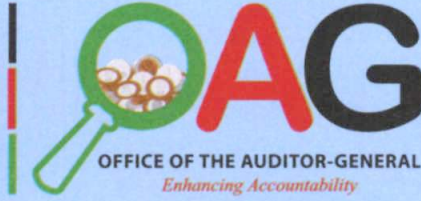


REPUBLIC OF KENYA



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OF

THE AUDITOR-GENERAL

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KENYA DEVOLUTION SUPPORT PROGRAMME II

FOR THE YEAR ENDED 30 JUNE, 2025

COUNTY GOVERNMENT OF NYAMIRA



201



**KENYA DEVOLUTION SUPPORT PROGRAMME II**

**NYAMIRA COUNTY, KENYA DEVOLUTION SUPPORT PROGRAMME II,  
NYAMIRA COUNTY GOVERNMENT**

**PROJECT GRANT/CREDIT NUMBER: IDA – 7447 - KE**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**JUNE 30, 2025**

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

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**1. Acronyms and Definition of Terms**

CBK	Central Bank of Kenya
ICPAK	Institute of Certified Public Accountants of Kenya
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
CT	County Treasury
NT	National Treasury
PFM	Public Finance Management.
PSASB	Public Sector Accounting Standards Board
WB	World Bank
Comparative FY	Financial year preceding the current financial year.

## **2. Project Information and Overall Performance**

### **2.1 Name and registered office**

#### **Name**

The project's official name is Kenya Devolution Support Programme II

#### **Objective**

The objective of the operation is to improve capacity in service delivery, resource management, and accountability; improve access to decentralized services; ensure effective participation by communities in governance and socioeconomic development; and strengthen intergovernmental cooperation and collaboration for resolution of emerging issues in devolution

#### **Address**

State Department for Devolution,  
Telpostar Towers, Kenyatta Avenue  
P.O.Box 30004 – 00100,  
Nairobi.  
+254 – 020 2250645  
Info@devolution.go.ke

**Project information and overall performance (continued)**

**2.2 Project Information**

Project Start Date:	01 07 2024
Project End Date:	30 06 2028
Project Coordinator:	Mr John Kamundia Kimani
Project Development Partner:	World Bank

**2.3 Project Overview**

Line Ministry or State departments/ County Department	Department of Public Service Management
Project number	II
Strategic goals of the project	The strategic goals of the project are as follows: I. Sustainable Financing and Expenditure Management II. Improved Intergovernmental Coordination, Institutional Performance, and Integration of HR and Payroll Data. III. Strengthened Oversight, Participation, and Accountability
Summary of Project Strategies for achievement of strategic goals	The project management aims to achieve the goals through the following means: I.
Other important background information of the project	The project, KDSP II, will be supporting a sub-set of reforms envisaged under the Government's Devolution Sector Plan
Areas that the project was formed to intervene	The project was formed to intervene in the following problems/gaps: i) Existing Government Systems weakness ii) National Capacity Building Framework ii) Oversight
Project duration	Four Years

**Project Information and Overall Performance (Continued)**

**2.4 Bankers**

The following are the bankers for the project:

**Central Bank of Kenya**

**2.5 Independent Auditor**

The project is audited by the,

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

**2.6 Roles and Responsibilities**

No	Names	Title designation	Key qualification	Responsibilities
1.	John Kamundia Kimani	Cordinator	Degree in environmental Health Master public health SLDP SMC	Coordination of KDSP II programme
2.	CPA Jemimah Abuga	KRA 1 Focal Person	Bachelor of Commerce degree with a bias in Accounting and Auditing	Cordinate all KRA 1 activities

*Nyamira County Government, Kenya Devolution Support Programme II  
Annual Report and Financial Statements for the financial year ended June 30, 2025*

			from Jomo Kenyatta University, CPAK (K)	
3	Yvone Kerubo	KRA 2 focal person	Masters in Human Resource Management Bachelors of Bachelor of commerce	Incharge of KRA 2 Activities
5	CPA Harriet Obegi	Project Accountant	Masters in Business Administration -Finance Bachelors In Business and management - Accounting -SLDP -SMC -ICPAK	CashBook posting Bank Reconciliation Financial Reporting
6	CPA Mary Kerubo	Internal Auditor	Bachelor of Business and Management accounting -CPA K -SMC	Project Auditor
6	Levi Menge	Procurement Officer	Bachelor of Commerce - Management	Tender document, Plan preparation,

