Said Karani, MCA
4. Hon. Robert Alai Onyango, MCA
5. Hon. Stazo Elijah Omung'ala Ang'ila, MCA
6. Hon. Billy Richardo Nyantika, MCA
7. Hon. John Ndile Musila, MCA
8. Hon. Cyrus Mugo Mubea, MCA
9. Hon. Jane Musangi Muthembwa, MCA
10. Hon. Geoffrey Odhiambo Majiwa, MCA
11. Hon. Emmy Khatemeshi Isalambo, MCA
12. Hon. Fuad Hussein Mohamed, MCA
13. Hon. Fatuma Abduwahid Abey, MCA
14. Hon. Eutychus Mukiri Muriuki, MCA
15. Hon. Fredrick Njoroge Njogu, MCA
16. Hon. Joseph Karanja Ndungu, MCA
17. Hon. Agnes Njeri Muthoni, MCA
18. Hon. Carrington Gichunji Heho, MCA
19. Hon. Mark Thiga Ruyi, MCA
20. Hon. Omuro Kame Adano, MCA
21. Hon. Paul Wachira Kariuki, MCA
22. Hon. Stephen Mugo Kimani, MCA

The Committee comprises of the following secretariat;

1. Ms. Josephine Kamau - Senior Clerk Assistant
2. Mr. Benedict Ochieng - Second Clerk Assistant

Allow me **Hon. Speaker** to thank the entire membership of this Committee for its hard work and commitment which made the taking of evidence and production of this Report a success.

## **1.5. Background**

The audit involved auditing of the financial statements of Nairobi City County Assembly Service Board Car Loan Scheme Fund by the Auditor General which comprise statement of financial position as at 30<sup>th</sup> June, 2017, and statement of income and expenditure, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015.

## **1.6. Establishment of the Fund**

The Car Loan Scheme Fund was established pursuant to the Salaries and Remuneration Circular (SRC) No. SRC/TS/WB/3/14 of 14<sup>th</sup> February 2014. The SRC has since then provided further guidelines on the scheme through Gazette Notice No. 6518 of 7<sup>th</sup> July, 2017. For proper management of the Fund and as advised by the Salaries and Remuneration Commission in the Circular under reference, the Nairobi City County Assembly adopted *Public Finance Management (Nairobi City County Car Loan Scheme Fund) Regulations 2014*, to guide in operationalization of the Fund. In 2017, the County Assembly enacted regulations merging the Car Loan and the Mortgage Scheme Funds. The Clerk of the County Assembly being the Accounting Officer of the Assembly, is the administrator of the fund. Section 167 of the Public Finance Management Act 2012 mandates the administrator of Public Funds with the preparation of Annual Financial Statements.

## **1.7. Auditor-General's Responsibility**

The Auditor General's responsibility was to obtain reasonable assurance about whether the financial statements as a whole were free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements in accordance with Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. The matters mentioned in the audit report were identified through tests considered necessary for the purpose of the audit and it is possible that there might be other matters and/or weaknesses that were not identified.



## 1.8. Evidence taken

The Committee held various sittings one of which it interrogated the Clerk of the County Assembly and administrator of the fund on audit queries raised by the Auditor General. Similarly, the Committee received written responses to the audit queries.

While taking evidence, the Committee was guided by the existing procedures and modalities of operations of the Nairobi City County Assembly derived from the Constitution of the Republic of Kenya, Acts of National Parliament, Acts of Nairobi City County Assembly and Nairobi City County Assembly Standing Orders, conventions, usages, practices and rulings and directives of the Chair.

## 1.9. Highlights from the Report of the Auditor General

Hon. Speaker,

The Auditor General did not raise grave concerns and misgivings regarding the management and the financial position of the fund. However, the Auditor General raised one key audit matter regarding issuing of car loans above the vehicle values. In his observation, the Auditor General observed that during the period under review, examination of the valuation reports from Automobile Association of Kenya revealed a variance of **Kshs. 12,727,800** which was the loan issued to various members. It means that the loans were issued above the exact value as determined by AAK. In his reply, the fund administrator observed that there was discrepancy between the hard copy reports submitted by the Members and the electronically submitted report which reflected the true value of the vehicles. Unfortunately, the Assembly had used the hard copy reports to effect the payments before the matter had been discovered necessitating to request for the electronic version. The fund administrator also clarified that there was associated costs in processing of the car loans for two Members namely Hon. Abraham Njihia, MCA and Hon. Redson Otieno, MCA which may be wrongly construed to be part of the amount disbursed.

