

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

**MACHAKOS COUNTY ASSEMBLY
HOUSING AND CAR LOAN
SCHEME FUND-STAFF**

**FOR THE YEAR ENDED
30 JUNE, 2024**

DATE 13/2/2025
TABLED BY Majority Whip
COM. NO. 1
CLERK AT TABLE Mbayo



**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
Annual Report and Financial Statements
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1. Acronyms and Glossary of Terms

a) Acronyms

BOM	Board of Management
CAM	County Assembly of Machakos
COB	Controller of Budget
CRA	Commission on Revenue Allocation
CT	County Treasury
FY	Financial Year
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
Kshs	Kenya Shillings
LMC	Loan Management Committee
MCA	Member of County Assembly
N/A	Not Applicable

b) Glossary of Terms

Fiduciary Management The key management personnel who had financial responsibly.

Fund regulations The laws establishing and guiding the operations of the Fund; approved by the County Assembly

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2. Key Entity Information and Management

a) Background information

Machakos County Assembly Housing and Car Loan Scheme Fund is established by and derives its authority and accountability from Machakos County Assembly Service (Car Loan and Mortgage Scheme Fund) Regulations, 2018 whose effective date was 6th December, 2018. The Fund is wholly owned by the County Government of Machakos and is domiciled in Kenya.

The fund's objective is to disburse Car and Mortgage funds to public officers and to ensure accountability and proper use of Public funds.

The Fund's principal activity is to manage all funds disbursed from the County Treasury to the fund.

The County Assembly as constituted per the Constitution of Kenya is headed by the Speaker who is responsible for the general policy and strategic direction of the Assembly. The Machakos County Assembly constitutes of 60 Members of County Assembly (MCAs excluding the Speaker), both elected and nominated. The MCAs roles as outlined in the Constitution are as follows:

- a) Legislation
- b) Oversight
- c) Representation.

b) Principal Activities

The principal mandate of the Fund is to advance loans to public officers in accordance with the PFM Act, 2012, Machakos County Assembly Service (Car loan and Mortgage Scheme Fund) regulations, 2018 and SRC circulars issued from time to time.

c) Loan Management Committee

Ref	Name	Position
1	Hon. Nicholas K. Nzioka	Chairman / Majority Leader
2	Hon. Judas M. Ndawa	Vice chairman /Minority Leader
3	Hon. Everlyne Nzeki	Member
4	Hon. Raphael Nzau Lucky	Member
5	Hon. Dominic M. Ndambuki	Member- Chairman of Budget and Appropriations Committee
6	Hon. Johana Munyao	Member
7	Hon. Catherine Mutio Muia	Member
8	Hon. Loyd Mutua	Member
9	Mr. Joseph Laban Mutisya	Clerk to the County Assembly to Nov 2023
10	Mr. Denis Mutui	Ag.Clerk to the County Assembly From Nov 2023

d) Management team

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Ref	Name	Position
1.	Mr. Joseph Mutisya	Fund Administrator (Up to Nov, 2023)
2.	Mr. Denis Musyoka Mutui	Ag. Fund Administrator (w.e.f Nov 2023)
3.	Mr. Peter Muema Mbatha	Ag. Deputy Clerk-Administration
4.	Mr. Hillary Mbavu Muthui	Principal Legal Counsel
5.	Ms. Nancy Wambui Wangai	Principal Supply Chain Management Officer
6.	Mr. Dominic Mutuku Musyoka	Principal Clerk Assistant
7.	Mr. Justus Mutuku Musuma	Principal Human Resource and Administration Officer
8.	Mr. Francis Mutua Mwatha	Principal Internal Auditor
9.	Mr. Benson Mulinge Mutua	Ag. Principal Finance Officer
10.	Ms. Mary Luiza Kamau	Deputy Hansard Editor/Staff Representative
11.	Ms. Norah Mutio Muteti	Senior Clerk Assistant/Staff Representative
12.	Mr. Sylvester Nzangi	Fund Manager

e) Fiduciary Oversight Arrangements

SN	Position	Name
1	Principal Internal Auditor	Mr. Francis M. Mwatha

f) Registered Offices

County Assembly Headquarters,
Along Mwatu wa Ngoma Street
P. O. Box 1168 - 90100,
Machakos.

g) Fund Contacts

E-mail: info@machakosassembly.go.ke
Website: www.machakosassembly.com

h) Fund Bankers

- a) Co-operative Bank of Kenya
Machakos Branch

i) Independent Auditors

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




j) Principal Legal Adviser

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




County Attorney
County Government of Machakos
P. O. Box 1996 – 90100,
MACHAKOS.

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3. The Loan Management Committee

Name	Details of qualifications and experience
<p>1. Hon. Nicholas Kitavi Nzioka</p> 	<p>D.O.B: 04/06/1977</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> • Bachelor of Environmental Studies (Planning and Management) • Diploma in Human Resource Management – Part 1 • KCSE B+ • KCPE <p>Work Experience:</p> <p>August 2022 to date: Machakos County Assembly as a Member of County Assembly</p>
<p>2. Hon. Judas Mbili Ndawa</p> 	<p>D.O.B: 22/02/1973</p> <p>Academic Qualifications:</p> <p>Bachelor of Commerce- Business Administration Option Diploma in Human Resource Management Diploma in Business Management</p> <p>Work Experience:</p> <p>2017 to date: Member of County Assembly – County Assembly of Machakos</p>
<p>3. Hon. Everlyne Nzeki</p> 	<p>D.O.B: 01/03/1979</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> • Bachelor of Business Administration (Procurement & Supply Chain Management) • Diploma in Business Technical, Education and Training (TVET) • Certificate in Primary Teachers certificate • Certificate in Computer Applications • KCSE C+ <p>Work Experience:</p> <p>August 2022 to date: Machakos County Assembly as a Member of County Assembly</p>
<p>4. Hon. Raphael Nzau Lucky</p>	<p>D.O.B: 01/01/1971</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> • Diploma in Welding and Fabrication Technology • Certificate in computer studies • KCSE C+ • KCPE



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	<p>Work Experience: August 2022 to date: Machakos County Assembly as a Member of County Assembly</p>
<p>5. Hon. Dominic Ndambuki</p> 	<p>D.O.B: 15th April, 1984</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> • Master of Business Administration, Kenyatta University • Bachelor of Business Administration(Marketing), Kenya Methodist University • KCSE <p>Work Experience:</p> <ul style="list-style-type: none"> • August, 2017 to date: Member of County Assembly, Machakos County Assembly • 2009-2017: Customer Relations Supervisor, Toyota Kenya.
<p>6. Hon. Johana Munyao</p> 	<p>D.O.B: 4th April, 1970</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> • 2020 to Date : St Pauls University - Strategic Management -2016: KCA University – Masters in Business Administration -1990: Kenyatta University –Bachelor of Education -2002: Kenya Institute of Management –Diploma in Marketing Management -2003:Almak Training College – Computer Application packages -1986:Kyanguli Secondary School –KCSE -1978:Mutituni Primary School-KCPE <p>Work Experience:</p> <ul style="list-style-type: none"> -May 1995-Dec 1998: Teacher, Itetani High School -Jan 1999-2003: Teacher Ngomeni Secondary School -April 2004-2006: District Trainer in Mathematics -2007-2008: Regional Sales manager in K.L.B

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	<p>-2009-2013: Regional Sales Manager (Central region) -2013-2016: County Director- Ministry of Water – Machakos County -2017 to DATE Member of County Assembly Machakos.</p>
<p>7. Hon. Catherine Mutio Muia</p> 	<p>D.O.B: 30th April 1963</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> •1983: New Era College – Secretarial -2002: IAT Test Centre –Computer packages -1979: Senior Chief Koinanage High School- KCPE -1972: Dr Kraft primary School: CPE <p>Work Experience:</p> <ul style="list-style-type: none"> -1984-1988 : Secretary – Ndeto Mututo Advocates -1988-2008: Personal Secretary Musyoka & Wambua Advocates -2008-2017: ODM doing Administrative Duties 2022 to DATE • Member of County Assembly
<p>8. Hon. Loyd Mutua</p> 	<p>D.O.B: 25th May, 1989</p> <p>Academic Qualifications:</p> <ul style="list-style-type: none"> -2011: Meru University of Science and Technology Bachelor of Commerce -2005: Thinyaine High School – KCSE -1996: Mwepohkanga Primary School- KCPE <p>Work Experience:</p> <ul style="list-style-type: none"> -August, 2013 to Jan, 2014: Finance/Credit Officer intern Nyambene Arimi Sacco -Sep, 2014 –Dec, 2015 : Fleet Supervisor – Mwiira Enterprises -Jan, 2017-January, 2018: Secretariat Maendeleo Chap Chap -Jan, 2018-January, 2019 Head of political research and development -January, 2019-August, 2022 Sub county Communication officer – Machakos County Government -August, 2022 to DATE Member of County Assembly Machakos
<p>9. Mr. Joseph Laban Mutisya</p>	<p>Fund Administrator (Up to Nov 2023)</p> <p>D.O.B: 01/07/1974</p> <p>Academic Qualifications:</p>