			Science Diploma Procurement and supply chain	Project Implementation
--	--	--	---	---------------------------

## **2.7 Funding summary**

The Project is for a duration of four years from 2024 to 2028 with an approved budget of US\$ 200M

**Project information and overall performance (continued)**

Below is the funding summary:

**A. Source of Funds**

Source of funds	Development Partner Commitment		Amount received to date – (30 <sup>th</sup> June 2025)		Undrawn balance to date	
	\$	Kshs	\$	Kshs	\$	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A') - (B')
<b>(i) Grant</b>						
World Bank	290,225.21	37,500,000	0	0	290,225.21	37,500,000
Insert name of development partner	0	0	0	0	0	0
<b>(ii) Loan</b>						
Insert name of development partner	0	0	0	0	0	0
Insert name of development partner	0	0	0	0	0	0
<b>(iii) Counterpart funds</b>						
Government of Kenya	38,696.70	5,000,000	38,696.70	5,000,000	0	0
<b>Total</b>	<b>328,921.91</b>	<b>42,500,000</b>	<b>38,696.70</b>	<b>5,000,000</b>	<b>290,225.21</b>	<b>37,500,000</b>

Project information and overall performance (continued)

B. Application of Funds

Application of funds	Amount received to date – (30 <sup>th</sup> June 2025)		Cumulative amount paid to date – (30 <sup>th</sup> June 2025)		Unutilised balance to date (30th June 2025)	
	\$	Kshs	\$	Kshs	\$	Kshs
	(A)	(A')	(B)	(B')	(A)-(B)	(A')-(B')
<b>(i) Grant</b>						
World Bank	0	0	0	0	0	0
Insert name of development partner	0	0	0	0	0	0
<b>(i) Loan</b>						
Insert name of development partner	0	0	0	0	0	0
Insert name of development partner	0	0	0	0	0	0
<b>(ii) Counterpart funds</b>						
Government of Kenya	38,610.04	5,000,000	38,610.04	5,000,000	0	0
<b>Total</b>	<b>38,610.04</b>	<b>5,000,000</b>	<b>38,610.04</b>	<b>5,000,000</b>	<b>0</b>	<b>0</b>

**Project information and overall performance (continued)**

**2.8 Summary of Overall Project Performance:**

Nyamira County, Kenya Devolution support programme II has not fully started its operations since the partner (World Bank) contribution has not been received, Although some projects have been done like Verifying and approving Annual work plan, Compiling and recording Pending Bills, Updating of the dashboard.

**2.9 Summary of Project Compliance:**

Nyamira County, Kenya Devolution support programme II has not fully started its operations since the partner (World Bank) contribution has not been received, Although some projects have been done like Verifying and approving Annual work plan, Compiling and recording Pending Bills, Updating of the dashboard and

### **3. Statement of Performance against Project's Predetermined Objectives**

Nyamira County, KDSP II received counter funding of Ksh 5,000,000 from the county Government of Nyamira in March 2025. The funds were utilized in Verifying and approving the annual work plan, Complying and recording the pending bills, updating the dashboard, developing the performance contracts, Purchase of fuel and lubricants (For revenue checks and collection).

The main challenge is the delayed Partner (World Bank) Releases.

#### **Introduction**

Section 81(2)(f) /Section 164 (2)(f) of the Public Finance Management Act, 2012, requires that the Accounting Officer include a statement of the national government Nyamira County, Kenya Devolution Support Programme II performance against predetermined objectives at the end of each financial year.

The key development objectives of the project's agreement/ plan are to:

- a) Enhance Institutional Capacity of County Governments
- b) Improve Service Delivery at County Level
- c) Support the Achievement of Key Result Areas
- d) Promote Good Governance and Public Accountability

#### **Progress on the attainment of strategic development objectives**

To implement and cascade the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified to track progress and performance measurement.

