

GOVERNMENT OF NAIROBI CITY COUNTY



THE NAIROBI CITY COUNTY ASSEMBLY

OFFICE OF THE CLERK

THIRD ASSEMBLY

(FOURTH SESSION)

NCCA/TJ/PL/2024(42)

PAPER LAID

SUBJECT: REVENUE AND EXPENDITURE REPORT

Pursuant to Section 166 of the Public Finance Management Act, 2012, I beg to lay the following Paper on the Table of this Assembly, today Wednesday 30th April 2025:

— THE NAIROBI CITY COUNTY REVENUE FUND REPORT
AND FINANCIAL STATEMENTS FOR THE THIRD
QUARTER OF FY 2024/2025.

(The Leader of Majority Party)

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

By Majority Party Members
Committed to PBAC
30 April 2025

RECEIVED
30 APR 2025
SPEAKER



NAIROBI CITY COUNTY
www.nairobi.go.ke

FINANCE AND ECONOMIC PLANNING AFFAIRS

Office of the County Executive Committee Member

NCC/FIN/DAS/0032/2025

The Clerk,
Nairobi City County Assembly,
P.O. Box 45844 -00100
Nairobi.



10th April, 2025

Del
Handy deal
Clerk
29/4/2025

**RE: SUBMISSION OF QUARTER 3 COUNTY REVENUE FUND
REPORTS AND FINANCIAL STATEMENTS FY 2024/2025.**

The above subject matter refers.

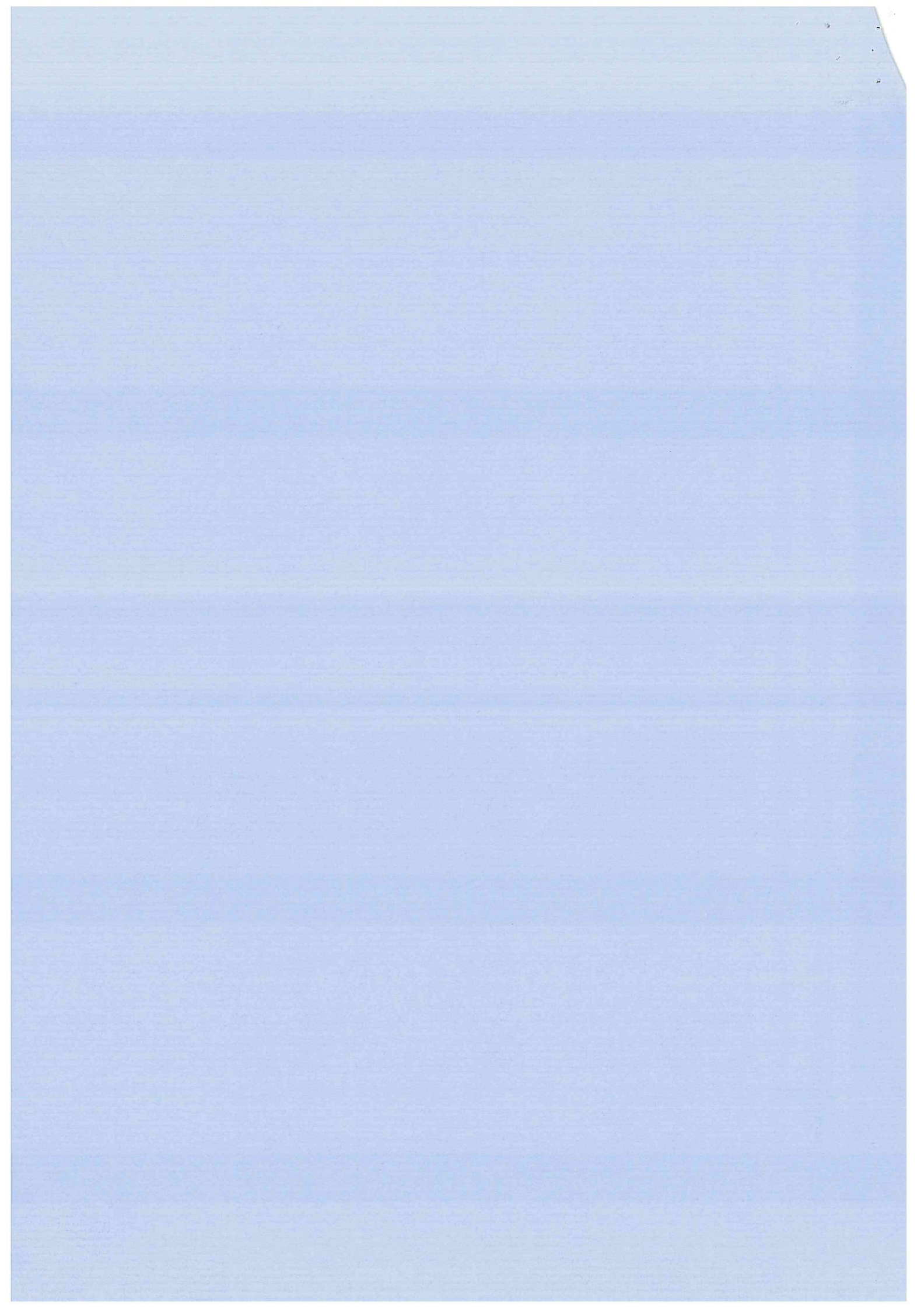
Enclosed please find County Revenue Fund Report and Financial Statements for the period ended 31st March, 2025.

