

GOVERNMENT OF NAIROBI CITY COUNTY



THE NAIROBI CITY COUNTY ASSEMBLY

OFFICE OF THE CLERK

THIRD ASSEMBLY

(FOURTH SESSION)



NCCA/TJ/PL/2024(20)

11TH FEBRUARY 2025

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 Tuesday 11th February 2025:

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

(The Leader of Majority Party)

Copies to:

The Speaker

The Clerk

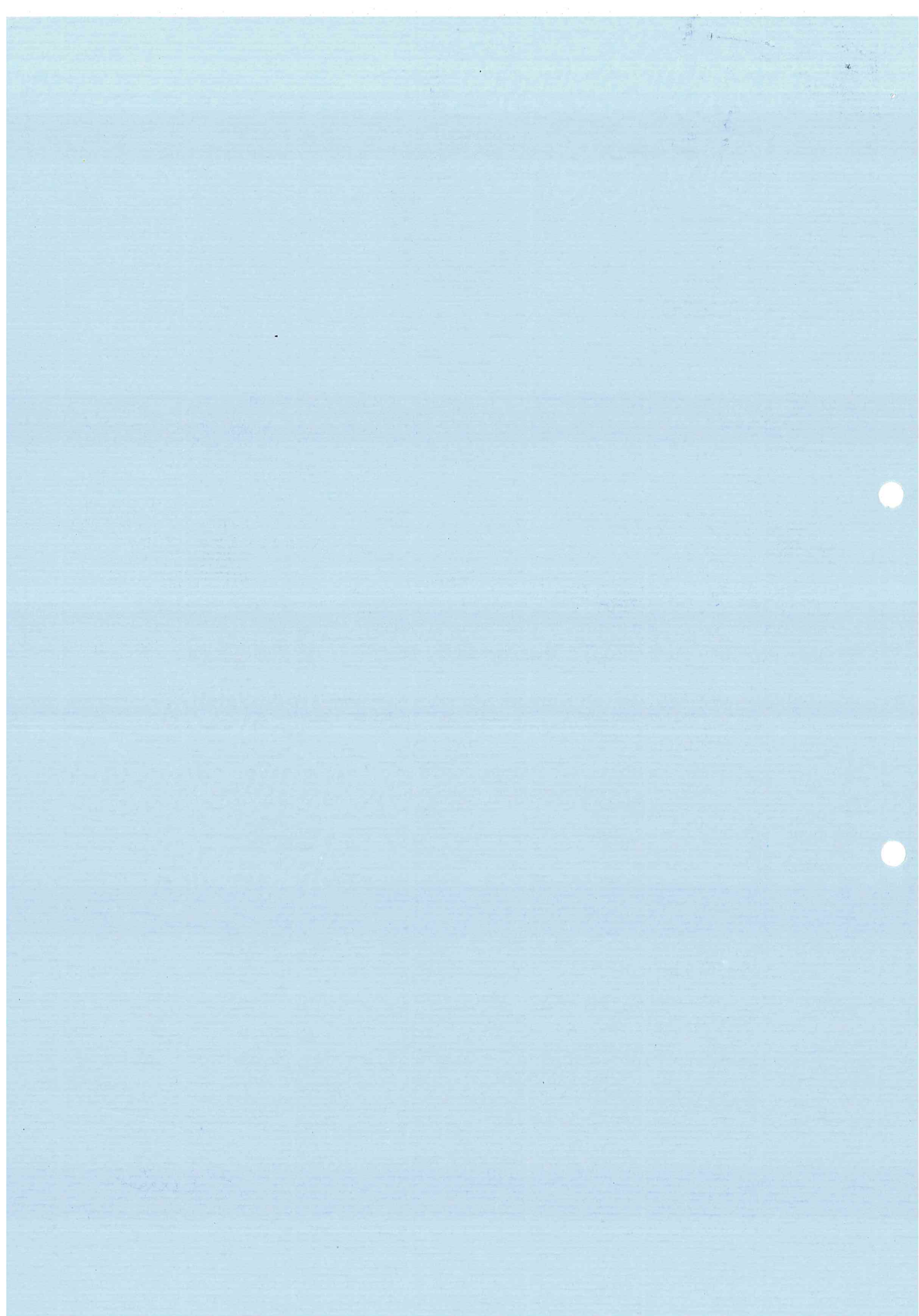
Hansard Editor

Hansard Reporters

The Press

*Papers laid by
the Majority
Leader on
11/02/2025*

[Signature]
Chuk
11/2/2025





NAIROBI CITY COUNTY
www.nairobi.go.ke

FINANCE AND ECONOMIC PLANNING AFFAIRS

Office of the County Executive Committee Member

NCC/FIN/DAS/006/2025

20th January, 2025

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



2/23/25
PCA L&P
Forwarded for table
& Comm. Hal
29/1/2025

**RE; SUBMISSION OF QUARTER 2 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 December, 2024.

Thank you for your continued support.