*Nyamira County, Kenya Devolution Support Programme II  
Annual Report and Financial Statements for the financial year ended June 30, 2025*

Below, we provide the progress on attaining the stated objectives:

<b>Project</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Key Result Area	Strengthen Institutional Capacity for Service Delivery	Improved operational efficiency in county departments. Streamlined human resource and payroll management	Functional Human Resource Management System (HRIS) Existence of updated staff establishment and organizational structure	
Key Result Area	Promote Environmental Management and Sustainability	Integrated climate change and sustainability into county development plans. Improved regulatory frameworks around land use and natural resource conservation.	Integration of Climate Change in Development Planning Increased Tree Planting and Reforestation Efforts	

#### **4. Environmental and Sustainability Reporting**

The Kenya Devolution Support Programme II (KDSP II) is a national initiative co-financed by the Government of Kenya and the World Bank, designed to strengthen the capacity of county governments to deliver quality services through improved planning, accountability, and citizen engagement. As part of its mandate, the programme places strong emphasis on sustainable development, requiring that all county-funded projects and initiatives integrate environmental protection, social equity, and economic resilience. Nyamira County's sustainability strategy under KDSP II focuses on promoting climate-resilient infrastructure, responsible natural resource management, and inclusive service delivery. This strategic approach ensures that the county's development efforts align with the principles of long-term sustainability, while contributing to national priorities such as Vision 2030, the Climate Change Act, and the Sustainable Development Goals (SDGs). Sustainability strategy and profile

##### **Environmental performance**

Nyamira County demonstrates proactive environmental stewardship that aligns with KDSP II's Environmental and Social Safeguards (KRA 5). The county shows strong strides in planned interventions across sectors like planning, water, mining, and energy.

KDSP II-specific environmental performance include;

1. Review Quarterly Budget Implementation Reports and ADPs for environmental project details and budgeted actions.
2. Reach out to the County Department of Environment, Water, Energy, and Mining & Natural Resources for KDSP II-linked monitoring and performance data.
3. Explore the outcomes of the Participatory Climate Risk Assessment as a proxy indicator of environmental mainstreaming.

##### **Employee Welfare**

Nyamira County has well-structured HR frameworks covering recruitment, training, welfare, and appraisal, particularly evident within the County Assembly. The integration of performance management, job grading, and welfare committees reflects a progressive HR approach.

### **Marketplace practices-**

#### **a) Responsible Supply chain and supplier relations-**

Nyamira county Government is mandated by KDSP II to publicly disclose key financial documents, ensuring transparency and enabling suppliers to monitor contract performance. The following documents must be published

Annual Development Plans, County Fiscal Strategy Papers, Program-Based Budgets, Budget Review & Outlook Papers

- Quarterly Budget Implementation Reports (Q1–Q4)
- County Integrated Development Plans (CIDPs)
- Consistent reporting enables suppliers to track payment timelines and contract fulfillment, reinforcing trust in procurement and financial management systems..

#### **b) Responsible ethical practices**

Nyamira County is required by KDSP II to adhere to below mechanisms,

- Maintaining processed and transparent procurement and financial systems.
- Implementing grievance resolution procedures where citizens or stakeholders can report unethical conduct.
- Ensuring public involvement and information disclosure around county planning and budgeting.

#### **c) Regulatory impact assessment**

The **Regulatory Impact Assessment (RIA)** is a critical tool for Nyamira County to improve governance and policy-making under the KDSP II framework, The structures and expectations of KDSP II suggest that the county Government of Nyamira is encouraged and supported to institutionalize RIA in their legislative, environmental, fiscal, and administrative processes.

### **Community Engagements**

The County Government of Nyamira actively engages with its community through meaningful interventions that echo CSR values—whether it's education upliftment, healthcare accessibility, youth and women's empowerment, or structured investment in social infrastructure. These efforts reflect a holistic commitment to improving citizen welfare and building inclusive, resilient communities.

## **5. Statement of Project Management Responsibilities**

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 project,
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statement, and ensuring that they are free from material misstatements, whether due to error or fraud,
- (iv) safeguarding the assets of the project,
- (v) Selecting and applying appropriate accounting policies and
- (vi) Making accounting estimates that are reasonable in the circumstances.

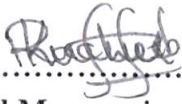
The Chief Officer for the Department of Public service Management and the Project Coordinator accept responsibility for the Project's financial statements, which have been prepared on the accrual basis method of financial reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards.

The Chief Officer for the Department of Public Service Management and the Project Coordinator are of the opinion that the Project's financial statements give a true and fair view of the state of the Project's transactions during the financial year ended June 30, 2025, and of the Project's financial position as at that date. The Chief Officer for Public Services Management and the Project Coordinator further confirm the completeness of the accounting records maintained for the Project, which have been relied upon in the preparation of the Project financial statements and the adequacy of the systems of internal financial control.

