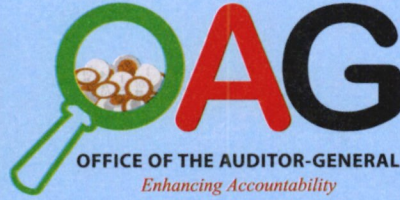
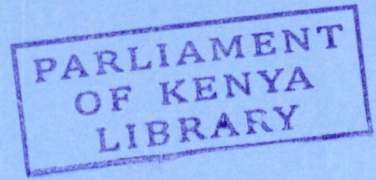


REPUBLIC OF KENYA



REPORT



OF

THE AUDITOR-GENERAL

ON

NYAMIRA COUNTY EMERGENCY FUND

**FOR THE YEAR ENDED
30 JUNE, 2025**

PAPERS LAID	
DATE	19/11/2025
TABLED BY	Sen. Mutinda on behalf of Majority Leader
COMMITTEE	—
CLERK AT THE TABLE	Belinda



NYAMIRA COUNTY EMERGENCY FUND

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2025**

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 Key Terms

a) Acronyms

CECM	County Executive Committee Member
CIDP	County Integrated Development Plan
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
Kshs	Kenya Shillings
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board

b) Definition of Key Terms

Fiduciary Management: The key management personnel who had financial responsibility.

2. Key Entity Information and Management

a) Background information

The Emergency Fund is established by and derives its authority and accountability from Nyamira County Emergency Fund Regulations, 2019 on 26th July 2019. The Fund is wholly owned by the County Government of Nyamira and is domiciled in Kenya.

The fund's objective is to cater for urgent and unforeseen circumstances.

b) Principal Activities

The principal activity/mission/ mandate of the Fund is to enable payments to be made in respect of the county when an urgent and unforeseen need for expenditure arises for which there is no specific legislative authority.

c) Fund Administration Committee

Ref	Position	Name
1	Chairman	H.E Amos Nyaribo
2	CECM, Public service Management	Mr. Kennedy Angwenyi
3	CECM, Health Services	Dr. Donald Mogoi
4	Fund Administrator-CECM Finance	Mr. Jones Moko Omwenga
5	Chief Officer (<i>Finance, and Accounting services</i>)	CPA. Asenath Maobe
6	County Commissioner	Ex-officio member
7	Member	John Kimani
8	CECM, Transport and Infrastructure	Dr. Grace Bosibori Nyamongo

)

d) Key Management Team

Ref	Position	Name
1	Fund Administrator -CECM Finance	Mr. Jones Omwenga
2	Head of Treasury –Accounting Services	CPA. Jemimah Abuga
3	Chief Finance Economic Planning and Accountin Services	CPA. Asenath Maobe
4	Fund Accountant	Mr. Duke Kiriama

Key Entity and Management (Continued)

e) Fiduciary Oversight Arrangements

1.	Director Internal Audit	Anne Nyanchama
2	Member	Laurence Ondicho

f) Registered Offices

P.O. Box 464-40500
Nyamira Building/House
Nyamira, KENYA

g) Fund Contacts

Telephone: (254) 0738727272, 0735232323
E-mail: E-mail inf@nyamira.go.ke com

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

h) Fund Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Kenya Commercial Bank
Nyamira Branch
P.o Box 403-40500.
Nyamira.

i) Independent Auditors

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

j) Principal Legal Adviser

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

k) County Attorney

Erastus Orina.

The Honourable County Attorney

P.O Box 434-40500

Nyamira-Kenya

3. Fund Administration Committee (Any Other Governance Body for The Fund)



**H.E HON. AMOS KIMWOMI NYARIBO
 NYAMIRA GOVERNOR**

H.E. Amos Kimwomi Nyaribo is the current Governor for the County Government of Nyamira. He's renown for his commitment to economic development and community empowerment.

He holds a Bachelor of Commerce degree (B. Com) from Jabalpur University (1983) and a Masters in Finance from Poona University (1985), equipping him with a solid foundation in financial management and strategic planning. Prior to his election as governor he gained valuable experience working as a Deputy Governor, a Manager at Industrial and Commercial Development Corporation (ICDC) and FarmChem Ltd respectively.

Under his leadership, the County Government of Nyamira aims to leverage on its resources for sustainable growth and improving the livelihood of its residents.



**MR. KENNEDY ANGWENYI
 COUNTY CECM FOR THE DEPARTMENT OF
 PUBLIC SERVICE MANAGEMENT.**

Academic Qualifications

He holds a bachelor of Education in history and religious studies from Kenyatta University.

Professional Experience

He has an outstanding career in civil servant with twenty eight (28) years of experience serving as an administrator and as well as a tutor.

