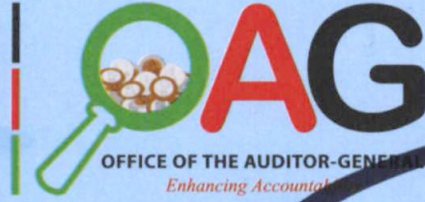


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REPORT

OF

THE AUDITOR-GENERAL

ON

COUNTY ASSEMBLY OF KIAMBU

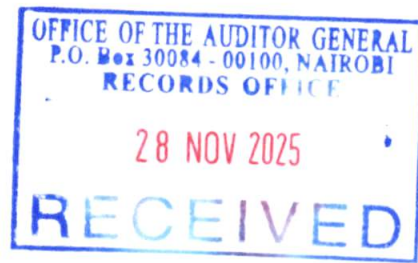
FOR THE YEAR ENDED

30 JUNE, 2025

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COMMITTEE	
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**COUNTY ASSEMBLY OF KIAMBU**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2025**

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**Transitional Financial Statements**

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# County Assembly of Kiambu

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

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### 1. Acronyms, Abbreviations and Definition of Key Terms

#### A. Acronyms and Abbreviations

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

#### B. Definition of Key Terms

*Example*

*Fiduciary Management*      *The key management personnel who had financial responsibility*

*(This list is an indication of acronyms, abbreviations, and key terms; the County entity should include all from the annual report and financial statements prepared)*

**County Assembly of Kiambu  
Annual Report and Financial Statements for the year ended June 30, 2025**

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**2. Key Entity Information and Management**

**(a) Background information**

The County Assembly is constituted as per article 177 of the Constitution of Kenya 2010. It is headed by the Speaker of the County Assembly, who is responsible for the general policy and strategic direction of the Assembly. The County Assembly constitutes 86 Members of County Assembly (MCAs) elected/ nominated to represent members of the public from their respective wards. The MCAs are responsible for making laws for effective performance of the County Government, approving plans and policies, and playing the oversight role over the County Executive.

**(b) Key Management Team**

The County Assembly of Kiambu day-to-day management is under the following key organs:

No.	Designation	Name
1.	Speaker of the County Assembly	Hon. Charles Murungaru Thiong'o
2.	Clerk of the County Assembly	Mr. John Mwivithi Mutie
3.	Deputy Clerk and Director Legislative and Procedural services	Mr. David Kirigi Ngure

**(c) Fiduciary Management**

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

No.	Designation	Name
1.	Accounting Officer- Clerk	Mr. John Mwivithi Mutie
2.	Deputy Clerk and Director Legislative and Procedural services	Mr. David Kirigi Ngure
3.	Director of Finance and Accounts	Ms. Sarah Felicity Nkatha Kiruki
4.	Director of Procurement	Mr. James Mbugua Kamau
5.	Director Committee services	Mr. Vincent Karumba Mwangi
6.	Director Human Resource	Mr. James Githu Muiruri
7.	Director Internal Audit	Mr. Flavian Kung'u Gatimu

**County Assembly of Kiambu**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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**a) Fiduciary Oversight Arrangements**

**Audit committee activities**

The primary purpose of the Assembly's audit committee is to provide oversight of the financial reporting process, the audit process, the company's system of internal controls and compliance with laws and regulations.

The purpose of the audit committee is to provide assistance to the accounting officer or governing body.

An audit committee can involve all or a combination of the following duties and responsibilities:

- a. Obtain assurance from management that all financial and non-financial internal control and risk management functions are operating effectively and reliably.
- b. Provide an independent review of the Assembly reporting functions to ensure the integrity of financial reports.
- c. Monitor the effectiveness of the Assembly performance management and performance information.
- d. Provide strong and effective oversight of the Assembly internal audit function.
- e. Provide oversight of the implementation of accepted audit recommendations.
- f. Ensure the Assembly effectively monitors compliance with legislative and regulatory requirements and promotes a culture committed to lawful and ethical behaviour.

**MANDATE**

- a) The audit committee should drive the assessment of the performance of the internal audit department.
- b) Examine internal and external audit reports and recommendations after management response to ensure action is taken.
- c) There should be in place adequate mechanisms of enabling the audit committee facilitate adequate disposal of all Public Accounts Committee and Public Investment Committee recommendations. This is done by following up to ensure positive action is taken.
- d) The audit committee is responsible for communicating with the internal and external auditors. In its overseeing role, the committee should focus on:
  - (i) Changing financial reporting requirement;
  - (ii) Audit findings, including comments, risk and controls;

(iii) Proposed audit scope and audit coverage and approaches with respect to complex, high risks, and judgment areas:

(iv) Management response to specific audit recommendations.

### **RESPONSIBILITIES OF THE AUDIT COMMITTEE**

The Audit Committee will carry out the following responsibilities:

#### **Corporate Governance**

Provide support to the County Assembly Service Board in reviewing the effectiveness of County Assembly of Kiambu processes of corporate governance to ensure that:

- a) Promoting appropriate ethics and values within the organization.
- b) Ensuring effective organizational performance management and accountability.
- c) Laid down policies and procedures are followed.
- d) Assembly resources are used efficiently, responsibly, economically and accountably.
- e) Planned missions are accomplished within approved budgets, efficiently and effectively.
- f) The Assembly policies and practices are in harmony with regulatory requirements.
- g) The arrangements by which staff of the Assembly or any other person may, in confidence, raise concerns about possible improprieties in matters of financial reporting or any other matters are in place.

#### **Financial Statements**

- a) The audit committee should review, and report to the board and executive management on, the significant financial reporting issues and judgments made in connection with the preparation of the Assembly's financial statements.
- b) The audit committee should consider significant accounting policies, any changes to them and any significant estimates and judgments.
- c) The audit committee should review the clarity and completeness of disclosures in the financial statements and consider whether the disclosures made are set properly in context.

**County Assembly of Kiambu**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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- d) The audit committee should review related information presented with the financial statements, including the business review, and corporate governance statements relating to the audit and to risk management.
- e) Review the Annual Financial statements, consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
- f) Integrity of financial statements

**Internal Control and Risk Management**

- a) The audit committee should review the effectiveness of the Assembly internal financial controls (that is, the systems established to identify, assess, manage and monitor financial risks).
- b) The audit committee should review the statements included in the annual report in relation to internal controls and the management of risk.
- c) Review of Internal Controls over financial reporting, and obtain reports on significant findings and recommendations, together with management responses.
- d) Ensure the Assembly has measures for safeguarding its assets and ensuring economic and efficient utilization of resources.
- e) Ensuring the Assembly has appropriate strategies and systems for the accomplishment of established objectives and goals for operations and programs
- f) Review the effectiveness of risk management framework and policies and controls developed by Management for enterprise risk management.

**Reporting Responsibilities**

- a) Report on a quarterly basis to the County Assembly Service Board on the Committee's activities, issues and related recommendations that arise within the scope of its oversight responsibility.
- b) Review any other reports on the County Assembly issues that relate to Committee responsibilities.

**County Assembly of Kiambu  
Annual Report and Financial Statements for the year ended June 30, 2025**

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- c) Prepare an annual report to the County Assembly Service Board summarizing performance and achievement for the previous year, and interim programme for the planned activities for the next year is also to be provided.
- d) Circulate Minutes of the committee meetings to the Assembly Clerk.

**Other Responsibilities**

- a) Perform other activities related to this charter as requested by the County Assembly Service Board
- b) Institute and oversee special investigations as need arises.
- c) Review and assess the adequacy of the committee charter annually, requesting County Assembly Service Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.

Evaluate the committee's and individual members' performance on a regular basis.

**FINANCE AND ECONOMIC PLANNING COMMITTEE**

The Sectoral Committee on Finance and Economic Planning is established pursuant to the provisions of County Assembly of Kiambu Standing Orders 225. Pursuant to the provisions of the County Assembly of Kiambu Standing Order No. 225(1) and in accordance with the provisions of the Standing Order 225(5), which mandates the Committees to: *“investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments”*.

The Finance and Economic Planning Committee was established on 13<sup>th</sup> October, 2023 pursuant to the provisions of Standing Order 225 of the County Assembly of Kiambu Standing Orders. The Committee was later reconstituted on 24<sup>th</sup> June, 2023.

The following are the oversight activities that the Finance and Economic Planning Committee conducted up until the close of the Financial Year ended 30<sup>th</sup> June, 2025:

- i. Considered and adopted report of the Committee on County Annual Development Plan 2025/26 for the Finance and Economic Planning Department;
- ii. Considered and adopted report of the Committee on Finance Bill, 2024;
- iii. Considered and adopted the report on the Supplementary Budget Estimates I and II for the FY 2024/2025 for the Finance and Economic Planning Department;

**County Assembly of Kiambu**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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- iv. Considered and adopted the report on County Fiscal Strategy Paper (CFSP) for the FY 2025/2026 for Finance and Economic Planning Department;
- v. Considered and adopted the Budget Estimates report of the Committee for FY 2025/2026 for the Finance and Economic Planning Department;

The Committee further executed other tasks under its mandate which are as follows:

**a. County Fiscal Strategy Paper (CFSP) 2025**

The Committee on Finance and Economic Planning successfully considered and compiled the County Fiscal Strategy Paper (CFSP) report for the Financial, ICT and Economic Planning Department (FY 2025).

**b. Interrogation of Kiambu County Budget Estimates FY 2025/2026**

The Finance and Economic Planning Committee successfully scrutinized and compiled the County Budget Estimates report for the Finance, ICT and Economic Planning Department (FY 2025/2026).

**c. Interrogation of Kiambu County Supplementary Budget I and II Estimates FY 2024/2025**

The Committee on Finance and Economic Planning successfully scrutinized and compiled the County Supplementary Budget Estimates report for the Finance, ICT and Economic planning Department (FY 2024/25).

**d. Consideration of Statements**

During the period under review, no statement was referred to the Committee for consideration. The Committee therefore urge the Members of the Assembly to seek for statement on the management of the department that is key to the realization of the own source revenues.

**e. Consideration of Petitions**

During this period under review, the Committee did not consider any formal petition, however it received complaints from the traders on over payment of fees/charges that it conclusively resolved in consultation with the line department.

**f. Consideration of Bills**

During this period, the Committee considered the Finance Bill 2025.

**BUDGET AND APPROPRIATIONS COMMITTEE**

The Budget and Appropriations Committee (BAC) oversees the Department of Finance and Economic Planning which is the Executive Authority for the County Treasury. The County Treasury is

established pursuant to Section 103 of the PFM Act, 2012. The County Executive Committee Member (CECM) for Finance shall be the head of the County Treasury. Subject to the Constitution of Kenya, 2010 read together with Sections 104 and 105 of the PFMA, 2012; the County Treasury “shall monitor, evaluate, and oversee the management of public finances and economic affairs of the County Government.”

The Budget and Appropriations Committee is established pursuant to Standing Order 221 whose mandate is to investigate, inquire into and report on all matters related to:

- (a) coordination, control and monitoring of the county budget;
- (b) discussing and reviewing the estimates and make recommendations to the Assembly;
- (c) examining the County Fiscal Strategy Paper presented to the Assembly;
- (d) examining Bills related to the County budget, including Appropriation Bills; and,
- (e) Consideration of the reports of the Controller of Budget on the implementation of the annual county budget.

The committee reviewed and adopted its respective work plans; successfully considered the CIDP, ADPS, CBROPS and County Fiscal Strategy Papers; engaged the County Treasury when scrutinizing the Estimates of Revenue and Expenditure, Supplementary Estimates, legislative proposals, amongst others.

Pursuant to Section 21 of the County Governments Act, 2012 and Standing Order 142 (3), the Committee discussed and considered several legislative proposals and forwarded its advisory opinion/recommendations to the Speaker as follows:

1. Kiambu County Early Childhood Development & Educational Legislative Proposal, 2025.
2. Kiambu County Betting, Lotteries and Gaming Legislative Proposal, 2024.
3. Kiambu County Transport and Parking Legislative Proposal, 2024.
4. Kiambu County Sanitary Towels Legislative Proposal, 2025.
5. Kiambu County Investment Corporation Legislative Proposal, 2024.

### **Interrogation of Kiambu County Estimates of Revenue and Expenditure**

The Committee further considered and executed the following tasks under its mandate pursuant to the Public Finance Management Act, 2012 and the Regulations of the Public Finance Management (County Government) Regulations, 2015 and Standing Orders:

- i. Consider the circular issued with guidelines for the FY 2024/2025;
- ii. Consider and approve the 2025 ADP;
- iii. Consider of the 2025 CBROP;
- iv. Consider and approve the 2025 CFSP;
- v. Consider and approve the Estimates of Revenue and Expenditure FY 2025/2026;
- vi. Consider and approve the Kiambu County Appropriations Bill, 2025;
- vii. Consider and approve Supplementary No. 1 and 2 Budget Estimates FY 2024/2025;
- viii. Consider and approve the Kiambu County Supplementary No. 1 and 2 Appropriations Bills;
- ix. Consider implementation review reports for quarters 1, 2 & 3- FY 2024/2025;

**County Assembly of Kiambu**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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- x. Consider financial and non-financial reports Kiambu County Revenue Fund for Q1-3, FY 2024/2025:

**PUBLIC INVESTMENTS ACCOUNTS COMMITTEE (PIAC)**

The Public Investments and Accounts Committee is a Select Committee that was constituted by the Assembly on 12<sup>th</sup> October 2022 pursuant to Standing Order 220 of the County Assembly of Kiambu Standing Orders and is responsible for the examination of the working of public investments.

The Committee is mandated to do the following: -

- a) Examination of accounts showing the appropriations of the sum voted by the County Assembly to meet the public expenditure and of such other accounts laid before the County Assembly as the Committee may think fit.*
- b) Examination of the reports, accounts and workings of the County public investments;*
- c) The examination, in context of the autonomy and efficiency of the public investments, whether the affairs of the public investments are being managed in accordance with sound financial or business principles and prudent commercial practices.*

The Committee shall however not examine the following: -

- a) Matters of major Government policy as distinct from business or commercial functions of the public investments;*
- b) Matters of day-to-day administration; and*
- c) Matters for the consideration of which machinery is established by any special statute under which a particular public investment is established.*

The Committee has considered the following reports from the Auditor General:

**Audit Reports Examined**

In line with its mandate and the adopted workplan, the Committee examined thirteen (13) audit reports for financial years 2022/23 and also 2019-2021. The Committee also considered and tabled a total of twenty-four (24) reports of Kikuyu, Kiambu, Limuru, Karuri, Githunguri, Gatundu, Thika and Ruiru Juja Water Companies for the FYs 2018/19-20220/21. They have been debated, adopted by the Assembly and transmitted to the implementing authorities.

The Committee is in the process of adopting twenty-nine (29) draft reports compiled in during that period.

**County Assembly of Kiambu**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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In line with its mandate and approved work plan, the Committee has considered a total of twelve (12) audit reports covering three reports from each of the following water companies: Thika, Ruiru Juja, Kiambu and Kikuyu. As such the inherited backlog has reduced to 48 unconsidered reports.

Further the Committee underlisted Reports of the Auditor General on:

- 1) Alcoholic Drinks Control Fund audit years 2019-2021
- 2) Kikuyu, Thika, Ruiru -Juja Limuru, Karuri and Gatundu Water Companies for audit years 2022& 2023:
- 3) Receiver of Revenue Statements FY 2022/23,;
- 4) County Government of Kiambu FY 2022/23;
- 5) County Assembly of Kiambu FY 2022/23;
- 6) Kiambu County Assembly Staff Mortgage Fund FY 2022/23;
- 7) Kiambu Level 5 Hospital for the 2022, 2023 & 2024;
- 8) Thika Level 4 hospital for the years 2022,2023 & 2024- 3

**b) County Assembly Headquarters**

P.O. Box 1492-00900  
Kiambu County Assembly Buildings  
**KIAMBU, KENYA**

**c) County Assembly Contacts**

Telephone: (254) 0675860000  
E-mail: [info@kiambuassembly.go.ke](mailto:info@kiambuassembly.go.ke)  
Website: [www.kiambuassembly.go.ke](http://www.kiambuassembly.go.ke)

**d) County Assembly Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
**NAIROBI, KENYA**
2. Co-operative Bank of Kenya  
P.O. Box 1064-00900  
**KIAMBU, KENYA**

**County Assembly of Kiambu  
Annual Report and Financial Statements for the year ended June 30, 2025**

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**e) Independent Auditor**

Auditor-General  
Office of The Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
**NAIROBI, KENYA**

**f) Principal Legal Adviser**

The Attorney General  
State Law Office and Department of Justice  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
**NAIROBI, KENYA**

**g) County Attorney**

The County Attorney  
Red Nova Building, 2nd Floor  
Kiambu Road  
P.O. Box 2344-00900  
**KIAMBU, KENYA**

**3. Governance Statement**

**a. Background and roles**

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

- a) The Speaker of the County Assembly.
- b) The leader of the majority party; and
- c) The leader of the minority party.

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



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

**County Assembly of Kiambu  
Annual Report and Financial Statements for the year ended June 30, 2025**

**b. Profiles**

NAME	DETAILS OF QUALIFICATIONS AND EXPERIENCE
 <p><b>Hon. Charles Murungaru Thiongo</b></p>	<p><b>Chairman, County Assembly Service Board.</b></p> <p>Hon. Charles Murungaru Thiongo is the Speaker of the County Assembly of Kiambu and the chairman of the County Assembly Service Board of Kiambu. He holds a Master of Laws (LL.M) Degree from the University of Nairobi and a Bachelor of Laws (LL. B) Degree from the same University. He also holds a Post-graduate Diploma in Law from the Kenya School of Law and is a practicing Advocate of the High Court of Kenya. He is a member of the Law Society of Kenya (LSK) and the East African Law Society (EALS). He has vast experience in the corporate world spanning over twelve (12) years in top management positions in various corporate organizations. In his legal practice, he has specialized in corporate/commercial law and governance, finance and tax law, energy and extractives and arbitration, conveyancing, and business restructuring. He has interest in strategic management and leadership, corporate governance, and regulatory compliance and has undertaken professional courses in this area.</p>
 <p><b>Hon. Godfrey Waiyaki Mucheke</b></p>	<p><b>Majority Leader, County Assembly of Kiambu.</b></p> <p>Hon. Godfrey Waiyaki Mucheke is the Majority Leader of the Kiambu County Assembly, representing the United Democratic Alliance (UDA). He is currently serving his second term as a Member of the County Assembly. He holds a Bachelor of Science in Occupational Health from Kenyatta University.</p>

**County Assembly of Kiambu  
Annual Report and Financial Statements for the year ended June 30, 2025**

NAME	DETAILS OF QUALIFICATIONS AND EXPERIENCE
 <p><b>Hon. Joe Githui Kigara</b></p>	<p><b>Minority Leader, County Assembly of Kiambu</b></p> <p>Hon. Joe Githui Kigara is the Minority Leader of the Kiambu County Assembly, representing the Jubilee Party. He is currently serving his first term in office. He holds a Bachelor of Science in Business Administration from the University of Northern Virginia.</p>
 <p><b>Mr. John Mwivithi Mutie</b></p>	<p><b>Clerk, County Assembly of Kiambu and Secretary to the County Assembly Service Board</b></p> <p>DoB: 29th September, 1970</p> <p>He is the Clerk of the County Assembly of Kiambu. He holds an LLB from the (UoN). He is a CPS(K) - Member of ICPS(K) and IHRM. The Clerk has attended various trainings on Public Sector Reforms and Performance Management; Monitoring and Evaluation at the International Centre for Parliamentary Studies (UK); Professional upgrading courses such as the Senior Management Course and Strategic Leadership Development Programme at Kenya School of Government; and a Certified Professional Mediator.</p> <p>Mr John Mutie has a public service experience of over 27 years, most of it in senior managerial positions. He had worked with the defunct Local Authorities as the Town Clerk/ Clerk to the Council since 2013 when the County Government was established. Mr. John Mutie was the Interim Sub-County Administrator until February 2014, when he was appointed Clerk of the County Assembly of Kiambu.</p>

**c. The Committee System**

Committees are a vital tool or organ in the working processes of legislatures. Without them, the proceedings of a legislature would grind to a halt from the sheer volume of activities that would have to be considered at the plenary. Committees are agents of the assembly that enable legislatures to organize their work in order to perform numerous activities simultaneously and expeditiously.