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	<ul style="list-style-type: none"> • Masters in Business Administration • Bachelor of Science (HRM). • Higher Dip. in Human Resource Mgmt. • Dip. in Human Resource Mgmt., • Dip. in Business Mgmt. & Admin, • Cert. in Personnel Mgmt. & Industrial Relations, • Member- IHRM • KCSE B- <p>Work Experience:</p> <p>February, 2022 – Clerk to the County Assembly</p> <ul style="list-style-type: none"> •May, 2013-July, 2018: Director, Human Resource Management, County Assembly of Machakos •May, 2013: Chief Administrative Officer, HRM, City Council of Nairobi •2011-2012: Ag. Principal Administrative Officer, •2010: Administrative Officer, City Council of Nairobi •2003-2010: Internal Auditor, Contracts and Procurement, City Council of Nairobi •2000-2003: Debt Collector, City Council of Nairobi •1999: Clerical Officer, City Council of Nairobi 1997-1998: Teacher, Mulli High School.
<p>10. Mr. Denis Musyoka Mutui</p> 	<p>Ag. Fund Administrator(W.e.f Nov 2023)</p> <p>D.O.B: 31/10/1978</p> <p>Academic qualifications</p> <ul style="list-style-type: none"> • Bachelors of Commerce • KCSE C+ (plus) <p>Work experience</p> <ul style="list-style-type: none"> • Nov.2022 to date : Ag Clerk to the County Assembly • June 2021 to date: Machakos County Assembly as Deputy Clerk (Legislative Services) • 2013 to October 2018: Kwale County Assembly as the Clerk <p>2019 to July 2022: Technical advisor to Kenya special envoy to South Sudan</p>




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4. Management Team

Name	Details of qualifications and experience
<p>1. Mr. Joseph Laban Mutisya</p> 	<p>Clerk to the County Assembly of Machakos up to Nov 2023 D.O.B: 01/07/1974</p> <p><i>Academic Qualification:</i></p> <ul style="list-style-type: none"> • Master's in Business Administration • Bachelor of Science (HRM). • Higher Dip. in Human Resource Mgmt. • Dip. in Human Resource Mgmt. • Dip. in Business Mgmt. & Admin, • Cert. in Personnel Mgmt. & Industrial Relations, • Member- IHRM • KCSE B- <p><i>Work Experience:</i></p> <ul style="list-style-type: none"> • May 2013-July 2018: Director, Human Resource Management, County Assembly of Machakos • 2013-May, 2013: Chief Administrative Officer, HRM, City Council of Nairobi • 2011-2012: Ag. Principal Administrative Officer, • 2010: Administrative Officer, City Council of Nairobi • 2003-2010: Internal Auditor, Contracts and Procurement, City Council of Nairobi • 2000-2003: Debt Collector, City Council of Nairobi • 1999: Clerical Officer, City Council of Nairobi <p>1997-1998: Teacher, Mulli High School</p>
<p>2. Mr.Denis Musyoka Mutui</p> 	<p>Ag. Clerk to the County Assembly D.O.B: 31/10/1978</p> <p><i>Academic qualifications</i></p> <ul style="list-style-type: none"> • Bachelors of Commerce • KCSE C+ (plus) <p><i>Work experience</i></p> <ul style="list-style-type: none"> • June 2021 to date: Machakos County Assembly as Deputy Clerk (Legislative Services) • 2013 to October 2018: Kwale County Assembly as the Clerk <p>2019 to July 2022: Technical advisor to Kenya special envoy to South Sudan</p>




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<p>3. Mr. Peter Muema Mbatha</p> 	<p>Deputy Clerk –Administration <i>D.O.B:</i> 06/05/1969 Academic qualifications</p> <ul style="list-style-type: none"> • Masters-Business Administration (Finance) • Bachelor of Science (Statistics), • CPA (K) • Member ICPAK • A-Level <p>Work experience:</p> <ul style="list-style-type: none"> • March, 2013 to date: Machakos County Assembly as the Director, Finance and Deputy Clerk • March, 2008-March, 2013: Municipal Council of Mavoko as a Senior Accountant • March, 2007-March, 2008: County Council of Nakuru as Ag. Deputy County Treasure • January, 1996-June, 2005: County Council of Masaku as Accountant III
<p>4. Mr.Benson Mutua Mulinge</p> 	<p>Ag. Principal Finance Officer- Finance, Accounts and Budget <i>D.O.B:</i> 12/12/1980 <i>Academic Qualification:</i></p> <ul style="list-style-type: none"> • Bachelor of Business Administration; • C.P.S (K); C.P.A(K); • Computerized Accounting • Member ICPAK/ ICPSK • KCSE B+ <p><i>Work Experience:</i></p> <ul style="list-style-type: none"> • 2014-to date: Senior Accountant, Machakos County Assembly • 2007-2013: Internal Auditor, County Council of Machakos
<p>5. Ms.Nancy Wangai Wambui</p> 	<p>Principal Supply Chain Management Officer <i>D.O.B:</i> 20/02/1980 <i>Academic qualifications:</i></p> <ul style="list-style-type: none"> • Masters of business administration • Bachelor of Arts (Economics & Business Studies) • Dip. in Purchasing & Supply, Associate • Member of the Chartered Institute of Purchasing & Supply, • Snr. Management Course, Bidding Docs & Evaluation of Tenders, Strategic Sourcing & Supply, Market Analysis, • KCSE B • Cert. in IT • Member KISM <p><i>Work experience:</i></p>



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	<p>1st December 2013 to date: Machakos County Assembly as the Director, Supply Chain Management</p>
<p>6. Mr. Hilary Mbatia Muthui</p> 	<p>Principal Legal Counsel Officer <i>D.O.B:</i> 27/08/1976 <i>Academic Qualification:</i></p> <ul style="list-style-type: none"> • Masters in International Relations • Bachelor of Law • Diploma in Law • K.C.S.E • Performance management training course • International training Programme in legislative drafting • Parliamentary practices and procedures programme • Legal audits course • Civil procedure rules course • Member LSK <p><i>Work Experience:</i></p> <ul style="list-style-type: none"> • 2010-2013: Deputy Legal Aid Coordinator, National Legal Awareness Programme • August, 2006-May, 2010: Programme Officer, Constitutional, Legislative, policy and Practice Advocacy, Federation of Women Lawyers-FIDA Kenya • July, 2004: Litigation Counsel, Musyoka & Wambua Advocates • March 2003: Head of Legislation Intelligence Programme: The Chambers of justice • April, 2002: Programme Officer, Community Legal Education and Advisory Trust (CLEAT)
<p>7. Mr. Dominic Mutuku Musyoka</p> 	<p>Principal Clerk Assistant <i>D.O.B:</i> 28/04/1978 <i>Academic qualifications:</i></p> <ul style="list-style-type: none"> • Bachelor of Education • Certificate in ICT • Certified Public Secretary (CPS-K) • K.C.S.E- B • Member- ICPSK <p><i>Work experience:</i></p> <ul style="list-style-type: none"> • February, 2014 to date: Machakos County Assembly • October, 2007-5th January, 2014: Teachers Service Commission • 6th January, 2004-31st September, 2007: Pioneer Academy as a teacher

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<p>8. Mr. Justus Mutuku Musuma</p> 	<p>Principal Human Resource and Administration Officer</p> <p><i>D.O.B:</i> 10/02/1974</p> <p>Academic qualifications</p> <ul style="list-style-type: none"> ✓ Masters in Business Administration ✓ Bachelor of Education (Arts) (HRM). ✓ Member- IHRM ✓ Certificate in computer applications ✓ KCSE B- <p><u>Work experience</u></p> <ul style="list-style-type: none"> • June 2021 to date: County Assembly of Machakos as the Director, Human Resource and Administration • August 2015 to May 2021: Aga Khan Academic Services as the head of humanities • 2010 to 2015: Brae burn Group of Schools as a teacher of Economics and Geography
<p>9. Mr. Francis Mutua Mwatha</p> 	<p>Principal Internal Auditor</p> <p><i>D.O.B:</i> 07/07/1988</p> <p>Academic qualifications</p> <ul style="list-style-type: none"> ✓ Bachelor of Commerce (Finance). ✓ Member- ICPAK ✓ KCSE C+ <p><u>Work experience</u></p> <ul style="list-style-type: none"> • June 2021 to date: Machakos County Assembly as the Director, Internal Audit • September 2013 to May 2021: Kenya Medical Training College as Senior Internal Auditor (Nyanza Region) • August 2010 to August 2013: Katwanyaa High School as School Bursar
<p>10. Sylvester Mutisya Nzangi</p> 	<p>Fund Manager</p> <p><i>D.O.B:</i> 12.02.1983</p> <p>Academic Qualification :)</p> <ul style="list-style-type: none"> • Bachelor of Arts in Economics • Certificate in Quick books • CPA (K) • Certificate on Leadership in County Budgeting • Certificate best practices in the Implementation of Programme based budget