He hails from Rigoma ward, Nyamira county



2. MR. JONES MOKO OMWENGA
CECM, Finance, ICT and Economic Planning
(Fund Manager/ Administrator)

Academic Qualifications

Mr. Jones Moko Omwenga is from Itibo ward, Nyamira North sub-county. In his educational sojourn, he has attained a Master of Business Administration (Finance) from Jomo Kenyatta University of Agriculture & Technology and a Bachelor of Education degree from Kenyatta University.

Professional Experience

In the County Government of Nyamira, he has served as the County Executive Committee member for Education & Vocational Training, Trade, Tourism, Industrialization & Cooperatives, Transport and Infrastructure and Finance & Economic Planning departments respectively.



DR. DONALD MOGOI
CECM, HEALTH SERVICES

Academic Qualifications.

Dr. Donald Mogoi holds a Master of Science in epidemiology, a post graduate Diploma in Project Management & Bachelors in Medicine & Surgery.

Professional experience

He has 19 years' experience in the public health sector, raising from a medical officer to a district medical officer, a county director health and chief officer health services.

4. Key Management Team



MR. JONES MOKO OMWENGA
CECM, Finance, ICT and Economic
Planning (Fund Manager/ Administrator

Academic Qualifications

Mr. Jones Moko Omwenga is from Itibo ward, Nyamira North sub-county. In his educational sojourn, he has attained a Master of Business Administration (Finance) from Jomo Kenyatta University of Agriculture & Technology and a Bachelor of Education degree from Kenyatta University.

Professional Experience

In the County Government of Nyamira, he has served as the County Executive Committee member for Education & Vocational Training, Trade, Tourism, Industrialization & Cooperatives, Transport and Infrastructure and Finance & Economic Planning departments respectively.



CPA Dr Asenath Maobe
Chief Officer, Finance & Accounting
services.

Academic Qualifications

CPA Dr Asenath Maobe holds a Ph.D. in Finance, MBA in Finance, a postgraduate Degree in International Education Policy, Leadership and Management and a Bachelor of Commerce – Accounting (Hons).

Professional Experience

CPA Dr Maobe is a certified Public Accountant (CPA) of Kenya and a member of the Institute of Certified Public Accountants of Kenya - ICPAK in good standing (membership number 22934).

She has over fifteen years strong interdisciplinary experience in; Administration, Research, Gender works, Operational risk management, Accounting, Auditing, Training, Education, Education policy, Investment banking, Budgeting and Leadership

5. Report of the Chairman of the Fund

The fund was formed on 13th September, 2019 through legal notice No.2 of 2019. The main functions as highlighted included mitigating the effects of pandemics that can cause national suffering. In the year 2020, the world was faced with a new virus COVID-19 that spelled a doom future of world economics. The county Government of Nyamira invoked the provision of the Emergency Fund Regulation to allow application of monies within the fund to mitigate the effects of corona virus. In addition, external funding from both National Government and other Donors was sought to of which this money was applied in reduction of the spread of Covid -19.

The application of these monies is highlighted in the fund manager's report as well as in the main Executive Financial statements where Donor monies were channelled.

In conclusion I wish to thank all partners who have put monies and efforts towards mitigating the effects of the virus including National Government World Bank and Danish Government. Lastly may I also thank the County Assembly for agreeing to set aside some of our resources towards this pandemic.

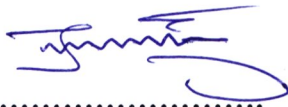


.....
His Excellency Hon. Amos Kimwomi Nyaribo
Nyamira County Governor and Chairman of the
County Disaster and Emergency Committee

6. Report of The Fund Administrator

The Nyamira County Emergency Fund was created by the County Assembly through the Nyamira County Emergency and Disaster Regulations 2019 to operationalize any responses to the declared emergencies and disasters. To manage this fund, a committee was constituted under the chairmanship of H.E the Governor with a membership drawn from the members of the County Executive Committee of the affected departments and a secretariat

With regard to the Corona Virus Disease (COVID 19) a request was made on 20th April 2020 by The Executive Committee Member for Health services for recognition of the disease (Corona Virus Disease) as an emergency in Nyamira by the Nyamira Emergency and Disaster Fund Committee. This request was granted by the committee under the chairmanship of H.E. the Governor after intense deliberations on 20th April 2020



.....
Mr. Jones Omwenga

County Executive Committee Member-Finance and Economic Planning

7. Statement of Performance Against the Fund's Predetermined Objectives

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer when preparing financial statements of each County Government of Nyamira Emergency Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government of Nyamira Emergency Fund performance against predetermined objectives. The key development objectives of the Fund as per the County Integrated Development Plan (CIDP) for 2024 to 2030 are to:

Progress on the attainment of Strategic development objectives

Program	Objective	Outcome	Indicator	Performance
County Emergency Fund	To respond to the unforeseen emergencies in the county	To increase the capacity of the county to respond to emergencies	100% response to emergencies	100% response to emergencies

8. Statement of Corporate Governance

A. Number of Fund Administration Committee meetings held and the attendance to those meetings by members.

The Nyamira County Emergency Fund was created by the County Assembly through the Nyamira County Emergency and Disaster Regulations 2019 to operationalize any responses to the declared emergencies and disasters. To manage this fund, a committee was constituted under the chairmanship of H.E the Governor with a membership drawn from the members of the County Executive Committee of the affected departments and a secretariat.

