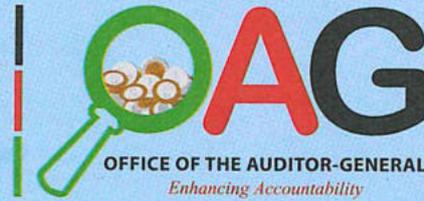


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL  
Enhancing Accountability

REPORT ①

*DCA Del*  
*Handy note*  
*an process*

OF

*[Signature]*  
*2/1/2025*

THE AUDITOR-GENERAL

ON

NAIROBI CITY COUNTY ASSEMBLY

FOR THE YEAR ENDED  
30 JUNE, 2025

① *PCA LIPD*  
*Task well as per*

*[Signature]*  
*DLS*  
*26/11/2026*

② *DLS*  
*Handy Process for*  
*Tabung & Committee*  
*[Signature]*  
*DCL*  
*22/1/26*

R



---

NAIROBI CITY COUNTY ASSEMBLY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30<sup>TH</sup> JUNE 2025

---

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



Table of Contents	Page
1. Acronyms, Abbreviations and Definition of Key Terms .....	ii
2. Key Entity Information and Management .....	iii
3. Governance Statement .....	vi
4. Foreword by the Clerk of the County Assembly .....	xxxviii
5. Statement of Performance against Predetermined Objectives .....	xliv
6. Environmental and Sustainability Reporting .....	lv
7. Management Discussion and Analysis .....	lviii
8. Statement of Management Responsibilities .....	lxi
9. Report of the Independent Auditor for the Nairobi City County Assembly for the year ended 30 <sup>th</sup> June 2025. ....	lxiii
10. Statement of Financial Performance for The Year Ended 30 <sup>th</sup> June 2025 .....	1
11. Statement of Financial Position As at 30 <sup>th</sup> June 2025 .....	2
12. Statement of Changes in Net Assets for The Year Ended 30 <sup>th</sup> June 2025 .....	4
13. Statement of Cash Flows for The Year Ended 30 <sup>th</sup> June 2025 .....	5
14. Statement of Comparison of Budget and Actual Amounts for the Year Ended 30 <sup>th</sup> June 2025 7	
15. Notes to the Financial Statements .....	10
16. Appendix .....	63

1. Acronyms, Abbreviations and Definition of Key Terms

A. Acronyms and Abbreviations

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

B. Definition of Key Terms

Comparative FY	Means the financial year preceding the current financial year.
Fiduciary Management and resources	Means officers directly involved in management of entity's finances and resources

2. Key Entity Information and Management

(a) Background information

The County Assembly is constituted as per article 177 of the Constitution of Kenya 2010. It is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes 124 Members of County Assembly (MCAs) elected/ nominated to represent members of the public from their respective wards. The MCAs are responsible for making laws for effective performance of the County Government, approving plans and policies, and playing the oversight role over the County Executive.

(b) County Assembly Service Board Members

No.	Designation	Name
1.	Speaker of the County Assembly	Mr. Kennedy Ng'ondi
2.	Commissioner	Ms. Jane Muasya
3.	Commissioner	Ms. Susan Makungu
4.	Commissioner	Mr. Maurice Ochieng
5.	Commissioner	Ms. Mary Ndege
6.	Secretary to the Board	Mr. Edward Gichana

(c) Key Management Team

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

No.	Designation	Name
1.	Clerk of the County Assembly	Mr. Edward Gichana
2.	Deputy Clerk Administrative Services	Ms. Pauline Akuku
3.	Deputy Clerk Legislative Services	Ms. Addah Onyango
4.	Director Financial Services	Mr. Paul Kimani
5.	Director Legislative Services	Mr. Sammy Kiptoo
6.	Director Human Resource Management	Mr. Robert Situma
7.	Director Speaker's Office	Mr. Mike Wao
8.	Director Information Services	Mr. Abel Nyangwa
9.	Ag Director Administration	Ms. Nancy Mutai
10.	Director Security Services	Mr. Francis Kivila
11.	Principal Procurement Officer	Mr. Erick Agure
12.	Principal Internal Auditor	Ms. Prisca Omoit
13.	Principal Legal Counsel	Mr. Kevin Kokebe

(d) Fiduciary Management

The key management personnel who held office during the year ended 30<sup>th</sup> June 2025 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Clerk of the County Assembly	Mr. Edward Gichana
2.	Deputy Clerk Administrative Services	Ms. Pauline Akuku
3.	Deputy Clerk Legislative Services	Ms. Addah Onyango
4.	Director Financial Services	Mr. Paul Kimani
5.	Director Legislative Services	Mr. Sammy Kiptoo
6.	Director Human Resource Management	Mr. Robert Situma
7.	Director Speaker's Office	Mr. Mike Wao
8.	Director Information Services	Mr. Abel Nyangwa
9.	A.g Director Administration Services	Ms. Nancy Mutai
10.	Director Security Services	Mr. Francis Kivila
11.	Principal Procurement Officer	Mr. Erick Agure
12.	Principal Internal Auditor	Ms. Prisca Omoit
13.	Principal Legal Counsel	Mr. Kevin Kokebe

e) Fiduciary Oversight Arrangements

The Nairobi County Assembly Oversight Fiduciary Committees comprises of:

a) Public Accounts Committee

f) Other oversight committees include:

i) Standing Public Accounts Committee of the Senate.

ii) Other oversight bodies include:

- Office of the Auditor General.
- Office of Controller of Budget.
- Commission of Revenue Allocation.
- National Treasury.

g) Nairobi City County Assembly Headquarters

P.O. Box 45844-00100,  
City Hall Building,  
Mama Ngina Street,  
NAIROBI, KENYA

g) Nairobi City County Assembly Contacts

Telephone: (254) 202216151

E-mail: [info@nairobiassembly.go.ke](mailto:info@nairobiassembly.go.ke)

Website: [www.nairobiassembly.go.ke](http://www.nairobiassembly.go.ke)

h) Nairobi City County Assembly Bankers

1. Central Bank of Kenya

Haile Selassie Avenue

P.O. Box 60000

City Square 00200

NAIROBI, KENYA

2. Cooperative Bank of Kenya Ltd

City Hall Branch

P.O Box 44805-00100,

Nairobi, Kenya.

3. Family Bank

City Hall Branch

P.O Box 74145-00200,

Nairobi, Kenya

i) Independent Auditor

Auditor-General

Office of The Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

NAIROBI, KENYA

j) Principal Legal Officer

P.O. Box 45844-00100,

City Hall Building,

Mama Ngina Street,

NAIROBI, KENYA

3. Governance Statement

a. Background and roles

The County Assembly is constituted by the MCAs of 124 county government. It is headed by the Speaker who is elected by the MCAs. The speaker is also the chairperson of the county assembly service board while the county assembly clerk is the secretary. Section 10 (4) of the County Governments Act 2012 provides that a county assembly shall observe the following order of precedence.

- a) The Speaker of the County Assembly.
- b) The Leader of the majority party.
- c) The Leader of the minority party.

The Roles of the county assembly are outlined in Section 8 of the County Governments Act 2012, and they include:

- i. Vet and approve nominees for appointment to county public office as may be provided for in this Act or any other law.
- ii. Perform the roles set out under Article 185 of the Constitution.
- iii. Approve the budget and expenditure of the county government in accordance with Article 207 of the Constitution, and the legislation contemplated in Article 220(2) of the Constitution, guided by Articles 201 and 203 of the Constitution.
- iv. Approve the borrowing by the county government in accordance with Article 212 of the Constitution.
- v. Approve county development planning; and
- vi. Perform any other role as may be set out under the Constitution or legislation.

b. Profiles

Name		Details of Qualifications and Experience
1	 <p><b>HON. KENNEDY NGONDI</b></p>	<p><b>Speaker County Assembly</b></p> <p>Education: Diploma in Business Administration                      Year of Birth: 1973                      Year of Appointment: 2022  <b>Experience:</b> 18years Legislative matters as a Member of County Assembly.</p>

2	 <b>HON. PETER IMWATOK</b>	<b>Leader of Majority Party</b> Education: Diploma in Public Relations Year of Birth: 1982 Year of Appointment: 2022 <b>Experience:</b> 12years Legislative matters as a Member of County Assembly.
3	 <b>HON. ANTHONY KIRAGU KARANJA</b>	<b>Leader of Minority Party</b> Education: High School Year of Birth: 1975 Year of Appointment: 2022 <b>Experience:</b> 12years Legislative matters as a Member of County Assembly.
4	 <b>Mr. EDWARD GICHANA</b>	<b>Clerk Nairobi County Assembly</b> Education: MBA Accounts BCOM Accounts CPA(K) Year of Birth: 1975 <b>Experience:</b> Over 20years experience in Public and Private Sector Finance, Administration and Auditing 15 of which are at management level.

c. Committees

The mandate of Committees is in respect to the subject matter assigned by the Standing Orders and is exercised within the limits contemplated under Part 2 of the Fourth Schedule to the Constitution.

The County Assembly has the following Select and Sectoral committees:

**Select committees**

- a) Assembly Business Committee
- b) Chairpersons Panel Committee
- c) Powers and Privileges Committee
- d) Public Accounts Committee
- e) Public Investment Committee
- f) Finance, Budget and Appropriations Committee
- g) Liaison committee
- h) Procedure and Rules Committee
- i) Appointments Committee

- j) Implementation Committee
- k) Delegated County Legislation Committee

**Sectoral committee**

- l) Planning, Housing and Lands Committee
- m) Transport and Public Works Committee
- n) Water and Sanitation Committee
- o) Labour and Social Welfare Committee
- p) Agriculture, Livestock and Fisheries Committee
- q) Energy and ICT Committee
- r) Justice and Legal Affairs Committee
- s) Children, early Childhood Education and Vocational Training Committee
- t) Environment and Natural Resources Committee
- u) Health Services Committee
- v) Culture and Community Services Committee
- w) Ward Development Fund Committee

**Other Committees**

- x) Loans Committee
- y) Audit Committee

**a) Assembly Business Committee**

There is established committee known as the Committee of Procedure and Rules consisting of the Speaker, who shall be the chairperson of the Committee; and such other Members of the County Assembly as may be provided in the Standing Order 206 of the County Assembly. The functions of the Committee of Procedure and Rules shall be to consider and report on all matters relating to these Standing Orders.

The committee held 36 meetings in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
The Hon. Kennedy Okeyo Ng'ondi, MCA	Chairperson	Speaker
The Hon. Paul Kiguathi Kados, MCA	Vice Chairperson	Mihang'o
The Hon. Hon. Peter Imwatok, MCA	Member	Makongeni

The Hon. Anthony Kiragu, MCA	Member	Waithaka
The Hon. Moses Ogeto, MCA	Member	Kilimani
The Hon. Esther WaitheraChege, MCA	Member	Nairobi South
The Hon. Mark Mugambi, MCA	Member	Umoja 1
The Hon. Perpertia Mponjiwa, MCA	Member	Nominated
The Hon. Jane Wanjiru, MCA	Member	Nominated
The Hon. Jane Muasya, MCA	Member	Nominated
The Hon. Paul Ndungu, MCA	Member	Pumwani

**b) Chairpersons Panel Committee**

There is established Committee known as the Committee of Chairpersons Panel consisting of the Speaker who shall be the chairperson of the Committee; and such other members of the County Assembly as may be provided in the Standing Order 19. The functions of the Committee shall be to exercise all the powers vested in the Chairperson of Committees. The committee held 12 meetings in FY 2024/ 2025 and the membership during FY 2024/2025 comprised of:

Name	Designation	Ward
The Hon. Kennedy O.Ng'ondi, MCA	Chairperson	Speaker
The Hon. Paul KiguathiKados, MCA	Vice Chairperson	Mihang'o
The Hon. Malyun Abdi Ali, MCA	Member	Nominated
The Hon. Antony KimemiaGathumbi, MCA	Member	Harambee
The Hon. Doreen Mugambi, MCA	Member	Nominated
The Hon. Diana Katile Mwangangi, MCA – Fourth-Panel Member	Member	Nominated

**c) Powers and Privileges Committee**

There is established committee known as the Committee of Powers and Privileges consisting of the Speaker, who shall be the chairperson of the Committee; and such other members of the county assembly as may be provided in the Standing Orders of the county assembly. The functions of the

Committee of Powers and Privileges shall be to inquire into the conduct of a member whose conduct is alleged to constitute a breach of privileges accorded to the county assembly members by any legislation or standing orders and perform such other functions as may be specified by enabling legislation. The committee held 3 meetings in FY 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
The Hon. Peter Imwatok, MCA	Chairperson	Makongeni
The Hon. Anthony Kiragu , MCA	Vice Chairperson	Waithaka
The Hon. Paul Kados, MCA	Member	Mihang'o
The Hon. John Ndile , MCA	Member	Laini Saba
The Hon. John Kweya, MCA	Member	Nairobi Central
The Hon. Moses Ogeto, MCA	Member	Kilimani
The Hon. Joyce Lugonzo, MCA	Member	Nominated
The Hon. Catherine Okoth, MCA	Member	Nominated
The Hon. Lily Kidenda, MCA	Member	Nominated
The Hon. Kame Adano, MCA	Member	Nominated
The Hon. Aron Kangara, MCA	Member	Viwandani
The Hon. Virginia Kangethe, MCA	Member	Nominated
The Hon. Mark Mugambi, MCA	Member	Umoja 1
The Hon. Fuad Hussien , MCA	Member	Airbase
The Hon. Simon Maina Mugo, MCA	Member	Land Mawe

**d) Audit Committee**

The Audit Committee was constituted on 2<sup>nd</sup> December, 2020. Its mandate is to advise the County Government on institutional risk management and compliance. The committee held 10 meetings in FY 2024/2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
------	-------------	------

Esther M. Ndegwa	Chairperson	
Leonard K. Bett	Member	
Kevin Kokebe	Member	
Priscah Omoit	Secretary	
Kobia A. Marimba	Secretariat	

**e) Public Accounts Committee**

The committee was formed to provide oversight on the County's finances. The committee held quarterly mandatory meetings during the year. Additionally, it also held three extra sittings to deal with arising matters. The committee held 104 meetings in FY 2024/2025. The members who served in the committee during the year were:

Name	Designation	Ward
Hon. Chege Mwaura, MCA	Chairperson	Ngara
Hon. Abel Osumba Atito, MCA	Vice Chairperson	Utalii
Hon. Benter Juma Obiero, MCA	Member	Nominated
Hon. Patrick Karani Said, MCA	Member	Utawala
Hon. John Rex Omolleh, MCA	Member	Nairobi West
Hon. Stazo Omung'ala Ang'ila, MCA	Member	Upper Savannah
Hon. Richardo Nyantika Billy, MCA	Member	Embakasi
Hon. John Ndile Musila, MCA	Member	Laini Saba
Hon. Cyrus Mugo Mubea, MCA	Member	Ngando
Hon. Jane Musangi Muthembwa, MCA	Member	Nominated
Hon. Emmy Khatemeshi Isalambo, MCA	Member	Nominated
Hon. Fuad Hussein Mohamed, MCA	Member	Airbase
Hon. Fatuma Abduwahid Abey, MCA	Member	Nominated
Hon. Eutyclus Mukiri Muriuki, MCA	Member	Kahawa

Hon. Fredrick Njoroge Njogu, MCA	Member	Kawangware
Hon. Rachel Wanjiru Maina, MCA	Member	Nominated
Hon. Aaron Kangara Wangare, MCA	Member	Viwandani
Hon. Carrington Gichunji Hehom MCA	Member	Njiru
Hon. Mark Thiga Ruyi, MCA	Member	Hospital
Hon. Simon Maina Mugo, MCA	Member	Landi Mawe
Hon. Paul Wachira Kariuki, MCA	Member	Kayole North
Hon. Martin Mbugua Mwangi, MCA	Member	Mutu-ini
Hon. Mary Wanjiru Kariuki, MCA	Member	Nominated

**f) Public Investment Committee**

There is established Committee known as the Committee of Public Investments as provided in the Standing Order 204 of the County Assembly. The functions of the Committee shall be responsible for the examination of the working of the County Public Investments and shall in particular: Examine the reports and accounts of the County Public Investments, Examine the reports, if any, of the Auditor General on the County Public Investments and Examine in the context of the autonomy and efficiency of the County Public Investments, whether the affairs of the County Public Investment are being managed in accordance with sound financial or business principles and prudent commercial practices. The committee held 25 meetings in FY 2024/2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
Hon. Hashim Kamau, MCA	Chairperson	Califonia
Hon. Dan Oria, MCA – Deputy	Vice Chairperson	Dandora 4
Hon. Musango Maithya, MCA	Member	Pipeline
Hon. Anthony Kimemia, MCA	Member	Harambee
Hon. Stephen Ndegwa, MCA	Member	Parklands Highridge
Hon. Evans Nyangicha, MCA	Member	Imara Daima

Hon. Peter Imwatok, MCA	Member	Makongeni
Hon. Malyun Abdi, MCA	Member	Nominated
Hon. Hellen Awour, MCA	Member	Nominated
Hon. Antony Maragu, MCA	Member	Karen
Hon. Jared Akama, MCA	Member	Mugumu-ini
Hon. John Rex Omolleh, MCA	Member	Nairobi West
Hon. Samson Ochieng Jera, MCA	Member	Lindi
Hon. Tricer Jeptoo, MCA	Member	Nominated
Hon. Eric Kiogora, MCA	Member	Riruta
Hon. Peter Maina Mwangi, MCA	Member	Uthiru/Ruthimitu
Hon. Jeremiah Themendu, MCA	Member	Kayole Central
Hon. Brian Itenya, MCA	Member	Nominated
Hon. Deonysias Mwangi, MCA	Member	Githurai
Hon. Farhia Daud Aden, MCA	Member	Nominated
Hon. Virginia Waitherero, MCA	Member	Nominated
Hon. Grace Kaheti, MCA	Member	Nominated

**g) Finance, Budget and Appropriation Committee**

The budget and appropriations committee provides guidance in the budgetary process. It is charged with the budget making process and ensuring that there is public participation in the budget process. The committee held 78 meetings in FY 2024/2025. The members who served in the committee during the period were:

Name	Designation	Ward
The Hon. Wilfred Oluoch Odalo, MCA	Chairperson	Mabatini
The Hon. Emily Oduor, MCA	Vice Chairperson	Nominated
The Hon. Jeckoniah Onyango, MCA	Member	Nominated
The Jane Wanjiru, MCA	Member	Nominated
The Hon. Catherine Apiyo Okoth MCA,	Member	Nominated
The Hon. Moses Ogeto, MCA	Member	Kilimani
The Hon. Jane Muasya, MCA	Member	Nominated
The Hon. Asli Muhamed, MCA	Member	Nominated
The Hon. Rosemary Masitsa, MCA	Member	Makina
The Hon. Perpetua Mponjiwa, MCA	Member	Nominated
The Hon. Collins Ogenga, MCA	Member	Kayole South
The Hon. Fathiya Abdillahi Mohamed, MCA	Member	Nominated
The Hon. Sam Kago, MCA	Member	Mwiki
The Hon. Anthony Ngaruiya Jasho, MCA	Member	Kasarani
The Hon Paul Ndungu, MCA	Member	Pumwani
The Hon Ciciliah Wairimu Njathi, MCA	Member	Nominated
The Hon Waruguru Kanyi, MCA	Member	Nominated
The Hon Joyce Kamau Muthoni, MCA	Member	Nominated
The Hon Waithera Chege, MCA	Member	Nairobi South
The Hon Anthony Kiragu, MCA	Member	Waithaka
The Hon Mark Mugambi, MCA	Member	Umoja 1

The Hon Susan Makungu, MCA	Member	Mlango Kubwa
----------------------------	--------	--------------

**h) Liaison Committee**

There is established committee known as the Liaison committee as provided in the Standing Order 210 of the County Assembly. The functions of the Committee shall be to guide and co-ordinate the operations, policies and mandates of all Committees. The committee held 14 meetings in FY 2024/2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
Hon. Paul Kados, MCA	Chairperson	Mihang'o
Hon. Malyun Abdi, MCA	Vice Chairperson	Nominated
Hon. Kennedy O. Ng'ondi, MCA(Speaker)	Member	Speaker
Hon. Peter Imwatok, MCA	Member	Makongeni
Hon. Moses Ogeto, MCA	Member	Kilimani
Hon. Mark Mugambi, MCA	Member	Umoja 1
Hon. Wilfred Odalo, MCA	Member	Mabatini
Hon. Hashim Kamau, MCA	Member	California
Hon. Nasra Nanda, MCA	Member	Nominated
Hon. Dabar Ahmedquadar, MCA	Member	Eastleigh North
Hon. Musango Maithya, MCA	Member	Pipeline
Hon. Paul Ndungu, MCA	Member	Pumwani
Hon. Allan Maina, MCA	Member	Dandora 1
Hon. Perpetua Mpojiwa, MCA	Member	Nominated
Hon. Anthony Ngaruiya, MCA	Member	Kasarani
Hon. Silas Matara, MCA	Member	Dandora 2
Hon. Maurice Ochieng', MCA	Member	Mountain View

Hon. Alvin Papapala, MCA	Member	Kitisuru
Hon. Clarence Munga, MCA	Member	Kabiro
Hon. Jared Akama, MCA	Member	Mugumu-ini
Hon. Fredrick Njogu, MCA	Member	Kawangware
Hon. Geophrey Majiwa, MCA	Member	Baba <u>Dogo</u>
Hon. Scolastica Mande, MCA	Member	Kwa-Reuben
Hon. Antony Kirangu, MCA	Member	Waithaka
Hon, Kennedy Oyugi, MCA	Member	Nyayo Highrise

**i) Procedures and Rules**

There is established committee known as the Committee of Procedure and Rules consisting of the Speaker, who shall be the chairperson of the Committee; and such other Members of the County Assembly as may be provided in the Standing Order 206 of the County Assembly. The functions of the Committee of Procedure and Rules shall be to consider and report on all matters relating to these Standing Orders.