Thank you for your continued support.

⑪ PCA LSP
prepare for tabling
and commitment.
DLS
29/4/2025

Charles K. Kerich
COUNTY EXECUTIVE COMMITTEE MEMBER
FINANCE AND ECONOMIC PLANNING AFFAIRS

LET'S MAKE **NAIROBI** WORK





COUNTY REVENUE FUND

County Government of Nairobi City

QUARTERLY REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH, 2025

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

County Government of Nairobi City
County Revenue Fund
Quarterly Report and Financial Statements for the Period ended March, 2025

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County Government of Nairobi City
County Revenue Fund
Quarterly Report and Financial Statements for the Period ended March, 2025

1. Acronyms and Definition of Key Terms

a. Acronyms

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

b. Definition of Key Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of the organization's financial resources.

2. Key Entity Information and Management

a) Background information

Article 207 of the Constitution of Kenya provides for the establishment of the County Revenue Fund into which shall be paid all money raised or received by or on behalf of the County Government.

b) Key Management Team

The County Revenue Funds day-to-day management is under the following key organs:

No.	Designation	Name
1.	CECM Finance and Economic planning	Charles K. Kerich
2.	C.O Finance	Asha Abdi
3.	Head of County Treasury (Accounting)	Caroline Wang'ang'a

c) Fiduciary Management

The key management personnel who held office during the quarter ended March 31, 2025 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	CECM Finance and Economic Planning	Charles K. Kerich
2.	Accounting Officer in charge of Finance	Asha Abdi
3.	Head of County Treasury (Accounting)	Caroline Wang'ang'a

d) Fiduciary Oversight Arrangements

The Nairobi City County Assembly Budget and Appropriations Committee and Public Accounts Committee provide oversight on County Financial Management. The Budget and Appropriations committee oversees and monitors budget preparation and implementation while the Public

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Accounts Committee reviews all reports of the Auditor-general in matters related to the management of finances. The County has an established audit committee which strengthens the independence and the processes around internal auditing.

The Controller of budget provides oversight in the execution of budget of the county. This ensures compliance with the legal provisions and ensuring financial discipline in the execution of budget.

The county submitted quarterly financial reports that gave the status of budget implementation on quarterly basis. Office of the Auditor General continues to offer oversight through conduct of annual audits comprising system audit and financial statements audit. The Auditor General prepares report which includes recommendations aimed at improving compliance with legal provision and ensuring service delivery.