These include:

- a) Reviewing legislation;
- b) Reviewing and approving the budget and expenditure of the county government;
- c) Scrutinizing governance activities, policies, and programs and assessing whether they meet the intended objectives of legislation, policy frameworks, and development plans;
- d) Investigating special issues;
- e) Vetting and approving executive appointments;
- f) Providing a platform for public participation in the execution of specified business.

Committees are an efficient way of running the business of the Assembly. Well-functioning committees expand democratic governance. Committee mandate and membership focus attention on specific issues and bring about meaningful deliberations. Committees have defined mandates and memberships. They study an issue or set of issues and report back to the Assembly as guided by the County Assembly Standing Orders. This allows individual members of the County Assembly to focus their attention on a subject matter, study it in detail, and deepen their understanding of the issue(s).

The value and benefit accruing from the use of committees lie in the fact that they perform functions that the Assembly is not fitted to do in its corporate form such as:

- a) Summon persons to present oral evidence and written memoranda or documents;
- b) Sit as frequently as is desirable, including sitting away from the precincts of the assembly and for longer hours;
- c) Make available an environment that can facilitate presentation of details including public participation, sifting through evidence and formulating reasoned conclusions consistent with both statutes and procedures;
- d) Conduct inspection tours, inquire into matters, prepare reports, and make recommendations to the assembly;
- e) Form sub-committees for the effective and efficient discharge of varied issues.

These functions are more efficiently carried out by small groups of members of the County Assemblies in the form of Committees and Sub Committees. Another advantage of Committees is that several of them can operate at the same time, thus dealing with many matters concurrently and expeditiously. By concentrating on specific matters or subjects, committees also offer the benefit of

specialization for both MCAs and staff.

### **General Roles of Committees**

General roles of a committee can be summed up as follows:

- i. Oversight over the executive;
- ii. Initiating legislative proposals;
- iii. Scrutiny of legislative proposals and bills;
- iv. Conducting investigations and reporting to the plenary for action;
- v. Reviewing and approving the budget and expenditure of the county government;
- vi. Scrutinizing audit reports of County government and other external audit agencies such as the Auditor General's Reports and managing the business of the house in an orderly manner;
- vii. Investigating, inquiring into, and reporting on all matters relating to the mandate, management, activities, administration, operations, and estimates of the assigned County departments and other matters as may be required by the Assembly;
- viii. Study the program and policy objectives of departments and the effectiveness of implementation;
- ix. Study and review all county legislation referred to it;
- x. Study, assess, and analyze the relative performance of departments as measured by results compared with stated objectives;
- xi. Investigate and inquire into all matters relating to the assigned departments as may be deemed necessary and as may be required by the assembly;
- xii. Vet and conduct approval hearings for executive appointees where the Constitution or any law requires the Assembly to approve;
- xiii. Frequently make reports and recommendations to the assembly, including proposed legislation.

### **Committee Mandate and Classification**

There are three types of committees in the county assemblies:

- i. Standing Committees, which are also known as sectoral committees.
- ii. Other Select Committees, which include:
  - a) House Keeping committees.
  - b) Statutory committees.
  - c) Watchdog committees.
- iii. Ad hoc select committees, which are temporary special purpose Committees.

For purposes of this classification, it is important to note that the Committee of the Whole Assembly/ Committee of the Whole House is not a committee in the traditional parliamentary understanding of a committee. The Committee of the whole Assembly/ Committee of the Whole is dealt with comprehensively in the Procedure Manual and the County Assembly Standing Orders.

### **Standing Committees**

A Standing Committee is a committee established by the Standing Orders of the Assembly whose term/duration is tied to the term of the county assembly. It may study matters referred to it by the county assembly or, on its own initiative, undertake studies within its area of responsibility.

Standing Order 225 of the County Assembly Standing Order makes provisions for the establishment of sectoral committees which are nominated by the selection committee in consultation with Assembly parties at the commencement for every Assembly. A Member appointed to a Sectoral committee at the commencement of a County Assembly or at any other time during the term of an Assembly shall, unless the Assembly otherwise resolves, serve for the term of that Assembly. Unless the Assembly otherwise directs, the listed Sectoral Committees and the subject matter respectively assigned to them shall be as set out in the First Schedule of the Assembly Standing Orders.

Standing Committees in the County Assembly are the sectoral committees.

### **Sectoral Committees**

Sectoral committees are committees aligned to the county departments.

The functions of a Sectoral committee are to:

- i. Investigate/inquire into and report on all matters relating to the mandate, management activities, administration, operations, and estimates of the assigned County departments;
- ii. Study the program and policy objectives of County departments and the effectiveness of their implementation;
- iii. Study and review all County legislation referred to it;
- iv. Study, assess, and analyze the relative success of the department as measured by the results obtained compared with their stated objectives;
- v. Investigate and inquire into all matters relating to the assigned departments as they may deem necessary and may be referred to them by the Assembly;
- vi. Vet and report on appointments where the Constitution and law requires the Assembly to approve;
- vii. Make reports and recommendations to the Assembly as often as possible regarding the assigned department, including recommendation on proposed legislation; and

Sectoral Committees include all Assembly committees established for purposes of oversight of County Departments under the Schedules to the Standing Orders.

Sectoral Committees under Second Schedule of the County Assembly of Kiambu Standing Orders include: -

- (i) Agriculture, Livestock and Fisheries Committee
- (ii) Finance and Economic Planning Committee
- (iii) County Public Service and Administration Committee
- (iv) Youth, Sports and Social Services Committee
- (v) Health Services Committee

- (vi) County Planning and Urbanization Committee
- (vii) Trade, Tourism and Cooperatives Committee
- (viii) Transport, Public Works and Infrastructure Committee
- (ix) Water, Environment and Natural Resources Committee
- (x) Education, Science and Research Committee

**Other Select Committees**

- (i) County Innovation, Technology and Communication Committee
- (ii) Delegated Legislation
- (iii) Ward Projects Performance
- (iv) Implementation and Law Affairs

The mandate of the other select committees is as specified in the Standing Orders establishing them. The Membership and term of the committee is also provided in the Standing Orders. These Select Committees include:

**a) Statutory committees,**

Statutory committees are those established by statute to perform functions assigned by the said law. These include the Budget and Appropriations Committee and the Powers and Privileges Committee

**b) Watchdog committees,**

Watchdog committees are established to ensure expenditure of funds is in accordance with the law and to prevent misappropriation of funds. An example is the County Public Accounts and Investments Committee

**c) House Keeping committees,**

They are established to ensure smooth running of assembly business and oversee certain aspects of assembly operations. They include: –

- i. Liaison committee;
- ii. County Assembly business committee;
- iii. Committee on selection;
- iv. Assembly procedure and rules committee;
- v. Appointments Committee; and,
- vi. Committee on powers and privileges;

**Ad Hoc Committees**

The Assembly may appoint an Ad Hoc committee to carry out a particular assignment. Such a committee is dissolved as soon as it has completed the matter or assignment referred to it and has

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presented its report to the Assembly or at the expiry of the duration for which it is established.

The Assembly, however has not appointed any Adhoc Committee in the period of the review.

**i. Public Accounts/Investment Committee**

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

Name	Designation	Ward
Hon. Obudho Kennedy Odhiambo, MCA – Chairperson	Chairperson	Kahawa Sukari
Hon. Waweru Wanyutu, MCA	Vice Chairperson	Komothai
Hon. Kamau James Boro, MCA	Vice Chairperson	Kikuyu- Township
Hon. Njue John Njiru, MCA	Member	Hospital
Hon. Muthondu John Ngure, MCA	Member	Kihara
Hon. Mbugua Zacharia Macharia, MCA	Member	Kiuu
Hon. Ndungú Erick Warugu, MCA	Member	Uthiru
Hon. Njama Joachim Mwangi, MCA	Member	Ngoliba
Hon. Mbuiyu Nelson Munga, MCA	Member	Ndeiya
Hon. Munana Moses Muiruri, MCA	Member	Theta
Hon. Nyaga Esther Wambui, MCA	Member	Specially- Elected
Hon. Irungu Esther Muthoni, MCA	Member	Specially- Elected
Hon. Kamau Alice Wangui, MCA	Member	Specially- Elected
Hon. Hinga Grace Wanjiru, MCA	Member	Kabete
Hon. Mwaura Rahab Wanjiku MCA	Member	Specially- Elected

**County Assembly of Kiambu  
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**ii. Budget and Appropriations Committee**

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

Name	Designation	Ward
Hon. Nduta Josephine Muongi, MCA	Chairperson	Limuru Central
Hon. Kiai Rebecca Nyaruai, MCA -	Vice- Chairperson	Specially-elected
Hon. Waiyaki Godfrey Mucheke, MCA	Member	Kalimoni
Hon. Kigara Joe Githui, MCA	Member	Ng'enda
Hon. Munyua Moses Kiarie, MCA	Member	Githobokoni
Hon. Nguni Edward Kinyanjui, MCA	Member	Nyathuna
Hon. Kiranga Dominic Mbugua, MCA	Member	Kinale
Hon. Kamau Christopher Ireiri, MCA	Member	Bibirioni
Hon. Waweru Julius Kahura, MCA	Member	Kiganjo
Hon. Githingá Josphat Kinyanjui, MCA	Member	Lari- Kirenga
Hon. Mwangi Jeremiah Kiama, MCA	Member	Juja
Hon. Thuo Cedric Gachunga, MCA	Member	Ikimu
Hon. Agingu Josephine Wangui, MCA	Member	Specially-elected
Hon. Gathoni Sheila Wangui, MCA	Member	Specially-elected
Hon. Wanjiku Winnie Wambui, MCA	Member	Specially-elected
Hon. Chege Gladys Wambui, MCA	Member	Specially-elected
Hon. Mwaura Susan Wanjiru, MCA	Member	Specially-elected

**iii. Audit Committee**

The audit committee was constituted in June 2024. Its mandate is to advise the County Assembly on institutional risk management and compliance. The committee members during FY 2024/2025 were:

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<b>Member</b>	<b>Designation</b>
1. Mr. Samuel Mwaura	Chairperson
2. Ms. Salome Gakure	Member
3. Mr. Joseph Njoroge	Member
4. Mr. Flavian Gatimu	Secretary

**d. Communication with all Stakeholders**

The County is committed to ensuring that all its stakeholders are provided with full and timely information about its programmes and performance. They are also given an opportunity to give feedback. Further, Article 196 of the Constitution of Kenya 2010 provides that the County Assembly shall facilitate public participation as well as involve the public in the legislative and other business of the Assembly and its committees. The public participation is usually conducted through requesting members of the public to submit their memoranda, either written and oral submissions and by inviting residents to come and participate in public hearings either in the County Assembly or in different gatherings held across the twelve Sub-counties.

In this regard, during the period under review, the County Assembly conducted various public consultative forums for:

- (i) All the seven bills considered during the period as follows:
  - a) The Kiambu County Alcoholic Drinks Control Bill (Kiambu County Bills No. 3 of 2024)
  - b) Kiambu County Valuation and Rating (Amendment) Bill, 2024
  - c) the Kiambu County Community and Neighborhood Associations Promotion of Participation and Engagement (Amendment Bill), 2024
  - d) Kiambu County Finance Bill, 2024
  - e) Kiambu County Supplementary No. 1 Appropriations Bill, 2025
  - f) Kiambu County Supplementary No. 2 Appropriations Bill, 2025
  - g) Kiambu County Appropriation Bill, 2025
- (ii) Kiambu County Annual Development Plan (CADDP) for the financial year 2025-2026
- (iii) The Kiambu County Fiscal Strategy Paper 2025
- (iv) The County Government Supplementary Budget Estimates I and II FY 2024/2025

- (v) Kiambu County Government Budget Estimates for the Financial Year 2025/2026
- (vi) the local, physical, and land use development plans (LPLUDPS) for Kiandutu, Matharau, Kanjeru, Kiamburi and Shauri Yako- Kiroe.
- (vii) Municipal Annual Development Plans for FY 2024-2025 for the twelve municipalities in Kiambu County
- (viii) Proposed conferment of City status to Thika Municipality in Kiambu County

**Risk management**

- a. The County Assembly of Kiambu have effective arrangements for risk management and internal controls through the established independent internal audit system as per the provisions of the public finance Act 2012 and public financial regulations 2015 and within the framework of prudence risk management as guided by the Public Sector Accounts service board. The Assembly internal audit department which is the core department with the responsibility of managing risks ensures quarterly risks-based audits that ensures the assembly assets and systems are effective and efficient.
- b. The Assembly has formal process of identifying and assessing risks. There is a risk register which indicates the identified possible risks, their likelihoods and impact. It also highlights the steps the County Assembly continuously undertake to mitigate their occurrences and the responsible officers.
- c. There is a formal way to analyze these risks through quarterly risks review. This will be formally emphasized through the adoption of the risk management framework within the risk policy under review.
- d. There is formal process to assess the changes in the internal and the external environments through risk review. This is done when requirements demand and is incorporated into the risk policy during review.
- e. Risks identification is done through risk management process where heads of departments are requested to identify their respective risks for analysis. The current risk review is recommending a process where risks analysis will be carried out during the development of the unit performance contracts or appraisal targets and annual work plan and budgeting.
- f. It is also well noting that the Kiambu County Assembly is reviewing its risk policy and developing a risk management framework which is currently in draft form awaiting the Board approval for adoption.

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**g. Compliance**

The County Assembly operates within the framework of several key laws and regulations, including:

**1. The Constitution of Kenya** - The County Assembly operates within the framework of the Constitution of Kenya, 2010, particularly:

***1.1. Article 176 – County Governments***

- Establishes county governments composed of a County Assembly and a County Executive.

***1.2. Article 185 – Legislative authority of county assemblies***

- Gives the County Assembly the power to make laws for the county.
- Authorizes the Assembly to exercise oversight over the County Executive Committee and other county organs.

***1.3. Article 196 – Public participation and county assembly powers***

1.3.1. Requires County Assemblies to:

- Conduct their business in an open manner.
- Facilitate public participation and involvement in legislative and other Assembly functions.
- Allow the media and public access to its sittings (with some exceptions).

***1.4. Article 195 – County assembly power to summon witnesses***

- Gives the County Assembly or its committees the power to summon any person to appear before them or provide evidence.

***1.5. Article 194 – Vacation of office of member of a County Assembly***

- Outlines the circumstances under which a member's seat becomes vacant.

***1.6. Article 200 – Legislation on devolved government***

- Directs Parliament to enact laws governing County Assemblies, including their powers, privileges, and procedures.

Additionally, provisions under Chapter Six and Article 232 guide the ethical and professional conduct of Assembly members and staff.

**2. The County Governments Act, 2012** - The operations of the County Assembly are further guided by the County Governments Act, 2012. Key provisions include:

***2.1. Section 8 – Role of the County Assembly***

Outlines the core responsibilities of the County Assembly, including:

- Making laws necessary for the performance of county functions.

- Approving plans and policies for managing county resources and service delivery.
- Exercising oversight over the County Executive.
- Approving the county's budget and expenditure.

**2.2. Section 9 – Role of Members of the County Assembly (MCAs)**

Provides duties of individual MCAs, such as:

- Representing the people.
- Maintaining close contact with the electorate.
- Presenting views, opinions, and proposals to the Assembly.
- Oversight of county development projects.

**2.3. Section 10 – Conduct of Business and Affairs of the County Assembly**

- States that the conduct of Assembly business shall be guided by Standing Orders and the law.
- Emphasizes ethical and professional conduct in proceedings.

**2.4. Section 11 – Speaker of the County Assembly**

- Outlines the election, role, and removal of the Speaker.
- States that the Speaker is the chairperson of the County Assembly Service Board.

**2.5. Section 12 – County Assembly Service Board (CASB)**

- Establishes the CASB.
- Assigns it the role of organizing the operations and staffing of the Assembly.
- Responsible for budgeting and administration of Assembly services.

**2.6. Section 14 – Committees of the County Assembly**

- Provides for the establishment of committees, including sectoral, select, and special committees, to support the Assembly's legislative and oversight functions.

**2.7. Section 47 – Performance Management Plan**

- Requires County Assemblies to participate in developing a performance management plan for evaluating county government effectiveness and delivery.

**3. The Public Finance Management Act, 2012** - the Public Finance Management (PFM) Act, 2012 is critical to the operations of County Assemblies because it provides the legal framework for planning, budgeting, spending, accounting, and reporting of public finances at both national and county levels. The Public Finance Management Act, 2012 provides the financial governance framework for the County Assembly. Key sections applicable to Assembly operations include:

**3.1. Section 102 – Establishment of County Government Entities**

- Recognizes the County Assembly as one of the county government entities subject to the Act.
- It defines which institutions the PFM Act governs at the county level.

**3.2. Section 104 – Responsibilities of the County Treasury**

3.2.1 While this section is about the County Treasury, it highlights the interplay between the Treasury and the County Assembly, especially in:

- Preparing budget documents.
- Submitting reports.
- Ensuring the Assembly has necessary financial information.

**3.3. Section 117 – County Fiscal Strategy Paper (CFSP)**

- Requires the County Executive to submit the CFSP to the County Assembly by 28th February of each year.
- The Assembly reviews, discusses, and adopts the CFSP with or without amendments.

**3.4. Section 125 – Budget Process for County Governments**

3.4.1. Outlines the entire county budget-making process, where the County Assembly plays a major role by:

- Reviewing the County Budget Estimates.
- Holding public hearings.
- Approving the final budget.

**3.5. Section 129 – County Appropriation Bill**

- Requires the County Assembly to approve the Appropriation Bill to authorize spending.

**3.6. Section 131 – Approval of the Budget Estimates**

- Mandates the Assembly to consider and approve budget estimates by 30th June.
- The Assembly may amend the estimates, except for funds designated for salaries and national obligations.

**3.7. Section 132 – Submission and Approval of Finance Bill**

- Provides for the County Assembly to approve the Finance Bill, which outlines the county's revenue-raising measures.

**3.8. Section 134 – Vote on Account**

- Allows the Assembly to authorize limited spending if the budget has not been passed by the start of the financial year.

**3.9. Section 166 – Quarterly Reports**

- Requires the County Treasury to submit quarterly financial reports to the County Assembly.
- The Assembly uses this information to exercise oversight.

**3.10. Section 207 – Establishment of Audit Committee**

- Every County Assembly must have an Audit Committee to support financial oversight and accountability.