The committee held 6 meeting in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
The Hon. Kennedy OkeyoNg'ondi, MCA	Chairperson	Speaker
The Hon. Paul Kiguathi Kados, MCA	Vice Chairperson	Mihang'o
The Hon. Hon. Peter Imwatok, MCA	Member	Makongeni
The Hon. Anthony Kiragu, MCA	Member	Waithaka
The Hon. Moses Ogeto, MCA	Member	Kilimani
The Hon. Esther WaitheraChege, MCA	Member	Nairobi South
The Hon. Mark Mugambi, MCA	Member	Umoja 1
The Hon. Perpertua Mponjiwa, MCA	Member	Nominated
The Hon. Jane Wanjiru, MCA	Member	Nominated

The Hon. Jane Muasya, MCA	Member	Nominated
The Hon. Paul Ndungu, MCA	Member	Pumwani

**j) Appointment Committee**

There is established committee known as the Committee of Appointments consisting of the Speaker, who shall be the chairperson of the Committee; and such other Members of the County Assembly as may be provided in the Standing Orders of the County Assembly. The functions of the Committee of Powers and Privileges shall be to inquire into the conduct of a member whose conduct is alleged to constitute a breach of privileges accorded to the County Assembly Members by any legislation or standing orders and perform such other functions as may be specified by enabling legislation.

The committee never held meetings in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
Hon. Kennedy Ng'ondi, MCA	Chairperson	Speaker
Hon. Peter Imwatok, MCA	Vice Chairperson	Makongeni
Hon. Anthony Kiragu, MCA	Member	Waithaka
Hon. Moses Ogeto, MCA	Member	Kilimani
Hon. Mark Mugambi, MCA	Member	Umoja 1
Hon. Wilfred Odalo, MCA	Member	Mabatini
Hon. Oscar Lore, MCA	Member	Mathare North
Hon. Emily Oduor, MCA	Member	Nominated
Hon. Chege Mwaura, MCA	Member	Ngara
Hon. Susan Makungu, MCA	Member	Mlango Kubwa

**k) Implementation Committee**

There is established Committee known as the Committee on Implementation as provided in the Standing Order 207 of the county assembly. The functions of the Committee shall be to scrutinize the resolutions of the County Assembly (including adopted committee reports), petitions and the

undertakings given by the County Executive Committee. The committee held 25 meetings in FY 2024/ 2025. The Committee Members during FY 2024/2025 were:

Name	Designation	Ward
Hon.Geophrey OdhiamboMajiwa, MCA	Chairperson	Baba Dogo
Hon. Nancy Nyambura Mwaura, MCA	Vice Chairperson	Nominated
Hon. Oluoch Peter Owera, MCA	Member	Huruma
Hon. Peter Wahinya Njau, MCA	Member	Pumwani
Hon. Alvin Olando Palapala, MCA	Member	Kitisuru
Hon. Jateso Peter Imwatok, MCA	Member	Makongeni
Hon. Antony Kimemia Gathumbi.MCA	Member	Harambee
Hon. Paul Mathu Njambi, MCA	Member	Dandora 3
Hon. Juma Nicholas Okwacho, MCA	Member	Eastleigh South
Hon. Joel Munuve Kimanzi, MCA	Member	Kariobangi North
Hon. Karanja Karis JamesKariuki, MCA	Member	Ruai
Hon. Kennedy Swaka, MCA	Member	Gatina
Hon. Patrick Mwangi Macharia, MCA	Member	Hamza Maringo
Hon. Allan Maina Gathuku, MCA	Member	Dandora 1
Hon. Abass Ibrahim Khalif, MCA	Member	South C
Hon. Francis Kimondo Kiragu, MCA	Member	Kwa Njenga
Hon. Jane Wanjiru, MCA	Member	Nominated
Hon. Hellen Awuor Okello, MCA	Member	Nominated
Hon. Joy Muthoni Mwangi, MCA	Member	Nominated
Hon. Rachel Wanjiru Maina, MCA	Member	Nominated

**l) Delegated County Legislation Committee**

There is established committee known as the Committee on Delegated County Legislation as provided in the Standing Order 208 of the County Assembly. The functions of the Committee shall be to consider in respect of any statutory instrument. The committee held 40 meetings in FY 2024/ 2025. The committee members during FY2024/205 were:

Name	Designation	Ward
Hon. Nasra Nanda, MCA	Chairperson	Nominated
Hon. Martin Wairobi, MCA	Vice Chairperson	Mowlem
Hon. Paul Ndung'u, MCA	Member	Pumwani
Hon. Joyce Lugonzo, MCA	Member	Nominated
Hon. Lawrence Odhiambo, MCA	Member	Sara'ngombe
Hon. Dan Oria, MCA	Member	Dandora 4
Hon. Naomi Kerubo, MCA	Member	Nominated
Hon. Ami Perez, MCA	Member	Nominated
Hon. Clarence Munga, MCA	Member	Kabiro
Hon. Victor Omondi, MCA	Member	Lucky Summer
Hon. Agnes Wambui, MCA	Member	Nominated
Hon. Stephen Ndegwa, MCA	Member	Parklands Highridge
Hon. Moses Kitema, MCA	Member	Kware
Hon. Chris Mtumishi, MCA	Member	Komarock
Hon. Davidson DNG, MCA	Member	Woodley Kenyatta
Hon. Lydia Akoth, MCA	Member	Nominated
Hon. Beatrice Wandai, MCA	Member	Nominated
Hon. Grace Kaheti, MCA	Member	Nominated
Hon. Mwaniki Kwenya, MCA	Member	Nairobi Central
Hon. Cicilia Wairimu, MCA	Member	Nominated
Hon. Aaron Kangara, MCA	Member	Viwandani

**m) Lands, Housing and Planning Committee**

There is established committee known as the Committee on Lands, Planning and Housing as provided in the Standing Order 209 of the Nairobi City County Assembly. The functions of the Committee shall be to inquire into all matters related to county physical planning and development, including statistics, land survey and mapping, boundaries and fencing, housing and outdoor advertisement. The committee held 61 meetings in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
Hon. Alvin Palapala, MCA	Chairperson	Kitisuru
Hon. Collins Ogenga, MCA	Vice Chairperson	Kayole South
Hon. Peter Imwatok, MCA	Member	Makongeni
Hon. Antony Kiragu, MCA	Member	Waithaka
Hon. Paul Kados, MCA	Member	Mihang'o
Hon. Waithera Chege, MCA	Member	Nairobi South
Hon. Geoffrey Majiwa, MCA	Member	Baba Dogo
Hon. Fuad Hussein, MCA	Member	Airbase
Hon. Hashim Kamau, MCA	Member	California
Hon. Paul Ndung'u, MCA	Member	Pumwani
Hon. Nasra Nanda, MCA	Member	Nominated
Hon. Hannah Wanjiru Muriuki, MCA	Member	Nominated
Hon. Nyantika Ricardo, MCA	Member	Embakasi
Hon. Lily Akoth Kidenda, MCA	Member	Nominated
Hon. Jane Wanjiru, MCA	Member	Nominated
Hon. Nicholas Juma, MCA	Member	Eastleigh South
Hon. Peter Maina, MCA	Member	Uthiru/Ruthimitu
Hon. Clement Kamaru, MCA	Member	Kahawa West

Hon. Francis Kimondo, MCA	Member	Kwa Njenga
Hon. Patrick Macharia, MCA	Member	Hamza Maringo
Hon. Tricer Jeptoo, MCA	Member	Nominated
Hon. Martin Wairobi, MCA	Member	Mowlem
Hon. Alvin Palapala, MCA	Member	Kitisuru

**n) Transport and Public Works Committee**

There is established committee known as the Committee of Transport and Public Works as provided in the Standing Order 209 of the County Assembly. The functions of the Committee shall be to inquire into all matters related to County transport, including County roads, street lighting, traffic and parking, public road transport; County public works and services including storm water management systems in built-up areas. The committee held 50 meetings in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
Hon. Musango Maithya, MCA	Chairperson	Pipeline
Hon. Lawrence Otieno Odhiambo, MCA	Vice Chairperson	Sara'ngombe
Hon. Shadrack Machanje Namuyu, MCA	Member	Umoja 2
Hon. Paul Muiruri Kiguathi Kados, MCA	Member	Mihang'o
Hon. Nicholas Juma Okwacho, MCA	Member	Eastleigh South
Hon. David Magoba Odhiambo, MCA	Member	Lower Savannah
Hon. Rosemary Masitsa Shitote, MCA	Member	Makina
Hon. Maurice Ochieng Onyango, MCA	Member	Mountain View
Hon. Stephen Ndegwa Gitau, MCA	Member	Parklands Highridge
Hon. Absalom Odhiambo Onyango, MCA	Member	Korogocho
Hon. Kennedy Swaka, MCA	Member	Gatina
Hon. John Ndile Musila, MCA	Member	Laini Saba
Hon. Scolastica Muthoni Mande, MCA	Member	Kwa Reuben

Hon. Mark Mugambi MachariaKevin, MCA	Member	Umoja 1
Hon. Sam Kanyi Kago, MCA	Member	Mwiki
Hon. John Mwaniki Kwenya, MCA	Member	Nairobi Central
Hon. Paul Mathu Njambi, MCA	Member	Dandora 3
Hon. Aaron Kangara Wangare, MCA	Member	Viwandani
Hon. Farhiya Daud Aden, MCA	Member	Nominated
Hon. Beatrice Wandai Khungwa, MCA	Member	Nominated
Hon. Sospeter Gathahu Mumbi, MCA	Member	Roysambu
Hon. Fredrick Njoroge Njogu, MCA	Member	Kawangware
Hon. James Kariuki, MCA	Member	Ruai

**o) Water and Sanitation Committee**

There is established committee known as the Committee on Water and Sanitation as provided in the Standing Order 209 of the County Assembly. The functions of the Committee shall be to inquire into Water and sanitation services; water distribution, regulation, marketing and sewerage services. The committee held 54 meetings in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
Hon. Kennedy Oyugi, MCA	Chairperson	Nyayo Highrise
Hon. Asli Muhamed, MCA	Vice Chairperson	Nominated
Hon. Paul Kados, MCA	Member	Mihang'o
Hon. Wilfred Oluoch Odalo, MCA	Member	Mabatini
Hon. Moses Ogeto, MCA	Member	Kilimani
Hon. Collins Ogenga, MCA	Member	Kayole South
Hon. Catherine Apiyo Okoth, MCA	Member	Nominated
Hon. Victor Ochola Omondi, MCA	Member	Lucky summer

Hon. Jane Muasya, MCA	Member	Nominated
Hon. Stazo Omung'ala, MCA	Member	Upper Savannah
Hon. Eutyclus Mukiri, MCA	Member	Kahawa
Hon. Lawrence Odhiambo, MCA	Member	Sara'ngombe
Hon. Jeckoniah Onyango, MCA	Member	Nominated
Hon. Carrington Heho, MCA	Member	Njiru
Hon. Chege Mwaura, MCA	Member	Ngara
Hon. Nancy Mwaura, MCA	Member	Nominated
Hon. Susan Makungu, MCA	Member	Mlango Kubwa
Hon. Anthony Ngaruiya, MCA	Member	Kasarani
Hon Joyce Muthoni, MCA	Member	Nominated
Hon Paul Wachira, MCA	Member	Kayole North
Hon Ochieng Jera, MCA	Member	Lindi
Hon Mark Mugambi, MCA	Member	Umoja 1
Hon. James Koria, MCA	Member	Matopeni Spring Valley

**p) Labour and Social Welfare Committee**

There is established committee known as the Committee on Labour and Social Welfare Works as provided in the Standing Order 209 of the County Assembly. The functions of the Committee of Powers and Privileges shall be to inquire into the conduct of a member whose conduct is alleged to constitute a breach of privileges accorded to the County Assembly Members by any legislation or standing orders and perform such other functions as may be specified by enabling legislation. The committee held 36 meetings in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
Hon. Allan Maina, MCA	Chairperson	Dandora 1

Hon. Patrick Karani, MCA	Vice Chairperson	Utawala
Hon. Joyce Kamau, MCA	Member	Nominated
Hon. Catherine Apiyo, MCA	Member	Nominated
Hon. Jane Muasya, MCA	Member	Nominated
Hon. Nancy Mwaura, MCA	Member	Nominated
Hon. Oscar Lore, MCA	Member	Mthare North
Hon. Anthony Kimemia, MCA	Member	Harambee
Hon. Kennedy Odhiambo, MCA	Member	Nyayo Highrise
Hon. Absalom Odhiambo, MCA	Member	Korogocho
Hon. Joyce Lugonzo, MCA	Member	Nominated
Hon. Abass Khalif, MCA	Member	South C
Hon. Benter Obiero, MCA	Member	Nominated
Hon. Paul Mathu, MCA	Member	Dandora 3
Hon. Jane Musangi, MCA	Member	Nominated
Hon. Evans Nyangicha, MCA	Member	Imara Daima
Hon. Peter Maina, MCA	Member	Uthiru Ruthimitu
Hon. Paul Wachira, MCA	Member	Kayole North
Hon. Simon Maina, MCA	Member	Landi Mawe
Hon. Cicilia Njathi, MCA	Member	Nominated
Hon. Agnes Njeri, MCA	Member	Nominated
Hon. Farhiya Aden, MCA	Member	Nominated
Hon. Wanjiru Kariuki, MCA	Member	Nominated
Hon. Thuo Fiunifu, MCA	Member	Karura

**q) Agriculture, Livestock and Fisheries Committee**

There is established committee known as the Committee on Agriculture, Livestock and Fisheries as provided in the Standing Order 209 of the County Assembly. The functions of the Committee shall be to inquire into all matters related to agriculture, including crop and animal husbandry, livestock sale yards, County abattoirs, plant and animal disease control and fisheries; animal control and welfare, including licensing of dogs and facilities for the accommodation, care and burial of animals. The committee held 46 meetings in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
Hon. Anthony Ngaruiya Jasho, MCA –	Chairperson	Kasarani
Hon. Emmy Khatemeshi, MCA	Vice Chairperson	Nominated
Hon. Peter Imwatok, MCA	Member	Makongeni
Hon. Anthony Kiragu, MCA	Member	Waithaka
Hon. Mark Mugambi, MCA	Member	Umoja 1
Hon. Chege Mwaura, MCA	Member	Ngara
Hon. Robert Mbatia, MCA	Member	Embakasi West
Hon. Hashim Kamau, MCA	Member	California
Hon. Malyun Abdi, MCA	Member	Nominated
Hon. Scolastica Muthoni, MCA	Member	Kwa Reuben
Hon. Joel Munuve, MCA	Member	Kariobangi North
Hon. Samson Ochieng Jera, MCA	Member	Lindi
Hon. Joyce Lugonzo, MCA	Member	Nominated
Hon. Eutychus Mukiri, MCA	Member	Kahawa
Hon. Robert Alai, MCA	Member	Kileleshwa
Hon. Naomi Kerubo, MCA	Member	Nominated
Hon. Emily Oduor, MCA	Member	Nominated
Hon. John Rex Omolleh, MCA	Member	Nairobi West
Hon. Martin Mbugua Mwangi, MCA	Member	Mutu-ini

Hon. Chris Mtumishiss, MCA	Member	Komarock
Hon. Martin Wairobi, MCA	Member	Mowlem
Hon. Mark Thiga, MCA	Member	Hospital
Hon. Beatrice Wandai, MCA	Member	Nominated

**r) Energy and ICT Committee**

There is established committee known as the Committee on Energy and ICT as provided in the Standing Order 209 of the County Assembly. The functions of the Committee shall be to inquire into Electricity and gas reticulation and energy regulation, communication, information, broadcasting and Information Communications Technology (ICT) Management. The committee held 47 meetings in FY 2024/ 2025. The committee Members during FY 2024/2025 were

Name	Designation	Ward
The Hon. Fredrick Njogu, MCA .	Chairperson	Kawangware
The Hon. Robert Alai, MCA	Vice Chairperson	Kileleshwa
The Hon. Stazo Omung'ala, MCA	Member	Upper Savannah
The Hon. Malyun Abdi, MCA	Member	Nominated
The Hon. Anthony Kimemia, MCA.	Member	Harambee
The Hon. Diana Katile, MCA	Member	Nominated
The Hon. Musango Maithya, MCA	Member	Pipeline
The Hon. Rosemary Masitsa, MCA	Member	Makina
The Hon. Dabar AhmedQadar, MCA	Member	Eastleigh North
The Hon. Stephen Ndegwa, MCA	Member	Parklands Highridge
The Hon. Oscar Lore, MCA	Member	Mathare North
The Hon. Ami Perez, MCA	Member	Nominated
The Hon. Shadrack Machanje, MCA	Member	Umoja 2

The Hon. Hamisi Maleya, MCA	Member	Kangemi
The Hon. Jane Wanjiru, MCA	Member	Nominated
The Hon. Grace Muigai, MCA	Member	Nominated
The Hon. Brian Itenya, MCA	Member	Nominated
The Hon. Eutyclus Mukiri, MCA	Member	Kahawa
The Hon. JeremiahThemendu, MCA	Member	Kayole Central
The Hon. Mark Thiga, MCA	Member	Hospital
The Hon. Simon Mugo, MCA	Member	Landi Mawe
The Hon Carrington Heho, MCA	Member	Njiru
The Hon Joyce Kamau, MCA	Member	Nominated

s) **Justice and Legal Affairs Committee**

There is established Committee known as the Committee on Justice and Legal Affairs as provided in the Standing Order 209 of the County Assembly. The functions of the Committee shall be to inquire into Constitutional affairs, the Administration of Law. Justice including the elections, ethics, integrity and anti-corruption and human rights. City inspectorate and enforcement. The committee held 56 meetings in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
Hon. Jared Akama Ondieki, MCA	Chairperson	Mugumu-ini
Hon. Suleiman Hamisi Maleya, MCA	Vice Chairperson	Kangemi
Hon. Anthony Kiragu, MCA	Member	Waithaka
Hon. Fathiya Abdilahi Mohamed, MCA	Member	Nominated
Hon. Peter Owera Oluoch, MCA	Member	Huruma
Hon. Maurice Ochieng, MCA	Member	Mountain View
Hon. Perpetua Mponjiwa, MCA	Member	Nominated