The Chief Officer for the department of Public Service Management and the Project Coordinator confirm that the Project has complied fully with applicable Government Regulations and the terms of external financing covenants and that Project funds received during the financial year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

**Approval of the Project Financial Statements**

The Project financial statements were approved by the Chief Officer for the County Department of Public Service Management and the Project Coordinator on 29<sup>th</sup> August 2025 and signed by:



.....  
**Rael Momanyi**  
Chief Officer



.....  
**John Kamundia Kimani**  
Project Coordinator

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
Email: 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 KENYA DEVOLUTION SUPPORT PROGRAMME II - COUNTY GOVERNMENT OF NYAMIRA FOR THE YEAR ENDED 30 JUNE, 2025

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### 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.

An Unmodified Opinion is issued when the Auditor-General concludes that 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

#### Opinion

I have audited the accompanying transitional IPSAS financial statements of Kenya Devolution Support Programme II-County Government of Nyamira set out on pages 1 to 13, which comprise of the statement of financial position as at 30 June, 2025, and the

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*Report of the Auditor-General on Kenya Devolution Support Programme II - County Government of Nyamira for the year ended 30 June, 2025*

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, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of Kenya Devolution Support Programme II - County Government of Nyamira 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 World Bank and Project Grant/Credit Number IDA-7447 – KE 3 June, 2024, the Public Finance Management Act, 2012 and the National Treasury and Economic Planning Circular No.3 of 14 April 2025.

### **Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Devolution Support Programme II (KDSP II)-County Government of Nyamira 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 opinion.

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.42,500,000 and Kshs.5,000,000 respectively resulting in under-funding of Kshs.37,500,000 or 88% of the budget.

The underfunding affected the implementation of the planned activities and programs and may have impacted negatively on service delivery.

### **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. There were no key audit matters to communicate in my report.

### **Other Matter**

#### **Other Information**

Management is responsible for the Other Information set out on page iii to xvi which comprise of Project information and Overall Performance, Statement of Performance

Against Project Predetermined Objectives, Environmental and Sustainability Reporting and Statement of Project Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Project, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the project 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 effects 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**

The Management submitted the financial statements on 30 October, 2025 contrary to Treasury Circular Ref:No:AG3/88 Vol.Vii(41), dated 4 December, 2024, which requires all public sector entities for both National and County governments to prepare and submit financial statements by 31 August every year.

In the circumstance, 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 THE 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, I confirm that nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

## **Basis for Conclusion**

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 Project'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 Project'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

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*Report of the Auditor-General on Kenya Devolution Support Programme II - County Government of Nyamira for the year ended 30 June, 2025*

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 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**

**02 December, 2025**

*Nyamira County, Kenya Devolution Support Programme II  
Annual Report and Financial Statements for the financial year ended June 30, 2025*

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**7. Statement of Financial Performance for the Year Ended 30th June 2025.**

	Notes	FY 2024-2025
		Kshs
<b>Revenue</b>		
Transfers from the County Government	1	5,000,000
<b>Total revenue</b>		<b>5,000,000</b>
<b>Expenses</b>		
Use of goods and services	2	5,000,000
<b>Total expenses</b>		<b>5,000,000</b>

The accounting policies and explanatory notes to these financial statements are an integral part of the financial statements.



.....  
Rael Momanyi  
Chief Officer



.....  
John Kamundia Kimani  
Project Coordinator

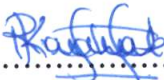


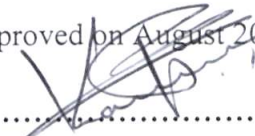
.....  
CPA Harriet Kerubo Obegi  
Project Accountant  
ICPAK Member No: 15535


8. Statement of Financial Position as at 30<sup>th</sup> June 2025

	Note	FY 2024-2025	FY 2023-2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash equivalents	3	0	0
<b>Total Current Assets</b>		<b>0</b>	<b>0</b>
<b>Total Assets (a)</b>		<b>0</b>	<b>0</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	4	0	0
<b>Total Current Liabilities</b>		<b>0</b>	<b>0</b>
<b>Total Liabilities (b)</b>		<b>0</b>	<b>0</b>
<b>Net Assets (a-b)</b>		<b>0</b>	<b>0</b>
<b>Represented By:</b>			
Accumulated Surplus		0	0
<b>Total Net Assets</b>		<b>0</b>	<b>0</b>