The Committee has recommended that the Fund Administrator must put in place stringent mechanisms to avoid potential loss of public funds in case of default.

## 1.10. Appreciation

Hon. Speaker,

The Committee would like to thank the **Fund Administrator** for appearing before it and subsequently submitting written responses which provided valuable insights into the issues raised by the Auditor General.

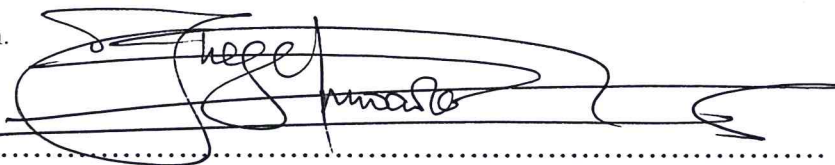
Hon. Speaker,

The Committee also wishes to sincerely thank the Offices of the Speaker and the Clerk for the services extended to the committee while considering this matter. The Committee further wishes to appreciate the Officers from the Kenya National Audit Office and the Committee secretariat for their exemplary advisory services that enabled Members effectively execute their mandate.

Hon. Speaker,

On behalf of the Committee, I now wish to table this report and urge the Assembly to adopt it and the recommendations therein.

SIGNED .....



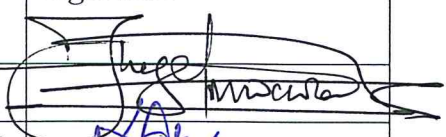








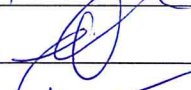
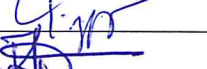
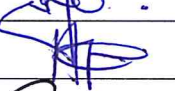



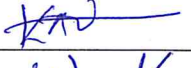


HON. CHEGE MWAURA (CHAIRPERSON)

DATE .....

21<sup>st</sup> JUNE 2023



We Members of the Public Accounts Committee (PAC) do hereby affix our signatures to this report to affirm the correctness of the contents and support for the report:-

No.	Honourable Member	Signature
1.	Hon. Chege Mwaura, MCA - Chairperson	
2.	Hon. Kennedy Odhiambo Oyugi, MCA - Vice-Chairperson	
3.	Hon. Robert Alai Onyango, MCA	
4.	Hon. Stazo Elijah Omunga'la Ang'ila, MCA	
5.	Hon. Billy Richardo Nyantika, MCA	
6.	Hon. John Ndile Musila, MCA	
7.	Hon. Cyrus Mugo Mubea, MCA	
8.	Hon. Jane Musangi Muthembwa, MCA	
9.	Hon. Geoffrey Odhiambo Majiwa, MCA	
10.	Hon. Patrick Said Karani, MCA	
11.	Hon. Emmy Khatemeshi Isalambo, MCA	
12.	Hon. Fuad Hussein Mohamed, MCA	
13.	Hon. Fatuma Abduwahid Abey, MCA	
14.	Hon. Eutyclus Mukiri Muriuki, MCA	
15.	Hon. Fredrick Njoroge Njogu, MCA	
16.	Hon. Joseph Karanja Ndung'u, MCA	
17.	Hon. Agnes Njeri Muthoni, MCA	
18.	Hon. Carrington Gichunji Heho, MCA	
19.	Hon. Mark Thiga Ruyi, MCA	
20.	Hon. Omuro Kame Adano, MCA	
21.	Hon. Paul Wachira Kariuki, MCA	
22.	Hon. Stephen Mugo Kimani, MCA	