Hon. Hellen Awuor, MCA	Member	Nominated
Hon. Ami Perez Ambala, MCA	Member	Nominated
Hon. Silas Matara Ong'wae, MCA	Member	Dandora 2
Hon. Agnes Wambui, MCA	Member	Nominated
Hon. Asli Mohamed, MCA	Member	Nominated
Hon. Emmy Khatemeshi, MCA	Member	Nominated
Hon. Clarence Munga, MCA	Member	Kabiro
Hon. Mwaura Samora, MCA	Member	Clay City
Hon. Diana Katile Mwangagi, MCA	Member	Nominated
Hon. Virginia Kang'ethe, MCA	Member	Nominated
Hon. Clement Ng'ang'a, MCA	Member	Kahawa West
Hon. Deonysias Mwangi, MCA	Member	Githurai
Hon. Joseph Ndung'u, MCA	Member	Kiamaiko
Hon. Francis Kimondo, MCA	Member	Kwa Njenga
Hon. Doreen Mugambi, MCA	Member	Nominated
Hon. Stephen Kimani Mugo, MCA	Member	Zimmerman

**t) Children, Early Childhood Education and Vocational Training Committee**

There is established committee known as the Committee on Children, early Childhood Education and Vocational Training as provided in the Standing Order 209 of the County Assembly. The functions of the Committee shall be to inquire into all matters related to pre-primary education, village polytechnics, home craft centres and childcare facilities; children welfare. The committee held 51 meetings in FY 2024/ 2025. The Committee Members during FY 2024/2025 were:

Name	Designation	Ward
The Hon. Perpetua Mponjiwa, MCA	Chairperson	Nominated
The Hon. Kennedy Swaka, MCA	Vice Chairperson	Gatina

The Hon. Waithera Chege, MCA	Member	Nairobi South
The Hon. Robert Mbatia, MCA	Member	Embakasi West
The Hon. Fredrick NjorogeNjogu, MCA	Member	Kawangware
The Hon. Peter Owera Oluoch, MCA	Member	Huruma
The Hon. Jared AkamaOndieki, MCA	Member	Mugumu-ini
The Hon. Maurice Onyango, MCA	Member	Mountain View
The Hon. Lily Akoth Kidenda, MCA	Member	Nominated
The Hon. Abel Osumba Atito, MCA	Member	Utalii
The Hon. Agnes Wambui Njeri, MCA	Member	Nominated
The Hon. Naomi KeruboBosire, MCA	Member	Nominated
The Hon. Absalom Odhi Onyango, MCA	Member	Korogocho
The Hon. Hellen Awuor Okello, MCA	Member	Nominated
The Hon. Hannah WanjiruMuriuki, MCA	Member	Nominated
The Hon. Eric Kiogora Murigu, MCA	Member	Riruta
The Hon. Rachel WanjiruMaina	Member	Nominated
The Hon. Diana KatileMwangangi, MCA	Member	Nominated
The Hon. James Karanja KaKariuki, MCA	Member	Ruai
The Hon. Carrington GichunjiHeho, MCA	Member	Njiru
The Hon Gerald MukuruIrungu, MCA	Member	Ziwani Kariokor
The Hon Tricer Jeptoo Ayabei, MCA	Member	Nominated
The Hon. Eutyclus Mukiri Muriuki, MCA	Member	Kahawa

**u) Environment and Natural Resources Committee**

There is established committee known as the Committee of Environment and Natural Resources as provided in the Standing Order 209 of the County Assembly. The functions of the Committee shall be

to inquire implementation of specific National Government policies on natural resources and environmental conservation, including soil and water conservation and forestry and control of air pollution, noise pollution, other public nuisances and refuse removal, refuse dumps and solid waste disposal. The Committee held 52 meetings in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
Hon. Silas Matara Ongwae, MCA	Chairperson	Dandora 2
Hon. Cyrus Mugo, MCA	Vice Chairperson	Ngando
Hon. Kennedy Odhiambo, MCA	Member	Nyayo Highrise
Hon. Paul Kados, MCA	Member	Mihang'o
Hon. Catherine Apiyo Okoth, MCA	Member	Nominated
Hon. Nyantika Ricardo, MCA	Member	Embakasi
Hon. Fatuma Abduwahid Abey, MCA	Member	Nominated
Hon. Nasra Nanda, MCA	Member	Nominated
Hon. Fuad Hussein, MCA	Member	Airbase
Hon. Dan Oria, MCA	Member	Dandora 4
Hon. Peter Imwatok, MCA	Member	Makongeni
Hon. Joel Munuve, MCA	Member	Kariobangi North
Hon. Agnes Wambui, MCA	Member	Nominated
Hon. Susan Makungu, MCA	Member	Mlango Kubwa
Hon. Allan Maina, MCA	Member	Dandora 1
Hon. Simon Mugo Maina, MCA	Member	Landi Mawe
Hon. Joseph Ndungu Karanja, MCA	Member	Kiamaiko
Hon. Agnes Njeri, MCA	Member	Nominated
Hon. Jeremiah Themendu, MCA	Member	Kayole Central

Hon. Joy Muthoni Mwangi, MCA	Member	Nominated
Hon. Farhiya Aden, MCA	Member	Nominated
Hon. Brian Itenya, MCA	Member	Nominated
Hon. Joyce Muthoni Kamau, MCA	Member	Nominated
Hon. Thuo Fiunifiu, MCA	Member	Karura

v) **Health Services Committee**

There is established committee known as the Committee of Health Services as provided in the Standing Order 209 of the County Assembly. The functions of the Committee shall be to inquire into all matters related to county health services, including, in particular county health facilities and pharmacies, ambulance services, promotion of primary health care, licensing and control of undertakings that sell food to the public, veterinary ~~service~~ (excluding regulation of the profession), cemeteries, funeral parlours and crematoria.

The committee held 61 meetings in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
Hon. Maurice Ochieng, MCA	Chairperson	Mountain View
Hon. Evans Nyangicha, MCA	Vice Chairperson	Imara Daima
Hon. Lily Akoth Kidenda, MCA	Member	Nominated
Hon. Asli Muhamed, MCA	Member	Nominated
Hon. Benter Obiero, MCA	Member	Nominated
Hon. Ami Perez, MCA	Member	Nominated
Hon. Dabar Ahmedqadar, MCA	Member	Eastleigh North
Hon. Emily Oduor, MCA	Member	Nominated
Hon. Cyrus Mugo, MCA	Member	Ngando
Hon. Hellen Awuor, MCA	Member	Nominated

Hon. Antony Maragu, MCA	Member	Karen
Hon. Fatuma Abdiwahid Abey, MCA	Member	Nominated
Hon. Naomi Kerubo Bosire, MCA	Member	Nominated
Hon. Grace Kaheti, MCA	Member	Nominated
Hon. Chege Mwaura, MCA	Member	Ngara
Hon. Stephen Mugo Kimani, MCA	Member	Zimmerman
Hon. Chris Mtumishi, MCA	Member	Komarock
Hon. Patrick Macharia, MCA	Member	Maringo Hamza
Hon. Martin Mbugua, MCA	Member	Mutu-ini
Hon. Lidya Akoth, MCA	Member	Nominated
Hon. Doreen Mugambi, MCA	Member	Nominated
Hon. Davidson Ngibuini, MCA	Member	Woodley
Hon. Kame Adano, MCA	Member	Nominated

**w) Culture and Community Services**

There is established committee known as the Committee on Culture and Community Services as provided in the Standing Order 209 of the county assembly. The functions of the Committee shall be to inquire into all matters related to Cultural activities, public entertainment and public amenities, including, racing, liquor control, cinemas, video shows and hiring, libraries, museums and cultural activities and facilities and county parks, and recreation facilities; firefighting services and disaster management, control of pornography; sports activities and facilities and ensuring and coordinating the participation of communities and locations in governance at the local level and assisting communities and locations to develop the administrative capacity for the effective exercise of the functions and powers and participation in governance at the local level. The committee held 35 meetings in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
Hon. Clarence Munga, MCA -	Chairperson	Kabiro

Hon. Samson Jera, MCA	Vice Chairperson	Lindi
Hon. Hannah Wanjiru, MCA	Member	Nominated
Hon. Antony Maragu, MCA	Member	Karen
Hon. Alvin Palapala, MCA	Member	Kitisuru
Hon. Jane Musangi, MCA	Member	Nominated
Hon. Redson Onyango, MCA	Member	Ngei
Hon. Joyce Lugonzo, MCA	Member	Nominated
Hon. Anthony Kimemia, MCA	Member	Harambee
Hon. Jared Akama, MCA	Member	Mugumu-ini
Hon. Moses Kitema, MCA	Member	Kware
Hon. Cyrus Mugo, MCA	Member	Ngando
Hon. Mwaura Samora, MCA	Member	Clay City
Hon. Virginia Kangethe, MCA	Member	Nominated
Hon. Joy Muthoni, MCA	Member	Nominated
Hon. Jane Waruguru, MCA	Member	Nominated
Hon. Aaron Kangara, MCA	Member	Viwandani
Hon. Sam Kago, MCA	Member	Mwiki
Hon. Peter Wahinya, MCA	Member	Pangani
Hon. Rachel Maina, MCA	Member	Nominated
Hon. Davidson DNG Ngibuini, MCA	Member	Woodley
Hon. Eric Kiogora, MCA	Member	Riruta

**x) Ward Development Fund Committee**

There is established committee known as the Select Committee on Ward Development Fund pursuant to section 35 of the Nairobi City County Ward Development Fund Act. The functions of the Committee of Powers and Privileges shall be to consider and recommend to the County Assembly any

matter requiring action by the County Assembly pursuant to the provisions of this Act: oversee the implementation of this Act and in this respect, shall after every two years submit a report to the County Assembly and where necessary, propose any amendments to this Act, in particular, with respect to the quantum of funds repayable into the Fund in accordance with Section 4 of the Act. The committee held 41 meetings in FY 2024/ 2025. The committee members during FY 2024/2025 were:

Name	Designation	Ward
The Hon. Dabar Ahmendqadar, MCA	Chairperson	Eastleigh North
The Hon. Mwaura Samora, MCA	Vice Chairperson	Clay City
The Hon. Abel Osumba Atito, MCA	Member	Utalii
The Hon. Silas Matara, MCA	Member	Dandora 2
The Hon. Scolastica Muthoni, MCA	Member	Kwa Reuben
The Hon. James Koria, MCA	Member	Matopeni Spring Valley
The Hon. Gerald Irungu, MCA	Member	Ziwani Kariokor
The Hon. Joseph Ndungu Karanja, MCA	Member	Kiamaiko
The Hon. Sospeter Mumbi, MCA	Member	Roysambu
The Hon. John Musila, MCA	Member	Laini Saba
The Hon. Hamisi Maleya, MCA	Member	Kangemi
The Hon. Abel Osumba Atito, MCA	Member	Utalii
The Hon. Silas Matara, MCA	Member	Dandora 2
The Hon. Scolastica Muthoni, MCA	Member	Kwa Reuben
The Hon. James Koria, MCA	Member	Matopeni Spring Valley
The Hon. Gerald Irungu, MCA	Member	Ziwani Kariokor
The Hon. Joseph Ndungu Karanja, MCA	Member	Kiamaiko
The Hon. Sospeter Mumbi, MCA	Member	Roysambu
The Hon. John Musila, MCA	Member	Laini Saba

The Hon. Hamisi Maleya, MCA	Member	Kangemi
-----------------------------	--------	---------

## d. Communication with all Stakeholders

The County is committed to ensuring that all its stakeholders are provided with full and timely information about its programmes and performance. They are also given an opportunity to give feedback. In this regard, the County held Annual consultative meetings where the different stakeholders were invited for information sharing. This communication is important in ensuring that stakeholder expectations are aligned to the County's service delivery charter.

The County Assembly also subjected five bills through public participation

	Documents Subjected to Public Participation	Dates	Venue	Output/Outcome
1	Annual Development Plan (ADP) 2025	15 <sup>th</sup> and 16 <sup>th</sup> October 2024	All 17 sub-counties ( <i>as per newspaper advert</i> )	<ul style="list-style-type: none"> <li>Public participation conducted</li> <li>Public participation report prepared</li> <li>Report tabled in the County Assembly 4<sup>th</sup> March 2025</li> </ul>
2	Supplementary I Estimates FY (2024-25)	11 <sup>th</sup> December 2024	All 17 sub-counties( <i>as per newspaper advert</i> )	<ul style="list-style-type: none"> <li>Public participation conducted</li> <li>Public participation report prepared</li> <li>Report tabled in the County Assembly</li> </ul>
3	County Fiscal Strategy Paper (CFSP) and Debt Management Strategy Paper 2025	12 <sup>th</sup> to 13 <sup>th</sup> March 2025	All 17 sub-counties ( <i>as per newspaper advert</i> )	<ul style="list-style-type: none"> <li>Public participation conducted</li> <li>Public participation report prepared</li> <li>Report tabled in the County Assembly on 26<sup>th</sup> June 2025</li> </ul>
4	Supplementary II Budget Estimates FY (2024-25)	26 <sup>th</sup> June 2025	Charter Hall ( <i>as per newspaper advert</i> )	<ul style="list-style-type: none"> <li>Public participation conducted</li> <li>No member of the public appeared</li> </ul>
5	Budget Estimates FY (2025-26)	4 <sup>th</sup> to 5 <sup>th</sup> June 2025	All 17 sub counties ( <i>as per newspaper advert</i> )	<ul style="list-style-type: none"> <li>Public participation conducted</li> <li>Public participation report prepared</li> <li>Report tabled in the</li> </ul>

				County Assembly on 26 <sup>th</sup> June 2025
--	--	--	--	--

**e. Risk management**

**- Are there effective arrangements for risk management and internal control?**

Yes. The County Assembly constituted a Risk Management Committee to co-ordinate and promote Risk Management by ensuring that risk processes, including the identification, assessment and management of Strategic, Compliance, Operational, Financial and Reputational risks are operated efficiently and effectively.

For internal controls the County Assembly through the Service Board established the Internal Audit Department to assist with the day to day internal control measures and risks that may face the County Assembly.

**- Are there formal processes to identify and assess risks?**

Yes. Identification of new or emerging risks is done to ensure compliance with laws and regulations. The operational risks, which threaten the achievement of the directorate/departmental objectives, are identified, assessed and included in the Risk Register, and they are reviewed regularly and included in the reports to the Risk Management Committee

**- Are there formal processes to analyse risks as a basis for how they should be managed?**

Yes. Risks are assessed both quantitatively and qualitatively and measured in terms of impact and likelihood. The value of the risk is calculated by assigning a value to the likelihood (probability) of the risk materializing and a value to the impact of non-achievement of objectives of the Assembly in the event of the risk materializing.

**- Are there formal processes to assess changes in the internal and external environments which could give rise to risks?**

Yes. The Risk Management Committee holds regular meetings to assess the internal and external environment within the Assembly to ascertain the level of risks, the mitigation measures applied and the strength of the internal controls.

The Internal Audit Department conducts annual risk assessment as an independent measurement of the risks with recommendations to increase the effectiveness of risk management being executed by the Assembly.

**- Risks identified and analysed in the period and how they were managed.**

The risks identified were assigned specific mitigation measures or actions that reduce either the probability of the risk occurring or the impact of the risk if it occurred or both. The mitigation has shifted the risk return trade off upwards creating room for assuming more risks.

**f. Compliance**

To promote fiscal accountability and transparency, the Nairobi City County Assembly identifies and documents all legal, regulatory, and governance frameworks that govern its financial reporting processes. This includes adherence to public finance management laws, accounting standards, audit requirements, and relevant county or national legislation.

The Assembly ensures that compliance-related reports—such as internal and external audit reports, budget implementation reviews, and financial performance evaluations—are prepared regularly and subjected to review at appropriate levels.

The Assembly ensures that the compliance documents are submitted timely to relevant oversight authorities, including the County Executive, the Office of the Auditor-General, and other regulatory bodies as required.

This is in alignment with the strategic plan whereby the County Assembly should strengthen financial governance, support informed decision-making, and enhance public confidence in the County Assembly's financial stewardship.

#### **4. Foreword by the Clerk of the County Assembly.**

In compliance with the provisions of Section 164(4) of the Public Finance Management Act, 2012, it is my honour to present the Financial Statements of the Nairobi City County Assembly for the Financial Year ended 30th June, 2025. This statutory requirement obligates all County Government entities to prepare and submit financial statements for each financial year, reflecting prudent management of public resources in line with the principles of transparency, accountability, and fiscal responsibility as set out under Article 201 of the Constitution of Kenya (2010).

The Nairobi City County Assembly is established pursuant to Article 177 of the Constitution of Kenya, 2010. It derives its mandate from the Constitution, the County Governments Act, 2012, the Public Finance Management Act, 2012, and the County Assembly Services Act, 2017, among other enabling legislation. Its primary roles are legislation, oversight, budget approval, and representation of the people of Nairobi. The Assembly is currently in its Third Assembly since the advent of devolution, comprising 124 Honourable Members representing the diverse interests of the residents of Nairobi City County. The Assembly envisions to be the most efficient, effective and accountable legislature with a mission of advancing good governance through robust legislation, prudent oversight and accountable representation for the people of Nairobi.

During the Financial Year, the Assembly mourned the untimely loss of Hon. Joel Munuve Kimanzi, a respected Member serving the third Assembly and representing Kariobangi North Ward. Hon. Kimanzi passed away on April 22, 2025, after experiencing sudden chest pains and was pronounced dead upon arrival at AAR Hospital in Kiambu. A post-mortem confirmed the cause of death as a pulmonary embolism. The Late honourable member was known for his fearless advocacy and commitment to transparency.

In executing its mandate, the Assembly is supported administratively by the County Assembly Service Board (CASB), established under Section 12 of the County Governments Act, 2012, and further reinforced under Section 4 of the County Assembly Services Act, 2017. The Service provides technical and administrative support to Members, enabling the Assembly to discharge its functions with professionalism, efficiency, and accountability.

### **Budget performance**

In the Financial Year 2024/25, the County Assembly was appropriated for **Kshs. 3,560,111,836**, distributed as follows: -

- Employee emoluments: Kshs. 1,075,744,815
- Cost of goods and services: Kshs. 837,747,055
- Acquisition of assets: Kshs. 1,619,965
- Transfers to fund accounts: Kshs. 10,000,000
- Capital and development: Kshs. 1,635,000,000

During the year, two Supplementary Budgets were adopted pursuant to **Section 130(4) of the PFM Act, 2012**, primarily to address pending bills carried forward from FY 2023/24 and to realign expenditure with emerging priorities. Specifically, Supplementary (I) Budget addressed pending bills from FY 2023/24 amounting to Kshs. 513,919,253. This was in line with Section 130(4) of the Public Finance Management Act, 2012, which provides that if an Appropriation Bill passed before the beginning of a financial year does not include unspent funds from the immediately preceding year, the County Executive Committee Member for Finance must prepare and submit a Supplementary Appropriation Bill to allocate such unspent balances. Supplementary (II) Budget was proposed at Kshs. 2,639,031,089, broken down into:

- Recurrent expenditure: Kshs. 2,435,068,627
- Development expenditure: Kshs. 203,962,461

Despite absorbing over 90% of its recurrent allocations, the Assembly faced persistent challenges in exchequer releases, delayed disbursements, inconsistent compliance changes introduced by the Controller of Budget and rigid budget ceilings set by the Commission on Revenue Allocation (CRA). These challenges curtailed operational efficiency and impeded full realization of planned activities. Notably, during the period under reporting, the lack of fiscal autonomy and dependence on the County Treasury for access to the County Revenue Fund (CRF) despite the Assembly's oversight role over the same entity was a structural conflict that undermined the institutional effectiveness. In particular, the total requisitions made during the Financial Year amounted to Kshs. 2,209,959,943, out of which only Kshs. 1,720,151,574 was funded, leaving Kshs. 714,917,053 worth of processed payments unfunded. Regarding the development budget, from the appropriated Kshs. 203,962,461, the Assembly requisitioned Kshs. 167,710,423. However, only Kshs. 135,560,516 of these amounts was funded. These challenges collectively constrain the Assembly's legislative, oversight, and

development functions, underscoring the need for urgent reforms to ensure financial independence and operational efficiency. However, the recent enactment of the Assembly's financial autonomy legislative framework is a positive step that should urgently be operationalised.

### **Operational Performance**

During the reporting period, the Assembly enacted landmark legislation including the **Climate Change Management Act**, the **Food Safety and Fortification Act**, the **Regularization of Unauthorized Developments Act**, and the **Persons with Disabilities (Amendment) Act**. These laws collectively strengthen environmental management, food safety, inclusive urban development, and social equity. The Assembly also processed and approved the **Appropriations Act for FY 2024/25**, along with **two supplementary appropriation laws**, ensuring timely allocation of resources in line with statutory timelines.