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The Nyamira Emergency Boards Committee held all its quarterly meetings and there was an approximately 90% attendance to all of those meetings

A. Succession plan.

When the chairman who is The Governor dissolves his cabinet or when the officers code of conduct has been challenged from the county assembly.

B. Existence of a service charter.

The Emergency Fund has a service charter.

C. Process of appointment and removal of trustees/ Administration Committee members.

The county governor shall, while considering the nominated members identified by the organizations specified, he require the organizations to produce

- (a) Signed minutes as evidence of unaccountable process of nomination;
- (b) Evidence of compliance with statutory obligations;
- (c) Vetting form to establish that the nominee has complied with the prescribed criteria for appointment as a member of the board.

A board shall be appointed by the county governor with the approval of the county assembly.

The administration committee members shall cease to be member if;

- Is unable to perform the functions of the office by reason of mental or physical infirmity;
- Is declared or becomes bankrupt or insolvent;
- Is convicted of a criminal offence and sentenced to a term of imprisonment of six months or more;
- Resigns in writing to the County Governor;

- Without reasonable cause, the member is absent from three consecutive meetings of the Board or Committee of the Board of the Municipality within one financial year;
- Is found guilty of professional misconduct by the relevant professional body;
- Is disqualified from holding a public office under the Constitution;
- Fails to declare his or her interest in any matter being considered or to be considered by the Board or Board Committees;
- Engages in any gross misconduct; or
- Dies.

D. Roles and functions of the Administration Committee members.

- (a) Advise the county government on matters relating to disaster and emergencies.
- (b) Formulate policies to achieve the objectives of the fund.
- (c) Provide oversight on the administration and management of the fund
- (d) Approve estimates of revenue and expenditure of the fund for each of the financial year and review and approve statutory and management reports of the fund before submission to third parties.
- (e) Approve the opening of any bank account of the fund.
- (f) Advise the county government regarding all financial matters in relation to disaster and emergency management and;
- (g) If the occurrence qualifies for the opinion;
- (h) Oversee timely and efficient disbursement of funds from the fund to finance approved projects or programmes;
- (i) Perform such other duties as may be considered necessary by the secretary responsible for matters relating to draught from time to time for the proper administration and management of the fund and such a duty shall be assigned through writing.

E. Induction and training, Administration Committee members and member's performance.

The administration committee members have so far satisfactorily undergone the following induction and trainings:

- Emergency induction.
- Budget and Finance training
- Procurement and By-laws training

F. Conflict of interest,

There is no any other conflict of interest amongst the committee members.

G. Board remuneration,

The board members are comprised of county staff workers and are paid through IPPD payroll.

H. Ethics and conduct as well as governance audit undertaken if any

The Nyamira County Emergency fund account has undergone annual internal and external audit by auditor general.

Nyamira County Emergency Fund
Annual Report and Financial Statements for the year ended June 30, 2025

9. Management Discussion and Analysis

Revenue classification	Revenue budget	Actual (Kshs)	Realisation (%)
County funding	15,000,000	15,000,000	100%

The implementation challenges of strategic objectives for the county entity and the entire future outlook includes:

Failure to allocate 1% of the county budget to emergency fund account.

10. Environmental and Sustainability Reporting

1. Sustainability strategy and profile -

The County Government of Nyamira carries all its activities in a sustainable manner to ensure resources are exploited for both the current and future generations. The county strive to ensure its natural resources are exploited in a manner that is sustainable and among the measure that the county has undertaken in this regard includes: Free disbursement of facial masks, Fumigation of public facilities schools hospitals police posts buying center's and all public gathering places, free education to the public on matters concerning health care, buying of sanitizers and placing of hand washing containers across the county on strategic places accessible for the public.

2. Environmental performance

The County Government of Nyamira has a draft solid waste management policy as well as environmental management policy. The former outline a frame work on how solid waste is managed right from the source, collection, transportation and disposal. The later outlines how the environment should be managed and the rights citizens have to some clean and safe surroundings. It as well gives highlight the obligations citizens have towards taking care of the same environment.