The Senate continues to offer oversight on the County. The senate receives the Audited Annual Financial Statements of the county and through its Public Accounts committee seeks explanation on the issues raised in the report.

e) County Headquarters

P.O. Box 30075 - 00100

City Hall Building

City Hall Way,

Nairobi, Kenya

f) County Executive Contacts

Telephone: (254) 20 224281, (254) 20 2216151

E-mail: info@nairobi.go.ke

Website: www.nairobi.go.ke

g) County Bankers

Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

Nairobi, Kenya

h) Independent Auditor

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

i) Principal Legal Adviser

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

j) County Attorney

P.O. Box 30075 – 00100,
City Hall Building,
City Hall Way,
Nairobi, Kenya

3. Statement by the CECM Finance

Nairobi City County finances its functions through two primary sources of revenue: the Equitable Share and Own Source Revenues (OSR). Over the years, the Equitable Share has consistently been higher than OSR, even though the targets for both are nearly equal in the approved budget. The importance of OSR in meeting the ever-increasing resource needs of the county cannot be overstated. To address this, the county has continually focused on strengthening its revenue mobilization system, through legislative reforms, operational improvements, and exploring alternative methods for resource generation.

The revenue performance of Nairobi City County is significantly influenced by national economic conditions and other macroeconomic challenges, such as high inflation, a depreciating exchange rate, high unemployment, and low incomes.

By the end of the third quarter, the county had anticipated receiving Kshs 15,134,542,974 as its equitable share. However, Kshs 11,668,457,688 was received during this period, accounting for 58% of the expected equitable share. Own Source Revenue receipts amounted to Kshs 8,550,747,026, representing 42% of the anticipated Kshs 20,449,926,033 in OSR.

The county has on 31st March, 2025 transferred Kshs 20,964,322,201 from the County Revenue Fund. Of this, Kshs 19,876,655,601 has been allocated to the County Executive, and Kshs 1,087,666,600 to the County Assembly.



..... (Sign)

**CECM Finance and Economic Planning
County Government of Nairobi City**

4. Management Discussion and Analysis

The overall budget performance, in terms of receipts into the County Revenue Fund, stood at 49% of the budgeted revenue target of Kshs 43,830,820,349. Actual revenue collected amounted to Kshs 21,310,432,450. Of this, Equitable Share receipts totalled Kshs 11,668,457,688, while Own Source Revenue collected by the end of the third quarter also amounted to Kshs 8,128,376,768. Additionally, Kshs 1,478,245,240 in unspent balances from the previous financial year was re-appropriated in the current financial year.

On the expenditure side, overall performance stood at 48% of the targeted total expenditure of Kshs 43,830,820,349. By the third quarter of the 2024/2025 financial year, Kshs 19,876,655,601 had been transferred to the County Executive, while the County Assembly received Kshs 1,087,666,600.

The table below shows actual performance of revenues and expenditures against the budgeted amounts up to quarter three of the financial year 2024 – 2025.

Receipt/Payments	Final Budget	Actual on Comparable Basis	Budget Realization Difference	% of Realization
	c=(a+b)	d	e=(c-d)	f=d/c%
	Kshs	Kshs	Kshs	
Revenue				
Exchequer releases	20,179,390,632	11,668,457,688	8,510,932,944	58%
opening balance re-appropriated	1,904,553,515	1,478,245,240	426,308,275	78%
Transfers from other government agencies	-	35,195,690	(35,195,690)	
Other grants	1,296,950,169	-	1,296,950,169	0%
Return to CRF	-	157,064	(157,064)	
Own Source Revenue	20,449,926,033	8,128,376,768	12,321,549,265	40%
Total Revenue	43,830,820,349	21,310,432,450	22,520,387,899	49%
Expenses				
Transfers to County Executive	40,886,789,260	19,876,655,601	21,010,133,659	49%
Transfers to County Assembly	2,944,031,089	1,087,666,600	1,856,364,489	37%
Total Payments	43,830,820,349	20,964,322,201	22,866,498,148	48%
Surplus/Deficit	-	346,110,249	(346,110,249)	

5. Overview of the County Revenue Fund Operations

Background

Article 207 of the Constitution of Kenya provides for the establishment of a County Revenue Fund into which shall be paid all money raised or received by or on behalf of the County Government. As outlined under Section 109 of the Public Finance Management (PFM) Act, 2012 the County Treasury is responsible for administration of the County Revenue Fund. The County Revenue Fund is maintained as the County Exchequer Account at the Central Bank of Kenya.