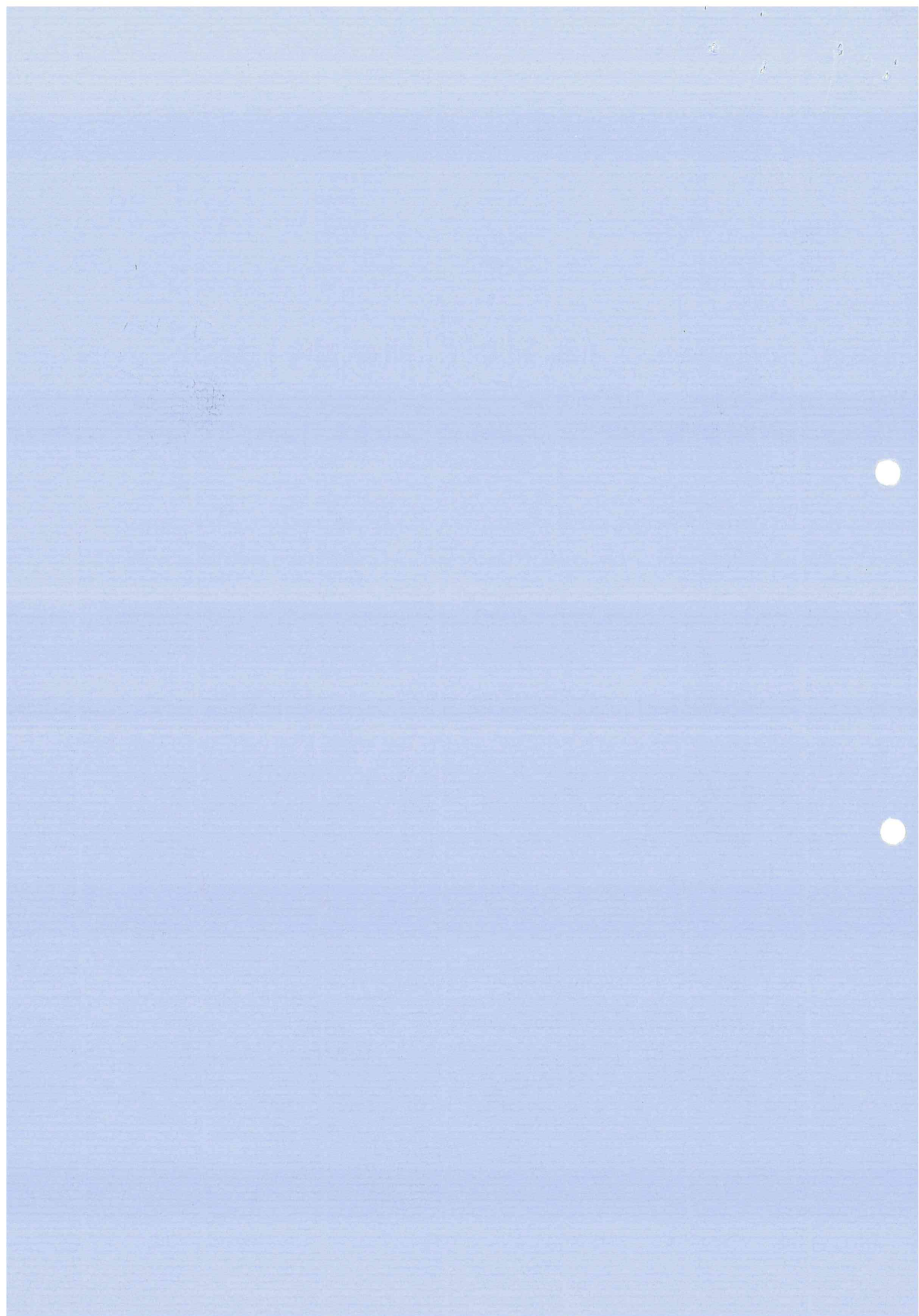
Charles K. Kerich

COUNTY EXECUTIVE COMMITTEE MEMBER

FINANCE AND ECONOMIC PLANNING AFFAIRS

DECA/DC
Kindly clear
for CCA
28/1/2025

LET'S MAKE **NAIROBI** WORK





COUNTY REVENUE FUND

County Government of Nairobi City

QUARTERLY REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER, 2024

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 December 2024

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County Government of Nairobi City
County Revenue Fund
Quarterly Report and Financial Statements for the Period ended December 2024