The County Government also has a Transition Implementation Plan (TIPs) that stipulates how forest activities are managed between the County Government and Kenya Forestry Services. Noisy pollution and control guidelines are explained in the Environmental policy and each citizen's responsibility on the same well explained

3. Employee welfare

The County Government use a human resource manual/policy that takes into account a gender ratio whereby a third of every new recruitment is comprised of women, continuous training being offered to employees on need basis to enhance skills, careers and as well as performance appraisals which are done through performance contracting

4. Marketplace practices-

The management has made efforts to equitably offer opportunities to youths, women and persons living with disability. Procurement opportunities are given to bidders as per the guiding procurement laws (PPAD 2015) and equity is in practice ever. There is frequent interaction between bidders and management through pre bidding conferences, site visits, opening of tenders and trainings. The management has envisaged consumer rights and interests through confidentiality during procurement process and non-disclosure of proprietary

a) Responsible competition practice.

The management has made efforts to equitably offer opportunities to youths, women and persons living with disability. Procurement opportunities are given to bidders as per the guiding

procurement laws (PPAD 2015) and equity is in practice ever. There is frequent interaction between bidders and management through pre bidding conferences, site visits, opening of tenders and trainings.

The management has envisaged consumer rights and interests through confidentiality during procurement process and non-disclosure of proprietary rights.

b) Responsible Supply chain and supplier relations-

The County Government of Nyamira after contact execution by the contactor and suppliers, provide full payment and with all factors held constant the process is done with a maximum of 5 days and we endeavour to keep our pending Bills within manageable levels and we pride ourselves in achieving this year in year out.

c) Responsible marketing and advertisement-

The County Government gives opportunities to all and all our advertised are done through local daily newspapers, government portals, websites and notice boards.

d) Responsibility ethical practices

e) Stewardship of goods

1. Community Engagements

The Government in its endeavours to ensure it operates within the Law engages the public through various forms including civil education and Public engagements.

Among various documents that we have constantly engaged the public includes: Strategy Paper ADP, CPRO, CIDP, Finance Bill and budget. *Resolution and redress,*

11. Report of The Committee

The Committee submit their report together with the audited financial statements for the year ended June 30, 2025 which show the state of the Fund affairs.

Principal activities

The Fund's principal activity is to enable payments to be made in respect of the County when an urgent and unforeseen need for expenditure arises for which there is no specific legislative authority.

Results

The results of the Fund for the year ended June 30, 2025 are set out on page 1-25.

Committee

The Fund Committee Members who served during the year are shown on page (iii-ix). There were no changes in the Committee during the year

Auditors

The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board



.....
Chairman of the Fund Administration Committee

12. Statement of Management’s Responsibilities

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Fund shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

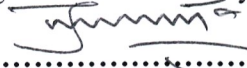
The Administrator of the Emergency Fund is responsible for the preparation and presentation of the Fund’s financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) maintaining 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 Fund; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of the Emergency Fund accepts responsibility for the Fund’s financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Nyamira County Emergency Fund Regulations, 2019. The Administrator of the Fund is of the opinion that the Fund’s financial statements give a true and fair view of the state of Fund’s transactions during the financial year ended June 30, 2025, and of the Fund’s financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund’s financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of the Emergency Fund has assessed the Fund’s ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The Fund’s financial statements were approved by the Committee on 29th August, 2025 and signed on its behalf by:


.....

Mr. Jones Omwenga
County Executive Committee
Member Finance and Economic Planning

Fund Administrator

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 NYAMIRA COUNTY EMERGENCY FUND 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.
- 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 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 financial statements of Nyamira County Emergency Fund set out on pages 1 to 33, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of change in net

Report of the Auditor-General on Nyamira County Emergency Fund for the year ended 30 June, 2025

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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nyamira County Emergency Fund 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) and comply with the Nyamira County Emergency Fund Act, 2014 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Statement of the Cashflows

The statement of cash flows reflects cash and cash equivalents balance of Kshs.15,021,001. However, a prior year adjustment, being under-casting of Kshs.4,329.00 included in the computation of cash and cash equivalents balance was not supported with journals and details.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Nyamira County Emergency Fund 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

The statement of comparison of budget and actual amounts reflects Nil actual expenditure against actual receipts of Kshs.15,000,000 resulting in under-absorption of Kshs.15,000,000.

The under-absorption affected the planned activities and may have negatively impacted service delivery to the public.

My opinion is not modified in respect of this matter.

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 effects of the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Prior Year Audit Matters

In the audit report of the previous year, several matters were raised under the Report on Financial Statements, Report of Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Management indicated there was only one issue which was not resolved while the previous year report indicate there were four (4) unresolved issues and there was no evidence of the resolution the issue for audit review. The four (4) issues were also omitted from the annual report and financial statements. This is contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which requires the Accounting Officers designated to try to resolve any issues resulting from an audit that remain outstanding and the Public Sector Accounting Standard Board Reporting Template which requires inclusion of the unresolved issues in the current year annual report and financial statements.