Receipts into the County Revenue Fund

County Government revenue is received through the appointed County Receiver of Revenue by the County Executive Committee Member for finance to the County Treasury pursuant to Section 157 (1) of the PFM Act 2012. Revenue includes Exchequer releases, grants from development partners, proceeds from domestic and foreign borrowings, and other miscellaneous deposits in the County Revenue Fund Account.

Transfers from the County Revenue Fund

The withdrawal of funds from the County Revenue Fund is authorized by the County Appropriation Act. The County Treasury is required to seek the Controller of Budget's approval for withdrawal of funds from the County Revenue Fund to the County Executive and County Assembly bank accounts. These entities are responsible for the administration of their respective approved budgets.

Financial Reporting requirements

The Accounting Officer for the County Revenue Fund is required to prepare and submit the financial statements to the Auditor-General and a copy to the Controller of Budget, and the Commission on Revenue Allocation.

This statement therefore covers the operations of the County Exchequer Account for the financial period ended December, 2024.



.....
CEC Member – Finance and Economic Planning

County Government of Nairobi City

6. Statement of Management Responsibilities.

Article 207 of the Constitution, Sections 109 and 168 of the Public Finance Management Act, 2012 requires a County Revenue Fund established by the Constitution, an Act of Parliament or county legislation to prepare quarterly financial statements for the Fund for each period in a form prescribed by the Public Sector Accounting Standards Board and submit to the Auditor General and a copy to the Commission on Revenue Allocation and the Controller of Budget.

The Accounting Officer at the County Treasury is responsible for the preparation and presentation of the County Revenue Fund financial statements, which give a true and fair view of the state of affairs of the Fund as at the end of the Quarter ended on March 31, 2025. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Revenue Fund; (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 Revenue Fund; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

The Accounting Officer accepts responsibility for the County Revenue Fund's financial statements, which have been prepared on the Accrual Basis Method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the County Revenue Fund's financial statements give a true and fair view of the state of the County Revenue Fund's transactions during the quarter ended March 31, 2025 and of its financial position as at that date.

The Accounting Officer further confirms the completeness of the accounting records maintained for the County Revenue Fund, which have been relied upon in the preparation of its financial statements, as well as the adequacy of the systems of internal financial control. The Accounting Officer confirms that the County Revenue Fund has complied fully with applicable Government Regulations. Further, the Accounting Officer confirms that the County Revenue Fund's Financial

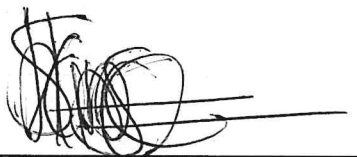
County Government of Nairobi City
County Revenue Fund
Quarterly Report and Financial Statements for the Period ended March, 2025

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 Revenue Fund's financial statements were approved and signed on **10th March, 2025** by;

Signature _____

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end, written over a horizontal line.

Name: Asha Abdi

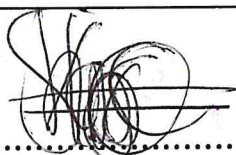
Chief Officer Finance /Accounting Officer

County Government of Nairobi City

County Government of Nairobi City
County Revenue Fund
Quarterly Report and Financial Statements for the Period ended March, 2025

7. Statement of Financial Performance for the Period Ended March 31, 2025

	Notes	Period ended Sep/Dec/Mar
		Kshs.
Revenue from non-exchange transactions		
Exchequer releases	5	11,668,457,688
Transfers from other government agencies	6	35,195,690
Return to CRF		157,064
Non-Exchange Own Source Revenue	7	6,138,394,793
Revenue from exchange transactions		
Exchange Own Source Revenue	8	2,412,352,233
Total Revenue		20,254,557,468
Expenses		
Transfers to County Executive	9	19,876,655,601
Transfers to County Assembly	10	1,087,666,600
Total Expenses		20,964,322,201
Surplus for the period		(709,764,733)



Name: Asha Abdi

Chief Officer - Finance

Date: 10th March, 2025



Name: Caroline Wang'ang'a

Head of County Treasury (Accounting)