Further, Sectoral committees undertook robust oversight through site visits, public petitions, investigations, and interrogations of expenditure reports, thereby promoting accountability and good governance. For instance, Committees such as Environment, Health, Finance, and Public Accounts conducted site inspections, reviewed legislation, processed public petitions, and ensured responsiveness to Members' Statements. Overall, in its oversight role, the County Assembly monitored the implementation of county policies, audited expenditure reports, and held the County Executive accountable through committee investigations and summons. It played a vital part in public finance oversight, governance scrutiny, and community engagement through public participation forums. Collectively, these efforts have enhanced transparency, accountability, and operational efficiency within Nairobi City County.

### **Performance of key development projects**

During the reporting period, the Assembly continued to prioritize long-term institutional projects such as the construction of Ward Offices, the County Assembly Complex, the Speaker's residence, digitalization of Assembly services, and the establishment of a Library and Media Centre. While implementation was constrained by procurement delays, land availability, and budgetary revisions, substantial preparatory work including architectural designs, procurement scoping, and stakeholder

consultations was completed. As a result, the projects were rolled over to FY 2025/2026. Despite these delays, key foundational activities were achieved:

- **Outputs:** Initiation of procurement, architectural design, and scoping exercises.
- **Outcomes:** Institutional readiness for infrastructure development, improved planning coordination, and stakeholder engagement.
- **Impacts:** Once implemented, these projects are expected to enhance legislative performance, transparency, service delivery, and public participation.

The Assembly aligned its development priorities across its strategic, procurement, and annual work plans. Below is a summary of key projects and their anticipated benefits:

<b>Project</b>	<b>Progress in FY 2024/25</b>	<b>Expected Benefits Upon Completion</b>
Ward Offices Construction	Land identification and planning ongoing	Improved accessibility and citizen engagement at the ward level
County Assembly Complex	Land identification and planning ongoing	Centralized, well-equipped legislative environment
Speaker’s Residence	Land identification and planning ongoing	Reduced accommodation costs; improved official representation
Digitalization of Services (ERP & Automation)	Procurement and requirement gathering stage	Enhanced operational efficiency, remote access, and accountability
Library & Media Centre	Budget shifted to next FY	Improved access to legislative records and citizen information

These projects, once fully implemented, are expected to significantly improve the effectiveness, transparency, and responsiveness of the County Assembly.

The County Assembly has demonstrated commitment to ethical governance and responsible procurement practices through Fair Competition & Anti-Corruption Measures, Transparent tendering using IFMIS and open procurement platforms, Whistle-blower mechanisms and regular staff sensitization on ethical conduct, Strict adherence to the Public Procurement and Asset Disposal Act, Responsible Political Involvement, Procurement processes are shielded from political influence, Evaluation committees are structured to ensure independence and neutrality, Supplier Engagement and Responsibility, Suppliers are treated fairly and equitably, Contracts are honored and payments processed within established timelines, Clear dispute resolution mechanisms are in place to address contractor issues promptly.

Though FY 2024/25 faced implementation constraints, the County Assembly made significant preparatory progress across its key strategic priorities. With most major projects set to roll over into FY 2025/26, the Assembly is well-positioned to deliver improved legislative service delivery, institutional growth, and citizen-cantered governance in the coming year.

### **Comment on value-for-money achievements**

The Assembly has embedded principles of value-for-money in all its programmes, guided by the Public Procurement and Asset Disposal Act, 2015 and internal integrity safeguards. In FY 2024/25, the County Assembly made progress in implementing key development projects that, despite being largely phased or rolled over, have already begun to yield positive outcomes for citizens. The digitalization of Assembly services, including initial deployment of livestreaming, virtual chamber sessions, and document-sharing systems, has enhanced transparency and citizen engagement in legislative affairs. Public access to Assembly proceedings has improved, enabling civil society and community groups to better participate in governance processes. In addition, early steps toward the establishment of the library and media center have supported youth and researchers by providing access to legislative information and educational resources.

Further, preparatory work for the construction of Ward Offices has strengthened the connection between MCAs and their constituents, particularly through increased visibility and outreach in areas identified for development. Temporary use of these spaces for community forums has promoted civic education and direct public input on county matters. Enhanced efficiency within the Assembly, supported by improved planning and ICT readiness, has contributed to quicker handling of public petitions and committee coordination. These foundational efforts demonstrate the Assembly's commitment to long-term improvements in legislative service delivery and public accountability.

### **Conclusion**

In presenting these financial statements, I wish to underscore that the Nairobi City County Assembly remains steadfast in advancing the constitutional principles of fiscal responsibility, transparency, and accountability. Despite financial and operational constraints, the Assembly has continued to discharge its legislative, oversight, and representative roles with dedication, while laying a strong foundation for future institutional growth.

## **5. Statement of Performance against Predetermined Objectives**

### Strategic development objectives

The County Assembly's 2023-2027 CIDP has identified 2 key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the County Assembly's strategic plan 2024-2029, the National Government's Vision 2030, SDGs and the MTP III.

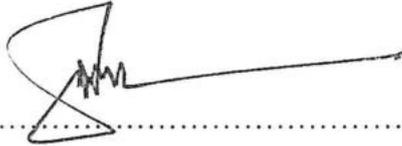
The strategic objectives are a synthesised product of the afore-mentioned planning frameworks that amalgamate the thematic focus and development aspirations in these policy frameworks.

The key development objectives of the 2023-2027 County Assembly's CIDP are to:

1. A County Assembly that plays its triple role of legislation, oversight and representation effectively
2. Well governed and managed County Assembly with sufficient institutional capacity

The progress made in attaining the objectives of the 2023-2027 CIDP for Nairobi City County Assembly is illustrated as follows:

I extend my gratitude to Honourable Members, the County Assembly Service Board, staff, stakeholders, and development partners for their unwavering support and cooperation. With continued reforms and collaboration, the Nairobi City County Assembly is well positioned to strengthen devolution, deliver value for money, and uphold the aspirations of the people of Nairobi City County.



.....  
Name: Edward O.Gichana

**Clerk of Nairobi City County Assembly**

S/No	Strategic Objective as per CIDP (present the objectives on a high and strategic level)		Performance/Progress made up since inception from the latest CIDP	the reasons underperformance/Overperformance)
1	Enhanced Representation by improved accessibility of the Citizens to their elected Members of the County Assembly	60 Newly Constructed ward offices 85 ward offices renovated	Construction of ward offices to be undertaken in FY2025/26. 80 Ward Offices successfully been renovated	Major challenge is non availability of land from the County Executive.
2	Acquisition of County Assembly complex to accommodate chambers, committee rooms, conference rooms, and offices for MCAs and staff, and parking.	New Assembly complex that will accommodate the County chambers, committee rooms and conference rooms, MCAs and staff offices, parking area and boardrooms that are fully equipped.	Project rolled over to FY 2025/26 1 <sup>st</sup> Phase	Non availability of land from executive.
3	Improve County Assembly infrastructure	Purchase of land, constructing official Speaker's residence and	Rolled over to FY2025/26	Non availability of land from executive.

*Nairobi City County Assembly*  
**Annual Report and Financial Statements for the year ended 30th June 2025.**

		furnishing the house fully.			
		Purchase of new executive furniture's for the committee rooms and upgrade of the digital multimedia congress system	Acquisition of furniture for committee rooms attained within FY2024/25. Upgrade of multimedia congress system rolled over to FY2025/26	Delays from supplier implementation of project leading to roll over.	
		Renovation of armoury and purchase of new Mase	Project successfully attained in FY 20023/24		
		Library and media centre office space issued. Fully equipping the media centre and library.	Project Rolled over to FY 2025/26	Budgetary constraints	
4	Improve County Assembly infrastructure and legislative process.	Purchase of Enterprise resource planning software	Project initiated in FY 2024/25 but rolled over to FY 2025/26	Delays from supplier implementation of project leading to roll over.	
		Purchase of Enterprise level relational database	Project Year marked for FY 2025/26		

*Nairobi City County Assembly*  
**Annual Report and Financial Statements for the year ended 30th June 2025.**

	management system			
	RDBMS			
	Data Centre, optimization, realignment, restructure and provision of office automation	Project successfully attained in FY 2024/25		
	Supply, Delivery and configuration of endpoint devices with domain servers	Project successfully attained in FY 2024/25		
	Purchase of Electronic mail software	Project Year marked for FY 2025/26		
	Purchase of enterprise level back up tools and network attached storage system.	Project Year marked for FY 2025/26		
	Upgrade of chamber	Project initiated in FY 2024/25		

*Nairobi City County Assembly*  
**Annual Report and Financial Statements for the year ended 30th June 2025.**

		multimedia digital congress system and web streaming services	but rolled over to FY 2025/26	
		Purchase of walk through scanner, baggage scanner, smart biometric access system and upgrade and equipping the sentry office to be integrated with the CCTV system	Project Year marked for FY 2026/27	

Progress on Attainment of Development Objectives from Annual Development Plan for FY 2024/25

Nairobi City County Assembly  
Annual Report and Financial Statements for the year ended 30th June 2025.

Programme performance

Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY2024/25		Cumulative Achievement by end of FY2024/25		Remarks
					Target	Actual	Target	Actual	
Legislation Representation and Oversight	To Provide adequate office space and equipment to Members and staff of the County Assembly	Construction of Ward Offices	Operational Ward Offices	Number of ward offices constructed @15M each	20		20	20	Non availability of land for construction purpose
	Provide adequate office space and equipment to Members and staff	Acquisition of County Assembly complex	Well-furnished and equipped office block	Construction of new Assembly chambers, Number of committee rooms, conference rooms and office space acquired	750		750	750	Non availability of land for construction purpose



*Nairobi City County Assembly*  
**Annual Report and Financial Statements for the year ended 30th June 2025.**

	<p>management structures, systems, policies and procedures</p>	<p>Infrastructure</p>	<p>domain server configuration, cloud based email service, and storage back up system                      Installation of integrated access control system, Automation of chamber sessions to support paperless process, remote access and virtual</p>	<p>network attached storage system.                      Purchase of Enterprise resource planning software (accounts, Procurement, Finance and HR                      Upgrade of chamber multimedia digital congress system and web streaming services</p>					
--	--	-----------------------	---	---	--	--	--	--	--



**Strategic development objectives**

The key mandate of the County Assembly of Nairobi is legislation, oversight, and representation. To achieve this, the Assembly's program was documented in terms of objective, key performance indicators, and output. Below is the performance of the Assembly in FY 2024/25.

Program 1	Objective	Outcome	Indicator	Performance	Remarks
Legislation, oversight and representation	3 Bills passed Into Acts of the County Assembly	Improved Service delivery to citizens	No of bills passed in the County Assembly	In FY 2024/25 number of bills were passed 9	
	Review Standing Orders	Review Standing Orders	% Increase in efficient Assembly operation	Standing Orders were amended 13 parts	
	Enhanced Professional development of MCAs	Improved Legislation oversight and representation	No of all Members training	1 all members' training undertaken in the FY 2024/25	
	Motions considered and passed	Enhance legislation and representation	No. Motions considered and adopted	68 Motions were considered and adopted in the FY 2024/25	
	Petitions submitted and considered	Enhanced oversight and representation	No. of Petitions Submitted and considered	9 Petitions tabled and considered in the FY 2024/25	
	Statements Requested and considered	Enhanced Oversight and representation	No. of Statements requested and	71 Statements were requested in	

			considered	the FY 2024/25	
	Reports tabled and considered	Enhanced legislation, oversight and representation	No. of reports Tabled and considered	66 papers – reports were tabled in the FY 2024/25	

## **6. Environmental and Sustainability Reporting**

### **a) Sustainability strategy and profile**

The Nairobi County Assembly has demonstrated a commitment to environmental sustainability through the adoption of digital technologies and energy-efficient practices. Key measures include the implementation of e-Parliament systems to minimize paper usage, the deployment of new ICT systems to curb resource wastage, and targeted energy-saving initiatives to optimize electricity consumption. These efforts align with broader national and county goals for sustainable development, as outlined in key policy documents such as the Nairobi City County Integrated Development Plan (CIDP) 2023-2027 and the Kenya National Digital Master Plan 2022-2032. Environmental performance

### **b) Environmental Performance**

The Nairobi County Assembly's sustainability measures exemplify proactive governance in addressing environmental challenges. By leveraging e-Parliament for paper reduction, ICT innovations for resource efficiency, and energy-saving strategies, the Assembly is paving the way for a greener Nairobi. Continued investment and collaboration with national frameworks will ensure long-term success, positioning the county as a model for sustainable urban development in Kenya. Recommendations include regular progress audits and public awareness campaigns to maximize adoption.

### **c) Employee welfare**

The County Assembly has demonstrated its commitment to employee welfare by implementing a range of supportive initiatives aimed at enhancing staff well-being and productivity. These include the provision of car loan and mortgage benefits to facilitate financial empowerment, the establishment of a staff canteen to ensure access to affordable and nutritious meals, and the development of a comprehensive staff welfare program that promotes a positive work environment. These efforts reflect the Assembly's dedication to fostering a motivated and satisfied workforce.

### **d) Gender Ratio Consideration**

The Constitution of Kenya (2010) mandates the two-thirds gender rule (Article 27(8)), requiring that no more than two-thirds of any public body's members be of the same gender. The Nairobi City County Assembly adheres to this principle. The CASB strives to balance gender in recruitment.

The Assembly's legislative arm includes 39 nominated members alongside 85 elected members, with nominations often used to address gender imbalances, as seen in efforts to increase female representation in leadership roles.

**e) Stakeholder Engagement**

The Nairobi City County Assembly employs a comprehensive stakeholder engagement framework to foster collaboration with its key clientele, including Members of County Assembly (MCAs), staff, the public, suppliers, and other government institutions, ensuring inclusive governance and effective policy implementation. MCAs are central to legislative debates, committee oversight, and ad hoc initiatives such as those overseeing transitions and policy development, while staff contribute through internal capacity-building and administrative support. Public involvement is prioritized via participatory forums, civic education programs emphasizing stakeholder mapping and best practices, and validation workshops for draft policies like tourism and public participation guidelines. Suppliers engage through procurement processes and partnerships outlined in external resources and donor coordination policies, with public events facilitating input. Interactions with other government institutions occur through coordinated frameworks for regional development and intergovernmental projects, promoting equitable resource use. This multifaceted approach enhances transparency, accountability, and service delivery across Nairobi County.

**f) Marketplace practices-**

The Nairobi City County Assembly, ensures compliance in the areas of responsible supply chain and supplier relations, ethical practices, and stewardship of goods and services, based on available information and the Assembly's mandate under the Constitution of Kenya 2010 and the County Governments Act No. 17 of 2012.

Responsible Supply Chain and Supplier Relations

The Nairobi City County Assembly ensures procurement processes aligns with principles of transparency, accountability, and fairness, as mandated by the Constitution of Kenya and the Public Procurement and Asset Disposal Act, 2015.

Oversight of Procurement Processes:

The Assembly reviews procurement policies and practices to ensure compliance with legal frameworks, including the Public Finance Management Act, 2012, and county-specific regulations like the Nairobi City County Finance Act, 2023.

The Assembly ensures adherence to competitive bidding processes and that suppliers are selected based on merit, preventing favouritism or irregular awards

Promoting Fair Payment Practices:

The Assembly pushes for timely payments to suppliers and by advocating for the use of the Integrated Financial Management Information System (IFMIS), the Assembly ensures transparent tracking of payments, reducing opportunities for mismanagement or delays that could harm supplier relations.

**b) Responsible Ethical Practices – Corruption-Free Environment**

The Nairobi City County Assembly is committed to fostering a corruption-free environment, aligning with the Ethics and Anti-Corruption Commission (EACC) mandate and the principles of Chapter Six of the Constitution of Kenya on Leadership and Integrity.

**c) Stewardship of Goods and Services – Safeguarding Citizens' Rights and Interests**

The Nairobi City County Assembly is mandated to safeguard the rights and interests of citizens by ensuring that goods and services provided by the county meet the needs of residents, as outlined in the Constitution and the County Governments Act No. 17 of 2012.

The Nairobi City County Assembly plays a critical role in promoting responsible supply chain practices, ethical governance, and stewardship of goods and services through its legislative and oversight functions. While progress has been made, ongoing challenges like corruption and incomplete projects require sustained efforts to ensure that the Assembly effectively safeguards citizens' rights and interests.

**g) Community Engagements**

The Nairobi City County Assembly successfully hosted its annual Show Grounds Event, fostering robust community engagement and participation. The event, held at the county showgrounds, attracted a diverse audience, including residents, local leaders, and stakeholders, who actively participated in various activities such as exhibitions, public forums, and cultural showcases. The Assembly utilized the platform to share updates on county projects, gather public feedback, and strengthen ties with the community, reinforcing its commitment to transparent and inclusive governance. The event's success underscored the Assembly's dedication to fostering civic participation and promoting collaborative development initiatives within Nairobi.

## **7. Management Discussion and Analysis**

The Assembly continues to discharge its constitutional mandate of legislation, representation, and oversight amid a dynamic political, economic, and institutional environment

Key strides have been made in institutional development, automation, legal reform, and staff welfare. However, challenges related to funding, political interference, and capacity gaps continue to hinder optimal performance. The Assembly's 2023/24–2028/29 Strategic Plan presents a blueprint for inclusive and technology-driven legislative governance.

### **Key Programs and Investments**

Over the last one year, the NCCA has implemented several transformative programs:

Legal and Institutional Strengthening:

- Passed 9 bills into law.

Digital Transformation:

- Modernized the multimedia digital congress system.
- Initiated ERP and ICT infrastructure upgrades.

Staff and Member Welfare:

- Improved SOPs and staff welfare through new HR policies.

Infrastructure Investments:

- Upgraded office facilities, committee rooms, and initiated remodelling projects.

Capacity Building:

- Enhanced training for MCAs and staff on legislative procedures and public finance.

These investments have improved the Assembly's service delivery and stakeholder engagement, despite funding and governance constraints.

### **Governance, Compliance, Risks & Financial Gaps**

Legal and Statutory Compliance

NCCA operates within the framework of the:

- Constitution of Kenya (Articles 176, 185, 207, 212, and 220).
- County Governments Act, 2012 and the County Assembly Services Act, 2017.

The Assembly has adhered to:

- Budget approval and oversight procedures.
- Vetting and appointment of county officials.

- Regular internal audits and risk-based assessments.
- Development of policy instruments aligned with national standards.

#### Major Risks Identified

Key strategic risks affecting operations include:

<b>Risk Category</b>	<b>Description &amp; Impact</b>
<b>Political Risks</b>	Interference in staffing, delays in passing laws, and legislative standoffs.
<b>Economic Risks</b>	Budget cuts, inflationary pressures, and delayed disbursements from exchequer.
<b>Institutional Risks</b>	Lack of technical staff, weak M&E systems, poor ICT integration.
<b>Legal Risks</b>	Increased litigation and non-compliance costs.
<b>Security Risks</b>	Physical and cyber threats due to inadequate systems and controls.

Mitigation strategies include strong governance structures, stakeholder engagement, financial lobbying, and ICT modernization.

#### Financial Performance and Obligations

The Assembly has experienced funding shortfalls and delayed exchequer releases, resulting in:

- Project rollovers.
- Contractor payment delays.
- Limited recruitment of skilled staff.
- Inability to fully implement some strategic priorities.

Material Arrears:

- Outstanding supplier payments.
- Pension and gratuity delays during constrained fiscal years.

The total financial requirement for the 2023/24–2028/29 plan is Kshs. 19.2 billion, with key allocations to human capital, infrastructure, automation, and stakeholder engagement.

#### Sector Review, Outlook & Strategic Direction

##### Sector and Economic Review

Nairobi, as the capital and economic hub of Kenya, is facing increasing demands for services amid:

- High population growth (now estimated at 5.3 million).
- Widening fiscal gaps at county level due to revenue underperformance.
- Macroeconomic constraints such as inflation, high taxation, and slow disbursement of funds.
- Social risks like urban poverty, informal settlements, and underemployment.

These trends call for more efficient legislative oversight, smarter budgeting, and enhanced public participation in governance.