An annexure for the issues has been attached to the report.

Other Information

Management is responsible for the Other Information set out on page iii to xx which comprise of Key Entity Information and Management, Fund Administration Committee, Key Management Team, Report of the Chairman of the Fund, Report of the Fund Administrator, Statement of Performance against the Fund's Predetermined Objectives, Statement of Corporate Governance, Management Discussion and Analysis, Environment and Sustainability Reporting, Report of the Committee and Statement of Management's responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Fund's 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 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 matter 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

Underfunding of the County Emergency Fund

Review of the statement of comparison of budget and actual amounts revealed that only Kshs.15,000,000 or 0.19% of the County's annual budget of Kshs.8,102,897,542 was disbursed to the Fund contrary to the statutory requirement to reserve resources for Emergency Fund of 1% of the County's Annual budget. The 1% allocation should have been Kshs.81,028,975 and there was funding shortfall of Kshs.66,028,975, which affected emergency preparedness and response activities.

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, 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 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 control 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 control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Fund'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 those public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Fund'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 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

06 November, 2025

Annexure on Unresolved Prior Years' Matters

REPORT ON THE FINANCIAL STATEMENTS

Variance in Cash and Cash Equivalents

The statement of financial position as at 30 June, 2024 together with Note 4 to the financial statements reflects cash and cash equivalents balance of Kshs.16,672 that differs with the cashbook balance of Kshs.22,378 resulting in variance of Kshs.5,706 which has not been explained or reconciled.

Further, the cashbook was not maintained on monthly basis and the monthly reconciliation statements were not provided for audit review.

In the circumstances, the accuracy and completeness of the cash and cash equivalent balance of Kshs.16,672 could not be confirmed.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts for the year ended 30 June, 2024 reflected that Emergency Fund received no funding from the County Government or from other sources and that the Fund did not incur expenses apart from bank charges of Kshs.2,376.55. Further, the fund had no approved budget estimates for the year under audit.

In the circumstances, the county residents did not receive any service needed in respect of emergencies during the year.

My opinion is not modified in respect of this matter.

REPORT OF THE LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Failure to Reserve Resources for Disaster Management

The Nyamira County Emergency Regulations, 2019 established the Nyamira County Emergency Fund. The Fund consisted of monies appropriated by the County Assembly and grants and donations made into the Fund. The regulations under art II 3(3) stipulate that the County Assembly shall in appropriating monies in each financial year ensure that the monies contained in the Fund are one percent (1%) of the County's budget. However, the statement of comparison of budget and actual amounts for the year ended 30 June, 2024 reflects the Emergency Fund received no allocation from the County Government and no revenue from other sources.

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

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Transfers From the County Government	6	15,000,000	0
Public Contributions and Donations	7	0	0
		15,000,000	0
Revenue From Exchange Transactions			
Finance Income	8	0	0
		0	0
Total Revenue		15,000,000	0
Expenses			
Emergency Expenses	9	0	0
Use of goods and services	10	0	2,376.55
Total Expenses		0	2,376.55
Surplus/(Deficit) for the Year		15,000,000	(2,376.55)


.....
Name: JONES OMWENGA

Fund Administrator

Date 25TH August, 2025


.....
Name: JEMIMAH ABUGA

Fund Accountant

ICPAK Member Number: 12842

Date 25TH August, 2025

Nyamira County Emergency Fund
Annual Report and Financial Statements for the year ended June 30, 2025

15. Statement of Financial Position As at 30 June 2025

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	11	15,021,001.45	16,672.45
Receivables from non-exchange transactions	12	0	0
Receivables from exchange transactions	13	0	0
Total current assets		15,021,001.45	16,672.45
Total Assets (A)		15,021,001.45	16,672.45
Liabilities			
Current Liabilities			
Trade and Other Payables	14	0	0
Total current liabilities		0	0
Total Liabilities (B)		0	
Net Assets (A-B)		15,021,001.45	16,672.45
Represented By:			
Accumulated Surplus		15,021,001.45	16,672.45
Net Assets		15,021,001.45	16,672.45



.....
Name: JONES OMWENGA

Fund Administrator

Date 25TH August, 2025



.....
Name: JEMIMAH ABUGA

Fund Accountant

ICPAK Member Number:12842

Date 25TH August, 2025

16. Statement Of Changes in Net Assets for the year ended 30th June 2025

Description	Accumulated surplus/Deficit
	Kshs
Balance As At 1 July 2023	16,672.45
Prior year adjustments	6,705.55
Surplus/(Deficit) For the Year	-2,376.55
Balance As At 30 June 2024	21,001.45
Balance As At 1 July 2024	21,001.45
Surplus/(Deficit) For the Year	15,000,000.00
Balance As At 30 June 2025	15,021,001.45