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)	Martha Wambugu

c) Fiduciary Management

The key management personnel who held office during the quarter ended 31st December 2024 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)	Martha Wambugu

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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Quarterly Report and Financial Statements for the Period ended December 2024***

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 main sources of revenue i.e., Equitable share and Own Source Revenue. Over the years, equitable share has been dominantly higher than Own Source Revenue despite the targets being almost equal in the approved budget. The relevance and significance of OSR to meet the enormous and ever-increasing resource requirement cannot be over emphasized. The county has therefore continuously pursued the path of strengthening the revenue mobilisation ecosystem, both legislatively, operationally and in leveraging on alternative resource raising measures.

The revenue fortunes of Nairobi City County are highly influenced by prevailing national economic conditions. Both global and Kenyan economy decelerated significantly in 2022 largely due to a slowdown in global economic activities, due to tightening of monetary policies by most economies to contain high inflation largely attributed to the negative spillover from the war in Ukraine that continues to destabilize economic activities. Other macroeconomic variables that were detrimental to the county economy were high inflation rates and depreciating exchange rate. This was coupled by high unemployment and low incomes which has continued to darken the hopes of most households in the city.

The county anticipated to receive Kshs 5,213,847,658 as equitable share in quarter two. Kshs 6,632,845,064 was received during the period being 127% of the expected equitable share receipts, of which amount Kshs 1,418,997,406 was meant to have been received in the quarter one. The amount of Kshs 35,195,690 was also received in the County as a grant from other government agencies in quarter Two.

Own source generated receipts amounted to Kshs 1,793,743,528 being 35% of the anticipated own source revenues of Kshs 5,102,981,508.

In the quarter under review, the county transferred Kshs 10,604,958,328 from the County Revenue Fund with Kshs 10,189,104,897 and Kshs 415, 853,431 going to County Executive and County Assembly respectively for recurrent expenditure


..... (Sign)

CECM Finance and Economic Planning

County Government of Nairobi City

4. Management Discussion and Analysis

The financial performance of County Revenue Fund in the Quarter Two was above the anticipated results where actual external receipts represented 127% performance. The four month equitable share of Kshs 6,632,845,064 was received out of three months' equitable shares expected.

Own generated receipts posted a performance of 35% Kshs1,793,743,528 was collected from a quarterly target of Kshs 5,102,981,508.

Revenue collection banks have instructions to sweep all revenue collected to County Revenue Fund at CBK on a daily basis.

The table below shows actual performance of revenues and expenditures against quarter two targets:

Revenues	Q2 Budget Target 24-25	Actual on Comparable Basis	Budget Realization Difference	% of Realization
	c	d	e=(c-d)	f=d/c%
	Kshs	Kshs	Kshs	
Exchequer releases	5,213,847,658	6,632,845,064	(1,418,997,406)	127%
Other grants	324,237,542	35,195,690	289,041,852	11%
Own Source Revenue	5,102,981,508	1,793,743,528	3,309,237,980	35%
Total	10,891,066,709	8,461,784,282	5,442,373,367	78%
Expenses				
Transfers to County Executive	10,001,038,750	10,189,104,897	(188,066,147)	102%
Transfers to County Assembly	890,027,959	415,853,431	474,174,528	47%
Total	10,891,066,709	10,604,958,328	286,108,380	97%

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 December 31, 2024. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County 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 December. 2024, 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

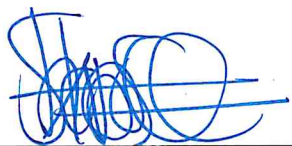
County Government of Nairobi City
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Quarterly Report and Financial Statements for the Period ended December 2024

Regulations. Further, the Accounting Officer confirms that the County Revenue Fund'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 Revenue Fund's financial statements were approved and signed on **20th January, 2025** by;