### **Future Developments and Priorities**

The Assembly's Strategic Plan (2023/24–2028/29) prioritizes:

- Digital Transformation:
  - Full adoption of ERP.
  - Upgrading ICT hardware and software.
  - Cybersecurity enhancement.
- Institutional Reform:
  - Staff succession planning.
  - Review of HR, procurement, and governance policies.
  - Performance-based management systems.
- Enhanced Stakeholder Engagement:
  - Civic education and public participation forums.
  - Collaboration with constitutional bodies (e.g., CRA, COB, PSC).
- Legislative Quality Improvement:
  - Support for bill drafting and committee operations.
  - Legislative benchmarking with other county assemblies.

### **Conclusion**

The Nairobi City County Assembly has achieved notable progress in strengthening its legislative, oversight, and representative functions. However, challenges in autonomy, financial sufficiency, and political neutrality must be addressed. The 2023/24–2028/29 Strategic Plan offers a robust pathway for institutional resilience, digital transformation, and inclusive governance.

## **8. Statement of Management Responsibilities**

Section 164 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer of a County Government Entity to prepare financial statements in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Clerk of the County Assembly is responsible for the preparation and presentation of the transitional financial statements, which give a true and fair view of the state of affairs of the County Assembly for and as at the end of the financial year ended on 30<sup>th</sup> June 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 Executive/assembly.
- iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the transitional financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud.
- (iv) Safeguarding the assets of the county Executive.
- (v) Selecting and applying appropriate accounting policies.
- (iv) Making accounting estimates that are reasonable in the circumstances.

The Clerk accepts responsibility for the County Assembly transitional 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 Clerk is of the opinion that the County Assembly transitional financial statements give a true and fair view of the state of the County Assembly's transactions during the financial year ended June 30, 2025, and of its financial position as at that date.

The Clerk further confirms the completeness of the accounting records maintained for the County Assembly which have been relied upon in the preparation of its transitional financial statements as well as the adequacy of the systems of internal financial control.

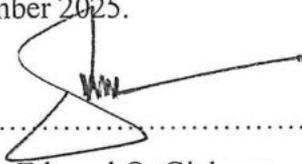
The Clerk confirms that the County Assembly has complied fully with applicable Government Regulations and the terms of external financing covenants and that the County Assembly funds

received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Further the Clerk confirms that the County Assembly's transitional 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 transitional financial statements

The County entity's transitional financial statements were approved and signed by the Clerk for on 27<sup>th</sup> December 2025.



.....  
Name: Edward O. Gichana  
Clerk of County Assembly

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



**HEADQUARTERS**  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON NAIROBI CITY COUNTY ASSEMBLY FOR THE YEAR ENDED 30 JUNE, 2025**

---

### **PREAMBLE**

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for the material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management, and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying transitional IPSAS financial statements of Nairobi City County Assembly set out on pages 1 to 75, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of

changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts 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. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis of Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of Nairobi City County Assembly as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the County Governments Act, 2012, the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

## **Basis for Qualified Opinion**

### **1. Inaccuracies in the Financial Statements**

#### **1.1 Unexplained Payables Variance**

The statement of financial performance and statement of cash flows reflect use of goods and services amounts of Kshs.1,421,442,841 and Kshs.656,047,148 respectively resulting to an unpaid payable of Kshs.765,395,693. However, the statement of financial position reflects trade and other payables balance of Kshs.767,696,223 as disclosed in Note 32 to the financial statements resulting to an unexplained and unreconciled variance of Kshs.2,300,530.

#### **1.2 Net Cash Flows from Operating Activities**

Note 40 to the financial statements on reconciliation of cash generated from operations reflects increase in payables amount of Kshs.422,830,803 against a recomputed increase of Kshs.502,621,761 resulting to an unexplained variance of Kshs.79,790,958.

#### **1.3 Property, Plant and Equipment Variance**

The statement of financial position reflects property, plant and equipment balance of Kshs.130,754,605 which as disclosed in Note 26 to the financial statements includes property, plant and equipment additions totalling Kshs.145,531,381. However, the statement of cash flows and statement of comparison of budget and actual amounts reflects an amount of Kshs.99,127,261 resulting to an unreconciled variance of Kshs.46,404,120. Further, the statement of financial position property, plant and equipment balance of Kshs.130,754,605 differs with the corresponding Note 26 to the financial statements total balance of Kshs.130,349,451 resulting to a variance of Kshs.405,154 which was not explained or supported.

#### 1.4 Omission of Addition of Intangibles Assets

The statement of financial position reflects intangible assets balance of Kshs.11,456,302 which as disclosed in Note 27 to the financial statements relates to additions in intangible assets of Kshs.13,092,917. However, this amount was not reflected in either the statement of cash flows or the statement of comparison of budget and the actuals.

#### 1.5 Variances Between Comparative and Prior Year Balances

Review of the financial statements revealed unreconciled variances between comparative balances and balances reflected in the audited prior year financial statements as analysed below;

Description	Comparative Balances (Kshs.)	Prior Year Audited Balance (Kshs.)	Variance (Kshs.)
Receivables from Exchange	25,368,452	Nil	25,368,452
Trade and Other Payables	513,919,253	63,131,482	450,787,771
Current Portion of Borrowing	85,317,692	Nil	85,317,692

#### 1.6 Unexplained Impairment Allowance

The statement of financial position reflects receivables from non-exchange transactions balance of Kshs.539,946,021 as disclosed in Note 23 to the financial statements. The balance was arrived at by adjusting outstanding imprest of Kshs.236,322,645 with an impairment allowance of Kshs.303,623,376. However, the impairment allowance was not explained or supported. Further, the accounting treatment of the impairment allowance of Kshs.303,623,376 was not appropriate resulting to the overstatement of Receivables from Non-Exchange transactions.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

#### 2. Unexplained Paid Creditors

The statement of changes in net assets reflects a balance of Kshs.320,306,838 in respect of other changes as creditors paid. However, no explanation was provided in regard as to what this balance represents. Further, the amount was not reflected in the statement of cash flows as an outflow.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Assembly's Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe

that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Emphasis of Matter**

#### **1. Long Outstanding Trade and Other Payables**

The statement of financial position reflects trade and other payables balance of Kshs.767,696,223 as disclosed in Note 32 to the financial statements. Included in this balance is Kshs.193,612,414 in respect of amounts due to vendors that have been outstanding for over one (1) year. No explanation was provided as to why the payables have remained outstanding.

#### **2. Long Outstanding Receivables from Non-Exchange Transactions**

The statement of financial position reflects receivables from non-exchange transactions balance of Kshs.539,946,021 as disclosed in Note 23 to the financial statements. Included in this balance is Kshs.270,361,697 in respect of amounts due that have been outstanding for over one (1) year. No explanation was provided for the long outstanding amounts.

In the circumstances a clear plan for collection of arrears could not be confirmed.

#### **3. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects a final receipts budget and actual on a comparable basis of Kshs.2,615,068,628 and Kshs.1,552,088,714 respectively, resulting to an under-funding of Kshs.1,062,979,914 or 41% of the budget.

The under-funding on the planned activities may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of these matters.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there were no other key audit matters to report in the year under review.

### **Other Matter**

#### **Unresolved Prior Year Matters**

In the prior years' audit reports, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Report on Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance,

respectively. Review of the status during audit of Nairobi City County Assembly in 2024/2025 revealed that the matters as attached under **Appendix I** remained unresolved.

### **Other Information**

Management is responsible for the Other Information set out on page iii to lxii which comprise of Key Entity Information and Management, Governance Statement, Foreword by the Clerk of the County Assembly, Statement of Performance against Predetermined Objectives, Environmental and Sustainability Reporting, Management Discussion and Analysis and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Nairobi City County Assembly financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Lack of Proper Governance in Borrowings**

The statement of financial position reflects current portion borrowings balance of Kshs.146,490,300 and Kshs.85,317,692 in the current and prior years as disclosed in Note 38 to the financial statements. Review of the financial statements and records provided for audit revealed that, the County Assembly had an opening balance of Kshs.85,317,692 in funds borrowed from the Car and Mortgage Fund. During the year, the Assembly received additional transfers amounting to Kshs.83,206,568, bringing the total borrowings to Kshs.168,524,260. Further, records indicate that the Assembly repaid an amount of Kshs.22,033,960 as disclosed in the statement of cash flows leaving an outstanding balance of Kshs.146,490,290 at the end of the financial year.

Both the County Assembly and the Mortgage Fund are under the management of the same Accounting Officer, raising concerns over independence, oversight, and financial responsibility in the borrowing and repayment process. There were also no laws, policies, or regulations governing the borrowing arrangements between the County Assembly and the Mortgage Fund. This was contrary to Section 141(1) of the Public Finance Management Act, 2012 which provides that, "in borrowing money, a County Government shall ensure that its financing needs and payment obligations are met at the lowest possible cost in the market that is consistent with a prudent degree of risk, while ensuring that the overall level of public debt is sustainable."

In the circumstances, Management was in breach of the law and the extent of the borrowing brings in question the essence of the Fund.

## **2. Irregular Management of Imprest**

### **2.1 Imprest under Pending Bills**

Review of the imprest register provided for audit revealed that imprests were frequently processed retrospectively as reimbursement claims, rather than being issued in advance of the intended activity. In multiple instances, officers incurred expenditure using personal finances, and later submitted requests labelled as "imprest" to be reimbursed - accompanied by receipts and invoices. This practice defeats the purpose of imprest which is issued to facilitate an officer undertake an official assignment and is a pre-authorized spending and ensures alignment with budgetary allocations. In addition, this contravenes National Treasury Circular No.3/2013 Section 3.3 which clearly state that imprests are advances and should not be recognized as liabilities.

### **2.2 Irregular Management of Standing Imprest in the County Wards**

Review of a sample surrender payment vouchers provided for audit revealed that each County ward received standing imprest of Kshs.109,230 every quarter. However, no detailed memorandum cash books for accountability were attached to the surrender payment vouchers. Further, the imprests surrender payment vouchers were not adequately supported with electronic tax register (ETR) receipts. A sample of receipts attached also contained non office expenses raising questions on whether the standing imprest was used for intended purpose.

This was contrary to Regulation 93(14) and 15 of the Public Finance Management (County Governments) Regulations, 2015 which requires that, the holder of a standing imprest shall keep a memorandum cash book to record all receipts and payments and the balance on hand shall agree with the cash balance recorded in the memorandum cash book and in the absence of any receipts, the actual cash balances plus the expenses paid shall equal at all times the fixed level of the imprest for which the imprest holder is personally responsible.

### **2.3 Irregular Use Standing Imprest**

Review of records on utilization of standing imprest revealed the following anomalies;

---

*Report of the Auditor-General on Nairobi City County Assembly for the year ended 30 June, 2025*

### **2.3.1 Exceeding Standing Imprest Ceiling by Deputy Minority Leader**

Review of standing imprest records revealed that the Deputy Leader of the Minority was issued with an amount of Kshs.150,000 instead of the approved limit per quarter of Kshs.100,000 thus exceeding the approved amount by Kshs.50,000. No explanation or approval was provided for exceeding the limit.

### **2.3.2 Submission of Questionable Receipts in the Surrender of Imprest**

The Leader of Minority presented receipts amounting to Kshs.133,720 as part of imprest surrender documentation. However, upon verification, the receipts were found to have duplicated serial numbers, unverifiable supplier names and non-existent KRA PINs indicating possible lack of accountability or intentional misrepresentation of information.

In the circumstances, the regularity of the imprest issued could not be confirmed and Management was in breach of the law.

## **3. Non-Compliance with a Third Rule**

The statement of financial performance reflects employee costs amount of Kshs.969,208,211 as disclosed in Note 9 to the financial statements. However, an analysis of the staff payrolls as at 30 June, 2025 established that six (6) employees were paid net salaries that were less than one-third of their basic salaries contrary to Section 19(3) of the Employment Act, 2007.

In the circumstances, Management was in breach of the law.

## **4. High Wage Bill**

Reported in the statement of financial performance and as disclosed by Note 9 to the financial statements is employee costs totalling Kshs.969,208,211. However, the expenditure on employee compensation represented approximately 50% of the total revenue of Kshs.1,938,918,658 for the year under review. This ratio exceeds the prescribed ceiling of 35% of total revenue as provided by 15%. The Nairobi City County Assembly therefore operated above the allowable wage-to-revenue threshold, resulting in a contravention of the law.

In the circumstances, Management was in breach of the law.

## **5. Irregular Composition of Select Committee Members**

Review of the minutes for the Implementation Select Committee meeting held at the Chamber Board Room revealed that the Committee composition had twenty (22) members exceeding the maximum limit of seventeen by five (5). In addition, the committee did not comply with the two-thirds gender rule in the nomination of its members as it had only four (4) female and eighteen (18) males instead of eleven (11) of either gender. This was contrary to Section 173 of the Standing Orders for County Government of Nairobi City, which requires that subject to any written law, these standing orders or a

resolution of the County Assembly, a select committee shall consist of an odd number of members being not less than eleven (11) and not more than seventeen (17).

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### Basis for Conclusion

#### Irregular Allocation of Official Transport

The statement of financial position reflects property, plant and equipment balance of Kshs.130,754,605 however, the corresponding Note 26 to the financial statements reflects a total balance of Kshs.130,349,451. Further, included in the property, plant and equipment balance is Kshs.18,420,461 in respect of motor vehicles. However, review of motor vehicle management documents provided for audit revealed that official transport is provided to the leadership of the Assembly who do not qualify for official transport as shown below;

S/NO	Registration Number	Make	Allocation
1	47CG001A	Chevrolet Trailblazer	Office of the Minority Leader
2	47CG115A	Isuzu-MU-X	Office of the Majority Leader
3	47CG116A	Isuzu-MU-X	Office of the Clerk
4	47CG188A	Toyota Prado TX 150	Office of the Deputy Speaker
5	47CG267	Toyota Fortuner	Office of the Majority Board Member

This was contrary to Paragraph 3(a) of Gazette Notice 6518 dated 7 July, 2017 on other benefits and allowances which provides that the official transport will be provided to the Governor, Deputy Governor, County Assembly Speaker and Member of County Executive Committee.

In the circumstances, the internal controls in management of motor vehicles could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of the Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Assembly's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Assembly's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48

of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I also I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**19 December, 2025**

## Appendix I - Unresolved Prior Years Matters

S/NO	Financial Year	Audit Issue
1	2019/2020	Presentation of Financial Statements
2	2019/2020	Unreconciled Compensation of Employees
3	2019/2020	Allowances to Members of County Assembly
4	2019/2020	Unsupported Use of Goods and Services
5	2019/2020	Unreconciled Outstanding Imprests
6	2019/2020	Lack of an Updated Fixed Assets Register
7	2019/2020	Pending Bills
8	2019/2020	Prior Year Grants
9	2019/2020	Budgeted Receipts Payments
10	2019/2020	Prior Year Adjustment
11	2019/2020	Total Payments
12	2019/2020	Budgetary Control and Performance
13	2019/2020	Irregularities in Compensation of Employees
14	2019/2020	High Wage Bill
15	2019/2020	Excessive Deductions on Staff Pay
16	2019/2020	Payments to Staff by County Executive of Nairobi
17	2019/2020	Domestic and Subsistence Allowances
18	2019/2020	Payment to County Assembly Forum
19	2019/2020	Unapproved Risk Management Policy
21	2020/2021	Presentation of the Financial Statements
22	2020/2021	Inaccuracies in the Financial Statements
23	2020/2021	Statement of Assets and Liabilities
24	2020/2021	Statement of Comparison of Budget and Actual Amounts
25	2020/2021	Unsupported Payments on Committee Allowance
26	2020/2021	Communication Supplies and Services
27	2020/2021	Legal Expenses
28	2020/2021	Foreign Travel and Subsistence
29	2020/2021	Acquisition of Assets – Overstatement of Assets Balance
30	2020/2021	Pending Accounts Payables
31	2020/2021	Irregular Promotions
32	2020/2021	Irregular Payment of Temporary wages
33	2020/2021	Unauthorized expenditure
34	2020/2021	Committee Sitings
35	2020/2021	Excessive Number of Participants in an MCAs Retreat
36	2020/2021	Failure to Adhere to the Board Appointment Requirement
37	2020/2021	Non-Compliance with the Law on Fiscal Responsibility
38	2020/2021	Unapproved Travel Refunds and Claims
39	2020/2021	Irregular Use of Direct Procurement Method
40	2020/2021	Outstanding Imprests
41	2020/2021	Irregular Payment to County Assembly Forum
42	2020/2021	Payment of Honoraria Allowance
43	2020/2021	Non-Remittance of Taxes
44	2020/2021	Failure to Maintain AIE Holders Register

<b>S/NO</b>	<b>Financial Year</b>	<b>Audit Issue</b>
45	2020/2021	Lack of an Updated Assets Register
46	2020/2021	Overlapping Committee Retreats
47	2020/2021	Un-Approved Training Plan
48	2020/2021	Failure to Adhere to the Approved Staff Establishment
49	2021/2022	Inconsistencies in Statement of Comparison of Budget and Actual Amounts
50	2021/2022	Unsupported Prior Year Adjustments
51	2021/2022	Variance Between the Financial Statements and the Trial Balance
52	2021/2022	Variances Between the Financial Statements and Ledgers
53	2021/2022	Unsupported Expenditure
54	2021/2022	Unsupported and Unauthorized Compensation of Employees Expenditure
55	2021/2022	Undisclosed Contingent Liabilities
56	2021/2022	Unsupported use of Goods and Services
57	2021/2022	Irregular Procurement of Conference Facilities and Air Tickets
58	2021/2022	Domestic and Foreign Travel and Subsistence
59	2021/2022	Routine Maintenance of Other Assets
60	2021/2022	Inaccuracies in Legal Payments
61	2021/2022	Irregular Payment of Subscriptions
62	2021/2022	Rental of Produced Assets
63	2021/2022	Unauthorized Borrowings
64	2021/2022	Unsupported Cash and Cash Equivalents
65	2021/2022	Voided Transactions
66	2021/2022	Unsupported Payments
67	2021/2022	Budgetary Control and Performance
68	2021/2022	Unsupported Pending Accounts Payable
69	2021/2022	Prior Year Audit Matters
70	2021/2022	Non-Compliance with the Fiscal Responsibilities Provisions - Wage Bill
71	2021/2022	Non-remittance of Statutory Deductions
72	2021/2022	Outstanding and Irregular Imprests
73	2021/2022	Lack of Approved Information Technology Security Policy and Disaster Recovery Plan
74	2021/2022	Payment of Salary Outside Payroll
75	2021/2022	Lack of an Updated Fixed Assets Register
76	2022/2023	Variances between the Financial Statements and the Trial Balance
77	2022/2023	Variances between the Financial Statements and the Ledgers
78	2022/2023	Inaccuracies in the Statement of Receipts and Payments
79	2022/2023	Unsupported Expenditure on Use of Goods and Services
80	2022/2023	Unsupported Expenditure on Acquisition of Assets
81	2022/2023	Inaccuracies in the Statement of Comparison of Budget and Actual Amounts

*Report of the Auditor-General on Nairobi City County Assembly for the year ended 30 June, 2025*

<b>S/NO</b>	<b>Financial Year</b>	<b>Audit Issue</b>
82	2022/2023	Unsupported Prior Year Adjustments
83	2022/2023	Inaccuracy Statement of Cash Flows
84	2022/2023	Misclassification of Expenditure
85	2022/2023	Inaccuracies in Cash and Bank Balances
86	2022/2023	Undisclosed Motor Vehicle Reimbursements
87	2022/2023	Unsupported Other Operating Expenses
88	2022/2023	Unsupported Communication, Supplies and Services
89	2022/2023	Unsupported Domestic Travel and Services Subsistence
90	2022/2023	Unsupported Foreign Travel and Subsistence
91	2022/2023	Unsupported Accounts Payables
92	2022/2023	Unsupported Salary Advances
93	2022/2023	Budgetary Control and Performance
94	2022/2023	Non-Compliance with Fiscal Responsibility Principles
95	2022/2023	Irregularities in Recruitment of Members of Staff
96	2022/2023	Non-Remittance of Statutory Deductions
97	2022/2023	Irregular Payments to Services Providers Using Imprest
98	2022/2023	Irregular in Legal Contracts
99	2022/2023	Irregular Expenditure on Subscriptions
100	2022/2023	Non-Compliance with Ward Partisan Staffing Levels
101	2022/2023	Unutilized Speaker's Residence
102	2023/2024	Inaccuracies in the Financial Statements
103	2023/2024	Unsupported Legal Expenses
104	2023/2024	Unsupported Prior Year Adjustments
105	2023/2024	Pending Payables
106	2023/2024	Budget Control and Performance
107	2023/2024	Receipt of Goods on Expired Local Purchase Order
108	2023/2024	Unsupported Procurement of Bulk Short Message Service (SMS)
109	2023/2024	Non-Adherence to the One-Third Basic Salary Rule
110	2023/2024	Noncompliance with Fiscal Responsibility Principles



10. Statement of Financial Performance for The Year Ended 30<sup>th</sup> June 2025

	Notes	FY 2024/2025
		Kshs
Revenue from non-exchange transactions		
Transfers from CRF	6	1,855,712,090
Receipts from- Fund account	7	83,206,568
<b>Total</b>		<b>1,938,918,658</b>
Revenue from exchange transactions		
Other income	8	0
<b>Total revenue</b>		<b>1,938,918,658</b>
Expenses		
Employee costs	9	969,208,211.00
Use of goods and services	10	1,421,442,841
Transfers to other Government Entities	11	66,360,000
Depreciation and amortization expense	12	43,850,496
Other Grants and Subsidies	13	-
Finance costs	14	-
Social Benefits	15	-
<b>Total expenses</b>		<b>2,500,861,547</b>
Gain/(loss) on sale of assets	16	0
Gain/Loss on Foreign Exchange	17	0
Gain/Loss on fair value of investments	18	0
Impairment loss	19	0
<b>Surplus/Deficit for the year</b>		<b>(561,942,889)</b>
Taxation	20	0
<b>Net Surplus/Deficit</b>		<b>(561,942,889)</b>

The Financial Statements set out on pages 1 to 8 were signed by:

.....