## 2.0. CONSIDERATION OF THE REPORT OF THE AUDITOR GENERAL

### 2.1. Issuing of Car Loans above vehicle values

The audit revealed a variance of Kshs 12,727,800 between the total amount of car loans issued to ten members of the County Assembly and the values indicated in valuation reports from Automobile Association for their respective cars as analyzed below;

Date	Loan Beneficiary	Loan Amount	Valued Amount	Variances
25.01.2018	Car loan to Abraham Njihia	3,088,000	2,910,000	178,000
25.01.2018	Car loan to Hon Redson Otieno	2,800,000	2,530,000	270,000
02.02.2018	Car loan to Hon Elijah Stazo	3,040,900	1,520,000	1,520,900
02.02.2018	Car loan to Hon Beatrice Gakuru	2,824,000	2,190,000	634,000
14.02.2018	Car loan to Hon Eve Malenya	3,000,000	1,580,000	1,420,000
14.02.2018	Car loan to Hon Fuad Hussein	3,700,900	1,550,000	2,150,900
07.03.2018	Car loan to Hon Lawrence Otieno	4,350,000	2,290,000	2,060,000
15.03.2018	Car loan to Hon Mark Mugambi	3,250,000	1,320,000	1,930,000
16.03.2018	Car loan to Hon Charles Thuo	2,824,000	1,260,000	1,564,000
27.04.2018	Car loan to Hon Grace Nancy Muthami	3,430,000	2,430,000	1,000,000
<b>TOTAL</b>				<b>12,727,800</b>



**Accounting Officer/fund administrator submitted that:-**

- i) As correctly observed by the Auditor, the Members of the County Assembly as listed above were advanced loans of the amounts shown. In accordance with Regulation 17 of the Public Finance Management (Nairobi City County Assembly Car Loan and Mortgage Scheme Fund) Regulations, 2017, all applicants are required to have their vehicles valued by Automobile Association of Kenya (AAK) and a report submitted to Nairobi City County Assembly. All loans advanced were based on the values as submitted by AAK.
- ii) Initially, the County Assembly was receiving valuation reports from AAK through the applicant. The County Assembly changed this mode of communication to email through the officials domain of AAK. This was followed with a request by the County Assembly to AAK to provide confirmation of the previously received valuation reports. Upon receipt of the confirmation reports, the County Assembly noted some differences between the values that had been sent earlier in hard copies and those that were provided in the confirmation reports. This issue was immediately reported to the Loans Management Committee. Subsequently, the Committee invited AAK to a meeting to seek clarifications. The AAK honored the invitation by the Loans Management Committee and confirmed its valuation reports as earlier sent to the County Assembly in response to the latter's request for confirmation of valuation reports.
- iii) However, the amounts advanced to Hon. Abraham Njihia, MCA and Hon. Redson Otieno, MCA included associated costs for the purchase and transfer of the vehicle and was approved by the Loans Management Committee.
- iv) Arising from the foregoing, the Loans Management Committee invited the concerned Members of the County Assembly with a view to obtain further clarifications and put the issue to rest as per the guiding laws and regulations.

**Committee Observations**

Issuance of loans way above the exact value of the vehicles is not only a breach of the fund regulations but also puts at risk public funds since in the event of default, the actual amount disbursed may not be recovered.

**Committee Recommendations**

The Fund Administrator must put in place stringent mechanisms to avoid potential loss of public funds in case of default by borrowers.

### 3.0. CONCLUSION

The Committee having considered both the “Report of the Auditor-General on the Financial Statements of Nairobi City County Assembly Service Board Car Loan Scheme Fund For the year ended 30<sup>th</sup> June 2018” and written/oral responses to the audit query raised therein, commends the fund administrator for prudence and urges that the issues raised by the Auditor General be addressed to avoid recurrence of the same.