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	<ul style="list-style-type: none"> • K.C.S.E B+ <p>Work Experience:</p> <ul style="list-style-type: none"> • Jan. 2014 to date; County Assembly of Machakos - Fiscal Analyst • Oct. 2006 to 2013; Kwetu SACCO • July – Aug, 2006 Industrial Attachment at Machakos District Development Office • June – Aug, 2002; Casual Employee, Nairobi Hospital
<p>11. Ms. Mary Luiza Kamau</p> 	<p>Deputy Hansard Editor/Staff Representative D.O.B: 01/01/1986</p> <p>Academic Qualification:</p> <ul style="list-style-type: none"> • Bachelor of Arts(Communication and Media Technology with IT) Electronic Media Option • Media, public communication and protocol training (CPST) • IAT Certificate in basic computer and internet skills • Certificate in camera, sound, lighting and editing • Project, proposal and report writing skills • KCSE B+ • Member of MCK <p>Work Experience:</p> <ul style="list-style-type: none"> • 2013 to date: Deputy Hansard Editor and In charge Assembly Broadcasting Unit • Jun 2011-April, 2013: Information Officer (Ministry of Information and Communications) • Mar-May, 2011: Research Assistant(Diplomat East Africa Magazine and KEMRI) • Oct 2009-April, 2010 Communications Consultant
<p>12. Ms. Norah Mutio Muteti</p> 	<p>Senior Clerk Assistant/Staff Representative D.O.B: 17/04/1988</p> <p>Academic Qualification:</p> <ul style="list-style-type: none"> • Bachelor of Science in Food Science and Technology • K.C.S.E - A- <p>Work Experience:</p> <ul style="list-style-type: none"> • 2013 to date: Clerk Assistant, Machakos County Assembly • 2013: Trainer, Great Nanny Africa Ltd

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5. Fund Chairperson's Report

The Machakos County Assembly Housing and Car Loan Scheme Fund is established pursuant to Section 116 (1) of the PFM Act, 2012 to cater for Hon. Members and Officers of the County Assembly. The Fund was operationalized through regulations that were approved by the County Assembly in 2014 and amended in 2018. The Loan Management Committee was constituted after the third Assembly was sworn in. On the other hand, the Staff Advisory Committee had been in place.

During the period under review, there were 11 new loans that were processed for mortgages and zero for car loans. These loans are usually subjected to the set SRC's maximum entitlements to each job group as shown below;

BENEFICIARY JOB SCALE	CAR LOAN (KSHS.)	MORTGAGE (KSHS.)	TOTAL (KSHS.)
2 or Job Group S,	4 Million	20 Million	24 Million
5,4 &3 or P,Q & R	3 Million	15 Million	18 Million
9,8,7 & 6 or K,L,M & N	1.5 Million	10 Million	11.5 Million
12,11 & 10 or G,H,J	800,000	6 Million	6.8 Million
17,16,15,14 & 13 or A,B,C,D,E ,F	600,000	4 Million	4.6 Million

The annual financial statements of the County Assembly Fund for the FY 2023/2024 have been prepared to comply with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya and as per Section 167 of the PFM Act, 2012.

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6. Report of the Fund Administrator

Pursuant to PFM Act, 2012 section 116 (1) the County Executive Member for Finance and Revenue Collection established the Machakos County Assembly Housing and Car Loan Scheme Fund to cater for members and officers of the County Assembly through regulations that were approved by the County Assembly in 2014 and amended in 2018. These regulations set the modalities for the establishment and management of a revolving fund for the two facilities (Car and Housing scheme loans). This was after the Salaries and Remuneration Commission had approved car and mortgage loans for members of the County Assemblies via circular SRC/TS/CGOVT/3/16 of Kenya shillings Two Million (Kshs. 2,000,000.00) and Kenya shillings Three Million (Kshs. 3,000,000.00) respectively.

Section 168 of the Public Finance Management Act, 2012 mandates the Administrator of a Public Fund with preparation of Annual Financial Statements in the format prescribed by the Public Sector Accounting Standards Board (accrual method) and submit the entity's financial statements within three months after the end of each Financial Year (FY) to the Auditor General with copies delivered to the County Treasury (CT), Controller of Budget (CoB) and Commission on Revenue Allocation (CRA). The financial statements for County Assembly Mortgage Fund for the FY 2023/2024 have been prepared to comply with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya.

Risk Management

To minimize exposure on the funds, the Assembly has ensured that the loans are disbursed based on the ability of the members to repay through the payslip via check-off system. The other risk faced by the fund is award of unqualified mortgage/car loan as a result of document falsification. To mitigate this, management has put controls by engaging other professional service providers who do double checks on the documents presented. For instance, when the mortgage documents are being perfected, the advocate has to do a new official search for the property before and after charging.

Signed: _____



Name: Denis Mutui

Ag. Clerk to the County Assembly

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

Introduction

Section 168 (2) of the Public Finance Management Act, 2012 requires that, at the end of each FY, the Administrator when preparing financial statements for a County public fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes information on the financial and non-financial performance of the fund.

The key objective of the Machakos County Assembly Housing and Car Loan Scheme Fund plan is to provide Car Loans and Housing loans to Public officers.

The loans are structured in a way that the amounts disbursed are fully repaid by the end of the Members' service.

The progress in attaining the strategic objective is as follows:

Program	Objective	Outcome	Indicator	Performance
Housing Fund	To provide housing loans to Members of the County Assembly	69 have benefitted from the scheme	62% of members who have benefitted from the scheme	During FY2023/ 2024 , 13 Members of staff accessed the facility to build their own houses
Car Loan Fund	To provide Car loans to Members of the County Assembly	8 Members have benefitted from the scheme	7% have benefitted from the scheme	No car loan was processed during the period because people prefer Housing loans.

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8. Corporate Governance Statement

During the reporting period, the Loans Management Committee (LMC) held 20 meetings. The succession plan is envisaged in law as to when one can become a member of the Loan Management Committee. As per the Fund Regulations the composition of the Committee is;

- a) The leader of the majority party of the County Assembly who shall chair the committee
- b) The leader of the minority party of the County Assembly
- c) The majority party Whip of the County Assembly
- d) The minority party Whip of the County Assembly
- e) The chairperson of Budget and Appropriations Committee
- f) The member of the County Assembly Service Board appointed pursuant to section 12 (3) (d) of the County Governments Act
- g) Two members of the County Assembly being one man and one woman appointed by the County Assembly
- h) The Clerk of the County Assembly who shall be the secretary to the committee.

The fund is administered by the Clerk to the County Assembly who is an ex-officio member of the committee.

This means that the management committee is appointed immediately persons assume the above offices. Removal from office is also automatic because one ceases to be a member on vacating the above offices.

The role of the Committee is to:

- a) Oversee administration of the fund
- b) Process applications for loans in accordance with the existing terms and conditions of borrowing
- c) Liaise with a housing company (if any) to set up a revolving fund for disbursement of loans
- d) Supervise the day-to-day running of the fund.

The members of the board were inducted to the committee on being elected. They have participated in the committee activities and have shown ethical conduct in their transaction with the fund.

The audit is conducted by the office of the Auditor General in line with the law. The members earn a remuneration of Kshs. 6,500 per sitting.

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9. Management Discussion and Analysis

As at the end of the FY 2023/2024, 11 new loans were processed and disbursements done to members from the scheme. The total disbursements amounted to Ksh.17,244,355.00 while total repayments amounted to Kshs.22,136,513; The outstanding loan balance is Ksh.281,220,454. Out of this amount, the amount receivable within the next one year is Ksh.21,529,871 while Ksh.259,690,583 is receivable in the other years of recovery.

10. Environmental and Sustainability Reporting

During the Period under review, the Fund as a separate entity did not engage in any Corporate Social Responsibility (CSR) activity.

Sustainability strategy and profile

The Assembly engages its major stakeholders before undertaking any major project or decision. This was done during the year under review through public participation forums. Also, the Assembly prioritises programs as agreed upon by it and other key stakeholders. This has led to a harmonious collaboration hence the setting up of sustainable targets and goals.

Environmental performance

Under, environmental performance, the Assembly has tried to reduce the environmental impact on its activities i.e. by ensuring proper disposal of waste. Further, it has promoted the efficient use of resources such as water. In addition, the County Assembly participated in the national tree planting exercise.

Employee welfare

On employee welfare, the Assembly has continued to train its staff in a bid to increase their efficiencies, capacity, and motivation/morale and job satisfaction. The Assembly has a performance and reward system that gives recognition/rewards to employees whose work advances the broad role of the assembly.

On compliance with organizational safety and compliance with Occupational Safety and Health Act, 2007, the Assembly has put in place measures to ensure safe and healthful working conditions for its employees. This has been made possible by setting and enforcing standards and providing training where necessary.

Market place practices

The Assembly engages its suppliers only through a competitive process, and this has been achieved by ensuring all tenders are invited through public platforms to promote competitiveness i.e. open advertisements; by so doing every interested bidder is given a fair chance to participate in the process.

In addition, the Assembly tries to maintain a good business relationship with its suppliers/service providers/contractors by ensuring timely payment of their bills.

Corporate Social Responsibility/Community Engagements

The Assembly during the period under review consulted with the public by informing them and requesting their inputs on several matters that the assembly was engaged in. The inputs from them in most cases were accepted and reflected in the final decisions that were made. The Fund on the other hand was not involved in any corporate social responsibility on its own but as part of the County Assembly at large.

**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
Annual Report and Financial Statements
For the Year ended June 30, 2024**

11. Report of Loan Management Committee

The Committee submits their report together with the financial statements for the year ended June 30, 2024 which show the state of the Fund affairs.