Name: Edward O. Gichana  
Clerk of The County Assembly

.....

Name: Paul W. Kimani  
Director Financial Services  
ICPAK M/No 18731

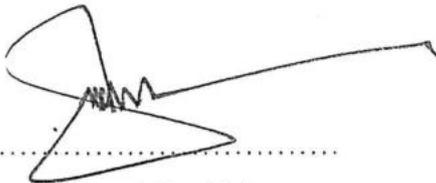


11. Statement of Financial Position As at 30<sup>th</sup> June 2025

	Notes	FY 2024/2025	Opening Statement 1 <sup>st</sup> July 2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash equivalents	21	16,883,013	10,610,265
Receivables from Exchange Transactions	22	27,639,373	25,368,452
Receivables from Non-Exchange Transactions	23	539,946,021	402,727,953
Inventories	24	0	0
Current portion of investments	25	0	0
<b>Total Current Assets</b>		<b>584,468,406</b>	<b>438,706,670</b>
<b>Non-Current Assets</b>			
Receivables from Exchange Transactions	22(b)		
Non- Current portion of investments	25		
Property, Plant and Equipment	26	130,754,605	26,986,933
Intangible Assets	27	11,456,302	
Investment Property	28		
Right-of-use assets	29		
Biological Assets	30		
Tangible Natural Resources	31		
<b>Total Non- Current Assets</b>		<b>142,210,907</b>	<b>26,986,933</b>
<b>Total Assets (A)</b>		<b>726,679,313</b>	<b>465,693,603</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	32	767,696,223	513,919,253
Refundable Deposits and Prepayments	33	14,524,069	10,605,928
Current Provision	34	0	0
Lease Liabilities	35	0	0
Deferred Income	36	0	0
Employee Benefit Obligation	37	183,754,042	0
Current Portion of Borrowings	38	146,490,300	0

	Notes	FY 2024/2025	Opening Statement 1 <sup>st</sup> July 2024
		Kshs	Kshs
Total Current Liabilities		1,112,464,634	609,842,873
Non-Current Liabilities			
Non-Current Provisions	34	0	(
Lease Liabilities	35	0	(
Deferred Income	36	0	(
Non-Current Employee Benefit Obligation	37	0	(
Borrowings – Non-Current Portion	38	0	(
Service Concession Liability	39	0	(
Total Non- Current Liabilities		0	(
Total Liabilities (B)		0	(
Net Assets(A-B)		(385,785,321)	(144,149,270)
Represented By:			
Reserves		0	(
Accumulated Surplus		(385,785,321)	(144,149,270)
Capital Fund		0	(
Net Assets		(385,785,321)	(144,149,270)

The financial statements set out on pages 1 to 84 were signed by:



Name: Edward O. Gichana  
Clerk of The County Assembly



Name: Paul W. Kimani  
Director Financial Services  
ICPAK M/No 18731

**Nairobi City County Assembly  
Annual Report and Financial Statements for the year ended 30<sup>th</sup> June 2025.**

**12. Statement of Changes in Net Assets for The Year Ended 30<sup>th</sup> June 2025**

	Accumulated Surplus	Reserves	Capital Fund	Total
As at 30 <sup>th</sup> June 2024 (cash basis)	10,610,265			10,610,265
Adjustments:				-
Recognition of assets	455,083,308	-	-	455,083,308
Recognition of liabilities	(609,842,843)	-	-	(609,842,843)
As at July 1 <sup>st</sup> , 2024	(144,149,270)	-	-	(144,149,270)
Return to CRF	-	-	-	-
Surplus/ deficit for the year	(561,942,889)	-	-	(561,942,889)
Other changes (creditors paid)	320,306,838.57	-	-	320,306,839
As at June 30 <sup>th</sup> , 2025	(385,785,321)	-	-	(385,785,321)

*Nairobi City County Assembly*  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025.**

13. Statement of Cash Flows for The Year Ended 30<sup>th</sup> June 2025

	FY 2024/2025
	Kshs
Cash flows from operating activities	
Receipts	0
Transfers from CRF	1,552,088,714
Miscellaneous Revenue	-
Other income	
<b>Total receipts</b>	<b>1,552,088,714</b>
Payments	
Employee costs	785,454,167
Use of goods and services	656,047,148
Transfers to other Government Entities	66,360,000
Other Grants and Subsidies	-
Finance costs	-
Social Benefits	-
<b>Total payments</b>	<b>1,507,861,315</b>
<b>Net cash flows from/(used in) operating activities</b>	<b>44,227,399</b>
	40
Cash flows from investing activities	
Purchase of PPE	(99,127,261)
Purchase Intangible assets	0

*Nairobi City County Assembly*  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025.**

Proceeds from sale of PPE			0
Proceeds from sale of Biological Assets			0
Purchase of investments			0
Sale of investments			0
Net cash flows from/(used in) investing activities			(99,127,261)
Cash flows from financing activities			
Returns to CRF			-
Proceeds from borrowings			83,206,568
Repayment of borrowings			(22,033,960)
Net cash flows from financing Activities			61,172,608
Net increase/(decrease) in cash & Cash equivalents			6,272,748
Cash and cash equivalents at 1 July	21		10,610,265
Cash and cash equivalents at 30 June	21		16,883,013

*Nairobi City County Assembly*  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025.**

**14. Statement of Comparison of Budget and Actual Amounts for the Year Ended 30<sup>th</sup> June 2025**  
**Recurrent and Development Budgets Combined**

Receipts/Payments Item	Supplementary Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% Of Utiliz ation
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	
Budget carry overs (Special Purpose A/c)						
<b>Receipts</b>						
Transfers from the CRF	2,944,031,089	-328,962,461	2,615,068,628	1,552,088,714	1,062,979,914	59%
Other receipts						
Total Receipts	2,944,031,089	-328,962,461	2,615,068,628	1,552,088,714	1,062,979,914	59%
<b>Payments</b>						
Compensation of employees	1,045,100,700	-42,711,838	1,002,388,862	785,454,167	216,934,695	78%
Use of goods and services	1,322,455,928	32,803,837	1,355,259,765	656,047,146	699,212,619	48%
Other grants and transfers	67,512,000	9,908,000	77,420,000	66,360,000	11,060,000.00	86%
Social security benefits						
Acquisition of assets	508,962,461	-328,962,461	180,000,000	99,127,261	80,872,739	55%
Finance costs, including loan interest						
Repayment of principal on borrowings				22,033,960		
Development payments						
Total	2,944,031,089	-328,962,462	2,615,068,627	1,629,022,534.19	986,046,093	62%
Surplus			-	(76,933,820)	(32,971,359)	

*Nairobi City County Assembly*  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025.**

Reconciliation table

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	(76,933,820.)
1		
	Reason for differences (borrowing fro Car and Mortgage Fund)	83,206,568.00
2		
	Reason for differences ( opening Cash Balance)	10,610,265
3		
	Reason for differences	
4		
	Reason for differences	
	Closing Cash and Cash Equivalent as per the statement of Cash flows	16,883,012

Budget Notes

1. Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (IPSAS 24.14).  
**For the FY 2024/25 the County Assembly had a Budget Ceiling of Ksh 2,659,031,089 of which Ksh 2,435,068,627 was recurrent budget while Ksh 180,000,000 was development budget. At the close of the FY we had absorbed 90% of all the budget vote lines and funds requisitions made but unfortunately the County Assembly did not receive all its requested requisitions but only received Ksh 1,552,088,714.00 which led to pending payables of Ksh 1,112,464,634.**  
**Also note that we had a repayment to the internal borrowing of Ksh 22,033,960 to the fund account which was a transfer from the Assembly CBK recurrent Account.**  
**Further due to the transition to accrual accounting, we received funds for FY 2024/25 as late as July 2025 amounting to Ksh 303,623,376 and those funds should not be accounted for in the reporting year on the basis of accrual concept of accounting.**
2. Provide an explanation of changes between original and final budget indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29).

*Nairobi City County Assembly*  
**Annual Report and Financial Statements for the year ended 30<sup>th</sup> June, 2025.**

---

The County Assembly for the FY 2024/25 undertook two supplementary budgets, Supplementary Budget 1 was to reallocate for pending bills amounting to Ksh 513M where else for the supplementary 11 the County Assembly rationalized it budget lines to meet its changing urgent needs for the Institution.

15. Notes to the Financial Statements

1. General Information

Nairobi City County Assembly is established by and derives its authority and accountability from The Constitution of Kenya 2010. The Entity is domiciled in Kenya and its principal activities are legislation, representation, and oversight.

2. Statement of Compliance and Basis of Preparation

Statement of compliance

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

Guiding note during the transition period:

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

These financial statements were authorised for issue by the accounting officer on – August 2025

Basis of Preparation

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

Reporting period

The reporting period for these financial statements is for the period ended 30<sup>th</sup> June 2025.

## Notes to the financial statements

### Critical accounting judgements

IPSAS requires accounting judgements to be made in determining accounting policies that impact the presentation of these financial statements. The most critical of these judgements, and their impact, are:

#### Recognition of revenue

Revenue is an increase in the net financial position, other than increases arising from ownership contributions. Revenue is required to be measured when the event occurs and when recognition criteria are met. Judgment is required to determine if these criteria are met, particularly where limited evidence is available at the time the revenue is earned.

#### Recognition of non-exchange expenses and liabilities

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

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

#### Purpose and nature of financial instruments

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

#### Climate change obligations

Kenya's current National Determined Contribution (NDC) to deliver on the goals of the Paris Agreement sets a headline target of a 32 per cent emission reduction by 2030 relative to the business-as-usual scenario of 143 MtCO<sub>2</sub>eq. Entities commitment to climate change action does not constitute a present obligation on the balance sheet but are disclosed separately.

#### Physical assets

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

Notes to the Financial Statements (Continued)

3. Adoption of New and Revised Standards

- i) New and amended standards and interpretations in issue effective in the year ended 30 June 2025.

Standard	Effective date and impact:
IPSAS 43	<p>Applicable 1<sup>st</sup> January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p>Applicable 1<sup>st</sup> January 2025</p> <p>The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
IPSAS 45- Property Plant and Equipment	<p>Applicable 1<sup>st</sup> January 2025</p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
IPSAS 46	<p>Applicable 1<sup>st</sup> January 2025</p>

Standard	Effective date and impact:
Measurement	<p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>

- ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025

Standard	Effective date and impact:
IPSAS 47- Revenue	<p>Applicable 1<sup>st</sup> January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48- Transfer Expenses	<p>Applicable 1<sup>st</sup> January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>

Standard	Effective date and impact:
IPSAS 49- Retirement Benefit Plans	Applicable 1 <sup>st</sup> January 2026  The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	Applicable 1 <sup>st</sup> January 2027  The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ol style="list-style-type: none"> <li data-bbox="443 658 1458 741">i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li data-bbox="443 741 1458 869">ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</li> <li data-bbox="443 869 1458 1077">iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</li> </ol>

iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)

Notes to the Financial Statements (Continued)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Interest income

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

Dividends

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

Rental income

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

b) Budget information

The FY2024/25 original budget for the County Assembly was set at Kshs.3,560,111,836 comprising employee emoluments of Kshs.1,075,744,815, cost of goods and services of Kshs.837,747,055, acquisition of assets of Kshs.1,619,965, transfers to fund account of Kshs.10,000,000 and capital and development of Kshs.1,635,000,000. Supplementary I budget estimates provisioned for the County Assembly FY2023/24 pending bills of Kshs.513,919,253.

This was supported by Section 130(4) of the Public Finance Management, Act 2012 that informs that where an appropriation bill is passed before the beginning of the financial year to which it relates and does not contain unspent funds allocated to the County Assembly in the immediate preceding financial year, the county executive committee member for finance shall prepare and submit to the County Assembly a Supplementary Appropriation Bill allocating the unspent funds. The County Assembly proposed supplementary II budget stands at Kshs.2,639,031,089 out of which the recurrent budget stands at Kshs.2,435,068,627 and development at Kshs.203,962,461.

**c) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over an xx-year period. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

**d) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value

Notes to the Financial Statements (Continued)

**e) Right of use asset**

The right-of-use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the entity incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IPSAS 21 or IPSAS 26. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the entity expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the statement of financial position.

**f) Tangible Natural Resources**

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

**Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments

are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Notes to the Financial Statements (Continued)

**g) Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite.

**h) Research and development costs**

The Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

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

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

**i) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge

accounting rules have no impact on the Company's financial statements. (amend as appropriate).

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

i. Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

#### Fair value through net assets/ equity

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

#### Trade and other receivables

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

#### Fair value through surplus or deficit

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

#### Impairment

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

#### ii. Financial liabilities

##### Classification

The entity classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through surplus or deficit

Notes to the Financial Statements (Continued)

**j) Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

**k) Provisions**

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

**l) Contingent liabilities**

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

Notes to the Financial Statements (Continued)

**m) Contingent assets**

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

**n) Nature and purpose of reserves**

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

**o) Changes in accounting policies and estimates**

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

**p) Employee benefits**

Retirement benefit plans

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

**q) Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. At each reporting date, foreign currency monetary items are translated

using the closing rate. Non-monetary items measured in historical cost are translated using the exchange rate at the date of the transaction, and those measured at fair value are translated using the exchange rates at the date when the fair value was determined. Exchange differences arising from the settlement of monetary items or translation of monetary/non-monetary items at rates different from those at which they were initially reported are recognized in surplus or deficit in the period.

Notes to the Financial Statements (Continued)

**r) Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**s) Related parties**

The Entity regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity. Members of key management are regarded as related parties and comprise of the Speaker of the county assembly and, Clerk of the county Assembly, Directors and senior managers.

**t) Service concession arrangements.**

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

**u) 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.

**v) Comparative figures**

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

**w) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the Year Ended June 30, 2025.

Notes to the Financial Statements (Continued)

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xx. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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

## Notes to the Financial Statements (Continued)

## 6. Transfers from CRF

Nature of Transfer	Amount recognized to Statement of financial performance.  Kshs	Amount deferred under deferred income.  Kshs	Total transfers 30 <sup>th</sup> June 2025
			Kshs
Recurrent	1,720,151,574.00		1,720,151,574.00
Development	135,560,516		135,560,516
Special purpose transfers			
<b>Total</b>	<b>1,855,712,090.00</b>		<b>1,855,712,090.00</b>

## 7. Miscellaneous Revenue

Nature of Revenue	30 <sup>th</sup> June 2025
	Kshs
In kind grants and donations	0
Refunds & Reimbursements	0
Revenues not classified anywhere else (Borrowing from Car & Mortgage fund)	83,206,568.00
Revenues not classified anywhere else	0
<b>Total</b>	<b>83,206,568.00</b>

## 8. Other Incomes

Description	30 <sup>th</sup> June 2025
	Kshs
Insurance recoveries	0
Sale of tender documents	0
Services concession income	0
Other incomes not specified elsewhere	0
<b>Total other income</b>	<b>0</b>

## Notes to the Financial Statements (Continued)

## 9. Employee Costs

Description	30 <sup>th</sup> June 2025
	Kshs
Basic salaries of permanent employees	446,274,417
Basic wages of temporary employees	164,347,968
Personal allowances – part of salary	265,690,506
Pension and other social security contributions	82,575,011
Employer contributions to compulsory national health insurance schemes	

Employer contribution to compulsory housing scheme	
Other social benefit schemes	
Personal allowances paid as Reimbursements	10,320,309
<b>Total Employee costs</b>	<b>969,208,211</b>

10. Use of Goods and Services

Description	30 <sup>th</sup> June 2025
	Kshs
Utilities, supplies and services	4,808,461.
Communication, supplies and services	5,292,585
Domestic travel and subsistence	623,946,803.92
Foreign travel and subsistence	323,240,222.95
Printing, advertising, and information supplies & services	35,896,655.09
Rentals of produced assets	-
Training expenses	28,919,505.70
Hospitality supplies and services	103,154,973.43
Insurance costs	90,213,312.94
Specialized materials and services	-
Other operating expenses including bank Charges	148,485,322.33
Office and general supplies and services	3,595,858.26
Fuel Oil and Lubricants	4,875,870
Routine maintenance – vehicles and other transport equipment	2,113,444
Routine maintenance – other assets	46,899,827
<b>Total</b>	<b>1,421,442,841</b>

Notes to the Financial Statements (Continued)

11. Transfers to Other Government Entities

Description	30 <sup>th</sup> June 2025
	Kshs
Transfers to other County Government entities	66,360,000.