**4. The Standing Orders of the Assembly.**

The operations of the County Assembly of Kiambu are governed by its Standing Orders, which provide comprehensive procedural rules for the conduct of business within the Assembly. These Standing Orders regulate key functions such as plenary proceedings, committee operations, legislative processes, members' conduct, public participation, and oversight mechanisms. As the primary internal procedural guide, all provisions of the Standing Orders are adhered to in ensuring lawful and orderly execution of Assembly business.

**5. County Assembly Services Act, 2017 (Cap. 265D)**

Key applicable sections:

- 5.1. Section 3** – Object and purpose of the Act (framework for establishment and effective operation of the Service).
- 5.2. Section 4** – Establishment of the County Assembly Service.
- 5.3. Section 5** – County Assembly Service values (Article 232 Constitution values + additional service values).
- 5.4. Section 6** – Code of conduct for employees of the Service.
- 5.5. Section 11** – Functions of the County Assembly Service Board (administration, budgetary control, capacity building, public participation).
- 5.6. Sections 17–20** – Functions and procedural duties of the Clerk.
- 5.7. Section 25** – County Assembly schemes of service (terms and conditions of service).
- 5.8. Section 27** – Disciplinary control of officers.
- 5.9. Sections 31–34** – Financial provisions, including budget estimates, accounts, and establishment of County Assembly Fund.

**6. County Assemblies Powers and Privileges Act, 2017**

Key applicable sections:

- 6.1. Section 3** – Freedom of speech and debate in the Assembly.

- 6.2. **Section 4** – Immunity from legal proceedings for proceedings in the Assembly.
- 6.3. **Section 7** – Exemption from liability for publication of reports, papers, and journals.
- 6.4. **Section 11** – Summoning of witnesses.
- 6.5. **Section 12** – Protection of witnesses before committees.
- 6.6. **Section 14** – Privilege of the Speaker and members in court proceedings.
- 6.7. **Section 16** – Prohibited acts in relation to the Assembly (e.g., service of process within precincts).
- 6.8. **Section 18** – Powers of the Assembly to punish for contempt.
- 6.9. **Section 19** – Protection of persons responsible for printing Assembly papers.

**7. Public Appointments (County Assemblies Approval) Act, 2017**

Key applicable sections:

- 7.1. **Section 3** – Application of the Act to public appointments requiring Assembly approval.
- 7.2. **Section 4** – Notification of nomination by the appointing authority.
- 7.3. **Section 5** – Submission of nominee’s information to the Assembly.
- 7.4. **Section 6** – Public participation in approval hearings.
- 7.5. **Section 7** – Committee vetting procedures.
- 7.6. **Section 8** – Criteria for consideration (integrity, competence, experience, etc.).
- 7.7. **Section 9** – Committee report and recommendations to the Assembly.
- 7.8. **Section 10** – Decision of the Assembly on approval or rejection.

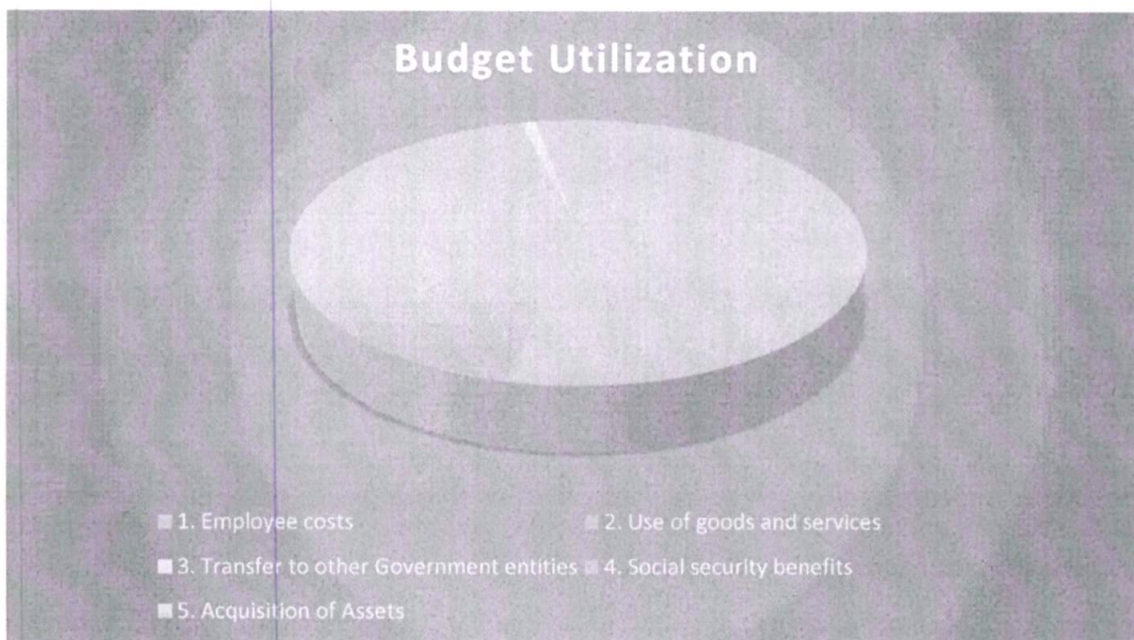
**CONCLUSION**

The Assembly adheres to the provisions of these laws, and compliance-related reports, such as budget implementation reports, audit responses, and committee reports; are routinely prepared. These reports are discussed internally through committee sittings and plenary sessions, and where applicable, shared with oversight institutions such as the Auditor General, Controller of Budget, and relevant County Executive offices.

4. Foreword by Clerk of the County Assembly

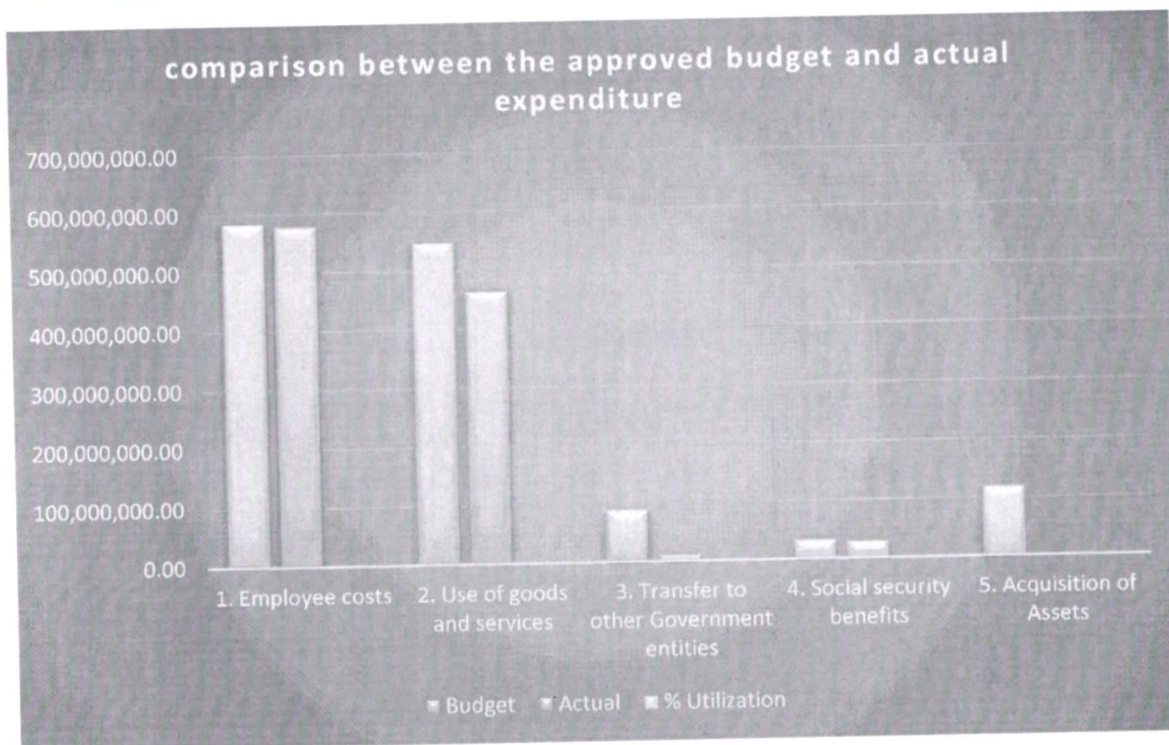
(i) Budget performance

The County Assembly of Kiambu approved a budget of Kshs 1,368,932,748. The amount utilized is Kshs. 1,083,382,746. This represents 79% of the approved budget. The budget utilization per economic classification is represented below in a form of a pie chart:



- The Table below shows the comparison between the approved budget and actual expenditure as per economic classification.

Economic classification	Budget	Actual	% Utilization
1. Employee costs	583,781,941	578,535,389	99
2. Use of goods and services	547,544,562	463,134,408	85
3. Transfer to other Government entities	88,272,000	11,060,000	13
4. Social security benefits	31,684,245	28,952,949	91
5. Acquisition of Assets	117,650,000	1,700,000	1.4
<b>Total</b>	<b>1,368,932,748</b>	<b>1,083,382,746</b>	<b>79</b>



## (ii) Operational Performance

### The Committee System

Committees are a vital tool or organ in the working processes of legislatures. Without them, the proceedings of a legislature would grind to a halt from the sheer volume of activities that would have to be considered at the plenary. Committees are agents of the assembly that enable legislatures to organize their work in order to perform numerous activities simultaneously and expeditiously.

These include:

- g) Reviewing legislation;
- h) Reviewing and approving the budget and expenditure of the county government;
- i) Scrutinizing governance activities, policies, and programs and assessing whether they meet the intended objectives of legislation, policy frameworks, and development plans;
- j) Investigating special issues;
- k) Vetting and approving executive appointments;
- l) Providing a platform for public participation in the execution of specified business.

Committees are an efficient way of running the business of the Assembly. Well-functioning committees expand democratic governance. Committee mandate and membership focus attention on specific issues and bring about meaningful deliberations. Committees have defined mandates and memberships. They study an issue or set of issues and report back to the Assembly as guided by the

County Assembly Standing Orders. This allows individual members of the County Assembly to focus their attention on a subject matter, study it in detail, and deepen their understanding of the issue(s).

The value and benefit accruing from the use of committees lie in the fact that they perform functions that the Assembly is not fitted to do in its corporate form such as:

- f) Summon persons to present oral evidence and written memoranda or documents;
- g) Sit as frequently as is desirable, including sitting away from the precincts of the assembly and for longer hours;
- h) Make available an environment that can facilitate presentation of details including public participation, sifting through evidence and formulating reasoned conclusions consistent with both statutes and procedures;
- i) Conduct inspection tours, inquire into matters, prepare reports, and make recommendations to the assembly;
- j) Form sub-committees for the effective and efficient discharge of varied issues.

These functions are more efficiently carried out by small groups of members of the County Assemblies in the form of Committees and Sub Committees. Another advantage of Committees is that several of them can operate at the same time, thus dealing with many matters concurrently and expeditiously. By concentrating on specific matters or subjects, committees also offer the benefit of specialization for both MCAs and staff.

### **General Roles of Committees**

General roles of a committee can be summed up as follows:

- xiv. Oversight over the executive;
- xv. Initiating legislative proposals;
- xvi. Scrutiny of legislative proposals and bills;
- xvii. Conducting investigations and reporting to the plenary for action;
- xviii. Reviewing and approving the budget and expenditure of the county government;
- xix. Scrutinizing audit reports of County government and other external audit agencies such as the Auditor General's Reports and managing the business of the house in an orderly manner;
- xx. Investigating, inquiring into, and reporting on all matters relating to the mandate, management, activities, administration, operations, and estimates of the assigned County departments and other matters as may be required by the Assembly;
- xxi. Study the program and policy objectives of departments and the effectiveness of implementation;
- xxii. Study and review all county legislation referred to it;
- xxiii. Study, assess, and analyze the relative performance of departments as measured by results compared with stated objectives;
- xxiv. Investigate and inquire into all matters relating to the assigned departments as may be deemed necessary and as may be required by the assembly;

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- xxv. Vet and conduct approval hearings for executive appointees where the Constitution or any law requires the Assembly to approve;
- xxvi. Frequently make reports and recommendations to the assembly, including proposed legislation.

**(iii) Performance of key development projects**

	<b>Project Name</b>	<b>Project Identification Code</b>	<b>Implementation status</b>
1	Proposed Construction of Karai Ward Office	764695-2019/2020	85%
2	Proposed Construction of Bibirioni Ward Office	762392-2019/2020	85%
3	Proposed Construction of County Assembly Archives and Members Welfare Facility	858604-2020/2023	25%
4	Proposed Construction of Ngewa Ward Office	1187295-2022/2023	22%
5	Proposed Construction of Ngoliba Ward Office	1187335-2022/2023	37%
6	Proposed Construction of Kalimoni Ward Office	1229271-2022/2023	42%
7	Proposed Construction of Ndeiya Ward Office	1229440-2022/2023	30%

Through the construction of Ward offices. The County Assembly of Kiambu will cut down on expenditure for leasing the above listed nine Ward offices and four other offices planned and budgeted for as indicated in the approved Annual Procurement Plan for the Financial Year 2024/2025. This projected impact the society indirectly by creation temporary jobs and also provide Ward MCA with sufficient space to plan on service delivery to his/her people.

Additionally, the Assembly has leased office space for Specially Elected Members. By complying with the government guidelines on provision of Offices to the Specially Elected Members, the Assembly provides them with a working space to maintain close contact with the electorate so that they can gather views, opinions, and proposals for presentation and/or legislation in the Assembly.

Key development projects included in the Assembly's strategic plan				
Objectives	Strategy	Key Activities	Key Indicator	Resources
1. Expansion of Assembly Facilities	<ul style="list-style-type: none"> <li>Development of an infrastructural master plan</li> </ul>	<ul style="list-style-type: none"> <li>Design the infrastructural master plan</li> </ul>	<ul style="list-style-type: none"> <li>Infrastructural master plan.</li> </ul>	5 million
	<ul style="list-style-type: none"> <li>Acquisition of land for expansion</li> </ul>	<ul style="list-style-type: none"> <li>Budgetary provision</li> <li>Identification of the land</li> </ul>	<ul style="list-style-type: none"> <li>Acreage of land acquired(1)</li> </ul>	100 million
	<ul style="list-style-type: none"> <li>Construction of a modern office complex to include gym and catering facilities</li> </ul>	<ul style="list-style-type: none"> <li>Development of bill of quantities and drawing of plans</li> <li>Floating of tenders and site handover</li> </ul>	<ul style="list-style-type: none"> <li>Architectural and structural designs</li> <li>Percentage of construction of the multipurpose complex</li> </ul>	300 million
	<ul style="list-style-type: none"> <li>Construction of the multipurpose complex</li> </ul>	<ul style="list-style-type: none"> <li>This is encompassed as a floor in the multipurpose complex</li> </ul>	<ul style="list-style-type: none"> <li>Architectural and structural designs</li> <li>Percentage of construction of the multipurpose complex</li> </ul>	
	<ul style="list-style-type: none"> <li>Construction of a parking bay</li> </ul>	<ul style="list-style-type: none"> <li>The parking will be provided in the basement of the parking bay</li> </ul>	<ul style="list-style-type: none"> <li>Architectural and structural designs</li> <li>Percentage of Parking bay constructed</li> </ul>	
	<ul style="list-style-type: none"> <li>Landscaping and beautification of Assembly premises</li> </ul>	<ul style="list-style-type: none"> <li>Develop BoQs for landscaping and beautification</li> <li>Repainting and face lifting</li> <li>Procure a competent service provider for the works</li> </ul>	<ul style="list-style-type: none"> <li>Completion certificates for the works</li> </ul>	20 million

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	<ul style="list-style-type: none"> <li>• Construction of ward offices</li> </ul>	<ul style="list-style-type: none"> <li>• Identification of land area for construction</li> <li>• Development of BoQ and designs</li> <li>• Site handover</li> </ul>	<ul style="list-style-type: none"> <li>• Completion certificates for the works</li> <li>• No of ward offices constructed</li> </ul>	240 million
	<ul style="list-style-type: none"> <li>• Construction/Acquisition of Speaker's residence</li> </ul>	<ul style="list-style-type: none"> <li>• Acquisition of land area for construction</li> <li>• Development of BoQ and designs</li> <li>• Site handover</li> </ul>	Percentage of construction done on Speaker's residence	55 million
	<ul style="list-style-type: none"> <li>• Develop and implement an Annual Maintenance Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Inspection of Assembly facilities and Ward offices</li> <li>• Develop annual maintenance plan</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Maintenance plan developed and implemented</li> </ul>	

**(iv) Comment on value-for-money achievements**

By Constructing a modern office complex, the Assembly will acquire sufficient storage space and offices as what is current available is limited and not sufficient. Additionally, the current offices are not PWD friendly. This Challenge has already been addressed by the new structure. Further, more working space will be realized addressing the current shortage of working space leading to efficiency and productivity.

Additionally, the Assembly will realize the below listed benefits: -

- i) Leads to improved productivity and overall quality of work
- ii) Helps improve relationships with stakeholders
- iii) Increased stakeholders' satisfaction
- iv) Helps in managing budgets and timelines for different activities hence saving costs
- v) Reduction in operating costs in general for the activities within the Assembly
- vi) A higher level of customer service while engaging with different service providers for different activities. This helps the Assembly in achieving its core mandate.

### **Promotion of competitive practices in the County Assembly**

The Assembly mitigates risks and ensures responsible competition practices in the procurement processes in three stages. i.e.

- i. Pre-tendering phase
- ii. Tendering phase
- iii. Post -award phase

#### **Pre-tendering Phase**

These includes:

- a) Preventing influence of external actors on official decisions
- b) Having proper procurement planning
- c) Development of proper specification /requirements
- d) Correct choice of procurement procedures to enhance fair competition
- e) Clear definition of roles and structures within the processes

#### **Tendering Phase**

This includes:

- a) Ensuring that there is public notice for the invitation of bids.
- b) The evaluation and award criteria is well defined and objective in the bid document
- c) Procurement information is disclosed and made public through publication on public procurement information portal
- d) Ensuring that responsive bidders being awarded contracts disclose accurate cost of pricing data in the price proposal/ schedules to prevent increased contract prices.
- e) Avoidance of familiarity with bidders by using suppliers list on rotational basis
- f) Declaration of conflict of interest as well as declaration not to engage in corrupt and fraudulent practices by the members of staff participating in the evaluation of bids.

#### **Post award Phase**

These includes activities such as:

- a) Ensuring that suppliers do not abuse their contractual obligation in relation to quality, price and timing for the provision of goods, works and services.
- b) Efficient supervision by public officials while undertaking contracts/projects.

**County Assembly of Kiambu**  
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c) Separation of financial duties when it comes to processing of payments to ensure checks

In general, the Assembly has carried out the following actions

- a. Registration of suppliers and service providers through open tender and continuous registration as provided in law.
- b. Appropriate approvals from the Clerk for all procurement processes.
- c. Processing of supplier invoices on first in first out basis and tracking of the same through internal tracking registers

**iv) Comment on value-for-money achievements**

- a. The construction of ward offices has provided closer access to the elected Member of the County for the ward residents.
- b. The projects have been delivered at the awarded contract sums.
- c. Cost cutting has been achieved as office recurrent bills such as monthly rent have been reallocated to other value adding budget activities.
- d. The programmes undertaken have positively improved the livelihood of the residents of the county by ensuring there is suitable planning and implementation on various county projects. There is improvement of social and economic infrastructure following extensive planning coupled with efficient citizen engagement.
- e. The Members of the County Assembly have been taken through rigorous capacity building thus enhancing their capacity to optimally discharging their mandate.