The financial statements were approved on August 2025 and signed by:

  
.....  
**Rael Momanyi**  
Chief Officer

  
.....  
**John Kamundia Kimani**  
Project Coordinator

  
.....  
**CPA Harriet Kerubo Obegi**  
Project Accountant  
ICPAK Member No. 15535

**Statement of Changes in Net Assets for the year ended 30 June 2025**

Description	Ordinary share capital	Revaluation reserve	Fair value adjustment reserve	Retained earnings	Proposed dividends	Capital/ Development Grants /Fund	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>As at July 1, 2023</b>	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Issued new capital	0	0	0	0	0	0	0
Revaluation gain	0	0	0	0	0	0	0
Transfer of excess depreciation on revaluation	0	0	0	0	0	0	0
Deferred tax on excess depreciation	0	0	0	0	0	0	0
Fair value adjustment on investments	0	0	0	0	0	0	0
Surplus/ deficit for the year	0	0	0	0	0	0	0
Capital/development grants received during the year	0	0	0	0	0	0	0
Transfer of depreciation/amortisation from capital fund to retained earnings	0	0	0	0	0	0	0
Dividends paid	0	0	0	0	0	0	0
Interim dividends paid	0	0	0	0	0	0	0
Proposed final dividends	0	0	0	0	0	0	0
<b>As at June 30, 2024</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>As at July 1, 2025</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Issue of new share capital	0	0	0	0	0	0	0
Revaluation gain	0	0	0	0	0	0	0
Transfer of excess depreciation on revaluation	0	0	0	0	0	0	0
Deferred tax on excess depreciation	0	0	0	0	0	0	0
Fair value adjustment on investments	0	0	0	0	0	0	0
Surplus/ (deficit) for the year	0	0	0	0	0	0	0

**9. Statement of Cashflow for the year ended 30<sup>th</sup> June 2025**

<b>Description</b>	<b>Note</b>	<b>FY 2024-2025</b>
		<b>Kshs</b>
<b>Cashflow from operating activities</b>		
<b>Receipts</b>		
Transfer from the County Government		5,000,000
<b>Total receipts</b>		<b>5,000,000</b>
<b>Payments</b>		
Use of goods and services		5,000,000
Transfer to other Government Entities		0
<b>Total payments</b>		<b>5,000,000</b>
<b>Net cash flow from operating activities</b>		<b>0</b>
<b>Cashflow from investing activities</b>		
<b>Net cash flows from investing activities</b>		<b>0</b>
<b>Cash flow from financing activities</b>		
<b>Net cash flow from financing activities</b>	<b>3</b>	<b>0</b>
Net increase/Decrease in cash and cash equivalents		0
<b>Cash and cash equivalent at 1<sup>st</sup> July 2024</b>		<b>0</b>
<b>Cash and cash equivalent at end June 2025</b>		<b>0</b>

**10. Statement of Comparison of Budget and Actual Amounts for the Year ended 30<sup>th</sup> June 2025**

<b>Receipts/Payments Item</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on Comparable Basis</b>	<b>Budget Utilization Difference</b>	<b>% of Utilization</b>
	<b>a</b>	<b>B</b>	<b>c=a+b</b>	<b>D</b>	<b>e=c-d</b>	<b>f=d/c %</b>
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Budget Carry Overs from previous periods</b>						
<b>Receipts</b>						
Transfer from World Bank	37,500,000	-	37,500,000	-	37,500,000	0
Transfer from the County Government	5,000,000	-	5,000,000	5,000,000	0	100
<b>Total Revenue</b>	42,500,000	-	42,500,000	5,000,000	37,500,000	11.76
<b>Payments</b>						
Use of goods and services	42,500,000	-	42,500,000	5,000,000	37,500,000	11.76
<b>Total Payments</b>	42,500,000	-	42,500,000	5,000,000	37,500,000	11.76

## **11. Notes to the Financial Statements**

### **1. General Information**

Nyamira County, Kenya Devolution Support Programme is established by and derives its authority and accountability from PFM Act 2012. The Nyamira County, Kenya Devolution Support Programme II is wholly owned by the Government of Kenya and is domiciled in Kenya. The Nyamira County, Kenya Devolution Support Programme II principal activity is to capacity build.