ICPAK Member No: 15768

Date: 10th March, 2025

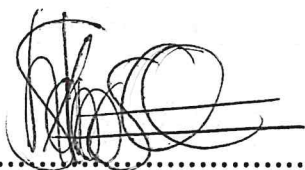
County Government of Nairobi City

County Revenue Fund

Quarterly Report and Financial Statements for the Period ended March, 2025

8. Statement of Financial Position as at March 31, 2025

	Not e	Sep/Dec/Marc h	1 st Position July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	11	346,110,250	1,478,245,240
Receivables from Non-Exchange Transactions	12	288,405,376	-
Receivables from Exchange Transactions	13	133,964,882	-
Total Current Assets		768,480,507	1,478,245,240
Total Assets (A)		768,480,507	1,478,245,240
Liabilities			
Current Liabilities			
Accounts Payable	14	-	-
Total Current Liabilities		-	-
Total Liabilities (B)		-	-
Net Assets(A-B)		768,480,507	1,478,245,240
Represented by:			
Accumulated Surplus		768,480,507	1,478,245,240
Net Assets		768,480,507	1,478,245,240



Name: Asha Abdi
Chief Officer, Finance

Date: 10th March, 2025



Name: Caroline Wang'ang'a
Head of County Treasury
(Accounting)

ICPAK M/No: 15768

Date: 10th March, 2025

County Government of Nairobi City
County Revenue Fund
For the Period ended March 2025

9. Statement of Changes in Net Assets for the Period ended March 31, 2025

	Accumulated Surplus
1st July 2024 Opening Balance	1,478,245,240
Adjustment to recognize assets/liabilities	-
1st July 2024 Opening Balance	1,478,245,240
Surplus/ deficit for the Period	(709,764,733)
As at Sep/Dec/Mar 2025	768,480,507

10. Statement of Cash Flows for the Period ended March 31, 2025

		Period Ended Sep/Dec/Mar
	Notes	Kshs
Cash flows from operating activities		
Receipts		
Exchequer releases	5	11,668,457,688
Transfers from other government agencies	6	35,195,690
Return to CRF		157,064
Own Source Revenue (Less Receivables)	7, 8	8,128,376,768
Total receipts		19,832,187,210
Payments		
Transfers to County Executive (operating activities)	9	(19,876,655,601)
Transfers to County Assembly (operating activities)	10	(1,087,666,600)
Total Payments		(20,964,322,201)
Net cash flows from/(used in) operating activities		(1,132,134,991)
Net increase/(decrease) in cash & Cash Equivalent		(1,132,134,991)
Cash and cash equivalents at 1 July	11	1,478,245,240
Cash and cash equivalents at the end of the period	11	346,110,250

County Revenue Fund
For the Period ended March 2025

11. Statement of Comparison of Budget Actual Amounts for the Period Ended March 31, 2025.

Receipt/Payments	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Realization Difference	% of Realization
	a	b	c=(a+b)	d	e=(c-d)	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	
Revenue						
Exchequer releases	20,855,390,632	(676,000,000)	20,179,390,632	11,668,457,688	8,510,932,944	58%
opening balance re- appropriated	1,000,000,000	904,553,515	1,904,553,515	1,478,245,240	426,308,275	78%
Transfers from other government agencies	-		-	35,195,690	(35,195,690)	
Other grants	1,296,950,169		1,296,950,169	-	1,296,950,169	0%
Return to CRF	-		-	157,064	(157,064)	
Own Source Revenue	20,411,926,033	38,000,000	20,449,926,033	8,128,376,768	12,321,549,265	40%
Total Revenue	43,564,266,834	266,553,515	43,830,820,349	21,310,432,450	22,520,387,899	49%
			-			
Expenses			-			
Transfers to County Executive	40,004,154,998	882,634,262	40,886,789,260	19,876,655,601	21,010,133,659	49%
Transfers to County Assembly	3,560,111,836	(616,080,747)	2,944,031,089	1,087,666,600	1,856,364,489	37%
Total Payments	43,564,266,834	266,553,515	43,830,820,349	20,964,322,201	22,866,498,148	48%
Surplus/Deficit	-	-	-	346,110,249	(346,110,249)	

12. Notes to the Financial Statements

1. General Information

The County Revenue Fund is established by and derives its authority and accountability from Article 207 of the Constitution of Kenya 2010. The Fund is wholly owned by the Nairobi City County Government and is domiciled in Kenya. The Fund's principal activity is to receive equitable share, grants and own source revenues.

2. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with Accrual-Basis IPSAS financial reporting under the Accrual-Basis of accounting, as prescribed by the PSASB and Section 167 of the PFM Act 2012. The Financial Statements are presented in Kenya Shillings, which is the functional and reporting currency of the Fund, all values are rounded off to the nearest Kenya Shilling. The accounting policies adopted have been consistently applied to all the years presented. The financial statements are prepared on accrual basis while the cashflow statement is prepared using the direct method.

a) Reporting entity

This report relates to financial operations of the County Revenue Fund domiciled at the County Treasury and bank account maintained at Central Bank of Kenya.

b) Revenues

Revenues from non-exchange transactions with are measured at fair value and recognized on obtaining control of the asset, if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the *Entity* and can be measured reliably.

Revenues include funds deposited in the County Revenue Fund pursuant to Article 207 of the Constitution of Kenya and Section 109 of the PFM Act 2012.

Notes to the Financial Statements

c) Budget information

The original budget for the FY was approved by the County Assembly on 26th June, 2024. The revenues collected include Exchequer releases, own source revenue, grants from development partners, proceeds from domestic and foreign borrowings, and other miscellaneous deposits in the County Exchequer Account.

Transfers from the exchequer and own source revenue are 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.

Significant Accounting Policies

d) Expenses

Expenses are based on the County Government Appropriation Act. The exchequer requests are received by County Treasury, which rationalizes the requests based on the available balance, consolidates the requests and forwards them to Controller of Budget (COB) for approval. Once the approval of COB is obtained, the funds are released to the County Assembly and County Executive operational accounts appropriately

3. Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Revenue Transfers

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

County Government of Nairobi City
County Revenue Fund
Quarterly Report and Financial Statements for the Period ended March, 2025

Notes to the Financial Statements

ii. Revenue from exchange transactions

Own Source Revenue

b) Budget information

The original budget for FY 2024/2025 was approved by the County Assembly on 26th June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget. The Entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements.

c) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Fund does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Significant Accounting Policies

Financial assets

Classification of financial assets

The Fund classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the fund's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect

Notes to the Financial Statements

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

County Government of Nairobi City
County Revenue Fund
Quarterly Report and Financial Statements for the Period ended March, 2025

Notes to the financial statements

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

The Fund assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

Financial liabilities

Classification

The Fund classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year

e) Events after the reporting period

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

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Notes to the financial statements

f) Currency

The financial statements are presented in Kenya Shillings (Kshs) are rounded off to the nearest shilling.

Significant Accounting Policies

4. Significant judgments and sources of estimation uncertainty

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

State all judgements, estimates and assumptions made if any.

5. Exchequer release

The following is an analysis by revenue type of the receipts collected in the County Revenue Fund:

Description	Period ended Sep/Dec/March 2025
	Kshs.
Equitable Share (a)	11,668,457,688
Total (d=a+b+c)	11,668,457,688

6. Transfers from other government agencies

Description	Period ended Sep/Dec/March 2025
	Kshs.
IDA (World Bank) Credit: Second Kenya Devolution Support programme KDSP II	35,195,690
Total	35,195,690

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7. Non-Exchange own source revenue

Description	Period ended Sep/Dec/March 2025
	Kshs.
Land rate	2,045,966,018
Single/Business permits	1,953,730,447
Physical planning and development	1,117,980,466
Fire Inspection Certificates	4,081,500
Food Handlers Certificates	71,657,516
Other - Incomes	944,978,846
Total	6,138,394,793

8. Exchange Own Source Revenue

Description	Period ended Sep/Dec/March 2025
	Kshs.
Property rent	437,188,995
Parking fees	1,442,547,755
Market fees	140,855,371
Advertising	391,760,112
Total	2,412,352,233