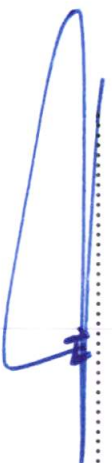
**(v) Challenges and recommended way forward**

During the year under review, the County Assembly encountered the following key challenges during the implementation of its key strategic priorities and the recommended way forward.

- i. Unrealistic targets of On Source Revenue (OSR) from the County treasury negating on the best budgetary practices. It should be noted that when revenue targets are not met, the major casualty is normally accumulation of pending bills. It's the expectation of the Committee that the County treasury going to deploy all resources at its disposal to ensure that the OSR projections for the current fiscal year is achieved.
- ii. Unreliable, unpredictable and delayed exchequer releases;
- iii. Failure to fully finance the approved budget by undisbursed exchequer releases; and,
- iv. Interference with administrative functions to the office of the authorized officer;

**County Assembly of Kiambu  
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- v. Proper Planning and Budgeting: adherence to cash flow plans, procurement plans and work plans would go a long way in achieving Departmental targets as they provide a roadmap for the assembly.
- vi. Timely release of funds for efficient implementation of planned programs; it is important to ensure that disbursement of the exchequer is in line with the approved cash flow plans to minimize disruptions and delays in implementation of projects and programmes
- vii. Closer collaboration between the Executive and County Assembly in the approval of policies and enactment of legislations. This will require sensitization of the county assembly Committee members on policies and
- viii. Timely release of funds for efficient implementation of planned programs; it is important to ensure that disbursement of the exchequer is in line with the approved cash flow plans to minimize disruptions and delays in implementation of projects and programmes

.....  


**Name: John Mvivithi Mutie**  
**Clerk of the County Assembly**

**County Assembly of Kiambu  
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**5. Statement of Performance against Predetermined Objectives**

**County Assembly**

**Strategic development objectives**

The key mandate of the County Assembly of Kiambu is legislation, oversight, and representation. To achieve this, the Assembly's programme was documented in terms of objective, key performance indicators, and output. Below is the performance of the County Assembly in the financial year 2024-2025.

<b>Programme</b>	<b>Strategic Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>	<b>Remarks</b>
Legislation, oversight and representation	Strategic Objective Legislation services	No. of Bills passed	12	7	60% achieved
		No. of motions scheduled for consideration	0	65	Achieved
		No. of budget reports	5	5	Achieved
		No. of supplementary budgets	2	2	Achieved
		Approval of Annual Development Plan	1	1	Achieved
	Budget approval and Implementation	Approval of County Fiscal Strategy Paper	1	1	Achieved
		Renovation of Assembly buildings	1	1	1
		No. of Ward offices constructed	6	0	Not funded
		No. of offices leased	26	26	26
		No. of quarterly financial reports	4	4	The Assembly prepared and submitted on timely basis
General Administration	Accounting and reporting -Compliance with PFM Act and Regulations	No. of Annual Financial reports	1	1	The Assembly prepared and submitted on timely basis
		% of Loans issued to 1. MCA's 2. Staff	100% 100%	100% 30%	Issuance of loans is achieved  Lack of adequate funding

**County Assembly of Kiambu  
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	Fund Administration - Issuance of Loans	No. of annual procurement plans	1	1	Achieved
	Compliance with Procurement laws and Regulations	% of Development budget absorption	100	0	Undisbursed exchequer
	Improved efficiency in budgetary allocation and proper expenditure control	% of Recurrent budget absorption	100	79%	Undisbursed exchequer
		No of Expenditure returns prepared and submitted to the OCOB	4	4	Achieved
		No. of MCA's and Staff Insured	188	188	Achieved
	Provision of comprehensive medical cover, WIBA and GPA	Number of training needs assessments done	1	1	Achieved
	Training needs assessment	No of Employer satisfaction surveys done	1	1	Achieved
	Employer satisfaction survey	No. of Organogram and Scheme of service reviewed	1	1	Achieved
	Review of Organogram and Scheme of service	No. of public participation forums held	15	7	As per the approved bills
Representation services	Public participation	No. of public participation forums held	15	7	As per the approved bills
	Ward offices maintenance	No. of offices maintained	86	86	Achieved

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

The County Assembly of Kiambu establishment is anchored on the Constitution of Kenya, 2010 is mandated to offer representation of citizens, law-making and oversight. The Assembly's strategic elements included the following:

### **The Vision**

A vibrant, value oriented, quality driven and people responsive county assembly in Kenya.

### **Mission**

To be a transformative, efficient and trusted Assembly for Kiambu residents, in close consultation with relevant, county, national and international stakeholders.

### **Core values**

We are committed to growing a dynamic institutional culture that will be guided by these values:

1. Responsiveness: We work to find solutions through policy and legislative initiatives that address the needs and preferences of the people of Kiambu County.
2. Respect: We listen and respect the wishes of our people and encourage partnerships where mutual respect remains a core working value.
3. Diversity: We embrace the diversity of all Kenyans, and work to address diversity across gender, ethnic, class, race, disability and minority lines.
4. Integrity and Accountability: We believe that the highest standards of ethics and integrity form a core element of public service and leadership, and we strive to ensure utmost accountability in all our initiatives.

### **Our beliefs:**

We believe that:

1. The Constitution of Kenya, 2010 is the supreme law of the land.
2. All Kenyans have equal rights.
3. Every Kenyan is a valuable member of the community.
4. Every Kenyan deserves to be fully served and consulted by their directly elected representative or party representative in County Assembly.
5. Women and men deserve the same opportunity to participate in leadership and equal access to Economic, social and cultural rights.

#### a) Sustainability strategy and profile

The Assembly is committed to the attainment of the Sustainable Developments Goals (SDGs) as agreed upon by the international community.

b) Environmental performance

The County Assembly respects and upholds the Constitution the constitutional right to a clean and healthy environment and a duty to safeguard and enhance the environment. Towards this end, the management has put in place measures for an integrated ecosystem approach to conserving environmental resources to ensure that all ecosystems are managed in an integrated manner while also providing a range of benefits to people.

In addition, we undertake a coordinated and participatory approach to environmental protection and management to ensure that the relevant stakeholders and communities are involved in planning, implementation and decision-making processes.

c) Employee welfare

The Assembly upholds high standards of professional ethics in its service which is guided by meritocracy. Thus, we ensure that fair competition and merit are the basis of appointments and promotions. Employees are accorded adequate and equal opportunities for appointment, training and advancement, at all levels of the public service. To ensure optimum output from the employees, a performance management and appraisal tool is currently in the process of implementation.

d) Market place practices-

i. Responsible supply chain and supplier relations

- Prioritization of clear communication through supplier evaluation, ethical sourcing and ensuring fair competition to all interested suppliers
- Ensuring transparency in tendering procedure and processes
- The Assembly conducts thorough supplier evaluation and further conducts due diligence to successful suppliers. This ensures that the suppliers engaged have highest level of competence in offering the services required. This ensures seamless flow in the supply chain activities.
- The Assembly ensures offering of clear constructive feedback to suppliers and service providers. This helps improve and align with the needs of the institution.
- Ensuring that the service providers engaged by the Assembly promote and practice fair labor practices to the employees of the service providers. This includes maintaining acceptable working hours and do not engage in forced labor or discrimination. This is done through inclusion of such conditions in the tender documents for services being sourced.

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- The Assembly manages risks through diversification and planning. The Assembly does this by avoiding dependency on a single supplier or service provider. This is done through sourcing on framework contracting to build a network of suppliers. This avoids disruption of services as well as offer better quality services due to competition.
- Engagement of professional bodies for guidance and best practice in supply chain management activities. This includes institution such as The Kenya Institute of Supplies Management
- Development of contingency plans to have back-up plans in place for critical aspects of supply chain activities. This includes alternative suppliers to mitigate risks such as public institutions in offering goods and services that are available from such institutions e.g Prisons Department for supply and delivery of furniture.
- The Assembly ensures verification of registration and compliance documents with the suppliers engaged. This ensures that the suppliers are properly registered and comply with existing requirements such as registration certificates, valid tax compliance certificates, valid business permits from relevant County Governments as well certification with other Government agencies such as The National Construction Authority for contractors.
- Ensuring that suppliers as well as the Assembly uphold integrity, honesty and accountability in their day-to-day dealings.
- The Assembly has always endeavored to meet their contractual obligations through timely payment of suppliers for goods and services rendered though there has been a challenge at times due to delayed exchequer releases.
  - ii. Efforts to responsible ethical practices – corruption free environment

The Kiambu County Assembly is engaged in efforts to promote responsible ethical practices and a corruption-free environment through its oversight and legislative functions. The Assembly's mandate includes legislative, representative, and oversight roles aimed at ensuring transparency and accountability in county governance.

**1. Strengthen Legal and Regulatory Frameworks**

Sensitization of stake holders on the provisions and compliance with the Public Procurement Laws, Regulations, policies and Anti-Corruption and Economic Crimes laws.

**2. Promote Transparency and Accountability**

- Publish all procurement opportunities, awards, and contract details on the Public Procurement Information Portal.
- Implement electronic procurement (e-procurement) systems to reduce manual handling and opportunities for manipulation.

### 3. Enhance Oversight and Monitoring

- Implementation of advisories from the internal and external audit reports on procurements to ensure there is continuous improvement on the processes.

### 4. Improve Procurement Processes

- Use pre-qualification and transparent bidding procedures.
- Ensure strict adherence to procurement thresholds and criteria.

### 5. Foster Ethical Culture and Leadership

- Ensure that members of the ad hoc procurement committees in the procurement processes commits to uphold professionalism, ethics and integrity.

#### iii. Stewardship of goods and services

Efforts to safeguard the rights and interests of citizens while procuring goods, services and works within the County Assembly of Kiambu are crucial for ensuring ethical, legal, and transparent operations. These efforts protect both the Assembly and the individuals it serves by ensuring that procurement processes are fair, responsible, and compliant with relevant laws, regulations, circulars, executive orders and manuals. Below are some of the efforts the Assembly has put in place to safeguard the rights and interests of the citizens of Kiambu:

#### 1. Transparent Procurement Processes

- **Public Tendering and Bidding:** Ensuring that the procurements of goods, services and works is conducted in an open and transparent, allowing for competitive bidding. This ensures that the best products and services are chosen at competitive prices while minimizing corruption.
- **Clear Criteria:** Establishing and publishing clear criteria for the selection of suppliers while ensuring fairness and avoids any favoritism.
- **Documentation:** Keeping detailed records of procurement decisions to ensure accountability and enables audits and reviews.

## 2. Adherence to Legal Standards

- **Compliance with procurement laws, regulations and policies.**
- **Fair Contract Terms:** Contracts with suppliers is clear, fair on terms and conditions that protect citizen interests. For example, residents contractors reservation.

## 4. Inclusive and Equal Access

- **Equal Opportunity for Suppliers:** Ensuring that all qualified suppliers, regardless of size, race, gender, or other factors, have an equal opportunity to participate in the procurement process.
- **Non-Discrimination:** Discrimination based on arbitrary factors (such as race, age, gender, etc.) is prohibited in procurement decisions. This aligns with principles of fairness and equality.

## 7. Ethical Procurement Policies

- **Code of Ethics:** the Assembly has implemented a code of ethics for adhoc committees members involved in the procurement processes.
- **Conflict of Interest Policies:** Preventing conflicts of interest to safeguard the integrity of the procurement process. Suppliers or employees with vested interests in a procurement deal are required to disclose those interests.

## 8. Use of Technology and Innovation

- **E-Procurement Platforms:** Adopting e-procurement platforms to help in creating a transparent, streamlined, and accountable procurement process. It also reduces opportunities for corruption and ensures that transactions are traceable.

### e) Community Engagements

The County Assembly in collaboration with the County Executive has severally engaged the public through public participations and Corporate Social Activities including issuance of various charitable products to the public such as food products, agricultural products and educational materials amongst others.

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

The following are the key projects that have been implemented and ongoing for the County Assembly of Kiambu:

- 1 Proposed Construction of Karai Ward Office
- 2 Proposed Construction of Bibirioni Ward Office
- 3 Proposed Construction of County Assembly Archives and Members Welfare Facility
- 4 Proposed Construction of Ngewa Ward Office
- 5 Proposed Construction of Ngoliba Ward Office
- 6 Proposed Construction of Kalimoni Ward Office
- 7 Proposed Construction of Ndeiya Ward Office

### **Compliance with Statutory Requirements**

Throughout the period, the County Assembly remained committed to fulfilling its statutory obligations, particularly in financial reporting, procurement, and legislative operations. Compliance with regulations from oversight authorities, including the Senate Public Accounts Committee, underscores the Assembly's adherence to ethical governance. Measures were taken to improve financial reporting accuracy and ensure transparency, addressing historical audit issues and enhancing accountability in spending and procurement.

### **Major Risks Facing the Organisation**

The County Assembly faces significant risks, mainly driven by budget constraints and exchequer delays. Delays in fund disbursement have led to slowed progress on key projects, including the construction of various ward offices and other operational plans. Budget shortfalls have strained resources designated for salaries, operational expenses, and critical programs, creating a challenge in maintaining service continuity.

### **Material Arrears in Statutory and other Financial Obligations**

The County Assembly has encountered material arrears in several areas, primarily in pending bills and statutory obligations. These include outstanding payments on wages and benefits, Members and Staff payables, and Trade payables obligations that have accumulated due to exchequer delays and the absence of a legal framework authorizing such payments. The Assembly is actively addressing these arrears, working to balance limited resources against pressing liabilities to prevent accrual of further debts.

**County Assembly of Kiambu**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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Efforts to address statutory obligations and other arrears are ongoing, with a focus on maintaining compliance with legal mandates while managing budget constraints. These steps are critical in sustaining the Assembly's operational integrity and financial stability.

**Review of the Economy and Sector**

The economy of the County saw a slight decline in the Gross County product although it remains a stronger performer with significant contributions to manufacturing and Agriculture. The County Assembly supported the County Government to automate revenue leading to a significant increase in its own source revenue, and invested in initiatives like the market construction and vocational training aimed in supporting small businesses and a skilled workforce.

**Future developments**

The County Assembly plans to put up a multi-purpose storey building with modern debating chambers, committee rooms and offices. The County Assembly also intends to build the Speaker's official residence and construct ward offices in all the electoral wards.

Additionally, the County Assembly intends to automate its internal process and be entirely paperless. This will improve efficiency and reduce costs of stationery and other attendant costs.

**8. Statement of Management Responsibilities**

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

The Clerk of the County Assembly is responsible for the preparation and presentation of the County Assembly financial statements, which give a true and fair view of the state of affairs of the County Assembly for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the county Executive/assembly; (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) Safeguarding the assets of the county Executive; (v) Selecting and applying appropriate accounting policies; and (iv) Making accounting estimates that are reasonable in the circumstances.

The Clerk accepts responsibility for the County Assembly's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with Transitional International Public Sector Accounting Standards (IPSAS). The Clerk is of the opinion that the County Assembly financial statements give a true and fair view of the state of the County Assembly's transactions during the financial year ended June 30, 2025, and of its financial position as at that date.

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

The Clerk confirms that the County Assembly has complied fully with applicable Government Regulations and that the County Assembly funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for.

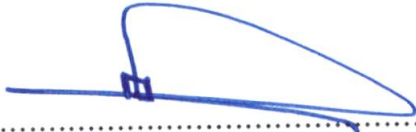
Further the Clerk confirms that the County Assembly's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**County Assembly of Kiambu  
Annual Report and Financial Statements for the year ended June 30, 2025**

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**Approval of the financial statements**

The County Assembly of Kiambu financial statements were approved and signed by the Clerk of the Assembly on 27/11/2025.

A handwritten signature in blue ink, consisting of a large loop and a horizontal line, positioned above a dotted line.

**John Mwivithi Mutie**  
Clerk of the County Assembly

# REPUBLIC OF KENYA



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NAIROBI

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

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### **PREAMBLE**

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

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

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 transitional IPSAS financial statements of County Assembly of Kiambu set out on pages 1 to 56, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of

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

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

## **Basis for Qualified Opinion**

### **Unsupported Rental Expenditure for Elected Members of the County Assembly**

The statement of financial performance and Note 10 to the financial statements reflects an amount of Kshs.515,600,773 under use of goods and services which includes rentals of produced assets expenditure totalling Kshs.24,131,072. Review of the documents provided for audit in relation to rental of produced assets, revealed that payment voucher No. 430 amounting to Kshs.2,966,400 was incurred as office rent for sixty (60) elected Members of the County Assembly for the months of October to December, 2024. However, the payments were not supported by invoices from the landlord. In the absence of these essential supporting documents, it was not possible to verify the accuracy and regularity of the rental payments made on behalf of the elected Members of the County Assembly.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.2,966,400 on rental of produced assets could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Assembly of Kiambu Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

## **Emphasis of Matter**

### **1. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs1,368,932,748 and Kshs.1,083,382,763 respectively resulting to an under-funding of Kshs.285,549,985 or 21% of the budget.

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

## 2. Long Outstanding Accounts Payables

The statement of financial position and Note 31 to the financial statements reflects trade and other payables balance of Kshs.279,590,485, an increase of Kshs.50,799,876 or 22% from the prior year balance of Kshs.228,709,609. However, audit review of the supporting schedules revealed that payables totalling Kshs.156,073,475 have remained unsettled for more than two (2) years, indicating weaknesses in creditor management and potential liquidity challenges.

In the circumstances, the accuracy and ability of the Assembly to meet its short-term obligations as and when they fall due could not be confirmed.

My opinion is not modified in respect of these matters.

### Key Audit Matters

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

### Other Matter

### Unresolved Prior Year Audit Matters

In the audit report of the previous year, several matters were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Control, Risk management and Governance, respectively. Review of the status during the audit of the County Assembly of Kiambu in 2024/2025 revealed the following matters remained unresolved.

No	Financial Year	Audit Issue
1	2023/2024	Compensation of Employees
2	2023/2024	Inconsistencies in the Financial Statements
3	2023/2024	Budgetary Control and Performance
4	2023/2024	Non-Compliance with Provision of the Law on Procurement Method
5	2023/2024	Non-Adherence to Ethnicity Rule
6	2023/2024	Non-Compliance with One Third Rule on Basic Salary
7	2023/2024	Long Outstanding Pending Bills
8	2023/2024	Irregular Payments to Society of Clerks at the Table and County Assembly Forum

No	Financial Year	Audit Issue
9	2023/2024	Stalled-Construction of Assembly Archives and Member Welfare Facility
10	2023/2024	Stalled-Construction of Ward Offices at Karai Ward and Construction of Ward Offices at Bibirioni Ward
11	2023/2024	Stalled-Construction of Ngoliba Ward Offices
12	2023/2024	Stalled-Construction of Ngewa Ward Office
13	2023/2024	Non-Compliance with Fiscal Responsibility Principles
14	2023/2024	Lack of Ownership Documents
15	2023/2024	Non - Adherence to Quarterly Meetings

### Other Information

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

In connection with my audit on the County Assembly of Kiambu 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 and I am required to report that fact. I have nothing to report in this regard.