Nyamira County Emergency Fund
Annual Report and Financial Statements for the year ended June 30, 2025

17. Statement of Cash Flows for The Year Ended 30 June 2025

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Receipts From the County Government		15,000,000.00	0
Public Contributions and Donations		0	0
Interest received		0	0
Total receipts		15,000,000.00	0
Payments			
Emergency Expenses		0	0
Use of goods and services		0	2,376.55
Total Payments		0	(2,376.55)
Net cash flows from operating activities	15	15,000,000.00	(2,376.55)
Cash flows from investing activities			
Net cash flows used in investing activities		0	0
Cash flows from financing activities			
Net cash flows used in financing activities		0	0
Net increase/(decrease) in cash & cash Equivalents		15,000,000.00	(2,376.55)
Cash and cash equivalents at 1 July	11	16,672.45	19,049.00
Prior year adjustment (under casting)		4,329.00	0
Cash and cash equivalents at 30 June		15,021,001.45	16,672.45

18. Statement Of Comparison Of Budget And Actual Amounts For The Period

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	B	c=(a+b)	d	e=(c-d)	f=d/c*100
Opening Budget Carry overs		0	0	0		
Receipts						
Transfers From County Govt.	15,000,000	0	15,000,000	15,000,000	0	100%
Public Contributions and Donations	0	0	0	0	0	0
Interest Income	0	0	0	0	0	0
Total Receipts	15,000,000	0	15,000,000	15,000,000	0	100%
Payments						
Emergency Expenses	0	0	0	0	0	0
Use of goods and services	0	0	0	0	0	0
Total Payments	0	0	0	0	0	0
Surplus For the Period	15,000,000	0	15,000,000	15,000,000	0	100%

Nyamira County Emergency Fund

Annual Report and Financial Statements for the year ended June 30, 2025

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	A
4	Reason for differences	0
	Closing Cash and Cash Equivalent as per the statement of Cash flows	0

19. Notes to the Financial Statements

1. General Information

The Emergency Fund is established by and derives its authority and accountability from the Nyamira county emergency regulations, 2019. The fund is wholly owned by then Nyamira County Government and is domiciled in Kenya. The fund's principal activity is

2. Statement of compliance and basis of preparation

The Fund's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented. The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The financial statements are prepared on accrual basis while the cash flow statement is prepared using the direct method.

3. Adoption of new and revised standards

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

There are no new standards effective in the financial year ended 30th June 2025.

(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 43 Leases	<p><i>Applicable 1st January 2025</i></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 cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>

Standard	Effective date and impact:
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i></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>
<p>IPSAS 45- Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i></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>
<p>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to

Standard	Effective date and impact:
	<p>measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<p><i>Applicable 1st January 2026</i></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>
<p>IPSAS 48- Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></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>
<p>IPSAS 49- Retirement Benefit Plans</p>	<p><i>Applicable 1st January 2026</i></p> <p>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.</p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral</p>	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.

Standard	Effective date and impact:
Resources	<ul style="list-style-type: none"><li data-bbox="454 271 1359 405">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 data-bbox="454 421 1359 658">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.

(iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year.

4. Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Revenue Transfers

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

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.

b) Budget information

The original budget for FY 2024-2025 was approved by the County Assembly on 26th June, 2025. 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 Fund upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund recorded additional appropriations of 29th July, 2024 on the FY 2023-2024 budget following the governing body's approval.

The Fund's 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 a 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 cash flows.

c) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. . 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.

Financial assets

Classification of financial assets

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

Fair value through surplus or deficit

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

Trade and other receivables

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

Impairment

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

Financial liabilities

Classification

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

d) Contingent liabilities

The Fund 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 probable.

e) Contingent assets

The Fund 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.

f) Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

Changes in accounting policies and estimates

The Fund 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) 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.

h) Related parties

The Fund 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, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

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) Comparative figures

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

k) Events after the reporting period

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

l) Currency

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

5. Significant judgments and sources of estimation uncertainty

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

State all judgements, estimates and assumptions made

a) 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 consolidated 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. IPSAS 1.140.

b) Useful lives and residual values

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

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

c) 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 xxx.

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.