*Nairobi City County Assembly*

**Annual Reports and Financial Statements for the year ended 30th June 2025.**

Transfers to self-reporting projects	0
Transfers to car loan and mortgage schemes	0
Others (specify)	0
<b>Total</b>	<b>66,360,000.</b>

12. Depreciation and Amortization Expense

Description	30 <sup>th</sup> June 2025
	Kshs
Property, plant and equipment	42,213,881
Intangible assets	1,636,61
Investment property carried at cost	
<b>Total</b>	<b>43,850,496</b>

13. Other Grants and Subsidies

Description	30 <sup>th</sup> June 2025
	Kshs
Membership dues and subscriptions to international organizations	0
Scholarships and other educational benefits	0
Emergency relief and refugee assistance	0
Grants to small businesses, cooperatives, and self employed	0
Subsidies to Public entities	0
Subsidies to Private entities	0
<b>Total Grants and Subsidies</b>	<b>0</b>

14. Finance Costs

Description	30 <sup>th</sup> June 2025
	Kshs
Interest Payments on Guaranteed Debt Taken over by Govt	
Interest on Domestic Borrowings (Non-Govt)	
Interest on Borrowings from Other Government Units	
Interest on bank overdrafts	
Interest on loans from commercial banks	
<b>Total finance costs</b>	

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

Notes to the Financial Statements (Continued)

15. Social Benefits

Description	30 <sup>th</sup> June 2025
	Kshs
Transfers to the elderly	0
Transfers to orphans	0

Transfers to the physically challenged	0
Add any other category	0
Total social benefit expenses	0

16. Gain/Loss on Sale of Assets

Description	30 <sup>th</sup> June 2025
	Kshs
Property, plant and equipment	0
Intangible assets	0
Other assets not capitalised	0
Total gain on sale of assets	0

17. Gain/Loss on Foreign Exchange

Description	30 <sup>th</sup> June 2025
	Kshs
Gain or loss on foreign exchange transactions	0
Gain or loss on balances in foreign exchanges	0
Total	0

18. Gain/Loss on Fair Value Investments

Description	30 <sup>th</sup> June 2025
	Kshs
Investments at Fair Value	0
Total Gain	0

19. Impairment Loss

Description	30 <sup>th</sup> June 2025
	Kshs
Property, Plant and Equipment	0
Intangible Assets	0
Total Impairment Loss	0

Notes to the Financial Statements (Continued)

20. Taxation

Description	30 <sup>th</sup> June 2025
	Kshs
Current income tax charge	0
Tax charged on rental income	0
Tax charged on interest income	0

*Nairobi City County Assembly*

**Annual Reports and Financial Statements for the year ended 30th June 2025.**

Original and reversal of temporary differences	0
Income tax expense reported in the statement of financial performance	0

21. Cash and Cash Equivalents

Description	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
CBK Recurrent Account	945,630	506
CBK Development Account	0	0
CBK Deposits Account	14,524,069	10,605,928
Cooperative Bank Recurrent	1,030,273	2,251
Cooperative Bank Salary Processing account	383,041	1,580.00
<b>Total</b>	<b>16,883,012.27</b>	<b>10,610,265.</b>

21 (a) Detailed Analysis of the Cash and Cash Equivalents

		30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
Financial Institution	Account number	Kshs	Kshs
<b>Recurrent Accounts</b>			
CBK00001	1000193538	945,630	506
<b>Development Accounts</b>			
CBK00002	1000286587	0.00	0.00
<b>Deposits Accounts</b>			
CBK00003	1000286598	14,524,069	10,605,928
Co-Operative Recurrent Bank	1141232417500	1,030,273	2,251
Co-Operative Salary Account	1692232417500	383,041	1,580.00
<b>Total</b>		<b>16,883,012.27</b>	<b>10,610,265</b>

Notes to the Financial Statements (Continued)

22. Receivables from Exchange Transactions

Description	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Total receivables		

Other exchange debtors (Insurance)	27,639,373	24,898,476
Salary Advance	-	469,975
a) Current receivables	27,639,373	25,368,452
b) Non-current receivables		
Total Receivables (a+b)	27,639,373	25,368,452

i) Ageing analysis for Receivables

Description	30 <sup>th</sup> June 2025		Opening Statement 1 <sup>st</sup> July 2024	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year		%		%
Between 1- 2 years		%		%
Between 2-3 years		%		%
Over 3 years		%		%
Total (a+b)		%		%

ii) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

Impairment allowance	30 <sup>th</sup> June 2025
	Kshs
At the beginning of the year	
Additional allowance during the year	
Recovered during the year	
Written off during the year	
At the end of the year	

Notes to the Financial Statements (Continued)

23. Receivables from Non-Exchange Transactions

Description	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Other debtors (Imprests)	236,322,645	402,727,953
Less: impairment allowance		

*Nairobi City County Assembly*

**Annual Reports and Financial Statements for the year ended 30th June 2025.**

	303,623,376			
Total receivables from non- exchange transactions	<b>539,946,021.00</b>		<b>402,727,953</b>	
Ageing Analysis- Receivables from non-exchange transactions	Insert Current FY	%	Opening Balance	%
		of the total		of the total
		1		
Less than 1 year	269,584,324.20	%	402,727,953	%
Between 1-2 years		%		%
Over 3 years		%		%
Total		%	402,727,953	%

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

Description	30 <sup>th</sup> June 2025
	Kshs
At the beginning of the year	
Additional provisions during the year	
Recovered during the year	
Written off during the year	
At the end of the year	

## 24. Inventories

Description	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Spare parts	0	0
Goods held for distribution	0	0
Less: allowance for impairment	0	0
Total	0	0

## Detailed disclosure on inventories

	30 <sup>th</sup> June 2025
Opening balance	0
Additional Inventory in the year	0
Inventory expensed in the year	0
Write-downs in the year	0
Others specify	0
Closing balance	0

## 25. Investments

Description	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
a) Investment in Treasury bills and bonds		
Financial institution		
CBK	0	0
CBK	0	0
Sub- total	0	0
b) Investment with Financial Institutions/ Banks		
Bank	0	0
Bank	0	0
Sub- total	0	0
c) Equity investments (specify)		
Equity/ shares in Entity	0	0
Sub- total	0	0
Grand total	0	0
Analysed as:		
Current portion of Investment	0	0
Non-current portion of investment	0	0

d) Movement of Equity Investments

	30 <sup>th</sup> June 2025
	Kshs
At the beginning of the year	0
Purchase of investments in the year	0
Sale of investments during the year	0
Increase /(decrease ) in fair value of investments	0
At the end of the year	0

Notes to the Financial Statements (Continued)

e) Shareholding in other entities

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

Name of Entity where investment is held	No of shares			Nominal value of shares	Fair value of shares	Fair value of shares
	Direct shareholding	Indirect shareholding	Effective shareholding			
	%	%	%	Kshs	Kshs	Kshs
Entity	0	0	0	0	0	0
	0	0	0	0	0	0

Notes to the Financial Statements (Continued)

26. Property, Plant and Equipment

	Specialized Equipments	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Heritage assets	Work in progress	Service concession assets	Total
Depreciation Rate	10%	2-10%	10-16.67%	2-20%	12.5%	33.3%	x%			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 <sup>st</sup> July 2024	26,986,933									26,986,933
Additions	2,698,693		20,467,179		17,279,476	105,086,033				145,531,381
Disposals	-		-		-	-				
Transfer/adjustments	-		-		-	-				
As At Jun 2025	29,685,627		20,467,179		17,279,476	105,086,033				172,518,315
Depreciation And Impairment										
Depreciation for the year	(2,968,563)		(2,046,718)		(2,159,935)	(34,993,649)		-	-	(42,168,864)
Disposals	-	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-	-
Transfer/adjustment	-		-		-	-		-		-
As At Jun 2025										

*Nairobi City County Assembly*

**Annual Reports and Financial Statements for the year ended 30th June 2025.**

Net Book Values	26,717,064	18,420,461	15,119,542	70,092,384					130,347,45
Opening Bal as at 1 <sup>st</sup> July 2025	26,717,064	18,420,461	15,119,542	70,092,384					130,754,60

Additions

Description	Kshs.
Additions	145,531,381
Cash outflow	99,127,261
Not Paid	46,404,119

Notes to the Financial Statements (Continued)

27. Intangible Assets

Description	30 <sup>th</sup> June 2025
	Kshs
Cost/Opening balance at the beginning of the year	0
Additions	13,092,917
Disposal	0
At end of the year	13,092,917
Additions–internal development	0
Disposal	0
At end of the year	13,092,917
Amortization and impairment	
At beginning of the year	0
Amortization	1,636,615
At end of the year	11,456,303
Impairment loss	0
At end of the year	11,456,302
NBV	11,456,302

28. Investment Property

Description	30 <sup>th</sup> June 2025
	Kshs
Cost/Opening balance at the beginning of the year	0

Additions	0
Disposal during the year	0
Depreciation	0
Impairment	0
At end of the year	0

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

Notes to the Financial Statements (Continued)

29. Right-of-use assets

	Buildings	Motor vehicles	Plant and equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 2024				
Additions				
As at June 2025				
Accumulated Depreciation				
As at 1 July 20xx				
Charge for the year				
As at June 20xx				
Carrying Amount				
As at June 20xx				

30. Biological Assets

Description	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Specify		
Specify		
Total		

31. Tangible Natural Resources

	Sub- soil assets	Water	Wildlife	Total
	Kshs	Kshs	Kshs	Kshs
Cost	0	0	0	0
As at 1 July 20xx	0	0	0	0
Additions	0	0	0	0
As at June 20xx	0	0	0	0
Accumulated Depreciation	0	0	0	0
As at 1 July 20xx	0	0	0	0
Charge for the year	0	0	0	0
As at June 20xx	0	0	0	0
Carrying Amount	0	0	0	0
As at June 20xx	0	0	0	0

Notes to the Financial Statements (Continued)

32. Trade and Other Payables

Description	30 <sup>th</sup> June 2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Trade payables	767,696,223		513,919,253	
Payments received in advance				
Employee payables				
Third-party payments				
Other payables				
Total trade and other payables				
	767,696,223		513,919,253	
Ageing analysis: (Trade and other payables)	Current FY	%	Opening balance	% of the Total
Under one year	574,083,808.78	75.5	513,919,253	%
1-2 years	107,623,585	13.6		%
2-3 years	80,728,525	10.2		%
Over 3 years	5,260,304	0.67		%
Total (tie to above total)	767,696,223	100		

33. Refundable Deposits and Prepayments

Description	30 <sup>th</sup> June 2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Customer deposits	14,524,069		10,605,928	
Prepayments	0		0	
Other deposits	0		0	
Total deposits	14,524,069		10,605,928	
Ageing analysis: (Refundable deposits)	Current FY	% of the Total	Opening Balance	% of the Total
Under one year	14,524,069	100	10,608,928	%
1-2 years				%
2-3 years				%
Total	14,524,069	100		%

Notes to the Financial Statements (Continued)

34. Provisions

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

35. Lease Liabilities

Description	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Balance at the beginning of the year		
Discount interest on lease liability		
Paid during the year		
At end of the year		

Maturity Analysis

Period	Amount
Year 1	
Year 2	
Year 3	
Year 4	
Year 5 and onwards	
Less: unearned Interest	

Analysed as:

Description	Amount
Current	

Non- Current	
Total	

Notes to the Financial Statements (Continued)

36. Deferred Income

Description	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
National Government		
International Funders		
Public Contributions and Donations		
Total Deferred Income		

The deferred income movement is as follows:

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

Analysed as:

Description	Amount
Current	
Non- Current	
Total	

Notes to the Financial Statements (Continued)

37. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Benefits	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation			183,754,041		0
Non-Current Benefit Obligation					
Total Employee Benefits Obligation			183,754,041		0

Retirement benefit Asset/ Liability (Applicable to Pensions)

The Entity operates a defined benefit scheme for all full-time employees from July 1, 2024. The scheme is administered by xxx while xxx are the custodians of the scheme. The scheme is based on xxx percentage of salary of an employee at the time of retirement.

An actuarial valuation to fulfil the financial reporting disclosure requirements of IPSAS 39 was carried out as at xxx June xxx by xxx actuarial valuers. On this basis the present value of the defined benefit obligation and the related current service cost and past service cost were measured using the Projected Unit Credit Method. The principal assumptions used for the purposes of valuation are as follows:

	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
Discount Rates	0%	0%
Future Salary Increases	0%	0%
Future Pension Increases	0%	0%
Mortality (Pre- Retirement)	0%	0%
Mortality (post-retirement)	0%	0%
Withdrawals	0%	0%
Ill Health		
Retirement	0 years	0 years

Notes to the Financial Statements (Continued)

Recognition of Retirement Benefit Asset/ Liability

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

	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
Description	Kshs	Kshs
The return on defined plan assets	0	0
Actuarial gains/ losses arising from changes in demographic assumptions	0	0
Actuarial gains/ losses arising from changes in financial assumptions	0	0
Actuarial gains and losses arising from experience adjustments	0	0
Others (specify)	0	0
Adjustments for restrictions on the defined benefit asset	0	0
Remeasurement of the net defined benefit liability (asset)	0	0

- b) Amounts recognized in the Statement of Financial Position

	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
Description	Kshs	Kshs
Present value of defined benefit obligations(a)	0	0
Fair value of plan assets(b)	0	0
Funded status(=a-b)	0	0
Restrictions on asset recognised	0	0
Others	0	0
Net asset or liability arising from defined benefit obligation	0	0

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

Notes to the Financial Statements (Continued)

38. Borrowings

Description	30 <sup>th</sup> June 2025
	Kshs
a) External borrowings	
Balance at beginning of the year	
External borrowings during the year	
Repayments of during the year	
Balance at end of the year	
b) Domestic borrowings	
Balance at beginning of the year	85,317,692
Domestic borrowings during the year	83,206,568
Repayments during the year	22,033,960
Balance at end of the year	146,490,270
Balance at end of the period- domestic and External borrowings c = (a+b)	<b>146,490,300</b>

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

	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
External Borrowings		
Dollar Denominated Loan From 'X Organisation'	0	0
Sterling Pound Denominated Loan From 'Y Organisation'	0	0
Euro Denominated Loan from Z Organisation'	0	0
Domestic Borrowings	0	0
Kenya Shilling Loan From KCB	0	0
Kenya Shilling Loan from Barclays Bank	0	0
Kenya Shilling Loan from Consolidated Bank	0	0
Total /Balance at end of The Year	0	0

Notes to the Financial Statements (Continued)

Description	30 <sup>th</sup> June 2025	1 <sup>st</sup> July 2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	0	0
Long Term Borrowings	146,490,270	85,317,692
<b>Total</b>	<b>146,490,270</b>	<b>85,317,692</b>

(NB: the total of this statement should tie to note 41 totals. Current portion of borrowings are those borrowings that are payable within one year or the next financial year. Additional disclosures on terms of borrowings, nature of borrowings, security and interest rates should be disclosed).

39. Service Concession Arrangements Liability

Description	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Fair value of service concession assets recognized under PPE	0	0
Accumulated depreciation to date	0	0
Net carrying amount	0	0
Service concession liability at beginning of the year	0	0
Service concession revenue recognized	0	0
Service concession liability at end of the year	0	0

40. Cash Generated from Operations

	30 <sup>th</sup> June 2025
	Kshs
Surplus for the year before tax	(561,942,889)
Adjusted for:	
Depreciation	43,850,496
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Increase in inventory	-
Decrease in receivables	139,488,989

	30 <sup>th</sup> June 2025
	Kshs
Increase in deferred income	-
Increase in payables	422,830,803
Increase in payments received in advance	-
Net cash flow from operating activities	44,227,399

Note:

Increase in payables constitute

Total Current Liability for FY 2024/25( Ksh 1,135,706,810-Fixed assets kshs.79,786,958) less Total Current Liability for FY 2023/24 of Ksh 607,827,405 thus Ksh 446,072,979. Also there was a decrease of receivables of kshs. 446,072,979

Notes to the Financial Statements (Continued)

#### 41. Financial Risk Management

The Entity's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Entity's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Entity does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The Entity's financial risk management objectives and policies are detailed below:

##### i) Credit risk

The Entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the Entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Receivables from exchange transactions	0	0	0	0
Receivables from non-exchange transactions	303,623,376.00	0	0	0
Bank balances	16,883,012.27	0	0	0
Total	320,506,388.27	0	0	0

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

## Notes to the Financial Statements (Continued)

## Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from xxxx. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

## ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Trade payables	0	0	767,696,223	767,696,223
Current portion of borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred income	0	0	0	0
Employee benefit obligation	0	0	0	0
Total		0	767,696,223	767,696,223

Notes to the Financial Statements (Continued)

Financial Risk Management

iii) Market risk

The Entity has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The Entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Entity's exposure to market risks or the manner in which it manages and measures the risk.

a) Foreign currency risk

The Entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The Entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

Notes to the Financial Statements (Continued)

Financial Risk Management

The carrying amount of the Entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

For the year ended 30<sup>th</sup> June 2025

	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30 June 2025			
Financial Assets	0	0	0
Investments	0	0	0
Cash	16,883,013	0	16,883,013.00
Debtors	567,585,394.09	0	567,585,394.
Total Financial Assets	584,468,407.09	0	584,468,407
Financial Liabilities	0	0	0
Trade And Other Payables	767,696,223	0	767,696,223
Borrowings	146,490,300	0	146,490,300
Total Financial Liabilities	1,112,464,634	0	1,112,464,634
Net Asset/(Liability)	(385,785,321)	0	(385,785,321)

Financial Risk Management

The following table demonstrates the effect on the Entity's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
20xx			
Euro	10%	0	0
USD	10%	0	0
20xx-1			
Euro	10%	0	0
USD	10%	0	0

Notes to the Financial Statements (Continued)

b) Interest rate risk

Interest rate risk is the risk that the Entity's financial condition may be adversely affected as a result of changes in interest rate levels. The Entity's interest rate risk arises from bank deposits. This exposes the Entity to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Entity's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Financial Risk Management

Sensitivity analysis

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of KShs 0 (2025: KShs 0). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of KShs 0 (2025 – KShs 0)

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Entity's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.

- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Entity considers relevant and observable market prices in its valuations where possible.

Notes to the Financial Statements (Continued)

Financial Risk Management

The following table shows an analysis of financial and non- financial instruments recorded at fair value by level of the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Financial Assets				
Quoted Equity Investments	0	0	0	0
Non- Financial Assets				
Investment Property	0	0	0	0
Land And Buildings	0	0	0	0
	0	0	0	0

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

iv) Capital Risk Management

The objective of the Entity’s capital risk management is to safeguard the Entity’s ability to continue as a going concern. The Entity capital structure comprises of the following funds:

	30 <sup>th</sup> June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Revaluation Reserve	0	0
Retained Earnings	0	0
Capital Reserve	0	0
Total Funds	0	0

*Nairobi City County Assembly*

**Annual Reports and Financial Statements for the year ended 30th June 2025.**

Total Borrowings	0	0
Less: Cash And Bank Balances	(0)	(0)
Net Debt/(Excess Cash And Cash Equivalents)	0	0
Gearing	0%	0%

Notes to the Financial Statements (Continued)

42. Related Party Disclosures

Nature of related party relationships

Entities and other parties related to the Entity include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the Entity, holding 100% of the Entity's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Entity, both domestic and external.

Other related parties include:

- i) County Government Entities
- ii) National Government Entities
- iii) Key management.

	Period ended 30 <sup>th</sup> June 2025
	Kshs
Transactions with related parties	
a) Sales to related parties	
Others (specify) e.g. interest and bank charges	0
Total	0
B) purchases from related parties	
Purchases of electricity from KPLC	0
Purchase of water from govt service providers	0
Rent expenses paid to govt agencies	0
Training and conference fees paid to govt. Agencies	0
Others (specify)	0
Total	0
b) Grants /transfers from the government	
Grants from national govt	0
Grants from county government	0
Donations in kind	0
Total	0
c) Expenses incurred on behalf of related party	
Payments of salaries and wages for xxx employees	0
Payments for goods and services for xxx	0
Total	
d) Key management compensation	
Compensation to key management	0

	Period ended 30 <sup>th</sup> June 2025
	Kshs
Total	

#### 43. Segment Information

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

#### 44. Contingent Assets and Contingent Liabilities

##### Contingent Assets

	Period ended 30 <sup>th</sup> June 2025
	Kshs
Contingent Assets	
Insurance Reimbursements	0
Assets Arising from Determination Of Court Cases	0
Reimbursable Indemnities and Guarantees	0
Receivables From Other Government Entities	0
Others (Specify)	0
Total	0

##### Contingent Liabilities

	Period ended 30 <sup>th</sup> June 2025
	Kshs
Contingent Liabilities	
Court Case against the Entity	706,298,402
Bank Guarantees in Favour of Subsidiary	0
Contingent Liabilities arising from Contracts Including PPPs	0
Others (Specify)	0
Total	706,298,402

Contingent Liabilities Register

1	ELRC Petition E031 of 2022	Nicholas Kimanzi Vs NCCASB, the clerk & NCCA	Mbatie Associates & Co. Advocates	Kshs. 905,146
2	ELRC Petition E021 of 2021	Okiya Omtatah Vs NCCASB	Nyareru and Associates	Kshs 2,074,400
3	HCJR Misc Civil App. E002 of 2021	Muthomi and Karanja VS NCCA	Ogeta Oluoch & Co Advocates	Kshs. 270,600
4	HCJR Misc Civil App. E114 of 2021	Muthomi and Karanja VS NCCA	Ogeta Oluoch & Co Advocates	Kshs. 700,000
5	HCCHR Misc. App. E013 of 2021	Muthomi and Karanja VS NCCA	Muthomi and Karanja Advocates	Kshs. 1,355,704
6	HCCHR Petition No. 246 of 2024	Peter Kimani VS Clerk NCCA	Wambui Shadrack Advocates	Kshs. 2,350,508
7	ELC Petition E008 of 2021	Communist Party of Kenya Vs NCCA	McKay Advocates	Kshs. 3,480,000
8	HCCHR Petition E264 of 2020	LSK VS CS Devolution, NCCA and others	Okatch and Partners Advocates	Kshs. 2,500,000
9	High Court Commercial and Tax Misc. Application E034 of 2025	Prof. Tom Ojienda and Advocates vs Nairobi City County Assembly	inhouse	Pending Litigation
10	High Court Commercial and Tax Misc. Application E041 of 2025	Prof. Tom Ojienda and Advocates vs Nairobi City County Assembly	inhouse	Kshs. 488,339,653.01 (Pending Litigation)
11	High Court Constitutional and Human Rights Misc. Application E008 of	Prof. Tom Ojienda and Advocates vs Nairobi City County Assembly	inhouse	Kshs. 12,410,261.00 (Pending Litigation)

	2024			
12	High Court Constitutional and Human Rights Misc. Application E002 of 2025	Prof. Tom Ojienda and Advocates vs Nairobi City County Assembly	Inhouse	Kshs. 7,658,895 (Pending Litigation)
13	MISC APP OF 2023 Arising from 425 OF 2020	Okatch & Partners Advocates Vs NCCA	In-house	Kshs. 81,326,280.510 (Pending Litigation)
14	HCCHR PET MISC E041 OF 2023	Diro Advocates LLP Vs Clerk NCCA	In-house	Kshs. 30,000,000 (Pending Litigation)
15	High Court Judicial Review Application Misc. E042 of 2025	Muthomi and Karanja Advocates vs the Clerk NCCA and NCCASB	Inhouse	Kshs. 32,926,954.70 (Pending Litigation)
16	ELRC Petition Number 92 of 2018	Beatrice Kedeversia Elachi vs Nairobi City County Public Service Board.	Muthomi and Karanja Advocates	Court awarded costs of 15,000,000.00
17	Judicial Review Application E082 of 2023	Republic vs Nairobi City County Assembly and Another. Jairus Musumba and 4 others	Nchoe Jaoko and Co Advocates	Damages sought by the Applicants 25,000,000.00
	<b>Total</b>			<b>706,298,402</b>

45. Capital Commitments

Capital Commitments	Period ended 30 <sup>th</sup> June 2025
	Kshs
Upgrade of chamber multimedia digital congress system and web streaming services	100,000,000
Purchase of Enterprise resource planning software	45,000,000
Assembly Offices renovation works	100,000,000
Ward offices renovation works	78,000,000
Pending Exterior Assembly works	3,000,000
<b>Total</b>	<b>326,000,000</b>

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

Notes to the Financial Statements (Continued)

46. Program for Results (P for R) Disclosure

This disclosure note is for entities implementing Programs for Results (PforR). Implementing entities are required to make disclosures in accordance with their respective financing agreements. The disclosure should capture the program's goal and expenditures designated in the expenditure framework.