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

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

#### Conclusion

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

#### Basis for Conclusion

##### 1. Non-Compliance with Fiscal Responsibility Principles

The statement of financial performance and as supported by Note 9 to the financial statements reflects total employee costs of Kshs.576,902,295. Comparison of this amount with the revenue share amount of Kshs.1,083,381,683 as disclosed in the statement of financial performance, revealed that the wage bill constituted approximately

53% of total revenue. This exceeded the statutory ceiling of 35% by 18%. Review of Management's actions revealed no evidence of effective mitigation measures implemented to comply with the wage bill threshold during the financial year. This was contrary to Regulation 25(1)(b) of the Public Finance Management (County Governments) Regulations, 2015 which requires the expenditure set should not exceed thirty-five (35) percent of the county Government's revenue.

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

## **2. Stalled Projects**

The statement of financial position reflects property, plant and equipment (PPE) with a net book value of Kshs.2,298,766, which includes capital work in progress amounting to Kshs.644,069 as disclosed in Note 27 to the financial statements. Review of project status reports, corroborated through physical inspection, revealed that seven (7) capital projects with a total estimated cost of Kshs.83,168,650, had stalled despite a total budget allocation of Kshs.117,650,000 and only Kshs.1,700,000 received during the year under review. The available status reports confirmed that the works had been abandoned and stalled. This was contrary to Article 227(1) of the Constitution of Kenya, 2010 which provides that, when a State organ or any other public entity contracts for goods or services, it shall do so in accordance with a system that is fair, equitable, transparent, competitive and cost-effective.

In the circumstances, the stalled and abandoned projects may be impaired, thereby potentially misstating the value of assets presented in the financial statements and exposing the public to loss of taxpayer funds.

## **3. Non-Compliance with Debt Fiscal Responsibility Principles**

The statement of financial position and Note 31 to the financial statements reflects trade and other payables balance of Kshs.279,590,485. Comparison of this balance with the total revenue of Kshs.1,083,381,683 as disclosed in the statement of financial performance, indicates that the payables represent 26% of total revenue. This proportion exceeded the statutory debt ceiling of 20% by 6%. This was contrary to the fiscal responsibility principles outlined under Regulation 25(1)(d) of the Public Finance Management (County Governments) Regulations, 2015, which requires that the County Public Debt should not exceed twenty percent (20%) of the County Government's total revenue.

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

## **4. Failure to Deduct Public Procurement Capacity Building Levy**

The statement of financial performance and Note 10 to the financial statements reflects expenditure totalling Kshs.515,600,773 for use of goods and services. Audit review of a sample of payment vouchers revealed that the County Assembly made payments amounting to Kshs.18,530,955 to various suppliers under public procurement contracts. However, these payments were not subjected to the mandatory Public Procurement

Capacity Building Levy of 0.03%. This was contrary to Public Procurement Regulatory Authority (PPRA) Circular No. Ref: PPRA/6/5/VOL.II (224) dated 30 August, 2024, which mandates a 0.03% levy on all procurement contracts.

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

#### **5. Failure to Withhold Taxes for Contractual and Professional Fees**

The statement of financial performance and Note 10 to the financial statements reflects total expenditure of Kshs.515,600,773 under use of goods and services, which includes an amount of Kshs.28,029,274 classified as other operating expenses. Audit review of payment vouchers revealed that the County Assembly made payments to contractors totalling Kshs.2,703,844, however, the mandatory withholding taxes were not deducted and remitted to the Kenya Revenue Authority (KRA) for professional fees and contractual fees amounting to Kshs.116,545 and Kshs.68,521 respectively.

This was contrary to Clause 5(f)(i)(ii) of the Third Schedule of the Income Tax Act (Cap 470) which requires withholding of professional fees (5%) and contractual fees (3%) on payments exceeding Kshs.24,000 per month.

In the circumstances, Management was in breach of the law and County Assembly was exposed to penalties and interest from the Kenya Revenue Authority.

#### **6. Payments without Electronic Tax Invoices**

The statement of financial performance and Note 10 to the financial statements reflect use of goods and services amounting to Kshs.515,600,773. Review of sampled payment vouchers and supporting documents for the year ended 30 June, 2025 revealed that payments totalling Kshs.14,499,665 made to various suppliers were not supported by valid electronic tax invoices. This was contrary to Regulation 6(1) of the Value Added Tax (Electronic Tax Invoices) Regulations, 2020, which mandates the use of electronic tax invoicing for all taxable supplies.

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

#### **7. Late Remittance of Statutory Deductions**

The statement of financial performance and Note 9 to the financial statements reflects employee costs totalling Kshs.576,902,295. Review of bank statements and remittance records revealed that PAYE deductions amounting to Kshs.55,290,128 were remitted to the Kenya Revenue Authority (KRA) after the statutory deadline. The delays ranged between 2 and 20 days, affecting remittances for the months of September, 2024 to December, 2024, March, 2025 and April, 2025.

Failure to remit PAYE deductions within the stipulated time contravenes the provisions of Section 35(5) of the Income Tax Act, which requires employers to remit such deductions to the Commissioner not later than the ninth (9th) day of the following month. Delayed remittances exposed the County Assembly to penalties and interest charges by the Kenya

Revenue Authority and indicated weaknesses in statutory compliance and financial management controls.

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

#### **8. Failure to Withhold Value Added Tax on Rental Expenses**

The statement of financial performance and Note 10 to the financial statements reflect use of goods and services totalling Kshs.515,600,773 which includes rental of produced assets amount of Kshs.24,131,072. Review of a sample of documents provided for audit revealed that rental expenses for Members of the County Assembly amounted to Kshs.8,859,872. However, it was noted that the County Assembly Management did not withhold the applicable Value Added Tax (VAT) on the rental payments or remit the withheld VAT to the Kenya Revenue Authority (KRA), as required. This omission was contrary to the provisions of the Tax Procedures Act, 2015 and the Value Added Tax Act, 2013, which require entities making taxable payments to withhold and remit VAT to the Commissioner within the prescribed timelines. Failure to comply with these requirements exposes the County Assembly to tax penalties, interest charges, and potential legal sanctions from Kenya Revenue Authority.

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

#### **9. Irregular Payments to External Member of The County Assembly Service Board**

The statement of financial performance and Note 9 to the financial statements reflects an amount of Kshs.576,902,295 under employee costs which include an amount of Kshs.75,402,000 for personal allowances. During the year under review, it was noted that two (2) external members of the County Assembly Service Board (CASB), were paid allowances of Kshs.1,859,000 and Kshs.1,352,000 respectively totalling Kshs.3,211,000. However, examination of the Board minutes and related attendance records provided for audit revealed that the two (2) members did not attend any Board meetings during the year. As a result, the payment of allowances to external members could not be justified, indicating irregular expenditure and potential loss of public funds. This was contrary to Article 227(1) of the Constitution of Kenya, 2010 which provides that, when a State organ or any other public entity contracts for goods or services, it shall do so in accordance with a system that is fair, equitable, transparent, competitive and cost-effective.

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

#### **10. Irregular Payment to County Assembly Forum**

The statement of financial performance and Note 10 to the financial statements reflects an amount of Kshs.515,600,773 under use of goods and services. Included in this amount is an expenditure of Kshs.28,029,274 for other operating expenses. Review of records relating to membership fees, dues and subscriptions to professional and trade bodies revealed that an amount of Kshs.5,000,000 was invoiced by the County Assemblies Forum (CAF) to the Kiambu County Assembly. During the year under review, the Assembly made an initial payment of Kshs.1,950,000 to the Forum. However, it was

established that the County Assemblies Forum does not draw its mandate from the Constitution of Kenya or an Act of Parliament and payment to this organization was not based on any law.

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

### **11. Non-Compliance with One Third Rule on Basic Salary**

The statement of financial performance and Note 9 to the financial statements reflects employee costs totalling Kshs.576,902,295. Review of Integrated Payroll and Personnel Database (IPPD) and Human Resources Management Policies and Procedures manual provided for audit revealed that in each month during the financial year, some employees received less than a third (1/3) of their respective basic salaries contrary to Section 19(3) of the Employment Act, 2007 which requires that no deductions made by an employer should exceed two-thirds of the wages of an employee.

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

### **12. Inaccessibility of Ndumberi Ward Office to Persons with Disabilities**

A site inspection conducted on 30 June, 2025 on a sample of ward offices in Kiambu County revealed that Ndumberi Ward Office was not easily accessible to Persons with Disabilities. The inspection noted the absence of essential accessibility features such as ramps, elevators and assistive devices necessary to facilitate access to the facility by Persons with Disabilities. This was contrary to the provisions of Section 30(1) of the Persons with Disabilities Act, 2025 which provides that persons with disabilities are entitled to a barrier-free and disability-friendly environment to enable them have access to buildings, roads and other social amenities and assistive devices and other equipment to promote their mobility.

In the circumstances, Management was in breach of law.

### **13. Non-Adherence to Ethnicity Rule**

The statement of financial performance and Note 9 to the financial statements reflects employee costs totalling Kshs.576,902,295. Review of employee records for the County Assembly revealed that the dominant ethnic community employed by the Assembly constituted 77% or 72 of the total population of 93 staff. This was above the provision of Section 7(2) National Cohesion and Integration Act, 2008 which provides that no public establishment shall have more than one third of its staff from the same ethnic community.

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

### **14. Non-Adherence to Regularity and Integrity on Recruitment of Persons Living with Disabilities**

The statement of financial performance and Note 9 to the financial statements reflect employee costs totalling Kshs.576,902,295. Review of the staff composition indicated that none of the employees were identified under Persons with Disabilities (PWDs). This was contrary to the provisions of Section 4(f) of the Persons with Disability Act, 2025, which requires organizations to promote the inclusion and integration of persons with disability

in the public service and put in place measures to ensure that at least five (5%) per centum of the employment positions are filled by persons with disability.

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

### **15. Over-Expenditure of Ward Expenses**

The statement of financial performance and Note 10 to the financial statements reflect an amount of Kshs.515,600,773 under use of goods and services. Audit examination of supporting documents revealed that the County Assembly paid rent for the nominated Members of the County Assembly at Kiambu Municipality Block II/160 Bishop Timothy Ranji Cathedral Plaza, amounting to Kshs.12,056,947 per annum and additionally incurred operating expenses of Kshs.2,889,962 per annum. This resulted in total annual expenditure of Kshs.14,946,910 for the twenty-six (26) nominated Members of the County Assembly translating to Kshs.574,881 per annum per nominated member.

However, the Commission on Revenue Allocation (CRA) Circular No. CRA/CSO/CMG/9/Vol V/59 dated 21 October, 2020 provides that ward office operational costs should not exceed Kshs.327,684 per annum per member. This implied an over-expenditure of Kshs.247,197 per annum per member, translating to a total over-expenditure of Kshs.6,427,122 on operations and maintenance costs for the twenty-six (26) nominated Members.

In the circumstances, the regularity of the expenditure totalling Kshs.14,946,910 could not be confirmed and Management was in breach of law.

### **16. Replacement of Ward Staff without Interviews**

The statement of financial performance and Note 9 to the financial statements reflect employee costs totalling Kshs.576,902,295. During the year under review, it was noted that positions of a Security Officer, Personal Assistant and Office Assistants forward staff who exited the service were subsequently replaced. However, the recruitment of the replacement staff was not conducted through a competitive process. Records such as the needs assessment, long list, shortlist, and scoring sheets for the newly recruited staff were not provided for audit review. Consequently, there was no documentation to demonstrate how the services of the replacement staff were acquired.

This was contrary to Article 232(1)(g) of the Constitution of Kenya, 2010 which speaks to values and principles of public service, requires fair competition and merit to be the basis of appointments and promotions.

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

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

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

## **Conclusion**

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

## **Basis for Conclusion**

### **1. Lack of Approved Policy Documents**

Review of the County Assembly's governance framework and documentation provided for audit revealed the absence of several key approved policy documents. Specifically, the County Assembly of Kiambu did not have an approved Human Resource Manual, Organogram, Information and Communication Technology (ICT) Policy, Risk Management Policy and Disaster Recovery Plan during the year under review. The lack of these foundational documents indicates significant weaknesses in the institutional governance structure.

In the circumstances, the effectiveness of internal controls on operations of the County Assembly could not be confirmed.

### **2. Lack of Integration of Climate Change Action Plans**

Review of the Assembly's systems of governance and operations revealed that there is no designated unit within the Assembly to handle climate change related matters. Further, no department within the Assembly has a designated unit with staff to coordinate mainstreaming of climate change action plan and other climate change statutory functions into sectoral strategies. It was also noted that there was no budgetary allocation for climate related programs to be undertaken within the Assembly's operations for the year under review.

In the circumstances, effectiveness of governance issues on climate issues could not be confirmed.

### **3. Manual Generation of Local Purchase Orders**

Audit review of procurement documents for the year under review revealed that the County Assembly generated manual Local Purchase Orders (LPOs) amounting to Kshs.1,193,704. This was despite the availability and operational capability of the Integrated Financial Management Information System (IFMIS) procurement module designed for generating such orders. The use of manual LPOs bypasses automated internal controls, weakens audit trails, complicates payment tracking and increases the risk of unauthorized or irregular procurement activities.

in the public service and put in place measures to ensure that at least five (5%) per centum of the employment positions are filled by persons with disability.

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

### **15. Over-Expenditure of Ward Expenses**

The statement of financial performance and Note 10 to the financial statements reflect an amount of Kshs.515,600,773 under use of goods and services. Audit examination of supporting documents revealed that the County Assembly paid rent for the nominated Members of the County Assembly at Kiambu Municipality Block II/160 Bishop Timothy Ranji Cathedral Plaza, amounting to Kshs.12,056,947 per annum and additionally incurred operating expenses of Kshs.2,889,962 per annum. This resulted in total annual expenditure of Kshs.14,946,910 for the twenty-six (26) nominated Members of the County Assembly translating to Kshs.574,881 per annum per nominated member.

However, the Commission on Revenue Allocation (CRA) Circular No. CRA/CSO/CMG/9/Vol V/59 dated 21 October, 2020 provides that ward office operational costs should not exceed Kshs.327,684 per annum per member. This implied an over-expenditure of Kshs.247,197 per annum per member, translating to a total over-expenditure of Kshs.6,427,122 on operations and maintenance costs for the twenty-six (26) nominated Members.

In the circumstances, the regularity of the expenditure totalling Kshs.14,946,910 could not be confirmed and Management was in breach of law.

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The statement of financial performance and Note 9 to the financial statements reflect employee costs totalling Kshs.576,902,295. During the year under review, it was noted that positions of a Security Officer, Personal Assistant and Office Assistants forward staff who exited the service were subsequently replaced. However, the recruitment of the replacement staff was not conducted through a competitive process. Records such as the needs assessment, long list, shortlist, and scoring sheets for the newly recruited staff were not provided for audit review. Consequently, there was no documentation to demonstrate how the services of the replacement staff were acquired.

This was contrary to Article 232(1)(g) of the Constitution of Kenya, 2010 which speaks to values and principles of public service, requires fair competition and merit to be the basis of appointments and promotions.

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

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

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

## **Conclusion**

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

## **Basis for Conclusion**

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In the circumstances, effectiveness of governance issues on climate issues could not be confirmed.

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In the circumstances, the effectiveness of internal controls in record management could not be confirmed.

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

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

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

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

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

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

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

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

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

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

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

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I also 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

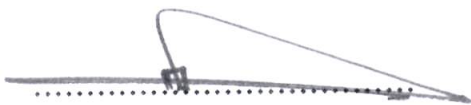
18 December, 2025

**County Assembly of Kiambu  
Annual Report and Financial Statements for the year ended June 30, 2025**

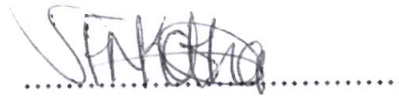
**10. Statement of Financial Performance for the year ended 30 June 2025**

	Notes	FY 2024-2025
		Kshs
<b>Revenue from non-exchange transactions</b>		
Transfers from CRF	6	1,083,381,683
Miscellaneous Revenue	7	0
<b>Total</b>		<b>1,083,381,683</b>
<b>Revenue from exchange transactions</b>		
Other income	8	0
<b>Total revenue</b>		<b>1,083,381,683</b>
<b>Expenses</b>		
Employee costs	9	576,902,295
Use of goods and services	10	515,600,773
Transfers to other Government Entities	11	11,060,000
Depreciation and amortization expense	12	110,803
Other Grants and Subsidies	13	0
Finance costs	14	0
Social Benefits	15	28,952,949
<b>Total expenses</b>		<b>1,132,626,820</b>
Gain/(loss) on sale of assets	16	0
Gain/Loss on Foreign Exchange	17	0
Gain/Loss on fair value of investments	18	0
Impairment loss	19	0
<b>Surplus for the year</b>		<b>(49,245,137)</b>
Taxation	20	0
<b>Net Surplus</b>		<b>(49,245,137)</b>

The Financial Statements set out on pages 1 to 7 were signed by:



John Mwivithi Mutie  
Clerk of the Assembly



Sarah Felicity Nkatha Kiruki  
Director Finance and Accounts  
County Assembly of Kiambu  
ICPAK Member Number: 6244

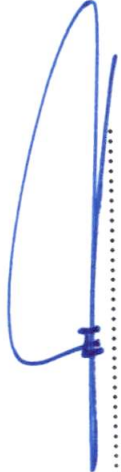
## 11. Statement of Financial Position as at 30 June 2025

	Notes	2024-2025	Opening Statement 1 <sup>st</sup> July 2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash equivalents	21	17	1,600
Receivables from Exchange Transactions	22(a)	0	0
Receivables from Non-Exchange Transactions	23	0	0
Prepayments	24	1,175,198	1,837,163
Inventories	25	0	0
Current portion of investments	26	0	0
<b>Total Current Assets</b>		<b>1,175,215</b>	<b>1,838,763</b>
<b>Non-Current Assets</b>			
Receivables from Exchange Transactions	22(b)	0	0
Non- Current portion of investments	26	0	0
Property, Plant and Equipment	27	2,298,766	0
Intangible Assets	28	0	0
Investment Property	29	0	0
Right-of-use assets	30	0	0
<b>Total Non- Current Assets</b>		<b>2,298,766</b>	<b>0</b>
<b>Total Assets (A)</b>		<b>3,473,981</b>	<b>1,838,763</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	31	279,590,485	228,709,609
Refundable Deposits and Prepayments	32	0	0
Current Provision	33	0	0
Lease Liabilities	34	0	0
Deferred Income	35	0	0
Employee Benefit Obligation	36	0	0
Current Portion of Borrowings	37	0	0
<b>Total Current Liabilities</b>		<b>279,590,485</b>	<b>228,709,609</b>
<b>Non-Current Liabilities</b>			
Non-Current Provisions	33	0	0
Lease Liabilities	34	0	0


**County Assembly of Kiambu  
Annual Report and Financial Statements for the year ended June 30, 2025**

	Notes	2024-2025		Opening Statement	
		Kshs		1 <sup>st</sup> July 2024	
		Kshs		Kshs	
Deferred Income	35	0	0	0	0
Non-Current Employee Benefit Obligation	36	0	0	0	0
Borrowings – Non-Current Portion	37	0	0	0	0
Service Concession Liability	38	0	0	0	0
<b>Total Non-Current Liabilities</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities (B)</b>		<b>279,590,485</b>	<b>279,590,485</b>	<b>228,709,609</b>	<b>228,709,609</b>
<b>Net Assets(A-B)</b>		<b>(276,116,503)</b>	<b>(276,116,503)</b>	<b>(226,870,847)</b>	<b>(226,870,847)</b>
<b>Represented By:</b>					
Reserves		0	0	0	0
Accumulated Surplus		(276,116,503)	(276,116,503)	(226,870,847)	(226,870,847)
Capital Fund		0	0	0	0
<b>Net Assets</b>		<b>(276,116,503)</b>	<b>(276,116,503)</b>	<b>(226,870,847)</b>	<b>(226,870,847)</b>

The financial statements set out on pages 1 to 7 were signed by:

.....  