Principal activities

The principal activity of the Fund is to disburse loans to members of the County Assembly.

Results

The results of the Fund for the Period ended June 30, 2024 are set out on page 1

Loans Management Committee

The members of the Loans Management Committee (LMC) who served during the period under review are shown on page iv. There were no changes in membership of the committee during the reporting period.

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 Loans Management Committee

Date: 11/12/2024

**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
Annual Report and Financial Statements
For the Year ended June 30, 2024**

12. Statement of Management's Responsibilities

Section 168 of the Public Finance Management Act, 2012 requires that, at the end of each FY, the Administrator of a County Public 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 County Public 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 FY ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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 County Public 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 Machakos County Assembly Service (Car Loan and Mortgage Scheme Fund) Regulations, 2018. 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, 2024, 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 County Public Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. 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

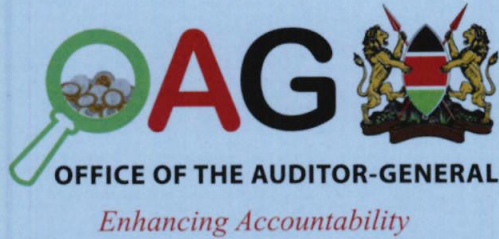
The Fund's financial statements were approved by the Board on 11th December, 2024 and signed on its behalf by:



.....
Administrator of the County Public Fund

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 MACHAKOS COUNTY ASSEMBLY HOUSING AND CAR LOAN SCHEME FUND-STAFF FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for 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 Machakos County Assembly Housing and Car Loan Scheme Fund-Staff set out on pages 1 to 39 which comprise of the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Machakos County Assembly Housing and Car Loan Scheme Fund-Staff as at 30 June, 2024 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 Machakos County Assembly Service (Car Loan and Mortgage Scheme Fund) Regulations, 2018 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Use of Goods and Services

The Statement of financial performance and as disclosed in Note 7 to the financial statements reflect use of goods and services amount Kshs.9,919,981. Included in the amount is Kshs.832,281 in respect of insurance costs paid between April and June 2024 and Kshs.3,831,508 for fringe benefit tax paid for the period between July and December, 2023 whose supporting documents were not provided for audit review.

In the circumstances, the accuracy and completeness of use of goods and services totalling Kshs.4,663,789 could not be confirmed.

2. Inaccuracies in Long Term Receivables from Exchange Transactions

The statement of financial position and as disclosed in Note 13 to the financial statements reflect long term receivables from exchange transactions totalling Kshs.259,690,583. Included in the balance is total current receivables and long-term mortgage/loans receivables after a year of Kshs.21,898,277 and Kshs.259,690,593 respectively. However, the recalculated balances from the schedules provided totalled Kshs.29,469,058 and Kshs.258,851,397 for total current receivables and long-term mortgage/loans receivables after a year respectively resulting in unexplained variances of Kshs.7,570,781 and Kshs.839,186. respectively.

In the circumstances, the accuracy and completeness of receivables from exchange transactions totalling Kshs.259,690,583 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Machakos County Assembly Housing and Car Loan Schemes Fund-Staff 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.

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 matters 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

Unresolved Prior Year Matters

In the audit report of the previous year, several paragraphs were raised. However, Management has not resolved all the prior year matters as prescribed in the reporting requirements set by the Public Sector Accounting Standards Board. Management has not provided any explanation for the delay in resolving the issues.

Other Information

Management is responsible for the other information set out on pages iii to xxiv which comprise of Key Entity Information and Management, Fund Chairperson's Report, Report of the Fund Administrator, Statement of Corporate Governance, Management Discussion and Analysis, Environmental and Sustainability Reporting, Statement of Management Responsibilities, Report of the Loan Management Committee and Statement of Performance Against Predetermined Objectives. 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 audit opinion or any form of assurance thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Unbudgeted for Expenditure

The statement of comparison of budget and actual amounts reflects general expenses amount of Kshs.9,919,981. However, review of the budget revealed that the general expenses were not budgeted for. This is contrary to Section 45 (3) (a) of Public Procurement & Assets Disposal Act, 2015 which requires that all procurement processes shall be within the approved budget of the procuring entity and shall be planned by the procuring entity concerned through an annual procurement plan. Management did not explain the source of funds for the unbudgeted expenditure.

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

2. Failure to Insure Loans

During the year under review, the Fund paid insurance costs amounting to Kshs.832,281 to cover loans totaling Kshs.17,244,355 which were disbursed by the Fund. However, review of the insurance policy documents revealed that the insurance policy was effective from 31 March, 2024 leaving the loans disbursed amounting to Kshs.8,217,716 in the first quarter of the financial year under review un-insured. This is contrary to Section 31(1) of the Machakos County Car Loan and Mortgage Scheme Fund Regulations, 2018 which stipulates that, a borrower shall take out and maintain a mortgage protection policy and a fire policy with an insurance firm approved by the Board, the cost of which shall be paid out of the Fund and debited in the borrowers' account. This exposes the Fund to the risk of loss in case of an unforeseen circumstances.

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and 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 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 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 that 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 for 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

20 December, 2024

**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
Annual Report and Financial Statements
For the Year ended June 30, 2024**

14. Statement of Financial Performance for the Year Ended 30th June, 2024

	Note	2023-2024	2022-2023
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Public Contributions and Donations	1	-	-
Transfers From the County Government	2	-	-
Fines, Penalties and Other Levies	3	-	-
		-	-
Revenue From Exchange Transactions			
Interest Income	4	8,437,667	8,409,924
Other Income	5	380,193	513,182
Total Revenue		8,817,860	8,923,106
Expenses			
Employee Costs	6	-	-
Use of Goods and Services	7	9,919,981	4,910,060
Depreciation and Amortization Expense	8	-	-
Finance Costs	9	-	-
Total Expenses		9,919,981	4,910,060
Other Gains/Losses			
Gain/Loss on Disposal of Assets	10	-	-
Gain /Loss on Fair Value of Investments	11	-	-
Surplus/(Deficit) For The Period		(1,102,121)	4,013,046

The year had a deficit because of the increase in fringe benefit fund which was paid from the Machakos County Assembly housing and Car Loan revolving Fund. The said taxes have actually been accrued because the fund could not afford to pay all of it.

.....
Name: Denis Mutui

Ag. Clerk to the County Assembly

.....
Name: Benson Mutua

Ag. Principal Finance Officer

ICPAK Member Number: 5498

**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
Annual Report and Financial Statements
For the Year ended June 30, 2024**

15. Statement of Financial Position as At 30 June, 2024

	Note	2023/2024	2022-2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	12	24,924,242	26,274
Current Portion of Long- Term Receivables From Exchange Transactions	13	21,898,277	-
Prepayments	14	-	-
Inventories	15	-	-
Investments in Financial Assets	16	-	-
Total Current Assets		46,822,519	26,274
Non-Current Assets			
Property, Plant and Equipment	17	-	-
Intangible Assets	18	-	-
Long Term Receivables from Exchange Transactions	13	259,690,583	286,112,812
Investment Property	19	-	-
Total Non- Current Assets		259,690,583	-
Total Assets(A)		306,513,102	286,139,086
Liabilities			
Current Liabilities			
Trade and Other Payables from Exchange Transactions	20	5,223,885	2,747,748
Social Benefit Liabilities	23	-	-
Total Current Liabilities		5,223,885	2,747,748
Non-Current Liabilities			
Social benefit liabilities	24	-	-
Total Non-Current Liabilities		-	-
Total Liabilities (B)		5,223,885	2,747,748
Net Assets (A-B)		301,289,217	283,391,338
Represented By:			
Revolving Fund		273,000,000	254,000,000
Reserves		-	-
Accumulated Surplus		29,391,338	25,378,292
Surplus for the year		(1,102,121)	4,013,046
Total Net Assets		301,289,217	283,391,338

**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
Annual Report and Financial Statements
For the Year ended June 30, 2024**

The revolving fund constitutes of the seed capital for Car Loan and Housing Scheme Fund of Kshs. 273,000,000. Accumulated surpluses refer to the retained earnings/surpluses for the fund from FY2016/2017 to 2023/2024.