### **2. Statement of Compliance and Basis of Preparation**

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

These financial statements were authorized for issue by the accounting officer on 29<sup>th</sup> August 2025

### **3. Adoption of New and Revised Standards**

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

##### **a) Budget information**

The original budget for FY 2024/2025 was approved by the County assembly. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Nyamira County, Kenya Devolution Support Programme II upon receiving the respective approvals to conclude the final budget. Accordingly, the Nyamira County, Kenya Devolution Support Programme II recorded additional appropriations of on the FY 2024/2025 budget following the Council/ Board's approval. The Nyamira County, Kenya Devolution Support Programme II budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation

of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 1 of these financial statements.

**b) 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 or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Nyamira County, Kenya Devolution Support Programme II 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**

**c) 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. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

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.

**d) 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:

- Raw materials: purchase cost using the weighted average cost method.
- 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.

**Notes to the financial statements**

**Inventories (Continued)**

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 Nyamira County, Kenya Devolution Support Programme II.

**e) Provisions**

Provisions are recognized when the Nyamira County, Kenya Devolution Support Programme II 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 Nyamira County, Kenya Devolution Support Programme II 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.

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

The Nyamira County, Kenya Devolution Support Programme II recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**g) Employee benefits**

**Retirement benefit plans**

The Nyamira County, Kenya Devolution Support Programme II provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Nyamira County, Kenya Devolution Support Programme II pays fixed contributions into a separate Nyamira County, Kenya Devolution Support Programme II (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. (

**h) Related parties**

The Nyamira County, Kenya Devolution Support Programme II regards a related party as a person or an Nyamira County, Kenya Devolution Support Programme II with the ability to exert control individually or jointly or to exercise significant influence over the Nyamira County, Kenya Devolution Support Programme II, or vice versa. Members of key management are regarded as related parties and comprise the directors, the Principal and senior managers.

**Notes to the financial statements**

**i) 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.

**j) 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.

**Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the Nyamira County, Kenya Devolution Support Programme II 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.

**Notes to the financial statements**

**1. Transfer to Other Government Entities**

<b>Description</b>	<b>FY 2024/25</b>
	<b>Kshs</b>
Transfer From the County Government	5,000,000
<b>Total</b>	<b>5,000,000</b>

**1a. Details to Revenue Transfers**

<b>Name of The Nyamira County, Kenya Devolution Support Programme II Transferring</b>	<b>Amount recognized to Statement of Financial performance</b>	<b>Amount deferred under deferred income.</b>	<b>Amount moved to Capital fund</b>	<b>Total transfers FY 2024-2025</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
GOK Funding	5,000,000	0	0	5,000,000
World Bank	0	0	0	0
<b>Subtotal</b>	<b>5,000,000</b>	<b>0</b>	<b>0</b>	<b>5,000,000</b>

**2. Use of Goods and Services**

<b>Description</b>	<b>FY 2024/25</b>
	<b>Kshs</b>
Domestic travel and subsistence	2,552,500.00
Training	1,677,500.00
Fuel and lubricants	770,000.00
<b>Total</b>	<b>5,000,000.00</b>

**3. Cash and Cash Equivalents**

<b>Description</b>	<b>FY 2024-2025</b>	<b>FY 2023-2024</b>
	<b>Kshs</b>	<b>Kshs</b>
KDSP II	0	0
<b>Total Cash and Cash Equivalents</b>	<b>0</b>	<b>0</b>

**Notes to the financial statements**

**4. Trade and Other Payables**

<b>Description</b>	<b>2024-2025</b>	<b>FY 2023-2024</b>
	<b>Kshs</b>	<b>Kshs</b>
Trade payables	0	0
<b>Total trade and other payables</b>	<b>0</b>	<b>0</b>

**Notes to the financial statements**

**1. Related Party Disclosures**

**Nature of related party relationships**

Nyamira County, Kenya Devolution Support Programme II and other parties related to the Nyamira County, Kenya Devolution Support Programme II 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 Nyamira County, Kenya Devolution Support Programme II, holding 100 % of the Nyamira County, Kenya Devolution Support Programme II equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the Nyamira County, Kenya Devolution Support Programme II, both domestic and external.

**2. Events after the Reporting Period**

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

**3. Currency**

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