John Mwirithi Mutie  
 Clerk of the Assembly

.....  


Sarah Felicity Nkatha Kiruki  
 Director Finance and Accounts  
 County Assembly of Kiambu  
 ICPAK Member Number: 6244

## 12. Statement of Changes in Net Assets for the year ended 30 June 2025

	Accumulated Surplus	Reserves	Capital Fund	Total
As at 30 <sup>th</sup> June 2024 (cash basis)	1,600	0	0	1,600
Adjustments:				
Recognition of Prepayments	1,837,163	0	0	1,837,163
Recognition of liabilities	(228,709,609)	0	0	(228,709,609)
<b>As at July 1, 2025</b>	<b>(226,870,847)</b>	<b>0</b>	<b>0</b>	<b>(226,870,847)</b>
Return to CRF	(520)	0	0	(520)
Surplus for the year	(49,245,137)	0	0	(49,245,137)
<b>As at June 30, 2025</b>	<b>(276,116,503)</b>	<b>0</b>	<b>0</b>	<b>(276,116,503)</b>

Prepayments relate to prior year adjustments of Kshs. 1,837,163. They include electricity of Kshs. 1,190,103 and Kshs. 647,060 for water.

**County Assembly of Kiambu**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

**13. Statement of Cash Flows for the year ended 30 June 2025**

		<i>FY 2024-2025</i>
	<b>Notes</b>	<b>Kshs</b>
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Transfers from CRF		1,083,381,683
Miscellaneous Revenue		0
Other income		0
<b>Total receipts</b>		<b>1,083,381,683</b>
<b>Payments</b>		
Employee costs		578,535,389
Use of goods and services		463,134,408
Transfers to other Government Entities		11,060,000
Other Grants and Subsidies		0
Finance costs		0
Social Benefits		28,952,949
<b>Total payments</b>		<b>1,081,682,746</b>
<b>Net cash flows from/(used in) operating activities</b>	39	<b>1,698,937</b>
<b>Cash flows from investing activities</b>		
Purchase of PPE		(1,700,000)
Purchase Intangible assets		0
Proceeds from sale of PPE		0
Proceeds from sale of Biological Assets		0
Purchase of investments		0
Sale of investments		0
<b>Net cash flows from/(used in) investing activities</b>		<b>(1,700,000)</b>
<b>Cash flows from financing activities</b>		
Returns to CRF		(520)
Proceeds from borrowings		0
Repayment of borrowings		0
<b>Net cash flows from financing Activities</b>		<b>(520)</b>
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>		<b>(1,583)</b>
Cash and cash equivalents at 1 July 2024	21	1,600
<b>Cash and cash equivalents at 30 June 2025</b>	21	<b>17</b>

County Assembly of Kiambu  
Annual Report and Financial Statements for the year ended June 30, 2025

14. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025  
Recurrent and Development Budgets Combined

Receipts/Payments Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of utilization f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	f=d/c %
Opening balance	0	0	0	1,080	(1,080)	
Receipts						
Transfers from the CRF	1,467,416,186	(98,483,438)	1,368,932,748	1,083,381,683	285,551,065	79
Other receipts	0	0	0	0	0	0
<b>Total Receipts</b>	<b>1,467,416,186</b>	<b>(98,483,438)</b>	<b>1,368,932,748</b>	<b>1,083,382,763</b>	<b>285,549,985</b>	<b>79</b>
Payments						
Compensation of employees	607,931,941	(24,150,000)	583,781,941	578,535,389	5,246,552	99
Use of goods and services	630,800,000	(83,255,438)	547,544,562	463,134,408	84,410,154	85
Subsidies	0	0	0	0	0	0
Transfers to other government units	75,000,000	13,272,000	88,272,000	11,060,000	77,212,000	13
Other grants and transfers	0	0	0	0	0	0
Social security benefits	33,184,245	(1,500,000)	31,684,245	28,952,949	2,731,296	91
Acquisition of assets	120,500,000	(2,850,000)	117,650,000	1,700,000	115,950,000	1.4
Finance costs, including loan interest	0	0	0	0	0	0
Repayment of principal on borrowings	0	0	0	0	0	0
Other payments	0	0	0	0	0	0
<b>Total</b>	<b>1,467,416,186</b>	<b>(98,483,438)</b>	<b>1,368,932,748</b>	<b>1,083,382,746</b>	<b>285,550,002</b>	<b>79</b>
<b>Surplus</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17</b>		

**County Assembly of Kiambu  
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**Reconciliation table**

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	17
1	Reason for differences	0
2	Reason for differences	0
3	Reason for differences	0
4	Reason for differences:	0
	Closing Cash and Cash Equivalent as per the statement of Cash flows	17

**Budget Notes**

- a. Use of goods and services were underutilized because of the undisbursed exchequer releases to the Assembly.
  - b. Transfer to other Government entities were underutilized because of the undisbursed exchequer releases to the Assembly.
  - c. Acquisition of assets were underutilized because of the undisbursed exchequer.
- The changes between the original and the final budget are as a result of reallocations within the budget.

**15. Notes to the Financial Statements**

**1. General Information**

County Assembly of Kiambu is established by and derives its authority and accountability from The Constitution of Kenya 2010. The Entity is domiciled in Kenya and its principal activities are Legislation, Oversight and Representation.

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

**Statement of compliance**

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

**Guiding note during the transition period:**

The County Assembly has opted to take advantage of the transitional provisions under IPSAS 33 and therefore the Annual financial statements of the 1<sup>st</sup> financial year are transitional financial statements. Therefore, financial assets and financial liabilities have been recognised in the financial statements. Historical assets and inventories have not been recognised as the County Assembly has taken advantage of the transitional provisions outlined in IPSAS 33.

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

**Basis of Preparation**

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

**Reporting period**

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

## **County Assembly of Kiambu Annual Reports and Financial Statements for the year ended June 30, 2025**

### **Notes to the financial statements**

#### **Critical accounting judgements**

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

#### Recognition of revenue

Revenue is an increase in the net financial position, other than increases arising from ownership contributions. Revenue is required to be measured when the event occurs and when recognition criteria (probable inflow of resources and ability to reliably measure their value) are met. Judgment is required to determine if these criteria are met, particularly where limited evidence is available at the time the revenue is earned.

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

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

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

#### Purpose and nature of financial instruments

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

#### Climate change obligations

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

Physical assets

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

**County Assembly of Kiambu  
Annual Reports and Financial Statements for the year ended June 30, 2025**

**Notes to the Financial Statements (Continued)**

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

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

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>This standard does not affect the County Assembly of Kiambu</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The Standard requires.</p> <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: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>This standard does not affect the County Assembly of Kiambu</p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>This standard does not affect the County Assembly of Kiambu</p>
IPSAS 46 Measurement	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ol> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>This standard does not affect the County Assembly of Kiambu</p>

**County Assembly of Kiambu  
Annual Reports and Financial Statements for the year ended June 30, 2025**

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

Standard	Effective date and impact:
IPSAS 47- Revenue	<i>Applicable 1<sup>st</sup> January 2026</i> 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. This standard does not affect the County Assembly of Kiambu
IPSAS 48- Transfer Expenses	<i>Applicable 1<sup>st</sup> January 2026</i> 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. This standard does not affect the County Assembly of Kiambu
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1<sup>st</sup> 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. This standard does not affect the County Assembly of Kiambu
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1<sup>st</sup> January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. This standard does not affect the County Assembly of Kiambu

*iii) Early adoption of standards*

The County Assembly of Kiambu did not early – adopt any new or amended standards in the financial year.

**4. Summary of Significant Accounting Policies**

a) **Revenue recognition**

i) **Revenue from non-exchange transactions**

**Transfers from other government entities**

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

ii) **Revenue from exchange transactions**

**Interest income**

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

**Dividends**

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

**Rental income**

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

b) **Budget information**

The original budget for FY 2024/2025 was approved by the County Assembly on 19th June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the County Assembly upon receiving the respective approvals in order to conclude the final budget. Accordingly, the County Assembly recorded 2 additional appropriations on the 2024/2025 budget following the governing body's approval. The Entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements.

**Budget information (continued)**

The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial cash flows has been presented under section 14 of these financial statements.

**c) Investment property**

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

**d) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value. The County Assembly used the straight-line method of depreciation. The rates of depreciation used are 12.5% for the furniture and fittings and 33.3% for Computers and ICT equipments.

**County Assembly of Kiambu**  
**Annual Reports and Financial Statements for the year ended June 30, 2025**  
**Notes to the Financial Statements (Continued)**

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e) **Right of use asset**

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

**Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

f) **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.

g) **Research and development costs**

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

**Notes to the Financial Statements (Continued)**

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

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

**h) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. 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.

Notes to the Financial Statements (Continued)

i. **Financial assets**

**Classification of financial assets**

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

**Subsequent measurement**

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

**Amortized cost**

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

**Fair value through net assets/ equity**

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

**Notes to the Financial Statements (Continued)**

**Trade and other receivables**

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

**Fair value through surplus or deficit**

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

**Impairment**

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

**ii. Financial liabilities**

**Classification**

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

**i) Inventories**

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

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the

**County Assembly of Kiambu**  
**Annual Reports and Financial Statements for the year ended June 30, 2025**

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**Notes to the Financial Statements (Continued)**

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 County Assembly.

**j) 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.

**k) 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.

**l) 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.

**m) Nature and purpose of reserves**

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

**n) 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.

**o) Employee benefits**

**Retirement benefit plans**

The County Assembly 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

**Notes to the Financial Statements (Continued)**

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.

**p) Foreign currency transactions**

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

**q) 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.

**r) Related parties**

The County Assembly 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 County Assembly, or vice versa. Members of key management are regarded as related parties and comprise of the Speaker of the County Assembly, Clerk of the county Assembly, Directors and senior managers.

**s) Service concession arrangements.**

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

**County Assembly of Kiambu  
Annual Reports and Financial Statements for the year ended June 30, 2025**

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**Notes to the Financial Statements (Continued)**

**t) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

**u) Comparative figures**

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

**v) Subsequent events**

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

**5. Significant Judgments and Sources of Estimation Uncertainty**

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

**Estimates and assumptions.**

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

**Useful lives and residual value**

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

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

**County Assembly of Kiambu  
Annual Reports and Financial Statements for the year ended June 30, 2025**

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**Notes to the Financial Statements (Continued)**

**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.

County Assembly of Kiambu  
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Notes to the Financial Statements (Continued)

6. Transfers from CRF

Nature of Transfer	Amount recognized to Statement of financial performance	Amount deferred under deferred income	Total transfers FY 2024-2025
	Kshs	Kshs	Kshs
Recurrent	1,083,381,683	0	1,083,381,683
Development	0	0	0
Special purpose transfers	0	0	0
<b>Total</b>	<b>1,083,381,683</b>	<b>0</b>	<b>1,083,381,683</b>

Receipts of Kshs. 1,083,381,683 is inclusive of Kshs. 15,423,000 and Kshs. 25,900,000 which were borrowed from the County Assembly funds and were paid back

7. Miscellaneous Revenue

Nature of Revenue	FY 2024-2025
	Kshs
In kind grants and donations	0
Refunds & Reimbursements	0
Revenues not classified anywhere else	0
<b>Total</b>	<b>0</b>

8. Other Incomes

Description	FY 2024-2025
	Kshs
Insurance recoveries	0
Sale of tender documents	0
Services concession income	0
Other incomes not specified elsewhere	0
<b>Total other income</b>	<b>0</b>

9. Employee Costs

Description	2024-2025
	Kshs
Basic salaries of permanent employees	380,366,906
Basic wages of temporary employees	92,670,100
Personal allowances – part of salary	75,402,000
Pension and other social security contributions	23,620,209
Employer contributions to compulsory national social security schemes	4,843,080
Employer contributions to compulsory national health insurance schemes	0
Employer contribution to compulsory housing scheme	0
Other social benefit schemes	0
Other personnel costs	0
<b>Total Employee costs</b>	<b>576,902,295</b>

**County Assembly of Kiambu  
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**Notes to the Financial Statements (Continued)**

**10. Use of Goods and Services**

Description	2024-2025
	Kshs
Utilities, supplies and services	1,013,965
Communication, supplies and services	1,397,014
Domestic travel and subsistence	214,054,842
Foreign travel and subsistence	80,278,268
Printing, advertising, and information supplies & services	9,123,492
Rentals of produced assets	24,131,072
Training expenses	60,985,238
Hospitality supplies and services	36,057,789
Insurance costs	43,842,591
Specialized materials and services	5,943,290
Other operating expenses <i>including bank Charges</i>	28,029,274
Office and general supplies and services	4,547,966
Fuel Oil and Lubricants	4,632,959
Routine maintenance – vehicles and other transport equipment	463,760
Routine maintenance – other assets	1,099,255
<b>Total</b>	<b>515,600,773</b>

County Assembly of Kiambu  
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Notes to the Financial Statements (Continued)

11. Transfers to Other Government Entities

Description	2024-2025
	Kshs
Transfers to other County Government entities	0
Transfers to self-reporting projects	0
Transfers to County Assembly car loan and mortgage scheme	11,060,000
Others (specify)	0
<b>Total</b>	<b>11,060,000</b>

12. Depreciation and Amortization Expense

Description	2024-2025
	Kshs
Property, plant and equipment	110,803
Intangible assets	0
Investment property carried at cost	0
<b>Total</b>	<b>110,803</b>

13. Other Grants and Subsidies

Description	2024-2025
	Kshs
Membership dues and subscriptions to international organizations	0
Scholarships and other educational benefits	0
Emergency relief and refugee assistance	0
Grants to small businesses, cooperatives, and self employed	0
Subsidies to Public entities	0
Subsidies to Private entities	0
<b>Total Grants and Subsidies</b>	<b>0</b>

14. Finance Costs

Description	2024-2025
	Kshs
Interest Payments on Guaranteed Debt Taken over by Govt	0
Interest on Domestic Borrowings (Non-Govt)	0
Interest on Borrowings from Other Government Units	0
Interest on bank overdrafts	0
Interest on loans from commercial banks	0
<b>Total finance costs</b>	<b>0</b>

County Assembly of Kiambu  
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Notes to the Financial Statements (Continued)

15. Social Benefits

Description	2024-2025
	Kshs
Transfers to the elderly	0
Transfers to orphans	0
Transfers to the physically challenged	0
Government Pension and Retirement Benefits	28,952,949
<b>Total social benefit expenses</b>	<b>28,952,949</b>

16. Gain/Loss on Sale of Assets

Description	2024-2025
	Kshs
Property, plant and equipment	0
Intangible assets	0
Other assets not capitalised	0
<b>Total gain on sale of assets</b>	<b>0</b>

17. Gain/Loss on Foreign Exchange

Description	2024-2025
	Kshs
Gain or loss on foreign exchange transactions	0
Gain or loss on balances in foreign exchanges	0
<b>Total</b>	<b>0</b>

18. Gain/Loss on Fair Value Investments

Description	2024-2025
	Kshs
Investments at Fair Value	0
<b>Total Gain</b>	<b>0</b>

19. Impairment Loss

Description	2024-2025
	Kshs
Property, Plant and Equipment	0
Intangible Assets	0
<b>Total Impairment Loss</b>	<b>0</b>

**County Assembly of Kiambu  
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**Notes to the Financial Statements (Continued)**

**20. Taxation**

Description	2024-2025	
	Kshs	
Current income tax charge	0	
Tax charged on rental income	0	
Tax charged on interest income	0	
Original and reversal of temporary differences	0	
<b>Income tax expense reported in the statement of financial performance</b>	<b>0</b>	

**21. Cash and Cash Equivalents**

Description	2024-2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Recurrent Account	17		520	
Development Account	0		0	
Deposits Account	0		0	
Special Purpose Accounts	0		0	
Other operating commercial accounts: Co-operative Bank of Kenya	0		1,080	
<b>Total</b>	<b>17</b>		<b>1,600</b>	

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

Financial Institution	Account number	2024-2025		Opening Statement 1 <sup>st</sup> July 2024	
		Kshs		Kshs	
Recurrent Accounts		17		520	
<i>CBK00001</i>	1000216603				
Development Accounts		0		0	
<i>CBK00002</i>	1000291087				
Deposits Accounts		0		0	
<i>CBK00003</i>					
Special Purpose Accounts		0		0	
<i>CBK00004</i>		0		0	
<i>CBK00005</i>					
Other operating commercial accounts- Co-operative Bank of Kenya	01141371712200	0		1,080	
<b>Total</b>		<b>17</b>		<b>1,600</b>	

County Assembly of Kiambu  
Annual Reports and Financial Statements for the year ended June 30, 2025

Notes to the Financial Statements (Continued)

22. Receivables from Exchange Transactions

Description	2024-2025	Opening Statement
	Kshs	1 <sup>st</sup> July 2024 Kshs
<b>Total receivables</b>		
Other exchange debtors	0	0
Less: impairment allowance	0	0
<b>Total receivables</b>	<b>0</b>	<b>0</b>
a) Current receivables	0	0
b) Non-current receivables	0	0
<b>Total Receivables (a+b)</b>	<b>0</b>	<b>0</b>

i) Ageing analysis for Receivables

Description	2024-2025		Opening Statement	
	Kshs		Kshs	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	0	%	0	%
Between 1- 2 years	0	%	0	%
Between 2-3 years	0	%	0	%
Over 3 years	0	%	0	%
<b>Total (a+b)</b>	<b>0</b>	<b>%</b>	<b>0</b>	<b>%</b>

ii) Reconciliation for Impairment Allowance on Receivables from Exchange Transactions

Impairment allowance	2024-2025
	Kshs
At the beginning of the year	0
Additional allowance during the year	0
Recovered during the year	0
Written off during the year	0
At the end of the year	<b>0</b>

**County Assembly of Kiambu  
Annual Reports and Financial Statements for the year ended June 30, 2025**

**Notes to the Financial Statements (Continued)**

**23. Receivables from Non-Exchange Transactions**

Description	2024-2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Other debtors (non-exchange transactions)		0		0
Less: impairment allowance		0		0
<b>Total receivables from non-exchange transactions</b>		<b>0</b>		<b>0</b>
	<b>Insert</b>	<b>% of the total</b>	<b>Opening Balance</b>	<b>% of the total</b>
<b>Ageing Analysis- Receivables from non-exchange transactions</b>	<b>Current FY</b>			
Less than 1 year	0	%	0	%
Between 1-2 years	0	%	0	%
Over 3 years	0	%	0	%
<b>Total</b>	0	%	0	%

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

Description	2024-2025	2024-2025
		Kshs
At the beginning of the year		0
Additional provisions during the year		0
Recovered during the year		0
Written off during the year		0
At the end of the year		<b>0</b>

**24. Prepayments**

Description	2024-2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Prepaid: Electricity		468,460		1,190,103
Prepaid: Water		354,738		647,060
Prepaid: Property, Plant and Equipment		352,000		0
<b>Total Prepayments(a+b+c)</b>		<b>1,175,198</b>		<b>1,837,163</b>

County Assembly of Kiambu  
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Notes to the Financial Statements (Continued)

25. Inventories

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

Detailed disclosure on inventories

	2024-2025
Opening balance	0
Additional Inventory in the year	0
Inventory expensed in the year	0
Write-downs in the year	0
Others specify	0
Closing balance	0

26. Investments

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

**County Assembly of Kiambu  
Annual Reports and Financial Statements for the year ended June 30, 2025**

**d) Movement of Equity Investments**

	2024-2025
	Kshs
At the beginning of the year	0
Purchase of investments in the year	0
Sale of investments during the year	0
Increase /(decrease ) in fair value of investments	0
At the end of the year	<b>0</b>

**e) Shareholding in other entities**

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

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

**County Assembly of Kiambu  
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Notes to the Financial Statements (Continued)

**27. Property, Plant and Equipment**

	Land	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Heritage assets	Work in progress	Service concession assets	Total
Depreciation Rate	Kshs	2-10% Kshs	10-16.67% Kshs	2-20% Kshs	12.5% Kshs	33.3% Kshs	x% Kshs	Kshs	Kshs	Kshs
<b>Cost</b>										
Opening Bal as 1 <sup>st</sup> July 2024	0	0	0	0	0	0	0	0	0	0
Additions	0	0	0	0	1,248,000	517,500	0	644,069	0	2,409,569
Disposals	0	0	0	0	0	0	0	0	0	0
Transfer/Adjustments	0	0	0	0	0	0	0	0	0	0
<b>As at June 2025</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,248,000</b>	<b>517,500</b>	<b>0</b>	<b>644,069</b>	<b>0</b>	<b>2,409,569</b>
<b>Depreciation And Impairment</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>39,000</b>	<b>71,803</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>110,803</b>
Depreciation for the year	0	0	0	0	39,000	71,803	0	0	0	110,803
Disposals	0	0	0	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0	0	0	0
Transfer/Adjustment	0	0	0	0	0	0	0	0	0	0
<b>As at June 2025</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>39,000</b>	<b>71,803</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>110,803</b>
<b>Net Book Values</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,209,000</b>	<b>445,697</b>	<b>0</b>	<b>644,069</b>	<b>0</b>	<b>2,298,766</b>
Opening Bal as at 1 <sup>st</sup> July 2024	0	0	0	0	0	0	0	0	0	0
<b>As at June 2025</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,209,000</b>	<b>445,697</b>	<b>0</b>	<b>644,069</b>	<b>0</b>	<b>2,298,766</b>

• The work in progress is an addition to the financial year 2024-2025 which relates to a 2nd payment certificate for the proposed construction of Ngewa ward office in Kiambu County.