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity's financial statements were approved on 26th November 2024 and signed by:



.....
Name: Denis Mutui
Ag. Clerk to the County Assembly



.....
Name: Benson Mutua
Ag. Principal Finance Officer
ICPAK Member Number: 5498

**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
Annual Report and Financial Statements
For the Year ended June 30, 2024**

16. Statement of Changes in Net Assets for the Year Ended 30th June, 2024

	Revolving Fund	Reval uatio n Reser ve	Accumulated surplus	Total
	Kshs	Kshs	Kshs	Kshs
Balance As At 1 July 2022	254,000,000	-	25,378,293	279,378,293
Surplus/(Deficit) For the Period	-	-	4,013,045	4,013,045
Funds Received During the Year	-	-	-	-
Transfers	-	-	-	-
Revaluation Gain	-	-	-	-
Balance As At 30 June 2023	254,000,000	-	29,391,338	283,391,338
Balance As At 1 July 2023	254,000,000	-	29,391,338	283,391,338
Surplus/(Deficit) For the Period		-	(1,102,121.)	(1,102,121)
Funds Received During the Period	19,000,000	-	-	19,000,000
Transfers	-	-	-	-
Revaluation Gain	-	-	-	-
Balance as at 30 June, 2024	273,000,000	-	28,289,217	301,289,217



.....
Name: Denis Mutui
Ag. Clerk to the County Assembly





.....
Name: Benson Mutua
Ag. Principal Finance Officer
ICPAK Member Number: 5498

**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
Annual Report and Financial Statements
For the Year ended June 30, 2024**

17. Statement of Cash Flows for the Year Ended 30 June, 2024

Description	Note	2023/2024	2022-2023
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Public contributions and donations		-	-
Transfers from the county government		-	-
Interest received	Annex viii	8,069,261	8,409,924
Receipts from other operating activities		380,193	513,182
Total receipts		8,449,454	8,923,106
Payments			
Fund administration expenses		(4,696,096)	(4,910,060)
General expenses		-	-
Finance cost		-	-
Other payments-FBT Liability		(2,747,748)	2,747,748
Net cash flows from operating activities		1,005,610	6,760,794
Cash flows from investing activities			
Proceeds from sale of property, plant & equipment		-	-
Proceeds from loan principal repayments		22,136,713	22,136,007
Loan disbursements paid out		(17,244,355)	(29,356,469)
Net cash flows used in investing activities		4,892,358	(7,220,462)
Cash flows from financing activities			
Proceeds from revolving fund receipts		19,000,000	-
Net cash flows used in financing activities		19,000,000	-
Net increase/(decrease) in cash & cash Equivalents		24,897,968	(459,668)
Cash and cash equivalents at 1 July		26,274	485,943
Cash and cash equivalents at 30 June	12	24,924,242	26,274


 Name: Denis Mutui
 Ag. Clerk to the County Assembly


 Name: Benson Mutua
 Ag. Principal Finance Officer
 ICPAK Member Number: 5498

**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
Annual Report and Financial Statements
For the Year ended June 30, 2024**

18. Statement of Comparison of Budget and Actual Amounts for the Period

	Original budget	Adjust ments	Final budget	Actual on comparable basis	Performance difference	% Utilis ation
	2023/24	2023/24	2023/24	2023/24	2023/24	2023/ 24
	a	b	c=(a+b)	d	e=(c-d)	F=d/c *100
Revenue/Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	
Public Contributions And Donations	-	-	-	-	-	
Revolving Fund Receipts	30,000,000	-	30,000,000	19,000,000	11,000,000	
Interest Income	-	-	-	8,437,667	8,437,667	
Other Income	-	-	-	380,193	380,193	
Total Income	30,000,000	-	30,000,000	27,817,860	2,182,140	93%
Expenses						
Transfer to Revolving Fund	30,000,000		30,000,000	19,000,000	11,000,000	
Loans to be Disbursed	-	-	-	-	-	-
Fund Administration Expenses	-	-	-	-	-	-
General Expenses	-	-	-	9,919,981	(9,919,981)	-
Finance Cost	-	-	-	-	-	-
Total Expenditure	30,000,000	-	30,000,000	28,919,981	1,080,019	96%
Surplus /Deficit For The Period	-	-	-	(1,102,121)	(1,102,121)	-
Capital Expenditure	-	-	-	-	-	-

**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
Annual Report and Financial Statements
For the Year ended June 30, 2024**

19. Notes to the Financial Statements

1. General Information

Machakos County Assembly Mortgage and Car Loan Scheme is established by and derives its authority and accountability from Machakos County Assembly Service (Mortgage and Car Loan Scheme Fund) Regulations 2018. The entity is wholly owned by the Machakos County Government and is domiciled in Kenya. The entity's principal activity is to disburse car and mortgage funds to Public officers and ensure accountability and proper use of public funds.

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 cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis. The cut-off date for the preparation of these financial statements for FY 2023/24 is on 2nd July, 2024 due to late disbursements of funds from the exchequer.

3. Adoption of new and revised standards

(i) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024

There were no new and amended standards issued in the financial year.

(ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.

Standard	Effective date and impact
IPSAS 43	<i>Applicable 1st January 2025</i> 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. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held	<i>Applicable 1st January 2025</i> The Standard requires,

**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
Annual Report and Financial Statements
For the Year ended June 30, 2024**

for Sale and Discontinued Operations	<p>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:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
IPSAS 45- Property Plant and Equipment	<p>Applicable 1st January 2025</p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
IPSAS 46 Measurement	<p>Applicable 1st January 2025</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 measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47- Revenue	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48- Transfer Expenses	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>

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IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> 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.
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(i) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year 2023-2024

4. Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Transfers from other government entities

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

ii. Revenue from exchange transactions

Interest income

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

Dividends

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

Rental income

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

b) Budget information

The original budget for FY 2023-2024 was approved by the County Assembly on 12th July, 2023. The First, Second and third Supplementary Budgets were approved by the County Assembly on 22nd November 2023, 16th April 2024 and 20th June 2024 respectively. No revisions or additional appropriations were made to the approved budget during the period under review.

The entity'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.

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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 under section 16, page 1 of these financial statements.

c) Property, plant and equipment

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

a) 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.

b) Investment property

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

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Summary of Significant Accounting Policies (Continued)

c) Financial instruments

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

Financial assets

Classification of financial assets

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

Subsequent measurement

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

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Summary of Significant Accounting Policies (Continued)

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

Significant Accounting Policies (Continued)

Financial liabilities

Classification

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

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. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

e) Provisions

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

f) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

Summary of Significant Accounting Policies (Continued)

g) Contingent liabilities

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

Contingent assets

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

h) Nature and purpose of reserves

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

i) Changes in accounting policies and estimates

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

j) Employee benefits – Retirement benefit plans

The Entity provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

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Summary of Significant Accounting Policies (Continued)

k) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

l) Borrowing costs

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

m) Related parties

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

n) 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 Cooperative Bank of Kenya at the end of the financial year.

o) Comparative figures

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

5. Significant judgments and sources of estimation uncertainty

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

State all judgements, estimates and assumptions made e.g.

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.

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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6. Notes to the Financial Statements

1. Public contributions and donations

Description	2023-2024	2022-2023
	Kshs	Kshs
Donation From Development Partners	-	-
Contributions From The Public	-	-
Total	-	-

2. Transfers from County Government

Description	2023-2024	2022-2023
	Kshs	Kshs
Transfers From County Govt. –Operations	-	-
Payments By County On Behalf Of The Entity	-	-
Total	-	-

3. Fines, penalties and other levies

Description	2023-2024	2022-2023
	Kshs	Kshs
Late Payment Penalties	-	-
Fines	-	-
Total	-	-

4. Interest income

Description	2023-2024	2022-2023
	Kshs	Kshs
Interest Income from Mortgage Loans	8,410,166	8,371,618
Interest Income From Car Loans	27,501	38,306
Interest Income From Investments in financial assets	-	-
Interest Income On Bank Deposits	-	-

**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
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Total Interest Income	8,437,667	8,409,924
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5. Other income

Description	2023-2024	2022-2023
	Kshs	Kshs
Insurance Recoveries	380,193	513,182
Income from Sale of Tender Documents	-	-
Bad debts recovered	-	-
Miscellaneous Income	-	-
Total Other Income	380,193	513,182

6. Employee Costs

2023-2024	2023-2024	2022-2023
	Kshs	Kshs
Salaries And Wages	-	-
Staff Gratuity	-	-
Staff Training Expenses	-	-
Social Security Contribution	-	-
Other (<i>Specify</i>)	-	-
Total	-	-

7. Use of Goods and Services

Description	2023-2024	2022-2023
	Kshs.	Kshs.
General Office Expenses	-	-
Loan Processing Costs	-	-
Professional Services Costs	-	-
Administration Fees-IPPD Charges	200	-
Committee Allowances	-	-
Electricity And Water Expenses	-	-
Fuel And Oil Costs	-	-
Insurance Costs	832,281	-
Postage And Courier	-	-

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Description	2023-2024	2022-2023
	Kshs.	Kshs.
Printing And Stationery	-	-
Rental Costs	-	-
Security Costs	-	-
Telephone And Communication Expenses	-	-
Bank Charges	32,107	33,900
Audit Fees	-	-
Provision For Doubtful Debts	-	-
Fringe benefit Tax Due	5,223,885	2,747,748
Fringe benefit Tax paid	3,831,508	2,128,412
Social benefit expenses*	-	-
Total	9,919,981	4,910,060

The difference in Fringe Benefit Tax is due to the fact that the interest rate increased from 11% to 16% and increase in loan portfolio due to new disbursements.