9. Transfers to County Executive

Description	Period ended Sep/Dec/March 2025
	Kshs.
Recurrent Account	18,328,650,707
Development Account	1,518,956,644
Special Purpose Accounts	29,048,250
Total	19,876,655,601

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10. Transfers to County Assembly

Description	Period ended Sep/Dec/March 2025
	Kshs.
Recurrent Account	1,087,666,600
Development Account	
Total	1,087,666,600

11. Cash and Cash equivalents

Description	Period ended Sep/Dec/March 2025	1st July 2024
	Kshs.	Kshs.
County Exchequer Account - (CBK Account number 1000171863)	346,110,250	1,478,245,240
Total	346,110,250	1,478,245,240

12. Receivables from Non-Exchange Transactions

Description	Period ended Sep/Dec/March 2025	1st July 2024
	Kshs	Kshs
Receivables	288,405,376	
Less: impairment allowance		
Net receivables	288,405,376	-

13. Receivables from Exchange Transactions

Description	Period ended Sep/Dec/March 2025	1st July 2024
	Kshs	Kshs
Other debtors (non-exchange transactions)	133,964,882	-
Less: impairment allowance	-	-
Total	133,964,882	-

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14. Accounts Payable

Description	Period ended Sep/Dec/March 2025	1st July 2024
	Kshs	Kshs
Payables to County Executive	-	-
Total Accounts Payable	-	-

15. 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 are disclosed as at the end of the reporting period as below.

Name of Bank, Account No. & Currency	Amount in bank account currency*	Ex. rate (if in foreign currency)	Period ended Mar - 2025	Period ended Dec - 2024
Co-operative Bank Nairobi City County Revenue Account 01141232396600	Kshs		222,141,847	9,080,704
Equity Bank Nairobi City County Revenue Account 1600284509139	Kshs		207,606,225	120,544,544

*County Government of Nairobi City
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13. Annexes

Annex 1: Analysis of Receipts from the National Treasury Exchequer Releases

Period 2024 - 2025	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
Equitable Share	1,706,125,025	6,632,845,064	3,329,487,599	-	11,668,457,688
IDA (World Bank) Credit: Second Kenya Devolution Support programme KDSP II	35,195,690	-	-	-	35,195,690
Total	1,741,320,715	6,632,845,064	3,329,487,599	-	11,703,653,378

Annex 2. Analysis of Receipts from Own Source Revenue per Quarter

(a) Non-Exchange own source revenue

Period 2024 - 2025	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
Land rate	138,563,108	118,033,384	1,789,369,525	-	2,045,966,018
Single/Business permits	268,515,725	322,159,358	1,363,055,364	-	1,953,730,447
Physical planning and development	433,490,135	421,195,656	263,294,675	-	1,117,980,466
Fire Inspection Certificates	761,000	566,500	2,754,000	-	4,081,500
Food Handlers Certificates	22,672,506	18,433,500	30,551,510	-	71,657,516
Other - Incomes	290,668,160	232,081,807	422,228,880	-	944,978,846
Total	1,154,670,634	1,112,470,205	3,871,253,954	-	6,138,394,793

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(b) Exchange own source revenue

Period 2024 - 2025	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)
Property rent	109,128,646	180,840,370	147,219,979	-	437,188,995
Parking fees	402,713,307	415,717,240	624,117,208	-	1,442,547,755
Market fees	44,760,036	50,097,349	45,997,986	-	140,855,371
Advertising	96,671,408	89,904,479	205,184,225	-	391,760,112
Total	653,273,397	736,559,438	1,022,519,398	-	2,412,352,233

Annex 3: Analysis of Transfers from the County Revenue Fund

Period 2024 - 2025	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)
County Executive - Recurrent	2,654,370,857	9,562,087,539	6,112,192,311	-	18,328,650,707
County Executive - Development	-	627,017,358	891,939,286	-	1,518,956,644
County Assembly - Recurrent	169,861,972	415,853,431	501,951,197	-	1,087,666,600
Special Purpose A/c	29,048,250	-	-	-	29,048,250
Total	2,853,281,079	10,604,958,328	7,506,082,794	-	20,964,322,201