Signature _____



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 December 2024

7. Statement of Financial Performance for the Period Ended December 31, 2024

	Notes	Period ended Sep. 30, 2024 Kshs.
Revenue from non-exchange transactions		
Exchequer releases	5	6,632,845,064
Transfers from other government agencies	6	35,195,690
Non-Exchange Own Source Revenue	7	1,084,096,091
Revenue from exchange transactions		
Exchange Own Source Revenue	8	709,647,437
Total Revenue		8,461,784,282
Expenses		
Transfers to County Executive	9	10,189,104,897
Transfers to County Assembly	10	415,853,431
Total Expenses		10,604,958,328
Surplus/(Deficit) for the period		(2,143,174,046)

.....
Name: Asha Abdi

Chief Officer - Finance

Date: 20th January, 2025

.....
Name: Martha Wambugu

Head of County Treasury (Accounting)

ICPAK Member No: 5435

Date: 20th January, 2025

County Government of Nairobi City
County Revenue Fund
Quarterly Report and Financial Statements for the Period ended December 2024

8. Statement of Financial Position as at December 31, 2024

	Note	Period ended Dec. 31, 2024	1 st Position July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	11	54,664,572	1,478,245,240
Receivables from Non-Exchange Transactions	12	120,544,544	-
Receivables from Exchange Transactions	13	9,080,704	-
Total Current Assets		184,289,819	1,478,245,240
Total Assets (A)		184,289,819	1,478,245,240
Liabilities			
Current Liabilities			
Accounts Payable	14	67,079,160	-
Total Current Liabilities		-	-
Total Liabilities (B)		67,079,160	-
Net Assets(A-B)		117,210,659	1,478,245,240
Represented by:			
Accumulated Surplus		117,210,659	1,478,245,240
Net Assets		117,210,659	1,478,245,240

County Government of Nairobi City

County Revenue Fund

Quarterly Report and Financial Statements for the Period ended December 2024

.....


Name: Asha abdi

Chief Officer, Finance

Date: 20th January, 2025

.....


Name: Martha Wambugu

Head of County Treasury

(Accounting)

ICPAK M/No: 5435

Date: 20th January, 2025

9. Statement of Changes in Net Assets for the Period ended December 31, 2024

	Accumulated Surplus
1st July 2024 Opening Balance	1,478,245,240
Adjustment to recognize assets/liabilities	782,139,465
1st July 2024 Opening Balance	2,260,384,705
Surplus/ deficit for the Period	(2,143,174,046)
As at December 31, 2024	117,210,659

10. Statement of Cash Flows for the Period ended December 31, 2024

		Period Ended Dec. 31, 2024
	Notes	Kshs
Cash flows from operating activities		
Receipts		
Exchequer releases	5	6,632,845,064
Transfers from other government agencies	6	35,195,690
Own Source Revenue	7, 8	1,793,743,528
Total receipts		8,461,784,282
Payments		
Transfers to County Executive (operating activities)	9	(10,189,104,897)
Transfers to County Assembly (operating activities)	10	(415,853,431)
Other transfers		-
Total Payments		(10,604,958,328)
Net cash flows from/(used in) operating activities		(2,143,174,046)
Net increase/(decrease) in cash & Cash Equivalent		(2,143,174,046)
Cash and cash equivalents at 1 July	11	1,478,245,240
Cash and cash equivalents at the end of the period		(664,928,805)

11. Statement of Comparison of Budget Actual Amounts for the Period Ended December 31, 2024.

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	-	20,855,390,632	8,338,970,089	12,516,420,543	40%
opening balance re- appropriated	1,000,000,000	-	1,000,000,000	1,478,245,240	(478,245,240)	148%
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	-	20,411,926,033	3,606,063,974	16,805,862,059	18%
Total Revenue	43,564,266,834	-	43,564,266,834	13,458,632,057	30,105,634,777	31%
Expenses			-			

County Revenue Fund
Quarterly Report and Financial Statements for the Period ended December 2024

Transfers to County Executive	40,004,154,998	-	40,004,154,998	12,872,524,004	27,131,630,994	32%
Transfers to County Assembly	3,560,111,836	-	3,560,111,836	585,715,403	2,974,396,433	16%
Total Payments	43,564,266,834	-	43,564,266,834	13,458,239,407	30,106,027,427	31%
Surplus/Deficit	-	-	-	392,650	(392,650)	

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 December 2024

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 xxxx. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Entity upon receiving the respective approvals in order to conclude the final budget. 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 December 2024

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.