8. Depreciation and Amortization Expense

Description	2023-2024	2022-23
	Kshs.	Kshs.
Property Plant and Equipment	-	-
Intangible Assets	-	-
Total	-	-

9. Finance costs

Description	2023-2024	2022-23
	Kshs.	Kshs.
Interest On Bank Overdrafts	-	-
Interest On Loans From Banks	-	-
Total	-	-

10. Gain/(loss) on disposal of assets

Description	2023-2024	2022-23
	Kshs.	Kshs.
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Total	-	-

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11. Gain/ (loss) on Fair Value Investments

Description	2023- 2024	2022-23
	Kshs	Kshs
Investments at Fair Value- Equity investments	-	-
Fair value – Investment property	-	-
Fair value- other financial assets (specify)	-	-
Total Gain	-	-

12. Cash and cash equivalents

Description	2023- 2024	2022-23
	Kshs	Kshs
Car Loan Account	-	-
County Mortgage Account	24,924,242	26,274
Fixed Deposits Account	-	-
On – Call Deposits	-	-
Current Account- KCB Bank	-	-
Others (<i>Specify</i>)	-	-
Total Cash And Cash Equivalents	24,924,242	26,274

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

Financial Institution	Account number	2023-2024	2022-2023
		Kshs	Kshs
a) Fixed Deposits Account			
Kenya Commercial Bank		-	-
Equity Bank, Etc.		-	-
Sub- Total		-	-
b) On - Call Deposits			
Kenya Commercial Bank	-	-	-
Equity Bank - Etc.		-	-
Sub- Total		-	-
c) Current Account			
Co-operative Bank of Kenya Ltd	01141549138700	24,924,242	26,274
Sub- Total		24,924,242	26,274
d) Others(Specify)			
Cash In Transit		-	-
Cash In Hand		-	-
Sub- Total		-	-
Grand Total		24,924,242	26,274

13. Receivables from exchange transactions

Description	2023-2024	2022-2023
	Kshs	Kshs
Current Receivables		
Interest Receivable	368,406	-
Current Loan Repayments Due	-	-
Other Exchange Debtors-principal receivable in a year	21,529,871	
Less: Impairment Allowance	(-)	(-)
Total Current Receivables	21,898,277	
Non-Current Receivables		
Long Term Mortgage/ Loans receivable after a year	259,690,583	286,112,812
Total Non- Current Receivables	259,690,583	286,112,812

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Total Receivables From Exchange Transactions	281,588,860	286,112,812
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NOTE: the amount Kshs.368,406 this is interest that has been charged but has not been paid.

Additional disclosure on interest receivable

Description	2023-2024	2022-2023
	Kshs	Kshs
Interest Receivable	-	-
Interest receivable from current portion of long-term loans of previous years	-	-
Accrued interest receivable from of long-term loans of previous years	368,406	-
Interest receivable from current portion of long-term loans issued in the current year	-	-
Current loan repayments due	-	-
Current portion of long-term loans from previous years	-	-
Accrued principal from long-terms loans from previous periods	-	-
Current portion of long-term loans issued in the current year	-	-

14. Prepayments

Description	2023-2024	2022-2023
	Kshs	Kshs
Prepaid Rent	-	-
Prepaid Insurance	-	-
Prepaid Electricity Costs	-	-
Other Prepayments (Specify)	-	-
Total	-	-

15. Inventories

Description	2023-2024	2022-2023
	Kshs	Kshs
Consumable Stores	-	-
Spare Parts And Meters	-	-

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Catering	-	-
Other Inventories (Specify)	-	-
Total Inventories At The Lower Of Cost And Net Realizable Value	-	-

16. Investments in financial assets

Description	2023-2024	2022-2023
	Kshs	Kshs
a. Investment in Treasury bills and bonds		
Financial institution		
CBK	-	-
CBK	-	-
Sub- total	-	-
b. Investment with Financial Institutions/ Banks		
Bank x	-	-
Bank y	-	-
Sub- total	-	-
c. Equity investments (specify)		
Equity/ shares in Entity xxx	-	-
Sub- total	-	-
Grand total	-	-

d) Movement of Equity Investments

Impairment allowance/ provision	2023-2024	2022-2023
	Kshs	Kshs
At the beginning of the year	-	-
Purchase of investments in the year	-	-
Sale of investments during the year	-	-
Gain/(loss) in fair value of investments through surplus or deficit	-	-
At the end of the period	-	-

e) Shareholding in other entities

For investments in equity share listed above, list down the equity investments under the following categories:

Name of Entity where	No of shares	Nominal value of shares	Fair value of shares	Fair value of shares

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investment is held	Direct shareholding	Indirect shareholding	Effective shareholding		2023-2024	2022-2023
	%	%	%	Kshs	Kshs	Kshs
Entity A	-	-	-	-	-	-
Entity B	-	-	-	-	-	-
Entity C	-	-	-	-	-	-
	-	-	-	-	-	-

**Machakos County Assembly Housing and Car Loan Scheme Fund-Staff
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1 17. Property, plant and equipment

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs
At 1 st July 2020	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers/Adjustments	-	-	-	-	-
At 30 th June 2021	-	-	-	-	-
At 1 st July 2021					
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-
At 30 th June 2022	-	-	-	-	-
Depreciation And Impairment					
At 1 st July 2022	-	-	-	-	-
Depreciation	-	-	-	-	-
Impairment	-	-	-	-	-
At 30 th June 2023	-	-	-	-	-
At 1 st July 2023					
Depreciation	-	-	-	-	-
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-

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	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	Kshs	Kshs	Kshs	Kshs	Kshs
At 31 st March, 2024	-	-	-	-	-
Net Book Values					
At 30 th June, 2023	-	-	-	-	-
At 31 st March, 2024	-	-	-	-	-

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18. Intangible Assets

Description	2023-2024	2022-2023
	Kshs	Kshs
Cost		
At Beginning of The Year	-	-
Additions	-	-
At End of The Period	-	-
Amortization And Impairment		
At Beginning of The Year	-	-
Amortization	-	-
At End of The Period	-	-
Impairment Loss	-	-
At End of The Period	-	-
NBV	-	-

19. Investment Property

Description	2023-2024	2022-2023
	Kshs	Kshs
At beginning of the year	-	-
Additions	-	-
Disposal during the year	-	-
Depreciation	-	-
Impairment	-	-
Gain/(loss) in fair value (if fair value is elected)	-	-
At end of the period	-	-

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20. Trade and other payables from exchange transactions

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Trade Payables	-		-	
Refundable Deposits	-		-	
Accrued Expenses	-		-	
Other Payables-FBT	5,223,885		2,747,748	
Total Trade and Other Payables	5,223,885		2,747,748	
Ageing analysis (Trade and other payables)	2023-2024	% of the Total	2022-2023	% of the Total
Under one year	5,223,885	100%	2,747,748	100%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	5,223,885		2,747,748	

21. Provisions

Description	Leave provision	Bonus provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
Balance At the Beginning Of The Period (1.07.2023)	-	-	-	-
Additional Provisions	-	-	-	-
Provision Utilised	(-)	(-)	(-)	(-)
Change Due To Discount And Time Value For Money	(-)	(-)	(-)	(-)
Transfers From Non -Current Provisions	-	-	-	-
Balance At The End of The Period (31.12.2023)	-	-	-	-

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22. Borrowings

Description	2023-2024	2022-2023
	Kshs	Kshs
Balance At Beginning of The Period	-	-
External Borrowings During the Half	-	-
Domestic Borrowings During the Half	-	-
Repayments Of External Borrowings During the Period	-	-
Repayments Of Domestic Borrowings During the Period	-	-
Balance At End of The Period	-	-

The table below shows the classification of borrowings into external and domestic borrowings:

	2023-2024	2022-2023
	Kshs	Kshs
External Borrowings		
Dollar Denominated Loan From 'X Organisation'	-	-
Sterling Pound Denominated Loan From 'Y Organisation'	-	-
Euro Denominated Loan from Z Organisation'	-	-
Domestic Borrowings		
Kenya Shilling Loan From KCB	-	-
Kenya Shilling Loan from Barclays Bank	-	-
Kenya Shilling Loan from Consolidated Bank	-	-
Borrowings From Other Government Institutions	-	-
Total Balance at End Of The Period	-	-

The table below shows the classification of borrowings long-term and current borrowings:

Description	2023-2024	2022-2023
	Kshs	Kshs
Short Term Borrowings(Current Portion)	-	-
Long Term Borrowings	-	-
Total	-	-

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23. Employee benefit obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Provisions	2023-2024	2022-2023
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	-	-	-	-	-
Non-Current Benefit Obligation	-	-	-	-	-
Total	-	-	-	-	-

24. Social Benefit Liabilities

Description	2023-2024	2022-2023
	Kshs	Kshs
Health social benefit scheme	-	-
Unemployment social benefit scheme	-	-
Orphaned and vulnerable benefit scheme	-	-
Elderly social benefit scheme	-	-
Bursary social benefits	-	-
Total	-	-
Current social benefits	-	-
Non-current social benefits	-	-
Total (tie to totals above)	-	-

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25. Cash generated from operations

	2023-2024	2022-2023
	Kshs	Kshs
Surplus/ (Deficit) For the Period Before Tax	(1,102,121)	6,760,794
Adjusted For:		
Depreciation	-	-
Amortisation	-	-
Gains/ Losses On Disposal Of Assets	-	-
Interest Income Receivable	(368,406)	-
Finance Cost	-	-
Working Capital Adjustments		
Increase In Inventory	(-)	(-)
Increase In Receivables	-	(7,220,462)
Increase In Payables	2,476,137	-
Net Cash Flow From Operating Activities	1,005,610	(459,668)

26. 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) The Parent County Government Ministry;
- c) Key management;
- d) Board of Trustees; etc.