#### 4.0 ANNEXURES

Annex	Title
Annex 1	Minutes of the Sittings
Annex 2	Written Responses to all audit queries by the Clerk, Nairobi City County Assembly

## Annex 1: Minutes



## Annex 2: Written responses to all audit queries by the Clerk, Nairobi City County Assembly

## NAIROBI CITY COUNTY ASSEMBLY

### RESPONSES TO THE MANAGEMENT LETTER FROM THE AUDITOR GENERAL ON THE AUDIT OF THE CAR LOAN SCHEME FUND FINANCIAL STATEMENTS OF NAIROBI CITY COUNTY ASSEMBLY SERVICE BOARD FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2018

#### Audit Observations

##### 1.1 Unpaid June Deductions

##### Finding/Observation

Examination of the Bank reconciliation statement for the year ended June 2018 revealed that, an amount of Ksh 1,033,874.40 being June 2017 deductions from MCAs remained unpaid to the Fund for the whole year. This is irregular since the money ought to have been earning 3.5% interest in the bank as a fixed deposit. No explanation was given for the failure to remit the deductions which remained as a reconciling items for the whole financial year.

#### MANAGEMENT RESPONSE

As clearly pointed, the amounts for June remained outstanding for a few months. This was occasioned by late fund releases following the closure of financial year. This amount has however been paid and is no longer outstanding. (*Appendix I*)

#### Audit Observations

##### 1.2 Irregular Transfer of Funds.

##### Finding/Observation

Examination of the bank statements and bank reconciliation statements for the car loan fund for the year ended June 2018 revealed that an amount of Ksh.2, 000,000 was irregularly transferred to County Assembly Account number 01141232417500 way back on 10th Nov 2016 from the Car loan account. It was further observed that the monies have not been paid back to the car loan fund since then and has been a reconciling item up to date.



## MANAGEMENT RESPONSE

As rightly observed an amount of Kshs.2 Million was transferred. This amount has since been paid and is no longer outstanding. The documents for confirmation that the amount has since been paid back are as per *Appendix I*.

### Audit Observations

#### 1.3 Issuing of Loans above Vehicle Values.

##### Finding/Observation

Examination of the valuation reports from Automobile Association of Kenya revealed a variance of Ksh. 12,727,800 which was the loan issued to various members above the value of their vehicles as analyzed below;

Date	Loan Beneficiary	Loan Amount	Valued Amount	Variances
25.01.2018	Car loan to Abraham Njihia(Charity Kigunda)	3,088,000	2,910,000	178,000
25.01.2018	Car loan to Hon Redson Otieno ( Kiriba Kariuki Advocates)	2,800,000	2,530,000	270,000
02.02.2018	Car loan to Hon Elijah Stazo ( Kiriba Kariuki Advocates)	3,040,900	1,520,000	1,520,900
02.02.2018	Car loan to Hon Beatrice Gakuru ( Kiriba Kariuki Advocates)	2,824,000	2,190,000	634,000
14.02.2018	Car loan to Hon Eve Malenya ( Kiriba Kariuki Advocates)	3,000,000	1,580,000	1,420,000
14.02.2018	Car loan to Hon Fuad Hussein ( Kiriba Kariuki Advocates)	3,700,900	1,550,000	2,150,900
07.03.2018	Car loan to Hon Lawrence Otieno( Kiriba Kariuki Advocates)	4,350,000	2,290,000	2,060,000
15.03.2018	Car loan to Hon Mark Mugambi ( Kiriba Kariuki Advocates)	3,250,000	1,320,000	1,930,000

16.03.2018	Car loan to Hon Charles Thuo ( Kiriba Kariuki Advocates)	2,824,000	1,260,000	1,564,000
27.04.2018	Car loan to Hon Grace Nancy Muthami( Kiriba Kariuki Advocates)	3,430,000	2,430,000	1,000,000
TOTAL				12,727,800

Management did not give reasons why loans in excess of the value of the vehicles were advanced to the scheme members contrary to the governing regulations were not given.

### **MANAGEMENT RESPONSE**

As per the PFM regulation 17 of the Nairobi City County Assembly Car Loan and Mortgage Scheme Fund Regulation, 2017 any applicant was required to have his/her vehicle valued by Automobile Association of Kenya and a report submitted to Nairobi County Assembly. All the loans advanced were based on the values as submitted by to Automobile Association of Kenya. We have the same for verification. We have further written to Automobile Association of Kenya seeking clarification on some valuations sent to the Auditor General and copied to Nairobi County Assembly that have discrepancies in the values of the vehicles. No amount was advanced that was not supported by the value of the vehicle and the documentations relating to these files are available for verification.