**County Assembly of Kiambu  
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**Notes to the Financial Statements (Continued)**

**28. Intangible Assets**

Description	2024-2025
	Kshs
<b>Cost/Opening balance at the beginning of the year</b>	<b>0</b>
Additions	0
Disposal	0
<b>At end of the year</b>	<b>0</b>
Additions–internal development	0
Disposal	0
<b>At end of the year</b>	<b>0</b>
<b>Amortization and impairment</b>	<b>0</b>
<b>At beginning of the year</b>	<b>0</b>
Amortization	0
<b>At end of the year</b>	<b>0</b>
Impairment loss	0
<b>At end of the year</b>	<b>0</b>
<b>NBV</b>	<b>0</b>

**29. Investment Property**

Description	2024-2025
	Kshs
<b>Cost/Opening balance at the beginning of the year</b>	<b>0</b>
Additions	0
Disposal during the year	0
Depreciation	0
Impairment	0
<b>At end of the year</b>	<b>0</b>

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Notes to the Financial Statements (Continued)

30. Right-of-use assets

	<i>Buildings</i>	<i>Motor vehicles</i>	<i>Plant and equipment</i>	<i>Total</i>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Cost</b>				
As at 1 July 2024	0	0	0	0
Additions	0	0	0	0
As at June 2025	0	0	0	0
<b>Accumulated Depreciation</b>				
As at 1 July 2024	0	0	0	0
Charge for the year	0	0	0	0
As at June 2025	0	0	0	0
<b>Carrying Amount</b>				
As at June 2025	0	0	0	0

31. Trade and Other Payables

<b>Description</b>	<b>2024-2025</b>		<i>Opening Statement</i> <i>1<sup>st</sup> July 2024</i>	
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Trade payables	278,528,916		227,076,515	
Payments received in advance	0		0	
Employee payables	0		1,633,094	
Payables: Property, plant and Equipment	1,061,569		0	
Other payables	0		0	
<b>Total trade and other payables</b>	<b>279,590,485</b>		<b>228,709,609</b>	
<b>Ageing analysis: (Trade and other payables)</b>	<b>Current FY</b>	<b>%</b>	<b>Opening balance</b>	<b>% of the Total</b>
Under one year	123,517,010	44%	0	0%
1-2 years	0	0%	204,963,182	89%
2-3 years	132,327,048	47%	0	0%
Over 3 years	23,746,427	9%	23,746,427	10%
<b>Total (tie to above total)</b>	<b>279,590,485</b>		<b>228,709,609</b>	

County Assembly of Kiambu  
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Notes to the Financial Statements (Continued)

32. Refundable Deposits and Prepayments

Description	2024-2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Customer deposits	0		0	
Prepayments	0		0	
Other deposits	0		0	
<b>Total deposits</b>	<b>0</b>		<b>0</b>	
Ageing analysis: (Refundable deposits)	Current FY	% of the Total	Opening Balance	% of the Total
Under one year	0	%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
<b>Total</b>	<b>0</b>		<b>0</b>	

33. Provisions

Description	Leave provision	Gratuity Provision	Other provision	Total
	Kshs	Kshs	Kshs	Kshs
<b>Balance b/f</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Additional provisions	0	0	0	0
Provision utilised	0	0	0	0
Change due to discount and time value for money	0	0	0	0
<b>Total provisions year end</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Current Provisions	0	0	0	0
Non-Current Provisions	0	0	0	0

34. Lease Liabilities

Description	2024-2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
<b>Balance at the beginning of the year</b>	<b>0</b>		<b>0</b>	
Discount interest on lease liability	0		0	
Paid during the year	0		0	
<b>At end of the year</b>	<b>0</b>		<b>0</b>	

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Notes to the Financial Statements (Continued)

Maturity Analysis

Period	Amount
Year 1	0
Year 2	0
Year 3	0
Year 4	0
Year 5 and onwards	0
Less: unearned Interest	0

Analysed as:

Description	Amount
Current	0
Non- Current	0
<b>Total</b>	<b>0</b>

35. Deferred Income

Description	2024-2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
National Government	0	0
International Funders	0	0
Public Contributions and Donations	0	0
<b>Total Deferred Income</b>	<b>0</b>	<b>0</b>

The deferred income movement is as follows:

	National government	International funders	Public contributions and donations	Total
	Kshs	Kshs	Kshs	Kshs
Balance Brought Forward	0	0	0	0
Additions	0	0	0	0
Transfers To Capital Fund	0	0	0	0
Transfers To Income Statement	0	0	0	0
Other Transfers	0	0	0	0
Balance Carried Forward	0	0	0	0

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Notes to the Financial Statements (Continued)

Analysed as:

Description	Amount
Current	0
Non- Current	0
<b>Total</b>	<b>0</b>

36. Employee Benefit Obligations

Description	Defined benefit plan	Post-employment medical benefits	Other Benefits	2024-2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs	Kshs	Kshs	Kshs
Current Benefit Obligation	0	0	0	0	0
Non-Current Benefit Obligation	0	0	0	0	0
<b>Total Employee Benefits Obligation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Retirement benefit Asset/ Liability

The entity does not operate a defined benefit scheme for all full-time employees.

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

Recognition of Retirement Benefit Asset/ Liability

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

Description	2024-2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
The return on defined plan assets	0	0
Actuarial gains/ losses arising from changes in demographic assumptions	0	0

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Actuarial gains/ losses arising from changes in financial assumptions	0	0
Actuarial gains and losses arising from experience adjustments	0	0
Others (specify)	0	0
Adjustments for restrictions on the defined benefit asset	0	0
<b>Remeasurement of the net defined benefit liability (asset)</b>	0	0

**b) Amounts recognized in the Statement of Financial Position**

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

The County Assembly of Kiambu also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The County Assembly of Kiambu obligation under the scheme is limited to specific contributions legislated from time to time and is currently at Kshs. 1,080 per employee per month. Other than NSSF the Entity also has a defined contribution scheme operated by Lapfund and Laptrust Pension Fund. Employees contribute 6% while employers contribute 6% of basic salary. Employer contributions are recognised as expenses in the statement of financial performance within the period they are incurred.

County Assembly of Kiambu  
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Notes to the Financial Statements (Continued)

37. Borrowings

Description	2024-2025
	Kshs
<b>a) External borrowings</b>	
Balance at beginning of the year	0
External borrowings during the year	0
Repayments of during the year	0
<b>Balance at end of the year</b>	<b>0</b>
<b>b) Domestic borrowings</b>	
Balance at beginning of the year	0
Domestic borrowings during the year	0
Repayments during the year	0
<b>Balance at end of the year</b>	<b>0</b>
<b>Balance at end of the period- domestic and External borrowings c = (a+b)</b>	<b>0</b>

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

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

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**Notes to the Financial Statements (Continued)**

Description	2024-2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Short Term Borrowings (Current Portion)	0	0
Long Term Borrowings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**38. Service Concession Arrangements Liability**

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

**39. Cash Generated from Operations**

	2024-2025
	Kshs
<b>Surplus for the year before tax</b>	<b>(49,245,137)</b>
<b>Adjusted for:</b>	
Depreciation	110,803
Non-cash grants received	0
Contributed assets	0
Impairment	0
Gains and losses on disposal of assets	0
Contribution to provisions	0
Contribution to impairment allowance	0
<b>Working capital adjustments</b>	
Increase in inventory	0
Decrease in receivables	1,013,965
Increase in deferred income	0
Increase in payables	49,819,306
Increase in payments received in advance	0
<b>Net cash flow from operating activities</b>	<b>1,698,937</b>

**County Assembly of Kiambu  
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**Notes to the Financial Statements (Continued)**

*Decrease in receivables and increase in payables of Kshs. 1,013,965 and Kshs. 49,819,306 respectively excludes Kshs. 352,000 and Kshs. 1,061,569 that relates to property, plant and equipments under prepayments and trade payables respectively that affects cashflow from investing activities and not cashflow from operating activities.*

**40. Financial Risk Management**

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

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

**i) Credit risk**

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

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

	<b>Total amount</b>	<b>Fully performing</b>	<b>Past due</b>	<b>Impaired</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>As at 30 June 2025</b>				
Receivables from exchange transactions	1,175,198	1,175,198	0	0
Receivables from non-exchange transactions	0	0	0	0
Bank balances	17	17	0	0
<b>Total</b>	<b>1,175,215</b>	<b>1,175,215</b>	<b>0</b>	<b>0</b>

Notes to the Financial Statements (Continued)

**Financial Risk Management**

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

**ii) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the Entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	As at 30 June 2025			Total
	Less than 1 month	Between 1-3 months	Over 5 months	
	Kshs	Kshs	Kshs	Kshs
Trade payables	0	0	279,590,485	279,590,485
Current portion of borrowings	0	0	0	0
Provisions	0	0	0	0
Deferred income	0	0	0	0
Employee benefit obligation	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>279,590,485</b>	<b>279,590,485</b>

**County Assembly of Kiambu**  
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**Notes to the Financial Statements (Continued)**

**Financial Risk Management**

**iii) Market risk**

The County Assembly 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 County Assembly Internal Audit Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Entity's exposure to market risks or the manner in which it manages and measures the risk.

**a) Foreign currency risk**

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

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**Notes to the Financial Statements (Continued)**

**Financial Risk Management**

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

**Current FY**

	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
<b>As at 30 June 2025</b>			
<b>Financial Assets</b>	0	0	0
Investments	0	0	0
Cash	0	0	0
Debtors	0	0	0
<b>Total Financial Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financial Liabilities</b>			
Trade And Other Payables	0	0	0
Borrowings	0	0	0
<b>Total Financial Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Foreign Currency Asset/(Liability)</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Financial Risk Management**

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

	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
<b>2024</b>			
Euro	10%	0	0
USD	10%	0	0
<b>2025</b>			
Euro	10%	0	0
USD	10%	0	0

**Notes to the Financial Statements (Continued)**

**b) Interest rate risk**

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

**Management of interest rate risk**

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

**Financial Risk Management**

**Sensitivity analysis**

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

**Fair value of financial assets and liabilities**

**a) Financial instruments measured at fair value.**

**Determination of fair value and fair values hierarchy**

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

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

**County Assembly of Kiambu  
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**Notes to the Financial Statements (Continued)**

**Financial Risk Management**

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

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

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

**iv) Capital Risk Management**

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

	2024-2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Revaluation Reserve		
Retained Earnings		
Capital Reserve		
<b>Total Funds</b>		
Total Borrowings	0	0
Less: Cash And Bank Balances		
Net Debt/ (Excess Cash and Cash Equivalents)		
<b>Gearing</b>	xx%	xx%

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**Notes to the Financial Statements (Continued)**

**41. Related Party Disclosures**

**Nature of related party relationships**

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

**Government of Kenya**

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

**Other related parties include:**

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

	2024-2025
	Kshs
<b>Transactions with related parties</b>	
<b>a) Sales to related parties</b>	
Others (specify) e.g. interest and bank charges	0
<b>Total</b>	<b>0</b>
<b>B) purchases from related parties</b>	
Purchases of electricity from KPLC	721,643
Purchase of water from govt service providers	292,322
Rent expenses paid to govt agencies	0
Training and conference fees paid to govt. Agencies	0
Others (specify)	0
<b>Total</b>	<b>1,013,965</b>
<b>b) Grants /transfers from the government</b>	
Grants from national govt	0
Grants from county government	0
Donations in kind	0
<b>Total</b>	<b>0</b>
<b>c) Expenses incurred on behalf of related party</b>	
Payments of salaries and wages for employees	0
Payments for goods and services	0
<b>Total</b>	<b>0</b>
<b>d) Key management compensation</b>	
Compensation to key management	331,092,162
<b>Total</b>	<b>332,106,127</b>

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**42. Segment Information**

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

**43. Contingent Assets and Contingent Liabilities**

**Contingent Assets**

	<i>2024-2025</i>
	<b>Kshs</b>
<b>Contingent Assets</b>	
Insurance Reimbursements	0
Assets Arising from Determination of Court Cases	0
Reimbursable Indemnities and Guarantees	0
Receivables From Other Government Entities	0
Others (Specify)	0
<b>Total</b>	<b>0</b>

**Contingent Liabilities**

	<i>2024-2025</i>
	<b>Kshs</b>
<b>Contingent Liabilities</b>	
Court Case xx against the Entity	0
Bank Guarantees in Favour of Subsidiary	0
Contingent Liabilities arising from Contracts Including PPPs	0
Others	0
<b>Total</b>	<b>0</b>

**44. Capital Commitments**

<b>Capital Commitments</b>	<i>2024-2025</i>
	<b>Kshs</b>
Authorised for	0
Authorised and contracted for	0
<b>Total</b>	<b>0</b>

**County Assembly of Kiambu  
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**Notes to the Financial Statements (Continued)**

**45. Program for Results (PforR) Disclosure**

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

Name of PforR: xxxxx	Name of Financing Partners: xxx and xxx					
	Opening Cumulative for Previous FYs		Current FY		Total Cumulative	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>Program code</b>						
Sub-program						
Sub-program						
<b>Sub-total</b>						
<b>Program code</b>						
Sub-program						
Sub-program						
<b>Sub-total</b>						
<b>Total</b>	xx	xx	xx	xx	xx	xx

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

**46. Events after the Reporting Period**

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

**47. Ultimate And Holding Entity**

The Entity ultimate parent is the Government of Kenya.

**48. Currency**

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

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16. Appendix

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:
1	<p><b>Compensation of Employees</b> The statement of receipts and payments reflects compensation of employee's expenditure of Kshs.571,271,477 as disclosed in Note 4 to the financial statements. However, it was noted that during the year under review, two members of the County Assembly Service Board who are external members of the Board and were not members of staff were paid salaries of Kshs.1,455,711 each during the year under review. Further, examination of Board minutes provided for audit revealed that the two members did not attend any meetings during the year and the salaries paid to them could not be justified. In the circumstance, the propriety and validity of the expenditure of Kshs.2,911,422 under compensation of employees could not be confirmed.</p>	<p>Two members of the County Assembly Service Board who are external members of the Board were paid salaries of Kshs. 1,455,711 each during the year under review. The positions of the said members were declared vacant and the qualified interested persons invited to apply in accordance with the first schedule of the County Assembly Services Act (CAP 265D) through a Gazette notice No. 11876. However, the members continued to earn a retainer fee in accordance with the SRC Circular dated 8<sup>th</sup> December 2017 SRC/TS/CGOVT/3/61Vol.IV(44) pending the appointment of the qualified persons pursuant to Section 12 (6) of County Government Act. Additionally, the Assembly has since appointed external board member and struck out the ones in the audit report from the payroll.</p>	The report has been tabled at the Senate awaiting the resolutions	
2.	<p><b>Inconsistencies in the Financial Statements</b> The statement of receipts and payments reflects transfers to other Government entities amount of Kshs.201,960,000 which constitute of motor vehicle reimbursements of Kshs.176,960,000 and car loan and mortgage of Kshs.25,000,000 payable to honourable Members of the County assembly as disclosed in Note 7 to the financial statements. However, the amount of Kshs.176,960,000 was not transferred to the Car Loan and Mortgage Scheme Fund. In the circumstances, the propriety of transfers to other Government entities totaling Kshs.176,960,000 could not be confirmed.</p>	<p>The statement of receipts and payments reflects transfers to other Government entities an amount of Kshs.201,960,000 which constitutes of motor vehicle reimbursements of Kshs.176,960,000 and car loan and mortgage of Kshs. 25,000,000 payable to Honourable members of the County Assembly as disclosed in note 7 to the financial statements. These funds were budgeted in the annual budget estimates under the budget line of transfer to other Government entities where funds for car loan and mortgage loan scheme fund is budgeted from. However, the amount of Kshs.176,960,000 was not transferred to the car loan and mortgage Scheme fund as</p>	The report has been tabled at the Senate awaiting the resolutions	