County Government of Nairobi City
County Revenue Fund
Quarterly Report and Financial Statements for the Period ended December 2024

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 Dec, 24
	Kshs.
Equitable Share	6,632,845,064
Total	6,632,845,064

6. Transfers from other government agencies

	Period ended Dec. 31, 2024
	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 Dec - 24
	Kshs.
Land rate	142,363,884
Single/Business permits	327,435,659
Physical planning and development	481,855,602
Miscellaneous	18,042,554
Others	114,398,392
Total	1,084,096,091

8. Exchange Own Source Revenue

Description	Period ended Dec - 24
	Kshs.
Property rent	183,036,552
Parking fees	267,810,613
Market fees	61,694,835
Advertising	197,105,437
Total	709,647,437

9. Transfers to County Executive

Description	Period ended Dec - 24
	Kshs.
Recurrent Account	9,562,087,539
Development Account	627,017,358
Total	10,189,104,897

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10. Transfers to County Assembly

Description	Period ended Dec - 24
	Kshs.
Recurrent Account	415,853,431
Development Account	-
Total	415,853,431

11. Cash and Cash equivalents

Description	Period ended Dec - 24	1st July 2024
	Kshs.	Kshs.
County Exchequer Account - (CBK Account number 1000171863)	54,664,572	1,478,245,240
Total	54,664,572	1,478,245,240

12. Receivables from Non-Exchange Transactions

Description	Period ended	
	Dec-24	1st July 2024
	Kshs	Kshs
Receivables	120,544,544	-
Less: impairment allowance	-	-
Net receivables	120,544,544	-

13. Receivables from Exchange Transactions

Description	Period ended	
	Dec-24	1st July 2024
	Kshs	Kshs
Other debtors (non-exchange transactions)	9,080,704	-
Less: impairment allowance	-	-
Total	9,080,704	-

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14. Accounts Payable

Description	Period ended	
	Sep-24	1 st July 2024
	Kshs	Kshs
Payables to County Executive	67,079,160 -	-
Payables to County Assembly	-	-
Total Accounts Payable	67,079,160 -	-

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 Dec - 2024	Comparative Period
Co-operative Bank Nairobi City County Revenue Account 01141232396600	Kshs	-	9,080,704	
Equity Bank - Nairobi City County Revenue Account 1600284509139	Kshs	-	120,544,544	

13. Annexes

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

Period 2024 - 2025	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)
Equitable Share	1,706,125,025	6,632,845,064	-	-	8,338,970,089
Transfers from other government agencies	-	35,195,690	-	-	35,195,690
Total	1,706,125,025	6,668,040,754	-	-	8,374,165,779

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

(a) Non-Exchange own source revenue

Period 2024 - 2025	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)
Land rate	196,074,592	142,363,884	-	-	338,438,476
Single/Business permits	275,807,390	327,435,659	-	-	603,243,049
Physical planning and development	484,385,984	481,855,602	-	-	966,241,586

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Miscellaneous	898,000	18,042,554	-	-	18,940,554
Others	138,157,573	114,398,392	-	-	252,555,965
Total	1,095,323,539	1,084,096,091	-	-	2,179,419,630

Exchange own source revenue

Period 2024 - 2025	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)	(Kshs.)
Property rent	111,107,698	183,036,552	-	-	221,147,603
Parking fees	434,394,048	267,810,613	-	-	865,718,336
Market fees	45,981,222	61,694,835	-	-	90,637,506
Advertising	118,573,758	197,105,437	-	-	235,309,583
Others - Mortuary Fees	6,940,180	-	-	-	13,831,315
Total	716,996,906	709,647,437	-	-	1,426,644,343

Annex 3: Analysis of Transfers from the County Revenue Fund

Period 2024 - 2025	Quarter 1 (Kshs.)	Quarter 2 (Kshs.)	Quarter 3 (Kshs.)	Quarter 4 (Kshs.)	Total (Kshs.)
County Executive -Rec	2,654,370,857	9,562,087,539	-	-	12,216,458,396
County Executive -Dev	-	627,017,358	-	-	627,017,358
County Assembly -Rec	169,861,972	415,853,431	-	-	585,715,403
County Assembly -Dev	-	-	-	-	-
Special Purpose A/c (Specify)	29,048,250	-	-	-	29,048,250
Total	2,853,281,079	10,604,958,328	-	-	13,458,239,407