b) Related party transactions

	2023-2024	2022-2023
Description	Kshs	Kshs
Transfers From Related Parties'		
Transfers To Related Parties	58,209,076	56,146,070

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c) Key management remuneration

Description	2023- 2024	2022-2023
	Kshs	Kshs
Board Of Trustees	-	-
Key Management Compensation	-	-
Total	-	-

d) Due from related parties

Description	2023- 2024	2022-2023
	Kshs	Kshs
Due From Parent Ministry		
Due From County Government		
Due From Key Management Personnel	58,209,076	56,146,070
Total	58,209,076	56,146,070

e) Due to related parties

Description	2023- 2024	2022-2023
	Kshs	Kshs
Due To Parent Ministry	-	-
Due To County Government	-	-
Due To Key Management Personnel	-	-
Total	-	-

27. Contingent assets and contingent liabilities

Contingent Liabilities	2023- 2024	2022-2023
	Kshs	Kshs
Court Case Against The Fund	-	-
Bank Guarantees	-	-
Total	-	-

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28. 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:

	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impai red Kshs
At 30th June 2024				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	281,220,454	281,220,454	368,406	-
Bank Balances	24,924,242	24,924,242	-	-
Total	306,144,696	306,144,696	368,406	-
At 30 June 2023				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non Exchange Transactions	286,112,812	286,112,812	-	-
Bank Balances	26,274	26,274	-	-
Total	286,139,086	286,139,086	-	-

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The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The entity has significant concentration of credit risk on amounts due from the late former Clerk.

The Loan Management Committee 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.

	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30th June 2024				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-
At 30 June 2023				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-

c) Market risk

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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:

		Other currencies	Total
	Kshs	Kshs	Kshs
At 30th June 2024			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors/ Receivables			
Liabilities			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

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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
2023			
Euro	10%	-	-
USD	10%	-	-
2022			
Euro	10%	-	-
USD	10%	-	-

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

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.

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d) 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:

	2022-2023	2021-2022
	Kshs	Kshs
Revaluation reserve	-	-
Revolving fund	254,000,000	254,000,000
Accumulated surplus	25,378,292	18,869,856
Total funds	279,378,292	272,869,856
Total borrowings	-	-
Less: cash and bank balances	26,274	485,943
Net debt/(excess cash and cash equivalents)	-	-
Gearing	-	-

29. Events after the reporting period

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

30. Ultimate and Holding Entity

The entity is a County Public Fund established by Machakos County Assembly Service (Mortgage and Car Loan Scheme Fund) Regulations, 2018 under the County Assembly of Machakos. Its ultimate parent is the County Government of Machakos.

31. 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. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

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	Misstatement of current and long term portions of receivables from exchange transactions	The fund did not have short term receivable in the year of audit.	Resolved	September 2024
2	Irregular award of loan	Loan was awarded using guidelines from SRC, Security is in the name of the applicant and charged in favour of the County assembly.	Not Resolved	December 2025

The Administrator of the Fund

Signature: 

Date: 11/12/2024

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ANNEX II: INTER-FUND CONFIRMATION LETTER

**REPUBLIC OF KENYA
COUNTY GOVERNMENT OF MACHAKOS
COUNTY ASSEMBLY OF MACHAKOS**



County Hall

Along Mwatu wa Ngoma Rd
P.O BOX 1168-90100
MACHAKOS



Email: assemblymks@gmail.com

OFFICE OF THE CLERK

The County Assembly of Machakos Housing wishes to confirm the amounts disbursed to you as at 30th June, 2024 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by Machakos County Assembly Housing and Car Loan Scheme Fund as at 30th June 2024

Reference Number	Date Disbursed	Amounts Disbursed by County Assembly of Machakos as at 30 th June 2024				Amount Received by Machakos County Assembly Housing and Car Loan Scheme Fund (KShs.) as at 30 th June 2024 (E)	Differences (KSh) (F)=(D)-(E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
FT24151R95GS	30/5/24	8,000,000			8,000,000	8,000,000	-
FT24169DMDDP	17/6/24	8,000,000			8,000,000	8,000,000	-
FT24184GXBMJ	2/7/24	3,000,000			3,000,000	3,000,000	-
Total		19,000,000			19,000,000	19,000,000	-

In confirm that the amounts shown above are correct as of the date indicated.

The Administrator of the Fund:

Name: Denis Musyoka Mutui

Sign:  Date: 11/12/2024

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ANNEX III: TRIAL BALANCE AS AT 30TH JUNE, 2024

DETAILS	DR	CR
Other Income – Interest		8,437,667
Interest Receivable		
Fringe Benefit Tax	9,055,393	
Bank Charges	32,107	
Insurance Recoveries		380,193
Bank Balance	24,924,242	
Outstanding Loans	281,220,454	
Receivables- Loan Recoveries Interest	368,406	
Insurance Cover	832,281	
IPPD charges	200	
Payables-FBT Due		5,223,885
Revolving fund		273,000,000
Accumulated Fund Surplus Balance B/fwd		29,391,338
	316,433,083	316,433,083

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ANNEX IV: LOAN BALANCES AND INTEREST AS AT 30TH JUNE, 2024

SNO.	NAME OF BORROWER	INTEREST AS AT JUNE 2024	RECEIVABLE IN ONE YEAR	RECEIVABLE AFTER ONE YEAR	PRINCIPLE OUTSTANDING AS AT JUNE 2024
		KSH.			KSH.
1	Margaret Wania	104,031	167,110	3,212,344	3,379,454
2	Hilary Muthui	206,551	528,732	6,077,095	6,605,827
3	Mbiuki F.G,	442,649	902,837	13,833,398	14,736,235
4	Ruth Mwikali Mwaniki	171,823	725,224	4,619,228	5,344,452
5	Kavita Mutuku	78,188	847,637	1,310,991	2,158,628
6	Judy M Mulinge	211,725	446,008	6,375,978	6,821,985
7	Mathew Muange	86,179	1,006,107	1,335,230	2,341,337
8	J.L. Mutisya	199,946	566,497	5,815,264	6,381,761
9	Judith Murugi	178,228	375,310	5,367,435	5,742,745
10	Monica Musyoka	212,430	437,813	6,411,990	6,849,804
11	Susan Kanini Caroline	231,003	485,075	6,958,865	7,443,941
12	Dalmas Masila	214,422	464,819	6,437,120	6,901,938
13	Loise M Kithuka	118,740	312,365	3,480,672	3,793,037
14	Mary Luiza Kamau	318,073	670,911	9,577,210	10,248,122
15	Sarah Mwikali Mwanika	277,625	567,486	8,386,988	8,954,474
16	Ann Wanja Festus	39,141	74,663	1,190,607	1,265,270
17	Lynette Kanini Kiburu	59,309	299,364	1,519,514	1,818,878
18	Dominic Mutuku Musyoka	260,329	621,624	7,727,730	8,349,355

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19	Ruth N Mutunga	70,312	237,700	1,980,521	2,218,221
20	Rosemary Mueni Muasya	112,033	200,015	3,428,805	3,628,819
21	Susan Mukulu Kiluva	85,243	152,181	2,608,899	2,761,079
22	Joel Kiptum	97,024	550,164	2,393,433	2,943,597
23	Paul keli Wambua Kilungu	120,836	515,661	3,239,908	3,755,569
24	Norah Mutio Muteti	238,181	417,239	7,301,795	7,719,034
25	Harrison Mutinda Mulonzi	141,042	363,859	4,145,391	4,509,249
26	Cynthia Mwikali Watuka	151,062	359,498	6,217,126	6,576,624
27	Dennis Mwanza Ndunda	57,698	98,275	1,773,104	1,871,378
28	Luke Nthenge Maingi	51,308	206,018	1,395,443	1,601,461
29	Faith Mutindi Peter	114,517	190,593	3,525,997	3,716,590
30	Evelyne Mumbua Kyalo	185,891	278,324	5,771,070	6,049,395
31	Carolyn Kalekye Mutuku	119,739	218,845	3,656,897	3,875,742
32	Peter Muema Mbatha	141,761	842,792	3,437,521	4,280,313
33	Stellamaris Mueni wambua	100,916	280,318	2,935,523	3,215,841
34	Dorcas Njoki Mbithi	152,832	246,706	4,717,409	4,964,116
35	Mercy Kavindu Maithya	65,019	104,444	2,007,715	2,112,159
36	Evelyne Munyiva Kimote	72,079	711,079	1,316,031	2,027,111
37	Nancy Wambui Wangai	305,051	538,460	9,345,549	9,884,008
38	Peñinah Mutindi Mutuku	121,483	187,558	3,762,823	3,950,381
39	David Musyoki Mutua	55,882	86,433	1,730,653	1,817,086
40	Norah Kathoki Mwendwa	201,468	299,369	6,258,127	6,557,496
41	Emmah Nthenya Kasuva	178,211	276,333	5,518,120	5,794,453