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	<p>they were a one-off payment and therefore not part of the revolving fund.</p> <p>The County Assembly approved a budget of Kshs. 1,755,986,518 with 1,628,986,518 and Kshs. 127,000,000 being Recurrent and Development expenditure respectively. The County Assembly received Kshs.1,419,787,566 out of the budgeted amount of Kshs.1,755,986,518 in the financial year 2023-2024. However, the County Assembly did not receive the total budgeted amount from the County Treasury and as a result, the Assembly could not fully absorb its budget. Further, the County Assembly incurred an expenditure of Kshs. 1,648,463,561 out of a budgeted amount of Kshs. 1,755,986,518 which translates to 93.8% budget absorption. Out of the expenditure of Kshs. 1,648,463,561, Kshs. 1,419,787,046 was paid while the balance Kshs. 228,676,515 was pending payables.</p>	<p>The report has been tabled at the Senate awaiting the resolutions.</p>	
<p>Budgetary Control and Performance</p> <p>The statement of comparison of budget and actual amounts: recurrent and development combined reflects final budget receipts and actual on comparable basis amounts of Kshs.1,755,986,518 and Kshs.1,419,787,566 resulting to an under funding of Kshs.336,198,952 or 19% of the budget. Similarly, the statement reflects final budget expenditure amount of Kshs.1,755,986,518 against actual amount on comparable basis of Kshs.1,419,787,046 resulting to an under expenditure of Kshs.336,199,472 or 19% of the budgeted expenditure. The under-funding and under-utilization affected the planned activities of the Assembly and may have impacted negatively on service delivery to the public.</p>	<p>The purchase of toners were made at a time when they were out of stock and at this particular time, the Assembly was processing the budget estimates for the financial year 2024-2025 from all sectoral committees which had strict timelines and an immediate intervention was required in the Assembly for smooth operations to continue. The procedure that was used was not for the purpose of avoiding competition and hence no benefit would accrue in-terms of time and cost implications in using other procurement methods.</p>	<p>The report has been tabled at the Senate awaiting the resolutions</p>	
<p><b>REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES</b></p> <p>Basis for Conclusion</p> <p>Non-Compliance with Provision of the Law on Procurement Method</p> <p>Note 5 to the financial statements reflects use of goods and services expenditure totalling to Kshs.604,571,505 which includes an amount of Kshs.31,551,072 relating to other operating expenses. However, the financial records revealed that there was purchase of toners beyond the legal threshold required by law for low value procurement of Kshs 210,300. This was contrary to the Second Schedule of the Procurement and Asset Disposal Act, Regulations, 2020 which requires that the maximum level of expenditure under low value procurement be KES.50,000 per item per financial year.</p> <p>In the circumstance, Management was in breach of the law.</p>	<p>As stated, the County Assembly has Ninety-Nine (99) employees of which 84% are from the dominant community. The openings are advertised nationally through dailies and the website. This therefore means that equal opportunities during the recruitment process is given to all candidates including those from the non-dominant communities. However, consideration is given to the qualified candidate. The Assembly</p>	<p>The report has been tabled at the Senate awaiting the resolutions</p>	
<p>1.</p> <p><b>Non-Adherence to Ethnicity Rule</b></p> <p>The statement of receipts and payments and Note 4 to the financial statements reflects compensation of employee's expenditure amounting to Kshs.571,271,477. Review of employee records for the County Assembly of Kiambu revealed that eight three (83) or 84% of employees of the total population of ninety-nine (99) staff comprised staff from one dominant ethnic community employed by the Assembly. This is 50% above the requirements of Section 7(1)(2) of the National</p>	<p>As stated, the County Assembly has Ninety-Nine (99) employees of which 84% are from the dominant community. The openings are advertised nationally through dailies and the website. This therefore means that equal opportunities during the recruitment process is given to all candidates including those from the non-dominant communities. However, consideration is given to the qualified candidate. The Assembly</p>	<p>The report has been tabled at the Senate awaiting the resolutions</p>	<p>2.</p>

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	<p>Cohesion and Integration Act_No12 of 2008 which stipulates that no public establishment shall have more than one third of its staff from the same ethnic community. Further, three (3) employees recruited during the year ended 30 June, 2024 belong to one dominant ethnic community which is equivalent to 100% of the new recruits. This was contrary to Section 7(1) of the National Cohesion and Integration Act, 2008, which provides that "All public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff". Section 7(2) further requires that no public establishment shall have more than one third of its staff from the same ethnic community. In the circumstance, Management was in breach of the law.</p>	<p>also endeavours to progressively address the issue by stating clearly in the advert that non-dominant ethnic group and people living with disability are encouraged to apply in the advert.</p>	
<p>3.</p>	<p><b>Non-Compliance with One Third Rule on Basic Salary</b> The statement of receipts and payments and Note 4 to the financial statements reflect compensation of employees' expenditure amounting to Kshs.571,271,477. Review of the Integrated Payroll and Personnel Database (IPPD) revealed that a total of fifty-three (53) employees were receiving less than one-third (1/3) of their respective basic salaries. This may lead to pecuniary embarrassment and inefficiency in discharging of duties by the affected officers. This was contrary to the Employment Act, 2007, Section 19 which provides that the total amount of all deductions which under the provisions of subsection (1), may be made by an employer from the wages of his employee at any one time shall not exceed two-thirds of such wages or such additional or other amount as may be prescribed by the Minister either generally or in relation to a specified employer or employee or class of employers or employees or any trade or industry. In the circumstances, Management was in breach of the law</p>	<p>As stated, some employees were receiving less than one-third (1/3) of their respective basic salaries, this was mainly occasioned by the introduction of the Housing Levy and an enhanced National Social Security Fund (NSSF) which affected the employees who had already taken facilities with various financial institutions. However, the situation has been addressed by the introduction of a new System, the Human Resource Information System (HRIS- Ke) which does not allow deductions below one third.</p>	<p>The report has been tabled at the Senate awaiting the resolutions</p>
<p>4.</p>	<p><b>Long outstanding Debts</b> Annex 1 to the financial statements reflects analysis of other pending payables amounting to Kshs.161,824,165 as at 30 June, 2024 with some bills dating as far back as 2019/2020 financial year. It is not clear why the bills remained outstanding and did not form first charge of payments in the following financial year. This was contrary to Regulation 4(2) of the Public Finance Management (County Governments) Regulations, 2015 which requires that debt service payments shall be a first charge on the County Revenue Fund and the Accounting Officer shall ensure this is done to the extent possible that the County Government does not default on debt obligations. In the circumstance, Management was in breach of the law and there is risk of loss of public funds through litigations, interests and penalties</p>	<p>The County Assembly had pending payables of Kshs. 228,676,515 as at 30 June 2024. Currently, the County Assembly has paid Kshs. 66,852,350 as first charge which were part of the pending payables brought forward. However, during the financial year under review, the County Assembly processed and requisitioned funds, Kshs. 65,879,045 and Kshs. 27,572,655 for Recurrent and Development expenditure respectively. The funds requisitioned were not honoured by the County Treasury resulting into pending payables.</p>	<p>The report has been tabled at the Senate awaiting the resolutions</p>

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5.	<p>Irregular Payments to Society of Clerks at the Table and County Assembly Forum. The statement of receipts and payments reflects use of goods and services expenditure totalling Kshs.604,571,505 which includes other operating expenses amounting to Kshs.31,551,072 as disclosed in Note 5 to the financial statements. Review of sampled payment vouchers relating to membership fees, dues and subscriptions to professional and trade bodies revealed that an amount of Kshs.1,500,000 was paid to Society of Clerks at the Table and County Assembly Forum. However, the payments were made without any budget allocation contrary to Regulation 31(a) and 50(2) of the Public Finance Management (County Governments) Regulations, 2015 which requires that all expenditure shall be entered into the budget and shall be committed only against allocation and commitments approval.</p> <p>In the circumstances, Management was in breach of the law.</p>	<p>Payments to Society of Clerks-at-the-Table (SOCATT) and County Assembly Forum (CAF) are charged under the budget account code - Membership Fees, Dues and Subscriptions to Professional and Trade Bodies -2211306. During the year under review, the Assembly had provided Kshs.5,000,000 under the County Legislature vote head and Kshs.1,100,000 under the financial management and administrative vote head in the budget. Thus, the payments to County Assembly Forum (CAF) and the Society of Clerks at the Table were made out of these budgetary provisions.</p>	<p>The report has been tabled at the Senate awaiting the resolutions</p>
6.0 6.1	<p>Stalled Projects Construction of County Assembly Archives and Member Welfare Facility The County Assembly entered into a contract with a local company for construction of the County Assembly Archives and Members' welfare facility on 28 May, 2021. The first certificate of the County Assembly Archives and Members' welfare facility was raised of Kshs.9,661,261,240 during the financial year 2021/2022 which remained outstanding as at 30 June, 2024. Review of the project implementation status report revealed that the project was 25% complete. Further, audit inspection carried out on 8 November, 2024 revealed that the contractor had abandoned the site and the building had stalled.</p>	<p>The County Assembly entered into a contract with a local company for construction of the County Assembly Archives and Members' welfare facility on 28 May, 2021. The first certificate was raised of Kshs.9,661,241 during the financial year 2021/2022. Upon receiving the first interim payment certificate of Kshs. 9,661,241, the County Assembly made a requisition of funds to the County Treasury. However, by the close of the financial year 2022-2023, the requisition had not been funded to settle the certificate. Further in the following financial year, the Assembly made a similar requisition which was not also funded. The County Assembly has still made the same requisition this current financial year 2024-2025 and has not received the funds yet.</p>	<p>The report has been tabled at the Senate awaiting the resolutions</p>
6.2	<p>Construction of Ward offices at Karai and Construction of Ward offices at Bibirioni Ward Contract for construction of ward offices at Karai and Bibirioni Wards was awarded to a contractor on 10 February, 2020 at a contract price of Kshs.3,965,016 each for a period of fourteen (14) weeks starting 20 March, 2020. The contractor raised the first certificates of Kshs.2,840,106 each in the financial year 2020/2021 which were paid. Review of the project implementation status report revealed that the Karai and Bibirioni Ward offices projects were 85% complete. Further, audit inspection revealed that the contractor was not on site and the construction of both ward offices had stalled. It was also noted that the</p>	<p>As stated in the report, the contract for construction of ward offices at Karai and Bibirioni wards were awarded to a contractor on 10 February, 2020 at a contract price of Kshs. 3,965,016 each for a period of fourteen weeks. The first certificate was raised of Kshs.2,840,106 each and was paid. However, despite the payment and further instructions to carry on the works, the contractor abandoned the construction works at the two sites without giving written notice. The contractor also refused to submit an updated works program to the Project Manager and resume the construction works despite several demand letters by the Assembly. Consequently, the contractor</p>	<p>The report has been tabled at the Senate awaiting the resolutions</p>

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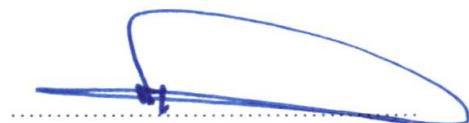
	<p>projects had been vandalized and works done had deteriorated due to abandonment of the projects.</p>	<p>failed to execute their obligation to complete the construction works. Due to this contract frustrations, the Contract Implementation Team in one of its meetings held on 29th August 2023 recommended that the contracts awarded to Stable Fix Construction Enterprises Limited for construction of Bibirioni Ward office and Karai Ward office be terminated pursuant to section 15(2a) &amp; (g) of the Public Procurement and Asset Disposal Act, 2015 and 141(4) of the Public Procurement and Asset Disposal Regulations, 2020. The two projects have since been terminated following approval by the County Assembly service Board and the Assembly has issued a legal demand notice to the contractor for damages incurred by the Assembly failure to which the Assembly will sue the contractor for damages. To safeguard the Karai and Bibirioni ward offices from further vandalism the assembly has directed the respective ward staff to take care of the building.</p>	
6.3	<p>Construction of Ngoliba Ward Offices Contract for construction of Ngoliba ward offices was awarded to a local contractor on 28 March, 2023 at a contract price of Kshs.7,120,351 for a period between 12 May, 2023 to September, 2023 under tender no 1187335-2022/2023. Review of the project file revealed that the contractor raised the first certificate of Kshs.2,691,624 which remained outstanding as at 30 June, 2024. Audit inspection carried out in the month of October, 2023 revealed that the project was 37% complete, the contractor had abandoned the site and there was no signage for the project under construction. As at 8 November, 2024, the status had not changed.</p>	<p>As stated in the report, the contract for construction of Ngoliba ward office was awarded to a local contractor on 28 March 2023 at a contract price of Kshs. 7,120,351 for a period between 12 May 2023 to September 2023. The first certificate was raised of Kshs.2,691,624. Upon receiving the first interim payment certificate of Kshs. 2,691,624, the County Assembly made a requisition of funds to the County Treasury. However, by the close of the financial year 2023-2024, the requisition had not been funded to settle the certificate. This pending bill was declared accordingly and budgeted for in the financial year 2024-2025. The County Assembly has still made the same requisition this current financial year 2024-2025 and has not received the funds as yet. Honorable Chairman, it is true at the time of audit, the signage for the project under construction was missing. However, the signage for the project has since been re-erected.</p>	<p>The report has been tabled at the Senate awaiting the resolutions</p>
6.4	<p>Construction of Ngeva Ward Office The Assembly awarded a local contractor a contract for the construction of Ngeva Ward offices on 28 March, 2023 at a contract price of Kshs.7,875,626 for a period of 16 weeks between 9 May to 18 August, 2023. However, the acceptance letter</p>	<p>As stated in the report the Assembly awarded a local contractor a contract for the construction of Ngeva ward offices on 28 March, 2023 at a contract price of Kshs. 7,875,626 for a period of 16 weeks. An award was made to M/S Marlin Enterprises</p>	<p>The report has been tabled at the Senate</p>

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<p>awaiting the resolutions</p>	<p>Lid who made acceptance of the offer vide letter dated 3 April 2023. Thereafter, a contract was entered between the contractor and the Assembly on 5 May, 2023. The contractor raised the first certificate of Kshs.1,742,150. Upon receiving the first interim payment certificate of Kshs. 1,742,150, the County Assembly made a requisition of funds to the County Treasury. However, by the close of the financial year 2023-2024, the requisition had not been funded to settle the certificate. This pending bill was declared accordingly and budgeted for in the financial year 2024-2025. The County Assembly has still made the same requisition this current financial year 2024-2025 and has not received the funds as yet. The interim certificate was backed by progress reports/ minutes of the contract implementation team.</p>	<p>As reflected in the financial statements, compensation of employees' expenditure of Kshs. 571,271,477 is dictated by a number of factors including the following- !The number of county Assembly members is determined by Independent Electoral (IEBC) and Boundaries Commission and their remuneration and benefits are determined by Salaries and Remuneration Commission (SRC). !The number of ward partisan staff and their benefits is determined by the Commission of Revenue Allocation (CRA). !The number of pensionable staff is determined by Commission of Revenue Allocation (CRA) and their Salaries and benefits are determined by Salaries and Remuneration Commission (SRC). Further, pursuant to section 25(b) of the Public Finance Management (County Government Regulations) 2015 states that the County Government's expenditure on wages and benefits for its public officers shall not exceed thirty-five (35%) percent of the County Government's total revenue. The determination of whether the compensation of employees is within the threshold of 35% provided in the regulations should not be based on the County Assembly recurrent ceiling instead it should be based on the total County revenue. Therefore, the expenditure for compensation of employees of Kshs. 571,271,477, has not exceeded the allowed thirty-five percent</p>	<p>7.0</p>
<p>awaiting the resolutions</p>	<p>The report has been tabled at the Senate awaiting the resolutions</p>	<p>Note 4 to the financial statements reflects compensation of employees' expenditure of Kshs.571,271,477. The amount represents approximately 40% of the transfers from CRF of Kshs.1,419,787,566 being 5% percentage points over and above the maximum allowed ceiling contrary to Regulation 25(1)(b) of the Public Finance Management (County Government) Regulations 2015 which requires the expenditure set should not exceed thirty-five (35) percent of the county Government's revenue. In the circumstances, Management was in breach of the law.</p>	<p>7.0</p>

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		(35%) threshold with respect to the County Government total revenue.		
1.0	<p><b>REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE</b>  Basis for Conclusion  Lack of ownership documents  Annex 4 to the financial statements reflects the summary of non-current assets register with a current cost amount of Kshs.700,295,743. Included in the assets analysis is land and buildings and structures valued at Kshs.34,324,756 and Kshs.45,173,553 respectively. However, land ownership documents were not provided for audit. Further, the statement of receipts and payments reflects an amount of Kshs.12,073,012 relating to acquisition of assets. Included in this amount is Kshs.8,994,150 relating to purchase of vehicles and other transport equipment as disclosed in Note 10 to the financial statements. During the year under review, the County Assembly of Kiambu purchased a motor vehicle- ISUZU double cab hilux pick-up for Kshs.8,994,150. However, the audit revealed that the County Assembly was not in possession of the motor vehicle logbook. In the circumstance, the effectiveness of internal controls on the assets could not be confirmed.</p>	<p>As stated, annex 4 to the financial Statements reflects the summary of non-current assets register. Included in the asset analysis is lands and buildings; and structures valued at Kshs 34,324,756 and Kshs 45,173,553 respectively. The County Assembly inherited the parcel of land and buildings thereon from the defunct County Council of Kiambu in the year 2013. However, the land was not registered and hence did not have a title deed. The process of registering the land for issuance of a title deed has since been initiated and a draft part Development plan (PDP) has been circulated for comments. Further, the Assembly procured 1 No. Isuzu Registration ISUZU RGO6TFS40/D-CAB P/UP from M/S Isuzu East Africa Limited which was delivered on July 1 2024, the vehicle has since been registered as 22CG403A. However, the dealer mistakenly delivered the logbook to the County Executive and is currently in the safe custody of the County Secretary, County Government of Kiambu. We have since requested the County Secretary to surrender the original logbook to the County Assembly.</p>	The report has been tabled at the Senate awaiting the resolutions	
2.0	<p><b>Non - Adherence to Quarterly Meetings</b>  During the year under review, the audit committee held three meetings dated 8 August, 2023, 20 September, 2023 and 3 November, 2023 to discuss prior year issues as opposed to the minimum of four quarterly meetings as per the gazette notice. This is contrary to The Kenya Gazette Notice vol CXVIII-No.40 Dated 15th April, 2016: 5.2(a) which States that the Audit Committee should meet at least Quarterly.  In the circumstances, it was not possible to confirm whether there were effective internal controls in relation to audit committee review.</p>	<p>The Audit committee held three meetings during the year under review. This is because the term of the Audit Committee had expired on 9th November 2023 and at the time of the audit, the County Assembly Service Board was in the process of recruiting the new Audit Committee members that were appointed on 25th June 2024; hence the meetings could not take place in the third and Fourth quarter of 2024.</p>	The report has been tabled at the Senate awaiting the resolutions	



**John Mwivithi Mutie**

**Date**

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**Appendix II: Projects implemented**

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)

**Status of Projects completion**

Project	Total project	Total expended to date	Completion % to date	Budget	Actual	Sources of funds

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**Appendix IV: Transfers from Other Government Entities**

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

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Appendix VI: Reporting of Climate Relevant Expenditures

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

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**Appendix VII: Disaster Expenditure Reporting Template**

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

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Appendix VIII: Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) Previous Year	Additions during the year (Kshs)	Disposals during the year (Kshs)	Transfers in/(out) during the year	Historical Cost c/f (Kshs) Current Year
Land	34,324,756	0	0	0	34,324,756
Buildings and structures	45,173,553	0	0	0	45,173,553
Transport equipment	21,994,150	0	0	0	21,994,150
Office equipment, furniture and fittings	58,836,542	1,248,000	0	0	60,084,542
ICT Equipment	30,394,248	517,500	0	0	30,911,748
Machinery and Equipment	9,167,051	0	0	0	9,167,051
Biological assets	0	0	0	0	0
Infrastructure Assets- Roads, Rails	0	0	0	0	0
Heritage and cultural assets	0	0	0	0	0
Intangible assets	464,161,100	0	0	0	464,161,100
Work in Progress	36,244,344	644,069	0	0	36,888,413
<b>Total</b>	<b>700,295,744</b>	<b>2,409,569</b>	<b>0</b>	<b>0</b>	<b>702,705,313</b>