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Annual Report and Financial Statements for the year ended 30th June 2025

6. Transfers from the County Government

Description	2024-2025	2023-2024
	Kshs	Kshs
Transfers From Nyamira County Government	15,000,000	0
Total	15,000,000	0

7. Public contributions and donations

Description	2024-2025	2023-2024
	Kshs	Kshs
Cash Donation from Development Partners	0	0
Cash Contributions from the Public	0	0
In kind Donation from Development Partners	0	0
In kind Contributions from the Public	0	0
Total	0	0

8. Finance Income

Description	2024-2025	2023-2024
	Kshs	Kshs
Interest Income on Bank Deposits (current account)	0	0
Total Finance Income	0	0

9. Emergency Expenses

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Drought related expenses	0	0
Fire related expenses	0	0
Flood related expenses	0	0
Total	0	0

10. Use of Goods and Services

Description	2024-2025	2023-2024
	Kshs.	Kshs.
Bank Charges	0	2,376.45
Audit Fees	0	0
Total	0	2,376.45

Nyamira County Emergency Fund
Annual Report and Financial Statements for the year ended 30th June 2025

11. Cash and cash equivalents.

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Account	15,021,001.45	16,672.45
Total Cash and Cash Equivalents	15,021,001.45	16,672.45

Detailed analysis of the cash and cash equivalents are as follows:

Financial Institution	Account number	2024-2025	2023-2024
		Kshs	Kshs
a) Current Account			
KCB Bank	1272997286	15,021,001.45	16,672.45
Sub- Total		15,021,001.45	16,672.45
b) Others (Specify)		0	0
Cash In Hand		0	0
Sub- Total		0	0
Grand Total		15,021,001.45	16,672.45

12. Receivables from non-exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
Revenue Receivable	0	0
Total Current Receivables	0	0

13. Receivables from exchange transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Current Receivables		
Interest Receivable	0	0
Total Current Receivables	0	0

14. Trade and other payables

Description	2024-2025		2023-2024	
	Kshs		Kshs	
Trade Payables	0		0	
Accrued Expenses	0		0	
Retention money	0		X0	
Other Payables	0		0	
Total Trade and Other Payables	0		0	
Ageing analysis (Trade and other payables)	2024-2025	% of the Total	2023-2024	% of the Total
Under one year	0	%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total (tie to above total)	0		0	

Nyamira County Emergency Fund
Annual Report and Financial Statements for the year ended 30th June 2025

15. Cash generated from operations.

Description	2024-2025	2023-2024
	Kshs	Kshs
Surplus/ (Deficit) For the Year Before Tax	15,000,000	0
Adjusted For:		
Working Capital Adjustments		
Increase In Receivables	0	0
Increase In Payables	0	0
Net Cash Flow From Operating Activities	15,000,000	0

Related party balances

a) Nature of related party relationships

Entities and other parties related to the Fund 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. The fund/scheme is related to the following entities:

- a) The County Government.
- b) Fund Administration Committee
- c) Key management.

b) Related party transactions

Description	2024-2025	2023-2024
	Kshs	Kshs
Transfers From Related Parties'	0	0
Transfers To Related Parties	0	0

c) Due from related parties

Description	2024-2025	2023-2024
	Kshs	Kshs
Due From County Government	0	0
Total	0	0

d) Due to related parties

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs

Nyamira County Emergency Fund

Annual Report and Financial Statements for the year ended 30th June 2025

Due To County Government	0	0
Total	0	0

16. Contingent assets and contingent liabilities

Contingent Assets/Liabilities	2024-2025	Insert Comparative FY
	Kshs	Kshs
Court Case Against the Fund	0	0
Bank Guarantees	0	0
Total	0	0

(Give details)

17. Financial risk management

The Fund's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Fund'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 Fund 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 Fund's financial risk management objectives and policies are detailed below:

a) Credit risk

The Fund 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:

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Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2025				
Receivables From Exchange Transactions	0	0	0	0
Receivables From Non-Exchange Transactions	0	0	0	0
Bank Balances	0	0	0	0
Total	0	0	0	0
At 30 June 2025				
Receivables From Exchange Transactions	0	0	0	0
Receivables From Non-Exchange Transactions	0	0	0	0
Bank Balances	0	0	0	0
Total	0	0	0	0

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 board of trustees sets the Fund's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Fund Administrator, who has 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 Fund 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.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2025				
Trade Payables	0	0	0	0
Total	0	0	0	0
At 30 June 2024				
Trade Payables	0	0	0	0
Total	0	0	0	0

c) Market risk

The board 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 Fund'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.

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

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Description		Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2025			
Financial Assets			
Cash	0	0	0
Debtors/ Receivables	0	0	0
Liabilities			
Trade And Other Payables	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

Foreign currency sensitivity analysis

The following table demonstrates the effect on the Fund's statement of financial performance 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.

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs	Kshs	Kshs
June 30,2025			
Euro	10%	0	0
USD	10%	0	0
June 30,2024			
Euro	10%	0	0
USD	10%	0	0

ii. 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 Fund to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Fund'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.

Sensitivity analysis

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The Fund 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 **Capital risk management**.