Further we wish to clarify that the variance of Ksh.178, 000 and Ksh.270, 000 should not arise since these amounts were advanced as associated costs to the application. We are waiting for the response of the referred letter (*Appendix II*) to Automobile Association of Kenya duly received by them on 5<sup>th</sup> December 2018 in which we sought their clarifications on whether there were two versions of the same reports.

### **Audit Observations**

#### **1.4 Interest Earned from the Fund but not credited to Assembly Account.**

#### **Finding/Observation**

Included in the reported Short term debtors of Kshs.32, 734,451 in statement of financial position is interest accrued and receivable from Co-operative bank totaling to Kshs.778, 203 for the month of April, May and June 2016. No explanation has been provided as to why the interest income has not been credited in the County Assembly bank account

## Response by the Accounting Officer.

As correctly observed the agreement between cooperative bank and Nairobi City County Assembly stipulated that the amounts held by the bank were to accrue daily interest that were to be credited at the end of each month. The bank however did not pay for April, May and June 2016. The County Assembly relied on the agreement and has even given final reminder and demand for the interest to be paid failure to which the Assembly would institute legal mechanisms to ensure the bank pays the amount as well as interest accrued.

## MANAGEMENT RESPONSE

As correctly observed an amount of Ksh.706, 770 which relates to interest income on amounts held by Cooperative Bank has remained outstanding. The amount is on the basis of an agreement between Cooperative Bank and Nairobi County Assembly. The management has taken steps to ensure the amount is paid and the bank was served with a final reminder to settle the amount. The bank has since responded into the matter (copy of the letter attached from the Bank *Appendix III*) and the County Assembly is awaiting payment. Since this is a documented agreement, the management will institute legal mechanism to ensure the amount is paid should the bank fail to settle the outstanding amount within a specified timeline.

The letter demanding that the bank pays the said amount is available for verification as well as the letter from the bank communicating how the fund was to accrue interest.





MINUTES OF THE 23<sup>RD</sup> SITTING OF THE NAIROBI CITY COUNTY ASSEMBLY  
SELECT COMMITTEE ON PUBLIC ACCOUNTS HELD ON TUESDAY 13<sup>TH</sup> JUNE,  
2023 AT 10:00 AM IN COMMITTEE ROOM 10, CITY HALL BUILDINGS.

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MEMBERS PRESENT:

- |  |                     |
|--|---------------------|
| 1. Hon. Chege Mwaura, MCA              | - Chairperson       |
| 2. Hon. Kennedy Odhiambo Oyugi, MCA    | - Vice- Chairperson |
| 3. Hon. Paul Wachira Kariuki, MCA      |                     |
| 4. Hon. Agnes Njeri Muthoni, MCA       |                     |
| 5. Hon. Mark Thiga Ruyi, MCA           |                     |
| 6. Hon. Emmy Khatemeshi Isalambo, MCA  |                     |
| 7. Hon. Cyrus Mugo Mubea, MCA          |                     |
| 8. Hon. Eutychus Mukiri Muriuki, MCA   |                     |
| 9. Hon. John Ndile Musila, MCA         |                     |
| 10. Hon. Jane Musangi Muthembwa, MCA   |                     |
| 11. Hon. Fredrick Njoroge Njogu, MCA   |                     |
| 12. Hon. Omuro Kame Adano, MCA         |                     |
| 13. Hon. Billy Richardo Nyantika, MCA  |                     |
| 14. Hon. Carrington Gichunji Heho, MCA |                     |
| 15. Hon. Fatuma Abduwahid Abey, MCA    |                     |
| 16. Hon. Joseph Karanja Ndung'u, MCA   |                     |
| 17. Hon. Stephen Mugo Kimani, MCA      |                     |

MEMBERS ABSENT:

1. Hon. Patrick Karani Said, MCA
2. Hon. Fuad Hussein Mohamed, MCA
3. Hon. Geoffrey Odhiambo Majiwa, MCA
4. Hon. Stazo Elijah Omung'ala Ang'ila, MCA
5. Hon. Robert Alai Onyango, MCA

SECRETARIAT

- |                         |                          |
|-------------------------|--------------------------|
| 1. Ms. Josephine Kamau  | - Senior Clerk Assistant |
| 2. Mr. Benedict Ochieng | - Second Clerk Assistant |

The Chairperson called the meeting to order at 10.06am and opened the meeting with a word of prayer. He then welcomed Members and witnesses present to the meeting and requested them to introduce themselves. He then took members through the agenda as follows:-

AGENDA

1. Tabling of six (6) Auditor General Reports before the Committee;
  - The Report of the Auditor General on County Executive of Nairobi City for the year ended 30<sup>th</sup> June 2022;
  - The Report of the Auditor General on Nairobi City County Assembly Car Loan and Mortgage Scheme Fund for the year ended 30<sup>th</sup> June 2022;
  - The Report of the Auditor General on County Assembly of Nairobi for the year ended 30<sup>th</sup> June 2022;
  - The Report of the Auditor General on County Revenue Fund – County Government of Nairobi City for the year ended 30<sup>th</sup> June 2022;
  - The Report of the Auditor General on receiver of revenue for County Government of Nairobi for the year ended 30<sup>th</sup> June 2022; and
  - The Report of the Auditor-General on Nairobi City County Alcoholic Drinks Control and Licensing Board for the Year Ended 30<sup>th</sup> June 2022.
2. Adoption Report of the Auditor General on the Financial Statements of Nairobi City County Assembly Service Board Car Loan Scheme Fund for the year ended 30<sup>th</sup> June, 2018
3. Adoption Report of the Auditor General on the Financial Statements of Nairobi City County Assembly Service Board Mortgage Scheme Fund for the year ended 30<sup>th</sup> June, 2018
4. Adoption of the Report of the Select Committee on Public Accounts retreat held at Pride Inn Flamingo Beach Resort, Mombasa, from Thursday 10<sup>th</sup> November to Sunday 13<sup>th</sup> November, 2022
5. Adoption of the Report of the Select Committee on Public Accounts on Consideration of the Report of the Auditor General on Nairobi City County Alcoholic Drinks Control and Licensing Board for the year ended 30<sup>th</sup> June 2020.
6. Any Other Business
7. Adjournment

The said agenda of the meeting was then adopted as proposed by Hon. Joseph Karanja Ndung'u, MCA and seconded by Hon. Kennedy Odhiambo Oyugi, MCA.



MIN.079/NCCA/PAC/APRIL/2023 – TABLING OF SIX (6) AUDITOR GENERAL REPORTS BEFORE THE COMMITTEE;

The Chairperson tabled the Auditor General Reports which was committed to the Committee by the Speaker on the floor of the Assembly on 6<sup>th</sup> June 2023;

- The Report of the Auditor General on County Executive of Nairobi City for the year ended 30<sup>th</sup> June 2022;
- The Report of the Auditor General on Nairobi City County Assembly Car Loan and Mortgage Scheme Fund for the year ended 30<sup>th</sup> June 2022;
- The Report of the Auditor General on County Assembly of Nairobi for the year ended 30<sup>th</sup> June 2022;
- The Report of the Auditor General on County Revenue Fund – County Government of Nairobi City for the year ended 30<sup>th</sup> June 2022;
- The Report of the Auditor General on receiver of revenue for County Government of Nairobi for the year ended 30<sup>th</sup> June 2022; and
- The Report of the Auditor-General on Nairobi City County Alcoholic Drinks Control and Licensing Board for the Year Ended 30<sup>th</sup> June 2022.