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42	Theresia Ngina Muinde	75,117	301,795	2,042,743	2,344,538
43	Christopher Nzimbi Kiilu	88,068	208,894	2,616,391	2,825,286
44	Hildar Ndunge Jacob	145,194	213,846	4,513,042	4,726,888
45	Florence Mutindi Musyoka	114,449	184,106	3,940,487	4,124,592
46	Patrick Sila Muindi	94,275	244,529	3,345,630	3,590,159
47	Stephen Mutunga Kasui	36,803	161,488	980,003	1,141,490
48	Lewis Muoki Mwanzia	154,077	250,800	5,468,336	5,719,136
49	Brian Nzioka Muthusi	27,501	288,586	2,684,490	2,973,076
50	Shedrack Wambua Mulumba	88,002	161,938	2,685,961	2,847,899
51	Judith Syombua Nzuki	70,398	227,860	2,280,389	2,508,248
52	Lenny Matu Kisese	70,437	98,861	2,196,836	2,295,697
53	Sammy Muteti Sambulu	88,743	197,940	2,657,093	2,855,033
54	Doreen Munyiva Muia	67,601	94,933	2,108,313	2,203,246
55	Teddy Kieti Mue	113,153	157,710	3,530,781	3,688,492
56	Benjamin Mbatha Muinde	38,361	159,883	1,034,370	1,194,253
57	Veronicah Ngina Muiso	45,385	62,961	1,416,637	1,479,598
58	Justus Mutuku Musuma	58,742	178,482	1,738,291	1,916,772
59	Meshack Kitua Muteta	48,222	66,901	1,505,163	1,572,064
60	Samuel Mutua Kinoi	98,657	138,359	3,077,152	3,215,511
61	Faith Mwendu Kilonzo	85,098	118,042	2,656,223	2,774,266
62	Francis Mutua Mwatha	191,832	409,592	8,796,053	9,205,645
63	Felister Mutindi Makau	99,299	137,698	3,099,552	3,237,250
64	Mary Nzembi Philiph	66,946	98,375	2,213,315	2,311,690

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65	Jacinta Mwikali David	63,666	94,374	2,127,257	2,221,631
66	Irene Mathei Musili	42,247	69,317	1,324,110	1,393,428
67	Mercy Mbula Ndambuki	15,408	-	-	-
68	Mary Ndila	-	107,487	598,266	705,753
69	Patrick Muange Kitheka	-	233,670	948,181	1,181,851
	TOTAL	8,437,667	21,529,871	259,690,584	281,220,454

ANNEX V: INSURANCE

SNO	CLIENT NAME	KSH.
1	Margaret Wania	12,019
2	Hilary Muthui	7,911
3	Ruth Mwikali Mwaniki	6,513
4	Kavita Mutuku	2,844
5	Judy M Mulinge	8,130
6	Mathew Muange	3,117
7	J.L. Mutisya	23,150
8	Susan Kanini Caroline	8,871
9	Dalmas Masila	24,689
10	Loise M Kithuka	4,545
11	Mary Luiza Kamau	12,213
12	Sarah Mwikali Mwanika	27,365
13	Ann Wanja Festus	2,700
14	Lynette Kanini Kiburu	2,700
15	Dominic Mutuku Musyoka	9,978
16	Ruth N Mutunga	2,700
17	Rosemary Mueni Muasya	4,311
18	Susan Mukulu Kiluva	3,282
19	Joel Kiptum	3,645
20	Paul keli Wambua Kilungu	4,581
21	Norah Mutio Muteti	9,165
22	Harrison Mutinda Mulonzi	5,400
23	Cynthia Mwikali Watuka	6,222
24	Dennis Mwanza Ndunda	2,700
25	Luke Nthenge Maingi	2,700

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36	Emmah Nthenya Kasuva	6,867.00
37	Theresia Ngina Muinde	3,000.00
38	Christopher Nzimbi Kiilu	3,378.00
39	Hildar Ndunge Jacob	5,598.00
40	Florence Mutindi Musyoka	4,512.00
41	Patrick Sila Muindi	3,630.00
42	Stephen Mutunga Kasui	2,700.00
43	Lewis Muoki Mwanzia	5,940.00
44	Brian Nzioka Muthusi	1,800.00
45	Shedrack Wambua Mulumba	3,387.00
46	Judith Syombua Nzuki	8,144.00
47	Lenny Matu Kisese	2,718.00
48	Sammy Muteti Sambulu	3,408.00
49	Doreen Munyiva Muia	2,607.00
50	Teddy Kieti Mue	4,365.00
51	Benjamin Mbatha Muinde	6,163.00
52	Veronicah Ngina Muiso	5,251.00
53	Justus Mutuku Musuma	2,307.00
54	Meshack Kitua Muteta	1,860.00
55	Samuel Mutua Kinoi	3,807.00
56	Faith Mwendu Kilonzo	3,282.00
57	Francis Mutua Mwatha	9,696.00
58	Felister Mutindi Makau	3,831.00
59	Mary Nzembi Philip	8,204.00
60	Jacinta Mwikali David	2,628.00
61	Irene Mathei Musili	4,867.00
62	Mercy Mbula Ndambuki	1,316.00
	Total	380,193.00

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ANNEX VI: FRINGE BENEFIT TAX

Paid Ksh. 3,831,507.44
Accrued Ksh.5,223,884.76
Total Ksh. 9,055,392.20

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**ANNEX VII: LOAN
DISBURSEMENTS**

DATE	ITEM	DISBURSEMENTS'KSH'
14-Jul-23	Irene Mathei mortgage	20,000.00
22-Feb-24	Irene Mathei mortgage	22,125.00
23-Feb-24	Refund to SBM Rep for July 2023	83,276.00
19-Jun-24	Judith Nzuki mortgage	213,861.00
8-Aug-23	Justus Musuma Mortgage	319,046.00
30-Apr-24	Florence Musyoka Mortgage	319,445.00
19-Jun-24	Patrick Sila Muindi Mortgage	530,979.00
21-Sep-23	Mary Nzembi Mortgage	531,009.00
21-Sep-23	Florence Musyoka Mortgage	580,000.00
22-Sep-23	Jacinta David Mortgage	600,001.00
8-Aug-23	Francis Mwatha Mortgage	676,975.00
19-Jun-24	Lewis Muoki Mortgage	700,000.00
19-Jun-24	Mary Ndila Mortgage	705,753.00
21-Sep-23	Francis Mwatha Mortgage	820,000.00
26-Jan-24	Francis Mwatha Mortgage	1,000,000.00
30-Apr-24	Francis Mwatha Mortgage	1,000,000.00
19-Oct-23	Cynthia Watuka Mortgage	1,142,259.00
19-Oct-23	Francis Mwatha Mortgage	1,180,000.00
19-Jun-24	Patrick Muange Kitheka Mortgage	1,181,851.00
15-Mar-24	Francis Mwatha Mortgage	1,243,025.00
19-Jun-24	Cynthia Watuka Mortgage	1,374,750.00
19-Jun-24	Brian Muthusi Mortgage	3,000,000.00
	Total	17,244,355.00

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ANNEX VIII : PROCEEDS FROM PRINCIPAL LOAN REPAYMENTS

DATE	ITEM	PRINCIPAL REPAYMENTS
10-Jul-23	FG Loan Repayment	74,861.64
18-Jul-23	Mercy Mbula Ndambuki Repayment	900,000.00
10-Aug-23	FG Loan Repayment	75,048.79
16-Aug-23	July Mortgage loan Recoveries	1,725,601.13
27-Sep-23	August loan Recoveries	1,648,831.45
17-Oct-23	September 2023 Loan Recoveries	1,656,357.47
21-Nov-23	October 2023 Mortgage Recoveries	1,654,170.84
20-Dec-23	November 2023 Mortgage Recoveries	1,652,500.62
12-Jan-24	J.L Loan Repayment Jan 2024	46,001.13
24-Jan-24	December 2023 Mortgage Recoveries	1,622,449.86
13-Feb-24	J.L Loan Repayment Feb 2024	46,116.13
14-Feb-24	January 2024 Mortgage Recoveries	1,614,698.87
11-Mar-24	J.L Loan Repayment Mar 2024	46,231.42
14-Mar-24	February 2024 Mortgage Recoveries	1,616,235.62
12-Apr-24	J. L Mortgage Repayment, Apr 2024	46,347.00
3-May-24	March 2024 Mortgage Recoveries	1,620,220.89
13-May-24	J. L Mortgage Repayment, May 2024	46,462.87
22-May-24	April 2024 Mortgage Recoveries	1,621,163.88
1-Jun-24	Brian Muthusi Mortgage Repayment, May 2024	850,476.35
10-Jun-24	J. L Mortgage Repayment, June 2024	46,629.03
14-Jun-24	May 2024 Mortgage Recoveries	1,624,111.83
20-Jun-24	Mercy Mbula Ndambuki Repayment	273,142.70
28-Jun-24	June 2024 Mortgage Recoveries	1,628,853.43
		<hr/> <hr/> 22,136,512.94

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ANNEX IX: PROCEEDS FROM REVOLVING FUND

DATE	ITEM	AMOUNT 'KSH'
30-May-24	Machakos County-Treasury receipts	8,000,000.00
17-Jun-24	Machakos County-Treasury receipts	8,000,000.00
2-Jul-24	Machakos County-Treasury receipts	<u>3,000,000.00</u>
	Total	<u>19,000,000.00</u>

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ANNEX X: INTEREST INCOME

Interest Received	Ksh. 8,069,260.65
Interest Receivable	Ksh.368,405.87
Total Interest	Ksh.8,437,666.52