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

Description	2024-2025	2024-2025
	Kshs	Kshs
Accumulated surplus	0	0
Total funds	0	0
Less: cash and bank balances	0	0
Net debt/(excess cash and cash equivalents)	0	0
Gearing	0%	0%

18. Events after the reporting period

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

19. Currency

The financial statements are presented in Kenya Shillings (Kshs)

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20. Annexes

Annex I: Progress on Follow Up of Prior Year Auditor’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	<p>Irregular reallocation of emergency fund The statement of financial performance and note 3 to the financial statements reflects general expenses amounting to Kshs. 100,842,876 which includes an amount of Kshs 20,896,792 incurred on construction of covid-19 isolation centre. However,</p>	<p>The management concurs with the auditors’ observation how it was due to covid-19 pandemic that the county urgently needed an isolated ward since there was a directive from the government that every county to have at least two hundred bed capacity. The county doctors plaza was the near and available building which needed minor finishes though there was a pending certificate thus was paid for through the authority of emergency committee minutes.</p>	Not Resolved	2025/2026

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
	<p>physical verification of the project on 15th February 2022 revealed that no isolation centre was constructed and instead the funds were reallocated toward the construction of the doctor's plaza which was a multi-year project which was still in progress and could not be classified as emergency. Management did not provide approval for reallocation of the</p>			

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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)
	funds by the county disaster and emergency committee in line with regulation 12 of the Nyamira county emergency fund regulations 2019. In the circumstance management was in breach of the law.			
2	<p>Failure to allocate budgeted funds to the Emergency Fund</p> <p>The statement of comparison of the budget and actual amounts reflects a budget of Kshs.</p>	<p>Management concurs with the auditor's observation that the county did not comply with the regulation to transfer at least 1% of the county's budget to the Emergency Fund account. This was occasioned by the fact that the County's budget is comprised of: Equitable share,</p>	Not resolved	2025/2026

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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>35,000,000. However, review of financial records revealed that the Executive did not allocate budget funds to the Emergency fund for the year under review contrary to the Regulations 3(3) of Nyamira County Emergency Fund for the year under review which stipulates that the County Assembly shall in appropriating monies in each Financial year,</p>	<p>Conditional Grants and own source revenue projections which sometimes are unachieved. Management has made a proposal to the county assembly to amend the regulation so as to accommodate a percentage which is sustainable as per the county budget</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
	<p>ensures that the monies contained in the Fund are 1% of the County's budget. According to this regulation the County Executive was to appropriate to the fund Kshs. 68,326,177 being 1% of the County's budget of Kshs 6,832,617.65</p>			

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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)
3	<p>Material Uncertainty Relating to the On-going Concern The statement of financial performance reflects Nil revenue from transfers from the County Government and no revenue received from other sources during the year. The statement further reveals that the fund incurred expenses on the use of goods and services amounting to kshs. 2,376.55. in</p>	<p>Management appreciates the auditors observation that the county assembly did not approve funds for Emergency fund in the year under review .However, in the subsequent 2025/2026, the County Government has allocated a budget towards Emergency Fund Account.</p>	<p>Not resolved 2025/2026</p>	<p>2025/2026</p>

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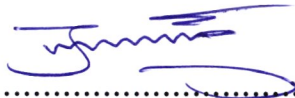
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>respect to the bank charges. In addition, The County Assembly had not appropriated funds for emergency for the year.</p> <p>The fund was therefore technically dormant.</p> <p>In the circumstance, the funds ability to sustain services was in doubt.</p>			

Guidance Notes:

- (i) Use the same reference numbers as contained in the external audit report.

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- (ii) Obtain the “Issue/Observation” and “management comments” required above from the final external audit report that is signed by Management.
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Fund responsible for the implementation of each issue.
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report.



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Jones Omwenga

Fund Administrator

Date 29th August, 2025.

Nyamira County Emergency Fund
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Annex II: Inter-Entity Confirmation Letter

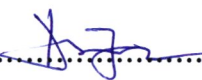
Name of transferring: *Nyamira County Executive*

Name of beneficiary *Nyamira County Emergency Fund*

Confirmation of amounts received by [XX County Emergency Fund] as at 30 th June 20xx						
Reference Number	Date Disbursed	Amounts Disbursed by [Nyamira County Department of Finance] (Kshs) as at 30 th June 2025			Amount Received by Nyamira County Emergency Fund] (Kshs) as at 30 th June 2025 (D)	Differences (KShs) (E)=(C-D)
		Recurrent (A)	Development (B)	Total (C)=(A+B)		
	30 th JUNE,2025	15,000,000	0	15,000,000	15,000,000	0
Total		15,000,000	0	15,000,000	15,000,000	0

I confirm that the amounts shown above are correct as of the dates indicated.

Head of Accounts Department - Disbursing Entity:
 Name CPA Jemimah Abuga Sign  Date 29/06/25

Head of Accounts Department - Beneficiary Entity:
 Name Duke Kiriama Sign  Date 29/06/25

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Date 29th August, 2025