MIN.080/NCCA/PAC/JUNE/2023 – ADOPTION REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF NAIROBI CITY COUNTY ASSEMBLY SERVICE BOARD CAR LOAN SCHEME FUND FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2018

The Report of the Auditor General on the Financial Statements of Nairobi City County Assembly Service Board Car Loan Scheme Fund for the year ended 30<sup>th</sup> June, 2018 which was adopted by the Committee as proposed by Hon. John Ndile Musila and seconded by Hon. Stephen Mugo Kimani.

MIN.081/NCCA/PAC/JUNE/2023 – ADOPTION REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF NAIROBI CITY COUNTY ASSEMBLY SERVICE BOARD MORTGAGE SCHEME FUND FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2018

The Report of the Auditor General on the Financial Statements of Nairobi City County Assembly Service Board Mortgage Scheme Fund for the year ended 30<sup>th</sup> June, 2018 which was adopted by the Committee as proposed by Hon. Billy Ricardo Nyantika and seconded by Hon. Paul Wachira Kariuki.

MIN.082/NCCA/PAC/JUNE/2023 – ADOPTION OF THE REPORT OF THE SELECT COMMITTEE ON PUBLIC ACCOUNTS RETREAT HELD AT PRIDE INN FLAMINGO BEACH RESORT, MOMBASA, FROM THURSDAY 10<sup>TH</sup> NOVEMBER TO SUNDAY 13<sup>TH</sup> NOVEMBER, 2022

The Report of the Select Committee on Public Accounts retreat held at Pride Inn Flamingo Beach Resort, Mombasa, from Thursday 10<sup>th</sup> November to Sunday 13<sup>th</sup> November, 2022, was adopted by the Committee as proposed by Hon. Jane Musangi and seconded by Hon. Agnes Njeri Muthoni.

MIN.083/NCCA/PAC/JUNE/2023 – ADOPTION OF THE REPORT OF THE SELECT COMMITTEE ON PUBLIC ACCOUNTS ON CONSIDERATION OF THE REPORT OF THE AUDITOR GENERAL ON NAIROBI CITY COUNTY ALCOHOLIC DRINKS CONTROL AND LICENSING BOARD FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2020.

The Report of the Select Committee on Public Accounts on Consideration of the Report of the Auditor General on Nairobi City County Alcoholic Drinks Control and Licensing Board for the year ended 30<sup>th</sup> June 2020, was adopted by the Committee as proposed by Hon. Mark Thiga Ruiyi and seconded by Hon. Stephen Mugo Kimani.

MIN.084/NCCA/PAC/JUNE/2023 - AOB&ADJOURNMENT

The Committee having dispensed with the agenda and the time being fifteen minutes past twelve O' clock, the Chairperson adjourned the sitting. The date and venue of the next sitting was going to be communicated by way of notice.

CONFIRMED AS A TRUE RECORD OF THE PROCEEDINGS

	SIGNATURE	DATE
CHAIRPERSON		21 <sup>st</sup> JUNE 2023
SECRETARY		21 <sup>st</sup> June, 2023

NAIROBI CITY COUNTY GOVERNMENT



NAIROBI CITY COUNTY ASSEMBLY  
(THIRD ASSEMBLY – SECOND SESSION)  
SELECT COMMITTEE ON PUBLIC ACCOUNTS  
ATTENDANCE REGISTER – MEMBERS

DATE: 13<sup>TH</sup> JUNE 2023 TIME: 10:00AM

S/NO.	NAME	SIGNATURE
1.	Chege D. Mwangi	
2.	Kennedy Oyugi	
3.	Ndung'u Joseph Kamari	
4.	Agnes Njeri Muthoni	
5.	JOHN NDILE MUSILA	
6.	Carlington Heno	
7.	CITIZEN MUGO MUBEN	
8.	Paul Wachira Kamuk	
9.	Jane Musang	
10.	Stephen Kimani Mugo	
11.	Ruiyi Mark Thiga	
12.	Eutychius Mueisi	
13.	Kame Adano	
14.	Emmy Khatemeshi Isalambu	
15.	Fernando Abdumalik Ali	
16.	FREDRICK NJORU	
17.	RICARDO NXANTIKA	



18.		
19.		
20.		
21.		
22.		
23.		

Prepared by.....

Date.....