Name of P for R:		Name of Financing Partners: and				
Expenditure Details*	Opening Cumulative for Previous FYs		Period ended 30 <sup>th</sup> June 2025		Total Cumulative	
	Budget	Actual	Budget	Actual	Budget	Actual
Program code						
Sub-program						
Sub-program						
Sub-total						
Program code						
Sub-program						
Sub-program						
Sub-total						
Total						

Expenditure Details\* - Provide the details per your expenditure framework requirements. (Program, sub-program, and or economic Item)

47. Events after the Reporting Period

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

48. Ultimate and Holding Entity

The Entity ultimate parent is the Government of Kenya.

49. Currency

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

*Nairobi City County Assembly*  
**Annual Reports and Financial Statements for the year ended 30th June 2025.**

16. Appendix

Appendix 1: Implementation Status of Auditor-General's Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1. Inaccuracies in the Financial Statements	Inaccuracies in the Financial Statements The statement of Financial and Liabilities reflects accounts payable- Money owed to Fund account totalling Ksh 63,137,482. However, records provided revealed an amount of Ksh. 83,241,832 as having been borrowed by the County Assembly from the fund resulting to an unexplained variance of Ksh 20,104,350. In the circumstances, the accuracy and completeness of the amount owed to the Fund totalling Ksh. 63,137,482 could not be confirmed	The County Assembly acknowledges there was under casting of the opening balance by Ksh 20,104,350 in the Financial Statement. The adjustment will be done during FY 2024/25 Annexure I	Administratively solved, matter yet to be reviewed by the Public Accounts Committee.	
2 Unsupported Legal expenses	The statement of Financial and Liabilities reflects accounts	The County Assembly acknowledges the auditor's observation that there	Administratively solved, matter yet to	

**Nairobi City County Assembly  
Annual Reports and Financial Statements for the year ended 30th June 2025.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>payable- Money owed to Fund account totaling Ksh 63,137,482. However, records provided revealed an amount of Ksh. 83,241,832 as having been borrowed by the County Assembly from the fund resulting to an unexplained variance of Ksh 20,104,350. In the circumstances, the accuracy and completeness of the amount owed to the Fund totaling Ksh. 63,137,482 could not be confirmed</p>	<p>was no evidence on how the Assembly procured the service provider. We wish to state that the County Assembly carried out prequalification exercise of Financial year 2023/24 whereby provision of legal services (Litigation and conveyance) was done. The County Assembly shortlisted 26 legal firms who form part of prequalified firms for service providers for Legal services</p> <p>Further, the County Assembly wishes to state that, the pre-qualification exercise is a continuous process which is done after every 6 months. However, at the time of the audit we erroneously provided an outdated list though the updated list is now submitted for review. Annexure 2 .</p>	<p>be reviewed by the Public Accounts Committee.</p>	
3 Unsupported Prior Year Adjustments	<p>The statement of financial assets and liabilities and as disclosed in Note 17 to the financial statements reflect prior year adjustments balance</p>	<p>Under Note 17 Prior year Adjustments, adjustments for bank account balances, imprest and advances, third party deposits/retention, and salary</p>	<p>Administratively solved, matter yet to be reviewed by the Public Accounts Committee.</p>	

**Nairobi City County Assembly  
Annual Reports and Financial Statements for the year ended 30th June 2025.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>of Kshs.329,215,197 and Kshs.257,636,251 for the year 2023/2024 and the comparative year 2022/2023 respectively. The balances include adjustments for bank account balances, imprest and advances, third party deposits/retention, and salary advances. However, there are no records and documentations in support of these adjustments. Further, the prior year adjustments should only relate to the comparative year.</p> <p>In the circumstances, the accuracy and existence of the prior adjusted balance of Kshs.329,215,197 could not be confirmed.</p>	<p>advances are hereby dully supported (Cashbook specimen, Bank statement specimen, Outstanding imprest and Salary Advance, third party deposits. Refer to Annexure 3. Administratively solved, matter yet to be reviewed by the Public Accounts Committee.</p>		
4. Pending Payables	Annexes 1 and 2 to the financial statements reflects	The Nairobi City County Assembly during the Financial year 2023/2024	Administratively solved, matter yet to	

**Nairobi City County Assembly  
Annual Reports and Financial Statements for the year ended 30th June 2025.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>pending accounts payable totaling Kshs.513,949,253 as at 30 June, 2024. The pending accounts payable comprise pending accounts payables of Kshs.302,361,990 and staff payable of Kshs.211,587,262. Nairobi City County Assembly sited liquidity problem due to inadequate provisions as the main reason for failure to settle these pending bills.</p> <p>In the circumstances delays in settling pending bills may slow down economic activity and discourage traders and other private properties from doing business with the county assembly</p>	<p>reported a pending bill Kshs513,949,253. This was as a result of non-funding of Assembly requisitions submitted to the Controller of Budget Office, but subsequently informed that there were insufficient funds in the CRF account. At the beginning of the year FY2024/2025 the County Assembly committed the pending bill as the first charge in line with PFM Act 2012 and later on appropriated for the pending bills in the approved supplementary budget FY 2024/2025 Annexure 4.</p>	<p>be reviewed by the Public Accounts Committee.</p>	
<p>Budgetary Control and Performance</p>	<p>The statement of comparison of budget and actual amounts: recurrent and development combined reflects final budget</p>	<p>We acknowledge the auditor's observations on Budgetary Control and Performance, the difference between the budgeted and actual</p>	<p>Administratively solved, matter yet to be reviewed by the Public Accounts</p>	

**Nairobi City County Assembly  
Annual Reports and Financial Statements for the year ended 30th June 2025.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Resolved) / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>receipts and actual on comparable basis amounts of Kshs.2,680,000,000 and Kshs.2,005,014,296 resulting to an under funding of Kshs.674,985,704 or 25% of the budget. Similarly, the statement reflects final budget expenditure amount of Ksh 2,680,000,000 against actual amount on comparable basis of Ksh 1,994,404,032 resulting to an under expenditure of Ksh 685,595,968 or 26% of the budgeted expenditure. Further, management has not provided any explanatory note for material deviations between the final budget and actual on comparable basis exceeding 10% in the statement of comparison of budget and actual amount as</p>	<p>receipts was due to exchequer disbursement delay at the closure of the of the financial year. The Assembly had planned to utilize the Ksh 2,680,000,000 as budgeted but due to the exchequer delay, we received Ksh 1,945,015,747 and this resulted to unutilized budget since we were reporting under cash basis. However, at the end of the Financial Year, the Assembly reported pending bills totaling to Ksh 513,949,253 and incase all this money was received it could have total to Ksh 2,458,965,000 representing 93% of the budget. The variance between the amount received of Ksh 2,005,014,296 and amount utilized of Ksh 1,994,404,032 results to a variance of 10,610,265 which is amount which belongs to third parties held in the deposit account as retention fee as shown in Annexure 5.</p>	Committee.	

**Nairobi City County Assembly  
Annual Reports and Financial Statements for the year ended 30th June 2025.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>required under paragraph 24 of International Public Sector Accounting Standards (IPSAS) .</p> <p>The underfunding and the underutilization affected the planned activities of the assembly and may have impacted negatively on service delivery to the public.</p>			
Unresolved Prior Year Matters	<p>In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management has not resolved the issues or given</p>	<p>We agree with auditor's observation regarding prior year issues raised under report of the Financial statement. The Nairobi City County Assembly confirms that all the pending audit issues are currently in progress review in both oversight bodies that is Nairobi City County and Senate Public Accounts Committees. Annexure 6</p>	Administratively solved, matter yet to be reviewed by the Public Accounts Committee.	

**Nairobi City County Assembly  
Annual Reports and Financial Statements for the year ended 30th June 2025.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	any explanation for failure to do so, as provided for in the reporting template prescribed by the Public Sector Accounting Standards Board.			
1. Receipt of Goods on Expired Local Purchase Order	The statement of receipts and payments reflects use of goods and services expenditure of Kshs.823,273,802 as disclosed in Note 5 to the financial statements which includes an expenditure of Kshs.9,307,569 on routine maintenance – other assets. Review of records provided revealed that goods amounting to Kshs.2,380,100 relating to supply and delivery of Printer,Hansard tools and equipment amounting to Ksh 1,482,000 were received	The County Assembly acknowledges the auditor’s observation that goods amounting to Kshs.2,380,100 relating to supply and delivery of Printer, Hansard tools and equipment amounting to Kshs.898,110 and supply and delivery of photography and printing equipment of Kshs.1,482,000 were received by the County Assembly more than Ninety (90) days from the date of the issue of Local Purchase order. We wish to state that the suppliers were not able to supply the items within the validity period citing the challenges of obtaining some of the items locally and had to ship them abroad. The suppliers had sought for the extension of the LPOs which were	Administratively solved, matter yet to be reviewed by the Public Accounts Committee.	

**Nairobi City County Assembly  
Annual Reports and Financial Statements for the year ended 30th June 2025.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2.	<p>by the county assembly more than Ninety (90 ) days from the date of the issue of Local Purchase order contrary to Regulation 52 of the Public Finance Management (County Governments) Regulations, 2015, which provides that a local purchase order or local service order shall be valid for a period of thirty days from the date of issue.</p> <p>No explanation or authorization was provided by the management as to why the goods were received beyond the Thirty days validity of the purchase orders</p> <p>In the circumstances, the delivery and payment for the procurement of the items was in breach of the law.</p>	<p>approved by the Accounting officer accordingly. Refer to: Annexure 7 (The letters seeking for extension and the approval are attached).</p>		
	The statement of receipts and	The County Assembly acknowledges	Administratively	

**Nairobi City County Assembly  
Annual Reports and Financial Statements for the year ended 30th June 2025.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Unsupported Procurement of Bulk Short Message Service (SMS)	<p>payments reflects use of goods and services expenditure of Kshs.823,273,802 and as disclosed in Note 5 to the financial statements. The amount includes an expenditure of Kshs.1,835,700 on communication, supplies and services which further includes payment of Kshs.200,000 for supply, delivery, installation, configuration and implementation of bulk SMS system. As per the procurement plan, this procurement was reserved for the youth. Request for quotations were made from three (3) companies and the request for quotation forms required the companies to submit a copy of AGPO certificate. However, the award of the tender to a local company was not supported</p>	<p>the auditors observation that as per the procurement plan, the procurement of bulk SMS amounting to Kshs.200,000 was reserved for the youth, however, the award of the tender to a local company was not supported by AGPO certificate.</p> <p>We wish to state that the list of registered suppliers (generated in the year 2022, valid for two years) which was used to procure this service was under open category which did not require potential suppliers to be registered with the National Treasury under the AGPO group. Therefore, it was an inadvertent error to reserve the procurement for a special group as well as request for AGPO certificate in the RFQ document when the list was open to all the suppliers.</p> <p>Refer to Annexure 8 (The registered list of suppliers is attached).</p>	solved, matter yet to be reviewed by the Public Accounts Committee.	

**Nairobi City County Assembly  
Annual Reports and Financial Statements for the year ended 30th June 2025.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	by AGPO certificate.			
3. Non-Adherence to the One-Third Basic Salary Rule	<p>Review of a sample of the March and June, 2024 payroll revealed that there were 125 MCAs and 184 County Assembly employees at the close of the financial year. However, it was noted that out of this sample 15 MCAs and 5 Assembly employees had over committed their salaries beyond two thirds (2/3) contrary to the Public Service Commission Human Resource Policies. The excessive deductions resulted from Management allowing the staff to incur loans and other liabilities whose repayments were deducted by check-off and which put the officers at the risk of pecuniary embarrassment.</p>	<p>As observed by the auditors it is indeed true that there are staff and MCAs who earned below a third of their basic pay in the months of March and June, 2024. This has been brought about by the introduction of new government policies i.e. incremental in NSSF contributions, NHIF deductions and introduction of housing levy. The mentioned new policies are mandatory contributions and had to be effected though the affected individuals already had acquired loans to maximum limit.</p>	Administratively solved, matter yet to be reviewed by the Public Accounts Committee.	
4. Noncompliance	Note 4 to the Financial statements reflects	Regulations 25(1) (b) of the public finance management (County	Administratively solved, matter yet to	

**Nairobi City County Assembly  
Annual Reports and Financial Statements for the year ended 30th June 2025.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
with Fiscal Responsibility Principles	compensation of employees expenditure of Ksh 897,472,012. The amount represents approximately 46% of the transfers from CRF Ksh 1,945,015,747 being 11% points over and above maximum allowed ceiling contrary to regulation 25 (1) (b) of Public Finance Management the expenditure set should not exceed Thirty-Five (35) percent of the county government revenue. In the circumstances, management was in breach of law	Governments) Regulations, 2015 states that compensation to the employees should not exceed 35% of the total revenue. This requirement guides total expenditure of the entire County Government and not for a separate unit like Nairobi County Assembly or sectoral departments.	be reviewed by the Public Accounts Committee.	
Incomplete Asset Register	The financial statements at Annex 4 reflects a summary of non-current assets register with a historical cost of Kshs.366, 888,239. However, the assets of Nairobi City County Assembly were not	The Nairobi County Assembly acknowledges the auditor's observation that the newly acquired assets had not been tagged and the asset register had not been updated at the time of audit. We wish to state that the Asset tagging	Administratively solved, matter yet to be reviewed by the Public Accounts Committee.	

**Nairobi City County Assembly  
Annual Reports and Financial Statements for the year ended 30th June 2025.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>tagged for identification. Further, the register was not updated with additions of loose furniture of Kshs.7,712,000 and floor carpets Kshs.1,120,000, and digital cameras/deluxe accessory kits, hard drive Kshs.1,482,000. This was contrary to Regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015 which prescribes that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.</p> <p>In the circumstances, the effectiveness of internal controls on fixed assets could</p>	<p>activity was scheduled to be undertaken in the FY 2024/2025 and the Asset Register has been updated. Annexure 9</p>		

**Nairobi City County Assembly  
Annual Reports and Financial Statements for the year ended 30th June 2025.**

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	not be confirmed and Management was in breach of the law.			

.....

Name: Edward O. Gichana

Clerk of The County Assembly

Date: 24th December 2025

*Nairobi City County Assembly*  
**Annual Reports and Financial Statements for the year ended 30th June 2025.**

Appendix II: Projects implemented by Nairobi City County Assembly.

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor	Consolidated in these financial statements (Yes/No)
Renovation of Ward Offices						
Refurbishment and improvement of						
Construction armoury , state of the art mace and security vaults retention funds for Nairobi City County Assembly						
Supply, Delivery, Installation, customization, Migration, Testing, Training, and Maintenance of Assembly Processes Optimization, Realignment, Restructuring and Office Automation						

**Nairobi City County Assembly**  
**Annual Reports and Financial Statements for the year ended 30th June 2025.**

Status of Projects completion

(Summarise the status of project completion at the end of each quarter, i.e. total costs incurred, stage which the project is etc)

Project	Total	Total expended to	Completion % to date	Budget	Actual	Sources of
Renovation of Ward Offices					15,423,104.80	
Refurbishment and improvement of Assembly					1,958,461.00	
Construction armoury, state of the art mace and security vaults retention funds for Nairobi City County Assembly					2,998,516.50	
Supply, Delivery, Installation, customization, Migration, Testing, Training, and Maintenance of Assembly Processes Optimization, Realignment, Restructuring and Office Automation					58,280,000.00	
Supply ,delivery,customization,migration,testing training and maintenance of data centre					59,898,950	
Refurbishment and equipping of Makandara,Kamukunji and Mathare sub counties ward offices					8,943,406	

*Nairobi City County Assembly*

**Annual Reports and Financial Statements for the year ended 30th June 2025.**

Being refurbishment and equipping of ward offices in Dagoreti South, Langata and Dagoreti North sub counties						15,745,696	
Being refurbishment and equipping of ward offices in Embakasi Central and East sub counties						7,460,865	

**Nairobi City County Assembly**  
**Annual Reports and Financial Statements for the year ended 30th June 2025.**

Appendix IV: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/ Development/ Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
					Deferred Income	Receivables	Others - must be specific		

The Nairobi City County Assembly did not have any transfers to other government entities thus no having no report on the expenditure

*Nairobi City County Assembly*  
**Annual Reports and Financial Statements for the year ended 30th June 2025.**

Appendix VI: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Q1	Q2	Q3	Q4	Source Of Funds	Implementing Partners

The Nairobi City County Assembly did not incur Climate related expenditure thus no having no report on the expenditure

*Nairobi City County Assembly*  
**Annual Reports and Financial Statements for the year ended 30th June 2025.**

Appendix VII: Disaster Expenditure Reporting Template

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related expenditure that require reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments

The Nairobi City County Assembly did not incur disaster related expenditure thus no having no report on the expenditure

*Nairobi City County Assembly*  
**Annual Reports and Financial Statements for the year ended 30th June 2025.**

**Appendix VIII: Fixed Asset Register**

Asset class	Historical Cost b/f (Kshs) Previous Year	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) Current Year
Land	0	0	0	0	0
Buildings and structures	0	0	0	0	0
Transport equipment	1	20,917,350	0	0	20,917,351
Office equipment, furniture and fittings	1	17,279,476	0	0	17,279,477
ICT Equipment	1	105,086,033	0	0	105,086,034
Machinery and Equipment	26,986,904	2,998,517	0	0	29,985,420
Biological assets	0	0	0	0	0
Infrastructure Assets- Roads, Rails	0	0	0	0	0
Heritage and cultural assets	1	0	0	0	0
Intangible assets	1	13,092,917	0	0	13,092,918
Work in Progress	1	0	0	0	1
<b>Total</b>	<b>26,986,910</b>	<b>158,924,122</b>	<b>0</b>	<b>0</b>	<b>185,911,031</b>

